TRANSPORTATION AUTHORITY OF MARIN
BOARD OF COMMISSIONERS MEETING

JANUARY 24, 2013

7:00 P.M.

MARIN COUNTY CIVIC CENTER, ROOM 330
3501 Civic Center Drive, San Rafael, California

PLEASE JOIN TAM OUTSIDE THE BOARD CHAMBERS FOR A BRIEF RECEPTION CELEBRATING THE SERVICE OF 2012 OUTGOING COMMISSIONERS SCOT HUNTER, TOWN OF ROSS AND MIKE KELLY, CITY OF SAUSALITO

TIME: 6:30 PM

781 Lincoln Avenue
Suite 160
San Rafael
California 94901

Phone: 415/226-0815
Fax: 415/226-0816

www.tam.ca.gov

AGENDA

1. Chair's Report (Discussion)
2. Commissioner Matters not on the Agenda (Discussion)
3 Executive Director's Report (Discussion)
4. Commissioner Reports (Discussion)
   a. Executive Committee – Commissioner Moulton-Peters
   b. SMART – Commissioner Arnold
5. CONSENT CALENDAR (Action) – ***Attachment***
   a. Approve TAM Minutes of November 29, 2012
   b. Exercise 2nd Year Option on Transportation Demand Management (TDM) Software Contract with Transmetro, Inc.
   c. Measure A Allocation to Local Infrastructure Projects in Strategy 3.2
   d. Acceptance of 2012 Measure A Compliance Audit Results
   e. Marin-Sonoma Narrows – Contract time extension to provide Design Support During Construction
   f. Report on the Transportation Authority of Marin's Disadvantaged Business Enterprise (DBE) Program
   g. Reappoint TAM Board member Gary Phillips to the Sonoma-Marin Rail Transit District (SMART) Board of Directors
6. Caltrans Report (Discussion) - ***Attachment***
7. Approve Letter of Support for dedicated funds at the state level for Safe Routes to School (Action) – Shaw/Yoder/Antwih - ***Attachment***
8. Acceptance of COC Annual Report (Action) – ***Attachment***





Late agenda material can be inspected in TAM's office between the hours of 8:00 a.m. and 5:00 p.m. TAM is located at 781 Lincoln Avenue, Suite, 160, San Rafael.

The meeting facilities are accessible to persons with disabilities. Requests for special accommodations (assisted listening device, sign language interpreters, etc.) should be directed to Denise Merleno, 415-226-0820 or email:dmerleno@tam.ca.gov **no later than 5 days** before the meeting date.

The Marin County Civic Center is served by several bus lines including Marin Transit Routes 45, 45K, 49, 233, and 259. Route 45 provides service to the Civic Center Hall of Justice Arch until 8:43 PM. In the evening, Golden Gate Transit provides service until 11:24 PM with routes 70 and 80 along Highway 101 from the San Pedro Road bus pads, which are about a half mile away. To access the San Pedro bus pad NB, walk south down San Pedro Rd and take the footpath to the NB 101 onramp where the bus stop is located. To access the SB pad, walk down San Pedro Rd and under the freeway, turn right on Merrydale and then take the footpath near the SB onramp to the bus pad. For arrival and departure times, call 511 or visit www.marintransit.org, or www.goldengate.com.

9. Highway 101 Greenbrae/Twin Cities Corridor Improvement Project Update (Discussion) - ***Attachment***
10. Marin County Bike Share Feasibility Study (Action) - ***Attachment***
11. Review Draft Work Scope for Contract RFP for Continuation of Safe Routes to Schools Program (Discussion) - ***Attachment***
12. FY2012-13 Second Quarter Financial Report (Discussion) - ***Attachment***
13. Open time for items not on the agenda

MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
TAM

NOVEMBER 29, 2012
7:00 PM

ROOM 330
MARIN COUNTY CIVIC CENTER
3501 CIVIC CENTER DRIVE
SAN RAFAEL, CALIFORNIA

MEETING MINUTES

Members Present:	Alice Fredericks, Tiburon Town Council, TAM Chair Dan Hillmer, Larkspur City Council Diane Furst, Corte Madera Town Council Eric Lucan, Novato City Council Ford Greene, San Anselmo Town Council Gary Phillips, San Rafael City Council John Reed, Fairfax Town Council Judy Arnold, Marin County Board of Supervisors, TAM Vice Chair Kathrin Sears, Marin County Board of Supervisors Katie Rice, Marin County Board of Supervisors Mike Kelly, Sausalito City Council P. Beach Kuhl, Ross Town Council Sandra Donnell, Belvedere City Council Stephanie Moulton-Peters, Mill Valley City Council Steve Kinsey, Marin County Board of Supervisors
Members Absent:	Susan Adams, Marin County Board of Supervisors
Staff Members Present	Dianne Steinhauser, Executive Director David Chan, Manager of Programming and Legislation Li Zhang, Chief Financial Officer Linda Jackson, Manager of Planning Suzanne Loosen, Transportation Planner

Chair Alice Fredericks called the meeting to order at 7:06 p.m.

1. Chair's Report (Discussion)

Chair Fredericks had no report.

a. Approve a Proclamation of Thanks for Congresswoman Lynn Woolsey (Action)

Executive Director Dianne Steinhauser gave a brief report on the work of Congresswoman Woolsey, particularly her involvement with TAM projects including the Hwy 101 Gap Closure, and Marin-Sonoma Narrows as well as transportation-related legislation. She also commended her aide, Anita Franzi, for her excellent attention to TAM needs, who was in attendance to receive the Proclamation.

Chair Fredericks read the Proclamation and presented it to Ms. Franzi. Ms. Franzi expressed appreciation personally and on behalf of Congresswoman Woolsey, who was not able to be in attendance.

Chair Fredericks opened public comment on the item.

Andy Peri, Marin County Bicycle Coalition, thanked Congresswoman Woolsey for her support of bicycle/pedestrian issues.

Seeing no further speakers, Chair Fredericks closed public comment on the item.

2. **Commissioner Matters not on the Agenda (Discussion)**

Commissioner Reed commented on the newly-paved Sir Francis Drake Boulevard, expressing concern about the placement of the fog line at the very edge of the road. ED Steinhauser asked for specifics regarding the location, which Commissioner Reed provided as being from the Shafter Bridge to the following bridge

Commissioner Kinsey elaborated on the issue as one the County was fully aware of. He agreed with Commissioner Reed's concerns; he indicated that the second phase of the project next Summer will correct the problem. He acknowledged that the current striping is intended to be temporary.

3. Executive Director's Report (Discussion)

ED Steinhauser highlighted items in the written report, including appointment of Representative Bill Schuster to the House Transportation & Infrastructure Subcommittee, the possibility of the long-term Federal Transportation bill being brought back for reconsideration sooner than planned, status of the Marin-Sonoma Narrows and Highway 101 Greenbrae projects, update on local activities including outreach to poll Marin employees about commute alternatives they would like to see implemented, the delay of the Plan Bay Area Draft EIR until March 2013, and electric vehicle news about the NRG settlement which will provide for 200 level-three fast chargers around the State including 55 for the Bay Area. She also expressed appreciation to Commissioner Mike Kelly from Sausalito for his service on the Board; she indicated this is his last meeting. Staff noted there will be a brief reception prior to the Board meeting in January to honor him along with outgoing Commissioner Scot Hunter from this past year.

ED Steinhauser reminded the Board that there will be no December meeting, and she reported that Jit Pander will be retiring as an employee for TAM, but will be returning as a consultant. She also discussed her participation in a statewide California Transportation Foundation Education Symposium which mentors engineering students and noted that her team received the trophy for Best Team at the event, beating out previous winners from Southern California.

4. Commissioner Reports (Discussion)

a. Executive Committee

Commissioner Moulton-Peters reported on Item 5d, regarding the use of Measure A and Measure B funds for routine maintenance for bicycle and pedestrian pathways. She noted that the Executive Committee recommended that the possible fund recipients be required to track all maintenance activities and associated costs for review and discussion at a future meeting. The

Executive Committee also recommended the list of routine and major maintenance items be re-prioritized to place more of an emphasis on the ride-ability and walk-ability of the path. Board members will consider new maintenance items for eligibility once a data collection period is complete. A recommendation of eligible maintenance items and the allocation of the Vehicle Registration Fee will be made at that time.

b. SMART

Vice Chair Arnold noted that on November 12 SMART's bond buyer, Far West, was selected as a finalist to vie for the National Bond Buyer's Deal of the Year award, out of 90 nominations. The winner will be announced at a ceremony in New York City in December.

5. CONSENT CALENDAR (Action)

a. Approve TAM Minutes of October 25, 2012
b. Marin Travel Model – Extension of Contract for On-Call Modeling Services
c. Exercise Second One-Year Option on Contract with Shaw/Yoder/Antwih to Provide State Legislative Services
d. Bicycle and Pedestrian Pathway Routine Maintenance – Policy to Use 1/2 cent Transportation Sales Tax Interest Funding and Vehicle Registration Fee Funding

Chair Fredericks indicated she wanted to take Item 5a off the Consent Calendar for a minor correction.

Commissioner Kelly moved to approve Consent Calendar Items b-d. Commissioner Arnold seconded the motion, which carried unanimously.

Chair Fredericks corrected page 10 where Bill Whitney states that the cost for maintaining existing pathways is $10,000 per year – she noted that it should say "per year, *per mile*."

Vice Chair Arnold moved to approve the Minutes of October 25, 2012, as corrected. Commissioner Lucan seconded the motion, and it carried unanimously.

6. Caltrans Report (Discussion)

ED Steinhauser indicated there was no Caltrans representative present, but a written report was in the agenda packet. She noted that the construction in the Marin-Sonoma Narrows project area would be suspended due to winter weather conditions until March or April. She also discussed the paving on Highway 101 south from Sir Francis Drake to the Golden Gate Bridge, and noted that any issues with striping, etc. should be relayed to TAM staff for resolution. The wok is nearing completion.

Commissioner Kinsey asked if the San Antonio Curve project was fully funded, and ED Steinhauser said it was. She discussed details of the project and funding sources. Note this project raises Highway 101 out of the San Antonio Creek flood zone, while adding a carpool lane from vicinity of existing San Antonio Road connection over the hill to the vicinity of Kastania. Commissioner Kinsey asked what issue was preventing completion of the carpool lanes in the remaining area between Atherton Avenue and San Antonio Road which ED Steinhauser discussed. She stated that a lack of funding, approximately $90 million in Marin and $190 million in Sonoma is preventing the completion of the HOV lane. Commissioner Kinsey commented on the issues facing commuters in that area during rush hour and indicated he was pleased that funding sources were still being sought for this important stretch of road.

Vice Chair Arnold asked, and ED Steinhauser confirmed that there was sufficient funding – approximately $25 million - to complete Northbound Highway 101 widening for the carpool lane in the section almost to the landfill. This project will start up in the spring as well.

7. 2012 State Legislative Update (Discussion)

ED Steinhauser began this discussion item by introducing Andrew Antwih, from Shaw/Yoder/ Antwih, who discussed opportunities coming up in 2013, based on the passing of Proposition 30, the defeat of Proposition 32 and other outcomes from the election. He highlighted five priorities set by the Governor: 1) calibrate our regulations to balance competing interests; 2) water; 3) High-speed rail; 4) education – evaluation, standards, testing; and 5) additional changes to the State budget.

Gus Khouri commented on challenges from the political changes in Sacramento and the other funding demands that transportation is now competing against. . He also discussed legislative possibilities for 2013, particularly restoring the vehicle license fee to 2% from the current 0.06%, reducing the threshold for local sales tax measures and/or bond measures, cap-and-trade credits, and bond indebtedness.

ED Steinhauser commented on efforts of the Silicon Valley Leadership Group who have created a coalition investigating the possibilities for modifying CEQA requirements. She indicated information about the group's work would be provided to the Board at future meetings.

Mr. Khouri added that his firm would like to make a presentation to TAM's Executive Committee on at least these measures, in depth, as part of TAM's 2013 legislative platform.

Commissioner Moulton-Peters commented on a graphic in the newspaper the day of the cap-and-trade sale, depicting where the carbon credits originate; she indicated she had supplied each member of the Board with the picture. Board members appreciated the convenient explanation.

Regarding the new federal legislation, Commissioner Kinsey asked Mr. Khouri to comment on the concern that the State may revisit how the Safe Routes to School program is treated. Mr. Antwih explained that there has been much discussion regarding how states will handle MAP-21 legislation. The legislation gives the state discretion to pass through federal funds administratively rather than per a formula or statute. Currently, there are no specific funds set aside for Safe Routes, although it is expected that a bill will be introduced early next year that will ensure the program continues.

Chair Fredericks opened public comment on the item.

Andy Peri, Marin County Bicycle Coalition, urged the Board to support a new proposal to protect funding for bike/ped programs, as well as Safe Routes, under the MAP-21 implementation.

Mr. Khouri thanked the Board for renewing the contract with Shaw, Yoder, Antwih.

8. Programming of One Bay Area Grant (OBAG) Funds (Action)

ED Steinhauser introduced Programming Manager David Chan who presented the item which recommended that the TAM Board Adopt Project Priorities as shown in Attachment F, Geographic Equity Scenario, for the Programming of OBAG Funds. If the Board adopts programming as shown,

staff shall take necessary actions to make funds available to the project sponsors. ED Steinhauser briefly reiterated the history over the last year, of this discussion of federal funds made available to Marin from MTC.

Mr. Chan discussed the background of the program, its purpose, outreach conducted, applications received, program requirements, a proposal to swap funds with the County to enable smaller jurisdictions to receive the local street and road funding they need, prior commitments of MTC funds approved by the TAM Board, criteria used to evaluate the projects, other revenue sources required to meet the current demands, and two options for ranking the projects as recommended by staff – Attachment F – *Geographic Scenario* and G – *Funding By Ranking Scenario.* All material was presented in the agenda packet.

ED Steinhauser noted that staff is presenting two options but is recommending the Geographic Equity scenario for programming of the federal funds. Staff is also recommending the Board take action now on the other fund sources to complete the fund programming. Finally, staff recommended an additional requirement that project sponsors supply a schedule of activity associated with each of their projects and be willing to participate in a monitoring and reporting program administered by TAM for the use of the funds, done in order to ensure timely delivery of projects.

Staff also responded to questions/comments from the Board, as follows:

Commissioner Rice asked about the ramp metering project, number 25 on the list and yet it is being recommended for funding. She requested clarification as to how it fits with the program criteria, which ED Steinhauser discussed. ED Steinhauser stated that the project is on the list as number 25 but carries a ranking of 8th ; she illustrated on the list the where ranking was shown. She noted that it is 100 percent pass through money to Marin's local jurisdictions who are participating on a technical committee to implement ramp metering in the county, with funding and initial technical work carried out by MTC and Caltrans. This funding will cover elements of analysis that the local DPW directors will be able to conduct for their cities/towns, regarding affects on local streets or traffic re-routing to avoid the affected ramps. In response to further questions from Commissioner Rice, ED Steinhauser estimated the jurisdictions involved – Novato, San Rafael, the County of Marin, Larkspur, Corte Madera, Mill Valley, Sausalito and possibly one or two more. She noted that funding will be distributed based on the number of ramps each jurisdiction has in the program. She added that staff approached MTC about funding this local work but were refused. ED Steinhauser said that this project was a consensus recommendation from Marin's public works directors.

Vice Chair Arnold asked, and staff confirmed that the $2 million set aside for CMA Planning and Outreach was for necessary staff work. ED Steinhauser noted, however, that it had been reduced by over $600,000 to a minimal amount necessary, less than previous years. The freed up funds were being assigned to local jurisdiction projects.

Commissioner Lucan questioned how the monitoring/reporting program will work, which ED Steinhauser reviewed. She commented that the funds will be programmed as approved by this Body, and those funds will be held at MTC but not released unless the jurisdiction has a certified housing element for the 2007-14 RHNA cycle. As the year progresses, TAM will revisit the progress of cities working on completing their housing elements. If sufficient progress is not made, TAM staff will recommend redirecting those funds at the appropriate time so that they are not lost to Marin. Staff noted that several jurisdictions had yet to receive Housing Element approval, namely the County, Novato, Mill Valley and San Anselmo.

Commissioner Kinsey commented on a letter received from Whistlestop regarding housing improvement (HIP) funds. Whistlestop has been working closely with the City of San Rafael on a redevelopment project that would include housing at the existing Whistle Stop building site, with site reconfiguration necessary due to the loss of parking because of SMART's plans. He noted that Whistlestop is requesting TAM to defer the programming of $116,000 identified for the Marinwood site which is also looking at developing housing, and he asked staff's opinion of the idea, which ED Steinhauser provided. She acknowledged that the Board could decide to defer the allocation if they so choose to do so.

Commissioner Kinsey noted that the Board of Supervisors is fully supportive of the Marinwood project; however, he thought that deferring action was reasonable to give both projects the opportunity to qualify.

Commissioner Phillips noted that the City of San Rafael has had a number of meetings with Whistlestop and supported Commissioner Kinsey's suggestion to defer action since the HIP funding would be helpful to ensure that the services provided by Whistle Stop have the best chance of continuing.

Commissioner Greene asked for clarification on the scope of the action that the Board is being asked to take tonight. There is $10 million of OBAG money but $18 million in project requests, so will the deficit be met by using funds over which TAM controls to make up the difference? ED Steinhauser responded that Marin will receive $10 million in OBAG funding and staff is recommending programming $750,000 from other fund sources for these projects. Additionally, staff is recommending a $468,000 loan to the City of San Rafael for their downtown signal project. The balance of the projects presented in the scenario will not be funded at this time. Mr. Chan added that some of the local agencies have agreed to take less money and still finish their projects in order to spread as much money as possible to the most projects.

In response to a second question from Commissioner Greene regarding the two possible scenarios, ED Steinhauser confirmed that staff is recommending the scenario that will best spread the funding to as many projects, geographically, as possible while maintaining compliance with funding requirements. She also confirmed the time frame of the funding cycle is four years.

ED Steinhauser noted that a pathway project submitted by Corte Madera is not being recommended for OBAG funds, but staff suggests it be brought back later as a strong contender for Safe Routes funding available from MTC.

Chair Fredericks opened public comment on the item.

Jeff Gold, Tamalpais Valley (TAM) resident, thanked the Board and staff for their efforts to make fair, balanced decisions. He expressed appreciation that the Almonte Shoreline/TAM Junction project – no. 24 on the list - is recommended for approval, and he briefly commented on the details of and rationale for the project.

Alan Jones, Tam Valley resident, also expressed appreciation for staff acknowledging the importance of studying bike/ped possibilities to ensure safe travels through TAM Junction and asked the Board to support programming of funds for this project.

Kathy McLeod also commented on the importance of the bike/ped study, discussing the frequency of traffic/pedestrian/cyclist incidents at the intersection. She expressed thanks to staff and to Supervisor Sears for meeting with the community and for supporting funding for this project.

Elizabeth Thomas – Mattej, commented on the Tam Valley project and recounted an incident in October about a car driving in the bike lane putting riders in danger. She noted that making the route safe for cyclists will make it safer for cars as well.

Christopher Lang of Fairfax commented on the amount of subsidy paid to Marin Transit per rider is quite high, given the programs it oversees for other transit providers. He also questioned whether a trolley system in San Anselmo would be cost effective and/or safe as well as the amount of money spent for repetitive transportation studies for projects that do not move forward with funding. He talked about a three jurisdiction bike path project extending from Fairfax to the SMART station in San Rafael which has been studied and is a worthy project but is not moving forward for lack of a sponsor. He requested that the TAM Board consider this project. He finalized his comments by stating his concern regarding a number of projects overseen by TAM and implemented by local jurisdictions that have no element for bicycle users.

Margaret Zegart commented on her experience as a pedestrian at the Tam Junction intersection, as well as younger members of her family who are not permitted to bicycle to/from school because of the lack of safe pathways. She noted that the current set-up is not safe for drivers, bicyclists or pedestrians.

Andy Peri, Marin County Bicycle Coalition (MCBC), expressed support for the geographic equity proposal. He also commented on other projects that MCBC thinks are especially important and that he was disappointed that the Grand Avenue Bridge was listed as a secondary priority and not scheduled to receive funding.

Steve Bingham spoke in favor of the geographic equity option. He personalized the discussion by telling the Board that his daughter died while cycling next to traffic in Cleveland Ohio. He was concerned that fatalities could result if the studies take too long. He urged the Board to consider safety first when deciding which projects should be funded.

Rocky Birdsey, Marin Center for Independent Living, expressed support for the Whistlestop project and the request to defer programming the HIP funds at this time. He also indicated support for the staff recommendation, with some reservations including the ranking of the Grand Avenue bridge project vs. the “Regional Transportation System Enhancement” plan for downtown San Rafael, the need for “yield-to-pedestrian” signage throughout Marin, and for property owners to repair damaged sidewalks.

Joe O’Hehir, CEO of Whistlestop, thanked Commissioners Kinsey and Phillips for their support of the redevelopment proposal for the Whistlestop site. He discussed details of the Whistlestop Renaissance Project (WRP) consisting of high density, transit-oriented development for low-income seniors, and the benefits from serving seniors at that location. He expressed his appreciation of the TAM Board for any funding assistance that they might approve.

Steve Nelson, Walk-Bike Marinwood, spoke against funding the Marinwood Village project because it will make the area less walk- and bike-friendly. He thought more attention should be given to leaving the site commercial rather than develop housing on it.

Ms. Zegart commended Whistlestop for the service they provide to seniors.

Seeing no further speakers, Chair Fredericks closed public comment on the item. She clarified that the Board would not be making a decision tonight regarding the Marinwood project or the Whistlestop project. Instead, the insertion of language to defer programming of the $116,000 in HIP funds to the Marinwood project will be added to the staff's current recommendation. In addition, language will be inserted into the current recommendation that funding for a project is contingent on the local agency supplying a schedule for their projects and agreeing to monitoring by TAM on the use of funds.

Commissioner Kinsey moved to approve the staff recommendations, with the changes proposed by the Board. Commissioner Sears seconded the motion, and it carried unanimously.

Commissioner Phillips discussed the two project rankings presented by staff at the Executive Committee meeting, noting he preferred the other list rather than the geographic equity proposal. He reassured Mr. Birdsey, however, that the Grand Avenue Bridge project he was concerned about will still be a priority for San Rafael.

Commissioner Sears thanked the residents who came and spoke, and she commended them for the work they have done to make their neighborhood safe for everyone.

Commissioner Rice expressed appreciation for the suggestion made by Mr. Lang that the studies that have been done for projects be implemented if the opportunity should arise. Regarding the trolley feasibility study, she indicated that whether or not a trolley project moves forward as a result of the feasibility study, the information derived from it can help inform other transit improvement options in the area.

9. Open time for items not on the agenda

ED Steinhauser wished the Board happy holidays and a happy new year.

Commissioner Kelly expressed appreciation for his time on the Board and noted that it is the best managed and best governed board he has ever sat on. He thanked the Executive Director for her high degree of professionalism and her staff for their assistance. He wished the Boardmembers well in the future.

Seeing no members of the public wishing to speak, Chair Fredericks adjourned the meeting at 8:58 p.m.

Approved on:

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: David Chan, Manager of Programming and Legislation

RE: Exercise 2nd Year Option on Transportation Demand Management (TDM) Software Contract with Transmetro, Inc. (Action), Agenda Item 5b

Dear Commissioners:

Executive Summary

When TAM's TDM Program was being developed in the early stages, staff noted at the time that other Bay Area TDM programs were labor intensive, needing to operate with multiple staff members or consultants. In considering how to minimize costs, staff concluded that planning for key elements of TAM's TDM program to be web-based would automate the proposed incentive programs, allow for a cost-effective emergency ride home program, and potentially streamline program management and participation.

Most of TAM's TDM Program elements were combined and a scope of work was developed for the proposed TDM software vendor that would allow for ease of future management, making many of the system components web-based, including the following:

- TDM program marketing
- Vanpool incentive program
- Emergency Ride Home program
- SchoolPool program
- Future TDM elements (such as telecommute training, carpool incentives, or others)

TAM retained Transmetro, Inc., through a RFP process, to implement a software application that administers TAM's Emergency Ride Home, Vanpool, and SchoolPool Programs. The website for the SchoolPool Program was successfully launched two years ago, with recent improvements making it even more user friendly. The website for the ERH Program has been developed and in operation for a year. The vanpool incentive program is managed through TAM's website Websites will need minor but continued maintenance and upgrades and web hosting. Marketing and management are geared towards the web-based programs.

TAM entered into contract with Transmetro for $90,000 in December 2009 for a term of two years for software development. For ongoing management and maintenance, two one-year extension options were included in the original contract as options.

The original contract expired on December 9, 2011. The first one-year option, with a not to exceed amount of $35,000, was exercised in December 2011, which expired in December 2012. Staff bring forward a request to exercise the second one-year now as it has been determined that the continuation of Transmetro to provide existing service is the most efficient course of action for all of the abovementioned programs.

The contract with Transmetro is based on task-orders; whereby Transmetro does not proceed with a particular task unless TAM has authorized the scope, price, and duration. To date, Transmetro has produced each assigned task on-time and within budget. In addition, Transmetro has performed both routine maintenance and changes proposed by TAM's Safe Routes to Schools team.

Staff is recommending exercising the second and final one-year option with Transmetro, not to exceed $25,000. Transmetro will continue to provide ongoing maintenance, adjustments to the ERH software as needed, and response to changes introduced by interfacing with users. Transmetro is also needed to provide on-going maintenance and upgrades as the SchoolPool program matures and the Safe Routes team request changes for the SchoolPool Program.

Prior to December 2013, the expiration of the current contract with Transmetro, staff will prepare an RFP to solicit a new consultant to continue work on TAM's TDM Program.

Recommendation: Authorize the Executive Director to exercise the second and final one-year option with Transmetro.

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: David Chan, Manager of Programming and Legislation

RE: Measure A Allocation to Local Infrastructure Projects in Strategy 3.2, (Action) Agenda Item 5c

Executive Summary

Measure A funds for Strategy 3 in the Expenditure Plan are used to improve Marin County's local transportation infrastructure, including roadways, bikeways, sidewalks, and pathways. Strategy 3 includes two sub-strategies: 3.1 for Major Roads and Related Infrastructure and 3.2 for Local Roads for all modes. Funds apportioned to Strategy 3.2 are being distributed on an annual basis to each city, town, and Marin County calculated from a formula based on a 50/50 split derived from lane miles maintained and population. Measure A funds for Strategy 3.2 are used for local infrastructure projects including street and road projects, local transit projects, and bicycle and pedestrian projects.

The available total Measure A funds for all programming in FY 2012/13 is $21 million. The TAM Board adopted this revenue level in March 2012. Strategy 3.2 receives 13.25% of the total available funds after administration and reserve funds are withheld.

On June 28, 2012, the TAM Board approved allocations of $2,375,882 to 10 agencies listed in the below table as a part of the routine annual allocations of Measure A funds for local road projects. Ross was not ready at the time to request an allocation. Since June, Ross has been a recipient of federal Highway Safety Improvement Program (HSIP) funds in the amount of $388,900 that requires a local match no less than 11.47%.

Ross is requesting all of its available Measure A funds in the amount of $69,382 to be used as match funding to the federal HSIP funds for the Sir Francis Drake/Lagunitas Road Intersection Improvement project.

Recommendation: Allocate $69,382 in Measure A funds to the Town of Ross for the Sir Francis Drake/Lagunitas Road Intersection Improvement Project from Strategy 3.2 , Local Infrastructure of the Measure A Strategic Plan for FY 2012-13.

Background

Measure A funds for Strategy 3 in the Expenditure Plan are used to maintain, improve, and manage Marin County's local transportation infrastructure, including roadways, bikeways, sidewalks, and pathways. Strategy 3 includes two sub-strategies: 3.1 for major roads and related infrastructure and 3.2 for local roads and related infrastructure. The estimated 20-year revenue for Strategy 3 is $87 million, assigning a 50/50 split for each sub-strategy. Each sub-strategy is anticipated to receive approximately $2.5 million annually. Funds apportioned to Strategy 3.2 are programmed in the Strategic Plan to be distributed on an annual basis to each city, town, and Marin County calculated from a formula based on a 50/50 split derived from lane miles maintained and population, which was updated in the 2012 Strategic Plan Update (SPU). Note the formula is updated every two years, but does not change substantially.

Strategy 3.2 Requirements

Measure A funds for Strategy 3.2 may be used for local infrastructure projects including street and road projects, local transit projects, and bicycle and pedestrian projects. It is policy within the Measure A sales tax that where feasible, locally defined bicycle and pedestrian projects will be implemented in conjunction with a related roadway improvement. This could include safety improvements, pedestrian facilities including disabled access, or bicycle facilities such as bike lanes or signage. Local Infrastructure funds can be used for any eligible local transportation need identified by the local agency's Public Works Department and approved by the respective governing board.

Funds Available

The available total Measure A funds for all programming in FY 2012/13 is $21 million. The TAM Board adopted this revenue level in March 2012. Strategy 3.2 receives 13.25% of the total available funds after administration and reserve funds are withheld.

Previous Allocations

On June 28, 2012, the TAM Board approved allocations of $2,375,882 to 10 agencies listed in the below table as a part of the routine annual allocations of Measure A funds for local road projects. Ross was not ready at the time to request an allocation. Since June, Ross has been a recipient of federal Highway Safety Improvement Program (HSIP) funds in the amount of $388,900 that requires a local match no less than 11.47%.

Current Request

Ross is requesting all of its available Measure A funds in the amount of $69,382 to be used as match funding to the federal HSIP funds for the Sir Francis Drake/Lagunitas Road Intersection Improvement project as shown the attached Allocation Request Form (Attachment A). The HSIP funds are programmed to the construction phase of the project in FY 12/13 and Ross is planning to advertise the project in March 2013. The available amount of Measure A funds will meet the requisite local match amount of 11.47%.

The FY 2012-13 funding allocations for local infrastructure projects as programmed in the Strategic Plan and the amounts requested in the funding allocation requests are highlighted in the table.

	Prior Unallocated	Available for FY 12/13 Allocation	Total Available	Previous Allocation	Current Allocation	Carry-over to FY 13/14
Belvedere		$24,737	$24,737	$24,737	$0	$0
Corte Madera		$84,851	$84,851	$84,851	$0	$0
Fairfax		$70,381	$70,381	$70,381	$0	$0
Larkspur [1]		$0	$0	$0	$0	$0
Mill Valley		$141,303	$141,303	$141,303	$0	$0
Novato		$451,945	$451,945	$451,945	$0	$0
Ross *	$43,666	$25,716	$69,382	$0	$69,382	$0
San Anselmo		$110,133	$110,133	$110,133	$0	$0
San Rafael		$488,738	$488,738	$488,738	$0	$0
Sausalito		$67,904	$67,904	$67,904	$0	$0
Tiburon		$85,641	$85,642	$85,642	$0	$0
County		$850,249	$850,249	$850,249	$0	$0
Total	$43,666	$2,401,597	$2,445,264	$2,375,882	$69,382	$0

[1] Larkspurs received an advanced allocation of $240,000 in Measure A funds for its Doherty Drive Corridor Improvements Project from the TAM Board in February 2010. The February 2010 allocation advanced funds from FY 10/11, FY 11/12, and FY 12/13.

Recommendation

Allocate $69,382 in Measure A funds to the Town of Ross for the Sir Francis Drake/Lagunitas Road Intersection Improvement Project from Strategy 3.2 of the Measure A Strategic Plan for FY 2012-13.

Attachment A: Ross' FY 12/13 Allocation Request Form

Transportation Authority of Marin
Measure A – Transportation Sales Tax

Allocation Request Form

Fiscal Year of Allocation: 2012/13

Expenditure Plan: Local roads and related infrastructure (Strategy 3.2)

Project Name: Sir Francis Drake/Lagunitas Road Intersection Improvements

Implementing Agency: Town of Ross

Scope of Work: Sir Francis Drake Boulevard (SFD) is a principal arterial roadway that connects Highway 101 to communities in the western region of Marin County. The Town of Ross has targeted the intersections with Lagunitas Road and Laurel Grove Avenue for necessary improvements to enhance traffic flow and increase motorist, cyclist and pedestrian safety, as well as to improve the sidewalks along SFD between Laurel Grove Avenue and Lagunitas Road for ADA access and path of travel improvements.

The intersection of SFD and Lagunitas Road needs to be reconfigured with the intent of removing the right turn lane and islands, relocating the crosswalks and signals, providing ADA access, removing the Town Hall drop-off parking, reconfiguring the Marin Art and Garden Center (MAGC) entrance connection, extending the left turn lanes on both northbound and southbound SFD, and improving the existing bus stops to current transit standards. Drainage improvements shall also be included in the design where appropriate.

The signals at the intersections of SFD with Lagunitas Road and Laurel Grove Avenue need to be evaluated and the timing improved to minimize backups and eliminate congestion in front of the police and fire stations. This may also include the installation of wireless vehicle detectors at these intersections and approach roadways. “Signal Ahead” signage or flashers may also be included in the design along SFD.

The project limits are roughly described as being along SFD from approximately 500’ south of Lagunitas Road to approximately 300’ north of Laurel Grove Avenue, and approximately 80’ of Lagunitas Road and approximately 200’ of Laurel Grove Avenue, measured from the respective intersection with SFD Boulevard. Within the limits of this project, the existing sidewalks, driveways, entrances and crossings will also be improved to meet current standards and provide an ADA accessible path of travel. All roadway geometry or striping changes, signage and signalization should include consideration of impacts to pedestrians and cyclists as well as other vehicles. Existing road surfaces shall be also milled and repaved to a depth to be determined.

Cost of Scope: $568,000

Strategic Plan Programmed Amount: $25,716 for FY 12/13 and $43,666 from previous unallocated funds for a total of $69,382

Requested Amount: $69,382

Other Funding: $388,900 in Federal Highway Safety Improvement Program (HSIP) funds and $110,484 in Measure A funds that was allocated in FY 2009/10. The previous allocated Measure A funds have been used on the PSE phase.

Cash flow Availability (leave blank):

Project Delivery Schedule (include start & completion milestones): July 2013 to November 2013

Environmental Clearance: CEQA – CE, NEPA – CE: anticipated in February 2012

Non-Motorized Travel Considerations:

Have the needs of non-motorized travelers been considered in the design of the project and is the project consistent with Caltrans Deputy Directive 64? Yes

Is non-motorized travel impeded by this project? No

If yes, has a cross-facility, non-motorized access been included in the project? N/A

Has a parallel non-motorized facility been designed to accommodate non-motorized travelers? Yes

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

Through: Li Zhang, Chief Financial Officer

RE: Acceptance of 2012 Measure A Compliance Audit Results (Action), Agenda Item 5d

Dear Commissioners:

Executive Summary

The Measure A ½ cent Transportation Sales Tax Expenditure Plan provided TAM with the authority to audit all Measure A fund recipients for their use of the sales tax proceeds. An independent compliance audit is explicitly permitted under the terms and conditions of TAM's funding agreement/contract with all Measure A funding recipients. Compliance Audits are typical practices amongst sales tax agencies around the state. The COC played a critical role in the development of the Measure A Compliance Audit Policy and the final Policy was adopted by the TAM Board at its October 28, 2010 Board meeting. The implementation of the Policy started in 2011 with FY2010-11 and prior Measure A fund activities.

The TAM Board approved the eight Measure A fund recipients that were selected for the second round of compliance audits in May, 2012, as listed later in the staff report. A Measure A Compliance Audit Workshop was conducted on August 15, 2012 and covered the requirements of the Measure A Expenditure Plan, the compliance audit policy adopted and the process and timeline. Twelve staff from nine different fund recipients attended the workshop and provided staff with good questions and feedback.

The audit team, Moss, Levy & Hartzheim LLP, along with TAM staff started the initial pre-audit meetings with the eight fund recipients selected during the week of September 17. Field visits with all fund recipients were conducted in October and draft audit results were presented to TAM staff in November. Staff arranged necessary follow-up meetings with fund recipients that received findings during the process and discussed options to address those findings. The audit results, along with the responses from both the fund recipients and TAM staff are presented for the Executive Committee's review today.

All 2012 Measure A Compliance Audit reports were presented to the Executive Committee at its January 14 Meeting. The Executive Committee provided its input to the process and commented on the final results. They did not recommend any other follow-up actions other than what was already recommended.

Recommendation: The TAM Board reviews and approves the results of the 2012 Measure A compliance audits.

Background:

TAM has a fiduciary responsibility to the voters of Marin County to ensure that Measure A transportation sales tax funds are spent appropriately. TAM has carried out this responsibility diligently since the inception of Measure A in 2005, with the adoption of a detailed Measure A Strategic Plan, through annual financial audits, and with the careful review of expenditures by the Citizens' Oversight Committee (COC). Under the guidance of the COC and the TAM Board, TAM further enhanced its role in monitoring Measure A fund usage through the implementation of a Compliance Audit program.

The Measure A Expenditure Plan provided TAM with the authority to audit all Measure A fund recipients for their use of the sales tax proceeds. An independent compliance audit is explicitly permitted under the terms and conditions of TAM's funding agreement/contract with all Measure A funding recipients. Compliance Audits are typical practices amongst sales tax agencies around the state. The COC played a critical role in the development of the Measure A Compliance Audit Policy and the final Policy was adopted by the TAM Board at its October 28, 2010 Board meeting. The implementation of the Policy started in 2011 with FY2010-11 and prior Measure A funding activities.

The TAM Board approved the eight Measure A fund recipients that were selected for the second round of compliance audits in May, 2012, as shown in the table below. Please note that for Strategy 3.2, the expenditure year audited may be different from FY2011-12 due to the fact that those funds are allocated in advance and can be used right away or accumulated for future needs. The most recent local roads fund usage is audited in the case that there is no FY2011-12 fund usage.

Measure A Fund Recipients Selected for FY2011-12 Compliance Audit Cycle

No.	Fund Recipient	Funding Strategy/Substrategy
1	Marin Transit	Strategy 1, Transit, for all Measure A funds received for its FY2011-12 transit operation and capital needs
2	Nolte Associates	Strategy 2, HWY 101 Gap Closure Project, for all Measure A funds received for the design/project management contract
3	City of Novato	Strategy 3.1, Major Road, for all Measure A funds received for the Novato Boulevard Segment 3 project
4	County of Marin	Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in FY2011-12
5	City of Belvedere	Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in FY2011-12
6	City of Larkspur	Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in FY2011-12
7	Parisi Associates	Strategy 4.1 & 4.3, Safe Routes & Safe Pathways to School, for all Measure A funds received under the Safe Routes to School profession contract
8	Town of Ross	Strategy 4.3, Safe Pathways to School, for all Measure A funds received for the Shady Lane Pedestrian Pathway project

Measure A Compliance Audit Process:

A Measure A Compliance Audit Workshop was conducted on August 15, 2012 to go over the requirements of the Measure A Expenditure Plan, the compliance audit policy adopted, and the process and timeline. Twelve staff from nine different fund recipients attended the workshop and provided staff with questions and feedbacks.

The audit team, along with TAM staff, started the initial pre-audit meetings with the eight fund recipients selected during the week of September 17. Field visits with all fund recipients were conducted in October and draft audit results were presented to TAM staff in November. Staff arranged necessary follow-up meetings with fund recipients that received findings during the process and discussed options to address those findings. Audit results from the eight compliance audits conducted are presented below for your review and comments.

Measure A Compliance Audit Results By Fund Recipients:

The main purpose of the compliance audit is to verify all Measure A funds were spent according to the requirements of the Measure A Expenditure Plan/Strategic Plan and the funding agreements/contracts. Results from the audits can also help TAM staff to continue improving the funding programming and allocation process.

Compliance audit results for the eight fund recipients selected for this round of audit effort are presented below for your review.

Strategy 1: Marin Transit, FY2011-12 Transit Allocation

Measure A Expenditure Audited:
Compliance audit for Marin Transit covers all Measure A expenditures occurred in FY2011-12.

Project Name	Measure A Strategy	Amount
Local Fixed Route Service	1.1	$6,150,795
Rural Service	1.2	333,754
Special Needs Service	1.3	1,550,729
Capital Improvements	1.4	955,932
Total Project Cost		$8,991,210

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Marin Transit and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 2 – Nolte Associates

Measure A Expenditure Audited:
Compliance audit for Nolte Associates covers all Measure A expenditures authorized under the professional contract over a multi-year period.

Project Name	Measure A Strategy	Amount
Highway 101 Gap Closure Project	2	$ 4,645,647
Total Project Cost		$ 4,645,647

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the professional contract between Nolte Associates and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 3.1 – City of Novato, Novato Boulevard Segment 3 Project

Measure A Expenditure Audited:
Measure A Strategy 3.1 funds allocated to the Novato Boulevard Segment 3 Project were audited during this process.

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Street Improvements	Construction	3.1	Various	$617,000
Total Project Cost				$617,000

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and one instance of non-compliance with the funding agreement between the City and TAM. TAM's Strategic Plan and fund agreement do not allow indirect costs to be assigned to the sales tax funds.

Finding – Indirect personnel costs charged to Measure A funded projects:
During the review of personnel costs, it was noted that the "cost recovery billing" wage rate that is charged to Measure A funded projects includes city-wide, departmental and divisional indirect overhead rates.

Questioned Cost:
The total indirect overhead charge used to calculate the "cost recovery billing" wage rate was 99% which resulted in $38,072 of unallowable costs that were charged to Measure A programs. The questioned cost from the test sample is a portion of the total $60,644.99 the City of Novato indentified for the whole project.

Effect:
The City of Novato was not in compliance with the funding agreement between the City and TAM, which does not allow indirect costs to be charged to Measure A funding.

Recommendation:
The auditor recommends that the City of Novato ensure that all costs charged to Measure A programs are direct costs.

City of Novato Management's Response:
This finding was the result of oversight on the part of the City. The same noncompliance was noted during last year's compliance audit process for Strategy 3.2, Local Streets and Roads fund. City staff informed TAM staff during last year's process that the City also invoiced for unallowable indirect cost under two of the Strategy 3.1, Major Road projects, Novato Boulevard Segment 2 and Segment 3. To address this issue, the City has taken a proactive approach and requested a "swap" of the billed unallowable indirect cost for other, unbilled reimbursable costs under Novato Boulevard Segment 1. The City has identified all unallowable indirect cost billed under Segment 2 and Segment 3 and has been under-billing Segment 1 accordingly.

Follow-up Meeting and Action:
TAM staff followed up with Novato staff on this issue and City staff provided documents to show the actions taken to remedy this noncompliance. Staff also recommends that the funding agreement between the City and TAM be revised to reflect the under-reimbursement necessary under Segment 1 to assure the over-reimbursement of unallowable indirect costs under Segment 2 and 3 will be fully recovered.

Strategy 3.2 – County of Marin, FY2010-11 Local Streets and Roads Advance Fund

Measure A Expenditure Audited:
Compliance audit for County of Marin covers Measure A expenditures under the FY2010-11 Strategy 3.2 Local Streets and Roads allocation.

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Street Improvements	Construction	3.2	Various	$733,713
Total Project Cost				$733,713

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between County of Marin and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 3.2 – City of Belvedere, FY2011-12 Local Streets and Roads Advance Fund

Measure A Expenditure Audited:
Compliance audit for City of Belvedere covers Measure A expenditures under the FY2011-12 Strategy 3.2 Local Streets and Roads allocation.

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Bike/Pedestrian Project	Construction	3.2	Various	$21,880
Total Project Cost				$21,880

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between City of Belvedere and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 3.2 – City of Larkspur, FY2006-07 Local Streets and Roads Advance Fund

Measure A Expenditure Audited:
Compliance audit for City of Larkspur covers Measure A expenditures under the FY2006-07 Strategy 3.2 Local Streets and Roads allocation, which was spent in FY2008-09. All Strategy 3.2 allocations since then were reserved for the Doherty Drive Reconstruction project.

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Bike/Pedestrian Project	Construction	3.2	Various	$96,199
Total Project Cost				$96,199

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between City of Larkspur and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 4.1 – Parisi Associates, Safe Routes to School Contract, FY2011-12 Measure A Related Expenditures

Measure A Expenditure Audited:
Compliance audit for Parisi Associates covers FY2011-12 Measure A expenditures under the current contract.

Project Name	Measure A Strategy	Amount
Safe Routes to School	4	$843,431
Total Project Cost		$843,431

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Parisi Associates and TAM.

Follow-up Meeting and/or Action:
Not needed.

Strategy 4.2 –Crossing Guards, no audit conducted for this round

Strategy 4.3 – Town of Ross, Shady Lane Pedestrian Project

Measure A Expenditure Audited:
Compliance audit for the Town Of Ross covers Measure A expenditures for the Shady Lane Pedestrian Project.

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Safe Pathways	Construction	4.3	Various	$ 246,207
Total Project Cost				$ 246,207

Result:
The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and one instance of non-compliance with the funding agreement between the Town of Ross and TAM.

Finding – Procurement procedures not performed for part of Measure A funded project:
During the review of procurement, it was noted that procurement procedures were not performed in regards to the selection of Nerviani Paving, Inc for certain portions of the project.

Questioned Cost:
The payments made to Nerviani Paving, Inc totaled $15,650.

Effect:

The Town of Ross was not in compliance with the funding agreement between the Town and TAM, which only allows for competitively bid construction costs to be paid with Measure A funds.

Recommendation:
The auditor recommends that the Town of Ross ensure that all construction costs charged to Measure A programs are competitively bid.

Town of Ross Management's Response:
This finding was the result of oversight on the part of the Town and Town staff will make effort to ensure this type of noncompliance will not happen again in the future.

Follow-up Meeting and Action:
TAM staff reviewed and confirmed with Town of Ross staff that Measure A eligible expenditures were more than the $246,207 allocated. In this case, TAM staff recommends allowing Town of Ross using other eligible Measure A expenditures to cover the costs in question and no return of Measure A funds is necessary.

Budget and Timeline:

The compliance audit process was conducted within budget and on schedule.

Recommendation:

The TAM review and accept the results of the 2012 Measure A compliance audits.

Attachments:

Attachment 1: Measure A Compliance Audit Report – Marin Transit
Attachment 2: Measure A Compliance Audit Report – Nolte Associates
Attachment 3: Measure A Compliance Audit Report – City of Novato
Attachment 4: Measure A Compliance Audit Report – County of Marin
Attachment 5: Measure A Compliance Audit Report – City of Belvedere
Attachment 6: Measure A Compliance Audit Report – City of Larkspur
Attachment 7: Measure A Compliance Audit Report – Parisi Associates
Attachment 8: Measure A Compliance Audit Report – Town of Ross

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited Marin Transit's (Agency) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of Marin Transit is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the compliance requirements referred to above for funding allocated and expenditures during the fiscal year ended June 30, 2012.

Internal Control over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the Agency's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we consider to be significant deficiencies.

This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the Agency, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

MARIN TRANSIT
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Marin Transit is an agency formed by vote by the people of Marin County that provides local transit services within Marin County.

Basis of Accounting

The Agency utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

MARIN TRANSIT
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

MARIN TRANSIT
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted

MARIN TRANSIT
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date
FY 11/12	2011-002	1	7/1/2011

Total Project Funding

Measure A Expenditures

Project Name	Measure A Strategy	Amount
Local Fixed Route Service	1.1	$ 6,150,795
Rural Service	1.2	333,754
Special Needs Service	1.3	1,550,729
Capital Improvements	1.4	955,932
Total Project Cost		$ 8,991,210

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited Nolte Associates, Inc. (Consultant) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of Nolte Associates, Inc. is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the Consultant's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Consultant and the Authority. An audit includes examining, on a test basis, evidence about the Consultant's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Consultant's compliance with those requirements.

In our opinion, the Consultant complied, in all material respects, with the compliance requirements referred to above for funding allocated during the fiscal years ended June 30, 2005, June 30, 2006, June 30, 2007, and June 30, 2008 and expenditures during the fiscal year ended June 30, 2005 to June 30, 2011.

Internal Control over Compliance

The management of the Consultant is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the Consultant's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Consultant's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we consider to be significant deficiencies.

This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the Consultant, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

NOLTE ASSOCIATES, INC.
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Nolte Associates, Inc. is a Consultant that contracts with the Transportation Authority of Marin to provide "on-call" support services.

Basis of Accounting

The Consultant utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

NOLTE ASSOCIATES, INC.
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

NOLTE ASSOCIATES, INC.
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted

NOLTE ASSOCIATES, INC.
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 04/05	n/a	2	2/24/2005	$ 25,000
FY 04/05	n/a	2	3/24/2005	1,380,000
FY 05/06	n/a	2	10/27/2005	365,000
FY 05/06	n/a	2	1/26/2006	1,095,000
FY 06/07	n/a	2	5/25/2006	809,800
FY 06/07	n/a	2	10/26/2006	451,200
FY 07/08	n/a	2	9/27/2007	183,000
FY 07/08	n/a	2	3/24/2008	336,647
Total Project Funding				$ 4,645,647

Measure A Expenditures

Project Name	Measure A Strategy	Amount
Highway 101 Gap Closure Project	2	$ 4,645,647
Total Project Cost		$ 4,645,647

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited the City of Novato's (City) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of the City of Novato is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the City's compliance with those requirements.

In our opinion, the City complied, with the exception of Finding 2012-1, in all material respects, with the compliance requirements referred to above for funding allocated during the fiscal year ended June 30, 2007 and June 30, 2008 and for expenditures on projects utilizing those funds for the fiscal year ended June 30, 2010 and June 30, 2011.

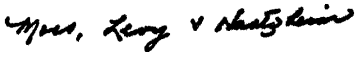
Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted one deficiency that we consider to be a significant deficiency, see Finding 2012-1.

This report is intended solely for the information of the Board of Commissioners, City Council, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the City, and is not intended to be and should not be used by anyone other than these specified parties.



MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

CITY OF NOVATO
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City is an incorporated City that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The City utilizes the economic resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The City considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

CITY OF NOVATO
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

CITY OF NOVATO
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

2011-1 Finding – Indirect personnel costs charged to Measure A funded projects:
During the review of personnel costs, it was noted that the "cost recovery billing" wage rate that is charged to Measure A funded projects includes city-wide, departmental and divisional indirect overhead rates.

Questioned Cost:
The total indirect overhead charge used to calculate the "cost recovery billing" wage rate was 99% which resulted in $38,072 of unallowable costs charged to the Measure funds, based on the sample cost items tested.

Effect:
The City of Novato was not in compliance with the funding agreement between the City and the Authority which does not allow indirect costs to be charged to Measure A funding.

Recommendation:
We recommend that the City of Novato ensure that all costs charged to Measure A programs are direct costs.

Management's Response:
This finding was the result of oversight on the part of the City. The same noncompliance was noted during last year's compliance audit process for Stretgy3.2, Local Streets and Roads fund. City staff informed TAM staff during last year's process that the City also invoiced for unallowable indirect cost under two of the Strategy 3.1, Major Road projects, Novato Boulevard Segment 2 and Segment 3. To address this issue, the City has taken a proactive approach and requested a "swap" of the billed unallowable indirect cost for other, unbilled reimbursable costs under Novato Boulevard Segment 1. The City has identified all unallowable indirect cost billed under Segment 2 and Segment 3 and has been under-billing Segment 1 accordingly.

Follow-up Meeting and Action:
TAM staff followed up with Novato staff on this issue and City staff provided documents to show the actions taken to remedy this noncompliance. Staff also recommends that the funding agreement between the City and TAM be revised to reflect the under-reimbursement necessary under Segment 1 to assure the over-reimbursement of unallowable indirect costs under Segment 2 and 3 will be fully recovered.

CITY OF NOVATO
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 07/08	2007-20	3.1	9/27/2007	$ 155,000
FY 08/09	2008-25	3.1	9/28/2008	462,000
Total Project Funding				$ 617,000

Measure A Expenditures

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Street Improvements	Construction	3.1	Various	$ 617,000
Total Project Cost				$ 617,000

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited the County of Marin's (County) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of the County of Marin is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the County's compliance with those requirements.

In our opinion, the County complied in all material respects, with the compliance requirements referred to above for funding allocated during the fiscal year ended June 30, 2011 and for expenditures on projects utilizing those funds for the fiscal year ended June 30, 2012.

Internal Control over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the County's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we considered to be material weaknesses.

This report is intended solely for the information of the Board of Commissioners, Board of Supervisors, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the County, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

COUNTY OF MARIN
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The County receives funding under the Measure A Expenditure Plan.

Basis of Accounting

The County utilizes the economic resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The County considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

COUNTY OF MARIN
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

COUNTY OF MARIN
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted

COUNTY OF MARIN
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 10/11	2007-004 Amendment No.4	3.2	7/1/2010	$ 733,713
Total Project Funding				$ 733,713

Measure A Expenditures

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Street Improvements	Construction	3.2	Various	$ 733,713
Total Project Cost				$ 733,713

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited the City of Belvedere's (City) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of the City of Belvedere is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the City's compliance with those requirements.

In our opinion, the City complied with the compliance requirements referred to above for funding allocated during the fiscal year ended June 30, 2012 and for expenditures on projects utilizing those funds for the fiscal year ended June 30, 2012.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we considered to be significant deficiencies.

This report is intended solely for the information of the Board of Commissioners, City Council, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

CITY OF BELVEDERE
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City is an incorporated City that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The City utilizes the economic resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The City considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

CITY OF BELVEDERE
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

CITY OF BELVEDERE
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted.

CITY OF BELVEDERE
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 11/12	2011-003	3.2	9/14/2011	$ 21,880
Total Project Funding				$ 21,880

Measure A Expenditures

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Bike/Pedestrian Project	Construction	3.2	Various	$ 21,880
Total Project Cost				$ 21,880

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited the City of Larkspur's (City) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of the City of Larkspur is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the City's compliance with those requirements.

In our opinion, the City complied in all material respects, with the compliance requirements referred to above for funding allocated during the fiscal year ended June 30, 2007 and for expenditures on projects utilizing those funds for the fiscal year ended June 30, 2009.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we considered to be material weaknesses.

This report is intended solely for the information of the Board of Commissioners, City Council, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

CITY OF LARKSPUR
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City is an incorporated City that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The City utilizes the economic resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The City considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

CITY OF LARKSPUR
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

CITY OF LARKSPUR
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted

CITY OF LARKSPUR
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 06/07	2007-008	3.2	8/1/2006	$ 96,199
Total Project Funding				$ 96,199

Measure A Expenditures

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Bike/Pedestrian Project	Construction	3.2	Various	$ 96,199
Total Project Cost				$ 96,199

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited Parisi Associates (Consultant) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of Parisi Associates is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the Consultant's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Consultant and the Authority. An audit includes examining, on a test basis, evidence about the Consultant's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Consultant's compliance with those requirements.

In our opinion, the Consultant complied, in all material respects, with the compliance requirements referred to above for funding allocated and expenditures during the fiscal year ended June 30, 2012.

Internal Control over Compliance

The management of the Consultant is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the Consultant's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Consultant's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted no deficiencies that we consider to be significant deficiencies.

This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the Consultant, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

PARISI ASSOCIATES
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Parisi Associates is a Consultant that contracts with the Transportation Authority of Marin to manage and implement the Safe Routes to School Program under the Measure A expenditure plan.

Basis of Accounting

The Consultant utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

PARISI ASSOCIATES
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

PARISI ASSOCIATES
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

None noted

PARISI ASSOCIATES
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 11/12	C-FY08/09-01 Amendment 4	4	6/30/2011	$ 700,000
FY 11/12	C-FY08/09-01 Amendment 5	4	6/30/2011	175,000
Total Project Funding				$ 875,000

Measure A Expenditures

Project Name	Measure A Strategy	Amount
Safe Routes to School	4	$ 843,431
Total Project Cost		$ 843,431

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
9107 WILSHIRE BLVD. SUITE 500
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, California

Compliance

We have audited the Town of Ross's (Town) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority), for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Management of the Town of Ross is responsible for compliance with the Measure A Expenditure Plan and requirements of its funding agreement with the Transportation Authority of Marin. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Town's compliance with those requirements.

In our opinion, the Town complied, with the exception of Finding 2012-1, in all material respects, with the compliance requirements referred to above for funding allocated during the fiscal year ended June 30, 2008 and for expenditures on projects utilizing those funds for the fiscal year ended June 30, 2008, June 30, 2009 and June 30, 2010.

Internal Control over Compliance

The management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Measure A funded programs. In planning and performing our audit, we considered the Town's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We noted no deficiencies that we considered to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We noted one deficiency that we consider to be a significant deficiency, see Finding 2012-1.

This report is intended solely for the information of the Board of Commissioners, Town Council, Citizens' Oversight Committee, Management of the Transportation Authority of Marin, and Management of the Town, and is not intended to be and should not be used by anyone other than these specified parties.

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 7, 2012

TOWN OF ROSS
Measure A Compliance Report

Notes to the Compliance Report

June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town is an incorporated Town that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The Town utilizes the economic resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The Town considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 MEASURE A SALES TAX

The Measure A sales tax is a ½ cent set forth by voters as a step in implementing a 1.6 billion dollar "transportation vision" set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens' Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin's City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16 member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12 member Citizens' Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

TOWN OF ROSS
Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2012

---

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.

2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.

3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:

    a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
    b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.

4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.

5. Obtained supporting documentation for all invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.

6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.

7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.

8. For reimbursement-based agreements, we reviewed all invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.

9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:

    a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
    b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
    c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
    d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity's funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.

11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:

    a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
    b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
    c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.

12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:

    a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity's payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
    b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.

15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.

16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity's funding agreement/contract with the Authority.

TOWN OF ROSS
Measure A Compliance Report

Attachment B - Findings and Observations

June 30, 2012

2011-1 Finding – Procurement procedures not performed for part of Measure A funded project:
During the review of procurement, it was noted that procurement procedures were not performed in regards to the selection of Nerviani Paving, Inc for certain portions of the project.

Questioned Cost:
The payments to Nerviani Paving, Inc totaled $15,650.

Effect:
The Town of Ross was not in compliance with the funding agreement between the Town and Authority, which only allows for competitively bid construction costs to be paid with Measure A funds.

Recommendation:
We recommend that the Town of Ross ensure that all construction costs charged to Measure A programs are competitively bid.

Management's Response:
This finding was the result of oversight on the part of the Town and Town staff will make effort to ensure this type of noncompliance will not happen again in the future.

Follow-up Meeting and Action:
TAM staff reviewed and confirmed with Town of Ross staff that Measure A eligible expenditures were more than the $246,207 allocated. In this case, TAM staff recommends allowing Town of Ross using other eligible Measure A expenditures to cover the costs in question and no return of Measure A funds is necessary.

TOWN OF ROSS
Measure A Compliance Report

Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2012

Measure A Allocation

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 07/08	2007-029	4.3	9/27/2007	$ 246,207
Total Project Funding				$ 246,207

Measure A Expenditures

Project Name	Phase	Measure A Strategy	Date of Completion	Amount
Measure A Safe Pathways	Construction	4.3	Various	$ 246,207
Total Project Cost				$ 246,207

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

RE: Marin-Sonoma Narrows – Contract time extension to provide Design Support During Construction (Action), Agenda Item 5e

Dear Commissioners:

Executive Summary

TAM received $82.4 Million in Congestion Mobility Improvement Account (CMIA) funding in February of 2007 for the Marin-Sonoma Narrows (MSN) Project. These state Proposition 1B discretionary funds were matched by over $30 million in other locally controlled state funds- local Marin and Sonoma State Transportation Improvement Program, STIP, funds. In response to this substantial amount of funding, TAM, the Sonoma County Transportation Authority (SCTA) and Caltrans (MSN Project Team) developed a funding and implementation plan to move the projects forward. It was agreed that TAM will lead two out of four contracts; 1) the Southerly Interchange which will serve San Antonio Road and the Redwood Landfill; and 2) the San Antonio Curve Correction which will raise Highway 101 above levels of periodic flooding of San Antonio Creek and improve safety by addressing sub-standard sight lines.

On February 28, 2009, the TAM Board unanimously authorized the Executive Director to enter into contracts with professional engineering firms BKF Engineers and Mark Thomas and Company, Inc.. They provide professional engineering services including PSE design services (Plans Specs and Estimates) to enable the delivery of the projects, along with additional related services such as project controls, utility coordination, and public information needs. The design of the Southerly Interchange (Redwood Landfill Interchange) was completed and CTC approved the construction funds on May 23, 2012. Caltrans has a contract to complete construction of this project with Ghilotti Construction and construction activities are expected to start after the rainy season in April 2013. The Curve Correction project design will be completed in the Summer of 2103, with construction scheduled to start in 2014.

In early 2012, The California Transportation Commission (CTC) identified savings in the bond program, specifically the Corridor Mobility Improvement Account, CMIA. CTC asked for candidate projects those savings could be assigned to, that meet the original specifications for the program- state highway projects that reduce congestion. In March 2012, the TAM Board authorized the design of the extension of carpool lanes in the northbound direction to relieve congestion in Novato. TAM staff successfully worked with Caltrans to deliver this project within a very tight schedule to capture funding from CMIA savings. The CTC approved construction funds for this HOV lane extension from CMIA savings in June 2012. Caltrans has a contract to complete this construction with Ghilotti Bros. Inc. and construction is expected to start after the

rainy season in April 2013, simultaneous to other projects in the Corridor, such as the Redwood Landfill Interchange.

On May 31, 2012, the TAM Board unanimously authorized the Executive Director to execute an update to the cooperative agreement between TAM and Caltrans on the Narrows Corridor. The amendments included accepting state funds to provide design support during construction of the projects managed by TAM, including the Redwood Landfill Interchange and the carpool lane extension north of Novato. The required funding for design support during construction is provided from state funds. TAM needs to place the funds into the BKF contract and execute a contract extension.

Recommendation: Authorize the Executive Director to amend contracts with BKF Engineers to provide design support during construction and extend time as necessary to complete construction of CMIA funded MSN projects utilizing existing state project funding, with no new funds necessary from TAM.

DISCUSSION

In 2007 TAM, SCTA and Caltrans developed four contracts that will comprise the initial construction phase of the Marin Sonoma Narrows Project. The contracts serve two goals: 1) to provide congestion relief; and 2) implement safety improvements by closing uncontrolled access points along the expressway and addressing flooding at San Antonio Creek. The four contracts are:

1. Segment A HOV Lanes – this contract will construct NB and SB HOV lanes in the median between Highway 37 and Rowland Boulevard. The NB HOV lanes will extend further north from Rowland Boulevard to north of Atherton Avenue. This project was opened in early 2012.

2. Redwood Landfill Interchange – an interchange to serve San Antonio Road and the Redwood Landfill. The project has been awarded and due to start construction after the rainy season ends in April 2013.

3. San Antonio Curve Correction – this contract replaces the existing mainline bridges over San Antonio Creek, raising the freeway above the flood plain, and reconstructs the mainline to improve deficient sight lines through the curve in the vicinity of the creek. Due to start construction in 2014.

4. Petaluma Boulevard South Interchange – constructs a new interchange at Petaluma Boulevard South in Sonoma County. The additional allocation of $45Mil from CMIA program savings made it possible to add construction of a new span of the Petaluma River Bridge to this project.

The CMIA program, per state statute, required all anticipated funds to be committed for construction by the end of 2012, interpreted to mean contract award. As a result of the existing economic situation, bids on CMIA funded contracts were coming in lower than anticipated resulting in savings in the CMIA program. The CTC asked state and local agencies to deliver additional projects which would meet the CMIA funding and schedule requirements. The MSN Project Team (Caltrans, SCTA and TAM) successfully delivered additional projects to capture

approximately $100 million in additional funds from CMIA program savings for various MSN corridor projects.

TAM managed design of two CMIA funded contracts of MSN in Marin County. BKF Engineers professional firm provided design services. These construction contracts were awarded in accordance with CMIA guidelines to capture CMIA funds. Construction is scheduled to start after the rainy season in April 2013. The BKF Engineers contract needs to be extended to provide design support during construction. Funds are wholly provided from state funds available on the corridor. No TAM local funds are needed.

Recommendation: Authorize the Executive Director to amend contracts with BKF Engineers to provide design support during construction and extend time as necessary to complete construction of CMIA funded MSN projects utilizing existing state project funding, with no new funds necessary from TAM.

DATE: January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Bill Whitney, Principal Project Delivery Manager

RE: Report on the Transportation Authority of Marin's Disadvantaged Business Enterprise (DBE) Program (Action), Agenda Item 5f

Dear Commissioners:

Executive Summary

TAM entered into a Disadvantaged Business Enterprise Implementation Agreement with Caltrans, as required, to receive federal funds from the Federal Highway Administration (FHWA), and by doing so has agreed to incorporate certain contracting practices into TAM's procurement procedures and standard contract language for contracts to be funded by federal fund sources.

The DBE Implementation Agreement includes provisions for an annual submittal and references to various policies and procedures required by Caltrans as the steward of the federal funds in California. There have been several significant changes to the DBE Program during recent years, including a switch from not setting contract goals for DBE participation (i.e. implementing "Race Neutral" measures) to setting goals for only certain "underutilized" DBE companies, or "UDBE's," to going full circle back to setting contract goals for all DBE participation. Each change has required an amendment to the Implementation Agreement, with the most recent change occurring during 2012, i.e. the change back to setting contract goals for all categories of DBE participation.

TAM has implemented the required provisions for each federally-funded contract during the recent years in accordance with the Caltrans requirements at the time of procurement and the TAM DBE Program is in good standing with Caltrans and the FHWA. The current Implementation Agreement requires an annual submittal that does not include the calculation of the upcoming FFY's anticipated DBE participation. Goal setting is performed at the individual contract level. Staff will be bringing forward for the Board's information those DBE "goals" when it contracts utilizing federal funds.

The Executive Committee discussed this item and recommended acceptance of the process of setting DBE goals. The Committee further encouraged additional outreach to explore DBE participating opportunities, including in other contracting areas in which DBE's are not typically represented.

Recommendation: Accept staff process of setting DBE goals per contract in accordance with Caltrans and FHWA current guidance. Information to be made available to the TAM Board when contracts arise.

In order to receive federal transportation funding approved by the Federal Highway Administration (FHWA) through the California Department of Transportation (Caltrans), recipient agencies must enter into a Disadvantaged Business Enterprise Implementation Agreement with Caltrans which spells out the various requirements related to DBE participation in contracts funded wholly, or in part, by funds approved by the FHWA. By entering into the Implementation Agreement, TAM has agreed to implement the Caltrans DBE Program as it pertains to local agencies.

There have been several significant changes during recent years to the Caltrans DBE Program. At one point, it was concluded that DBE companies were participating to the levels that would be anticipated based on the DBE proportion of the overall population of all companies and setting DBE goals for individual contracts was suspended. In lieu of contract goals for DBE participation, so called, "race neutral" measures were employed to encourage DBE participation. Each agency chooses its own race neutral measures, but most agencies employ the same. Race neutral measures include activities and outreach to inform potential DBE participants about upcoming contracting opportunities, and are employed on most project-related procurements in spite of whether or not there are federal funds involved.

Another significant change was the elimination of the requirement for recipient agencies to submit a calculation of the "anticipated" DBE participation for the upcoming federal fiscal year (FFY) to Caltrans three months in advance of the beginning of the FFY. The current Implementation Agreement requires an annual submittal that does not include the calculation of the upcoming FFY's anticipated DBE participation. Goal setting is performed at the individual contract level.

When the suspension of the contract goal setting was lifted, it was only lifted for certain categories of DBE companies considered to be "underutilized," thus creating UDBE contract goals and revised provisions in the Implementation Agreement. During 2012, the requirement for goal setting was returned to all categories of DBE participation, and the designation of "UDBE" was eliminated. A new set of requirements and forms was distributed by Caltrans in accordance with the Implementation Agreement.

TAM has been addressing the "current-at-the-time" DBE requirements for the procurement of each individual federally-funded contract, and has been employing the agreed upon race neutral measures into procurement activities to promote DBE participation, including some cases in which there are no federal funds involved.

When developing an individual contract goal staff analyzes the overall scope of work to identify potential sub-contracting opportunities. A Caltrans database is then accessed to determine if there are DBE sub-contractors available to perform this work in the TAM market area. A contract goal is then established to set an achievable level of participation for DBE sub-contractors in the overall contract. The contract goal may be calculated as zero due to the lack of appreciable sub-contracting opportunities, or a minimal number of DBE firms are available to perform the work through sub-contracting opportunities.

TAM's DBE Program is in good status with Caltrans and the FHWA. If a recipient agency's DBE Program is not kept in good standing, the agency's access to federal funding may be adversely impacted.

Recommendation: Accept staff process of setting DBE goals per contract in accordance with Caltrans and FHWA current guidance. Information to be made available to the TAM Board when contracts arise.

Transportation Authority of Marin

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Denise Merleno, TAM Board Clerk

RE: Reappoint TAM Board member Gary Phillips to the Sonoma-Marin Rail Transit District (SMART) Board of Directors, (Action) Agenda Item 5g

Dear Commissioners:

Executive Summary

SMART was created by AB 2224 in 2002. Chapter 3, Article 1 of the bill describes a 12-member Board of Directors that includes, "*The member of the City Council of the City of San Rafael who also serves on the Marin County Congestion Management Agency, appointed by the Marin County Congestion Management Agency or its successor*." Each SMART Board member serves a term of four years.

San Rafael Councilmember Gary Phillips, was sworn in as a TAM Commissioner representing the City of San Rafael at a special TAM meeting held on January 9, 2012. He was appointed, at that same meeting, to the SMART Board, by TAM, to complete the balance of a four-year term, ending January 2013, which was left vacant when Mayor Albert Boro left office.

At their meeting of January 8, 2013 the San Rafael City Council re-appointed Mayor Phillips to the TAM Board of Commissioners for 2013. Commissioner Phillips is the San Rafael representative on the TAM Board and therefore, in accordance with the SMART legislation, is recommended for the SMART position.

Recommendation: Appoint TAM Board member Gary Phillips to the Board of Directors of SMART for a four-year term expiring in January 2017.

January 2013

TAM Board Meeting
Caltrans Report

PROJECTS ENVIRONMENTAL PHASE

Greenbrae Corridor Project; MRN-101 PM 7.2/8.9; On Route 101 from 0.2 miles north of Tamalpais Drive Interchange to 0.3 miles north of Sir Francis Drake Blvd. Interchange
Scope: Freeway and Interchange improvements.
Cost Estimate: $98M (Construction Capital)
Schedule: Start Construction: Fall 2014
End Construction: Fall 2017

Estero Americano Bridge; MRN/SON-1 PM 50.3/50.5; On Route 1 from 0.1 miles south of Estero Americano Bridge to 0.1 mile south of Valley Ford Road
Scope: Replace bridge.
Cost Estimate: $5.7M (Construction Capital)
Schedule: Start Construction: Fall 2016
End Construction: Fall 2017

Bridge Rail Replacement MRN-101 PM 1.5/14.0; On Route 101 at various locations
Scope: Replace bridge rails.
Cost Estimate: $6.5M (Construction Capital)
Schedule: Start Construction: Summer 2015
End Construction: Fall 2016

PROJECTS IN DESIGN PHASE

Marin-Sonoma Narrows Contract B3 - San Antonio Curve Correction; MRN-101 PM 26.5/27.6 & SON-101 0.0/1.2; On Route 101 from 0.3 mile north of San Antonio Rd. to 1.2 mile north of Marin/Sonoma County line
Scope: Realign Route 101 to the west to correct horizontal alignment and construct a new mainline San Antonio Creek Bridge. The project will extend frontage roads constructed in other MSN contracts and pedestrian/bicycle facility along San Antonio Creek.
Cost Estimate: $52M (Construction Capital)
Schedule: Start Construction: Fall 2014
End Construction: End of 2016

PROJECTS IN CONSTRUCTION PHASE

Marin-Sonoma Narrows Contract A1 - HOV lanes in Marin; MRN-101 PM 18.6/R23.3; On Route 101 from Route 37/101 separation to Atherton Avenue
Scope: Construct northbound HOV lane from Route 37 to Atherton Avenue and a southbound HOV lane from Route 37 to Rowland Blvd. The scope includes new HOV lanes in the median, sound walls, ramp metering on mainline and ramps, and Traffic Operation Systems (TOS) elements.
Cost Estimate: $27.9M (Construction Capital)
Schedule: Construction activities started in July 2011. Construction work completed.

Project Issues:
- All lanes are open to traffic. Construction contract close-out in progress.

AC Overlay; MRN-101 PM 0.0/8.5; On Route 101 from the Golden Gate Bridge to Corte Madera Creek
Scope: Overlay mainline pavement with asphalt concrete.
Cost Estimate: $24M (Construction Capital)

PM: Post Mile
PSE: Plans, Specifications, and Estimate
EA: Project Expense Authorization Number

Report Prepared by Caltrans District 4 Office of Project Management
January 18, 2013

TAM Board Meeting
Caltrans Report

Schedule: Construction activities started in March 2012. Completion of construction contract anticipated in March 2013.

Project Issues:
- Most of the paving work on Highway 101 and ramps are complete. Minor work such as guard-rail adjustments in progress.

.

Marin-Sonoma Narrows Contract B1 - Redwood Landfill Interchange and Frontage Roads; MRN-101PM 18.6/23.3; On Route 101 from 0.1 mile north of North Novato Overhead to 0.6 mile south of Marin/Sonoma County line
Scope: Construct a new interchange at Redwood Landfill Road. The project also includes new frontage roads and pedestrian/bicycle facility.
Cost Estimate: $27M (Construction Capital)
Schedule: Project awarded on Sept 14, 2012. Completion of construction contract anticipated in July 2015.

Project Issues:
- Construction activities are suspended for the winter season and they will start in April 2013.
- Tree cutting to comply with Migratory Bird Act will occur before February 2013. Bird mitigation activities will start in February 2013.

Marin-Sonoma Narrows Contract A2 – Southbound HOV lane extension in Marin; MRN-101 PM 20.5/20.9; On Route 101 from Novato Creek to Franklin Overhead
Scope: Construct southbound HOV lane.
Cost Estimate: $3.5M (Construction Capital)
Schedule: Project awarded on November 8, 2012. Completion of construction contract anticipated in December 2013.

Project Issues:
- Construction activities will start in April 2013.
- Bird mitigation activities will start in February 2013

Marin-Sonoma Narrows Contract A3 – Northbound HOV lane extension in Marin; MRN-101 PM 22.0/24.1; On Route 101 from 0.2 mile north of Atherton Avenue Overcrossing to 1.4 mile south of Redwood Landfill Overcrossing
Scope: Construct a new northbound HOV lane.
Cost Estimate: $14.7M (Construction Capital)
Schedule: Project awarded on November 1, 2012. Completion of construction contract anticipated in December 2014..

Project Issues:
- Construction activities will start in April 2013.
- Bird mitigation activities will start in February 2013.

Storm Damage Slope Repair – MRN-1 PM 11.0; On Route 1 near Web Creek
Scope: Slope stabilization using soil nail launcher and install Rock Slope Protection (RSP).
Cost Estimate: $1.2M (Construction Capital)
Schedule: Project awarded on October 1, 2012. Completion of construction contract anticipated in Spring 2013.

Project Issues:
- Since the work is dependent on dry weather, delay in project completion is possible.

PM: Post Mile
PSE: Plans, Specifications, and Estimate
EA: Project Expense Authorization Number

Report Prepared by Caltrans District 4 Office of Project Management
January 18, 2013

January 2013

TAM Board Meeting
Caltrans Report

STORM DAMAGE PROJECTS IN ENVIRONMENTAL /DESIGN PHASE

Project EA	Location/Description	Construction Capital Cost	Begin Construction
4S220	**Project in Design (PSE)** Location: Route 1, PM 10.95, In Marin County, at Web Creek. Scope: Construct tie-back retaining wall.	$1.9M	Fall 2014
4S770	**Project in Design (PSE)** Location: Route 1, PM 0.9/1.0; In Marin County from Ross Drive to Tennessee Ave. Scope: Replace culverts.	$880K	Fall 2013
3S900	**Project in Design (PSE)** Location: Route 1, PM 6.6, In Marin County, near Muir Beach, 0.3 mile north of Seacape Drive. Scope: Construct tie-back retaining wall.	$5.8M	Fall 2015
3S910	**Project in Design (PSE)** Location: Route 1, PM 7.7, In Marin County, near Muir Beach, 0.2 mile north of Cold Stream Fire Road. Scope: Construct tie-back retaining wall.	$6.1M	Fall 2015
4S780	**Project in Design (PSE)** Location: Route 1, PM 24.7; In Marin County, approximately 0.6 south of Olema. Scope: Replace culvert and reconstruct embankment.	$1.2M	Fall 2014
4S450	**Project in Design (PSE)** Location: Route 1, PM 31.3, In Marin County, near Point Reyes station at Petaluma Road. Scope: Construct buried piles cut off wall.	$1.1M	Fall 2013
4S660	**Project in Design (PSE)** Location: Route 1, PM 8.1/10 In Marin County, at Slide Ranch. Scope: Construct retaining wall.	$1.7M	Spring 2015

PM: Post Mile
PSE**:** Plans, Specifications, and Estimate
EA: Project Expense Authorization Number

Report Prepared by Caltrans District 4 Office of Project Management
January 18, 2013

Transportation Authority of Marin

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: David Chan, Manager of Programming and Legislation

RE: Approve Letter of Support for dedicated funds at the state level for Safe Routes to School (Action), Agenda Item 7

Dear Commissioners:

Executive Summary

Gus Khouri of Shaw Yoder Antwih will be present to discuss the proposed FY 2013/14 State Budget that was released by Governor Brown on January 10, 2013, which is summarized the attached Shaw Yoder Antwih report.

The Governor introduced a $98 billion general fund budget for FY 2013/14 that includes a $1 billion reserve and spends more on K-12 schools and higher education while holding the line on most other programs. The proposed budget would spend 5 percent more in FY 2013/14 than in the current fiscal year. The Governor's proposed budget does not forecast a multibillion dollar deficit that had been common in previous budgets. In comparison, the budgets for FY 2011/12 and FY 2012/13 included $27 billion and $20 billion deficits, respectively.

The budget's impacts on transportation include the following:

Creation of a new Active Transportation Program that will include funds from the existing state Safe Routes to Schools program, state Environmental Enhancement and Mitigation Program (EEMP), state Bicycle Transportation Account (BTA) program, and the new federal Transportation Alternatives Program (TAP) from MAP-21. It is anticipated that the funds from the above-mentioned programs would amount to approximately $134 million for the new Active Transportation Program that will focus on bicycle and pedestrian projects.

Note that in the past, state Safe Routes to Schools funds were in a dedicated account, and were programmed and allocated on a competitive basis for only Safe Routes type projects. Marin has received a number of grants from this program. Caltrans has determined currently that Safe Routes will be "lumped together" with BTA, EEMP, and the newly allowed federal TAP categories such as environmental mitigation. The fact that project environmental mitigation is now eligible for the same pot of funds as Safe Routes could propel the State to offset project environmental cost increases by using the combined Active-Transportation Program funds, thereby minimizing available Safe Routes funds.

Staff will be bringing a support letter forward to the TAM Board for approval, seeking a dedication of funds for Safe Routes at the state budget level.

The Budget includes a slight decrease in State Transit Assistance (STA) funds for transit operators, which is forecasted to receive $392 million, a 5% decrease from $416 million in FY 2012/13. The Bay Area is anticipated to receive approximately $8 million less than the current fiscal year. Locally, GGBHTD is scheduled to receive $4.49 million, or $266,000 less than FY 2012/12. Marin Transit shares STA funds with GGBHTD.

The Budget permanently makes vehicle weight fees to be paid directly to transportation bond debt service, to lower the cost of debt service instead of reimbursing the General Fund for payments.

The budget acknowledges that transportation should be a top priority for expenditures from funds generated from the Cap and Trade Program because transportation contributes 38% of the state's greenhouse gas emissions. Note much discussion is underway on how best to spend those funds, with numerous needs statewide. Note also the Governor has expressed interest in dedicating those funds to High Speed Rail.

There are no further appropriations for High Speed Rail in the Budget for FY 2013/14 since the High Speed Rail Authority received $8 billion in the FY 2012/13 budget.

The Budget reduces $1.5 million and 20 positions from Caltrans' Local Assistance. This is statewide, and will not have a significant affect on Caltrans ability to oversee local project delivery here in the Bay Area.

The Budget increases $8.4 million to Caltrans' Planning Department, including additional staff to conduct project initiation documents.

Gus Khouri and TAM staff will be available to answer questions and provide supplemental information at the TAM Board meeting.

Recommendation: Approve Letter of Support for dedicated funds at the state level for Safe Routes to School. This letter will be made available at the board meeting.

Attachment A: Shaw Yoder Antwih Report

SHAW/YODER/ANTWIH, inc.
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

January 10, 2013

TO: Board Members, Transportation Authority of Marin
FROM: Gus Khouri, Legislative Advocate
Shaw / Yoder / Antwih, Inc.

RE: STATE LEGISLATIVE UPDATE- GOVERNOR'S PROPOSED 2013-14 STATE BUDGET

Today, Governor Brown released his FY 2013-14 State Budget. He emphasizes that significant progress in trimming down the state's chronic budget deficit ($26.6 billion shortfall in FY 2011-12, $20 billion in FY 12-13) has been made by making spending cuts, primarily in corrections, health and human services, and education. As a result, the FY 13-14 budget does not project a deficit. Overall, General Fund spending is down from its peak of $103 billion in 2007-08 to $93 billion in 2012-13, a decrease of $10 billion, or 10 percent. As a share of the economy, General Fund spending in 2011-12 and 2012-13 remains at its lowest level since 1972-73.

The Governor emphasized that the State must live within its means. He identified four major variables for the budget going forward: actions on the federal deficit, the uncertain economic recovery, the federal government and/or the courts blocking actions, and potential increases in health care costs.

Regarding the "wall of debt," the Governor noted that in 2011 it was pegged at $35 billion and that it remains a significant challenge. The Governor is proposing to spend $4.2 billion in his budget to pay down existing state debt. Furthermore, the budget document notes the State's unfunded retirement obligations.

The passage of Proposition 30 on last November's ballot helped avert severe cuts to education, health and human service and public safety programs.

Impact on Transportation

The Transportation Agency is responsible for addressing mobility, safety, and air quality issues as they relate to transportation. Key priorities include developing and integrating the high-speed rail project into California's existing transportation system and supporting regional agencies in achieving the greenhouse gas emission reductions and environmental sustainability objectives required by state law.

The Agency consists of the following six state entities responsible for administering programs that support the state's transportation system:

· Department of Transportation
· California Transportation Commission
· High-Speed Rail Authority
· Department of Motor Vehicles
· California Highway Patrol
· Board of Pilot Commissioners

The Office of Traffic Safety operates within the Office of the Secretary for Transportation. The Budget includes total funding of $21.1 billion ($0.2 billion General Fund and $20.9 billion other funds) for all programs administered within the Agency.

The Agency, established as part of the Governor's 2012 Reorganization Plan, becomes operational on July 1, 2013.

The Governor makes a reference to California Transportation Commission's "2011 Statewide Transportation Needs Assessment" which identifies $538.1 billion in total infrastructure needs, including substantial local streets & roads and local mass transit needs, in addition to highway and intercity rail needs over the next decade.

Over the past decade, the voters have approved almost $30 billion of general obligation bonds for transportation purposes, including $19.9 billion for Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, and $9.9 billion for Proposition 1A, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century. As a result, approximately 13 percent of annual state transportation revenues will continue to be dedicated to offsetting debt service costs. These debt service costs are expected to total over $1 billion in 2013-14 and are projected to grow in future years, significantly exceeding the amount of existing transportation funds legally available to offset these costs and therefore creating General Fund expenses.

Beginning in the spring of 2013, the Agency will convene a workgroup consisting of state and local transportation stakeholders to refine the transportation infrastructure needs assessment, explore long-term, pay-as-you-go funding options, and evaluate the most appropriate level of government to deliver high-priority investments to meet the state's infrastructure needs.

The Budget also reflects changes to the Local Assistance and Planning Programs within Caltrans, including the consolidation of five programs into a single Active Transportation Program which will simplify and enhance funding for pedestrian and bicycle projects.

Impact on Transit Funding

The Governor projects that the State Transit Assistance program will be at approximately $391 million for FY 13-14 and $415 million for FY 12-13. If accurate, this would represent a 12% reduction from last fall's number of $468 million for FY 12-13 and 17% drop in comparison to the budget year number. This number is subject to change however as the program no longer relies on a budget-line item but rather on sales tax receipts associated with the consumption of diesel fuel.

The budget also proposes $479,717,000 in funding for the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA), which serves as the sole source of funding for transit capital projects and rolling stock purchases. It uncertain however whether this is a carryover balance of the existing appropriation authority from subsequent fiscal years. To date, approximately $1.8 billion of the $2.8 billion that has been appropriated by the legislature has been allocated to program recipients.

The intercity rail program is projected to receive $130 million.

We will follow up with the Department of Finance to verify the estimates.

Proposition 1A Funding

SB 1029 (Leno) [Chapter 152, Statutes of 2012], appropriated The 2012 Budget Act appropriated approximately $8 billion for the high-speed rail project for the following purposes:

- $5.8 billion for the first phase of the Initial Operating Section from Madera to Bakersfield.

- $1.1 billion for early improvement projects to upgrade existing rail lines in Northern and Southern California, which will lay the foundation for future high-speed rail service as it expands into these areas.

- $819.3 million for connectivity projects to enhance local transit and intercity rail systems that will ultimately link to the future high speed rail system. The CTC allocated funding during the Fall to those agencies that made a request.

Since the enactment of the Budget Act, significant progress on the project has been made:

In September, the Federal Railroad Administration approved the necessary environmental impact assessments for the Merced to Fresno alignment.

- The public comment period for the draft environmental assessments for the Fresno to Bakersfield alignment concluded in October.

- The Authority has started to solicit bids from private contractors to begin the right-of-way land acquisition phase of the project.

The Authority is continuing to identify early “bookend” investments that will generate immediate benefits and, through blended service, enhance future high-speed rail ridership. Projects currently being evaluated include the electrification of the Caltrain corridor in Northern California and regional rail improvement projects, such as grade separations, in Southern California. Final selection of specific projects and lead agencies will be completed by the end of the current fiscal year. Initial construction work is scheduled to begin in the Central Valley during the summer of 2013.

As noted in the Authority's revised 2012 Business Plan, additional funding will be necessary to complete the Initial Operating Section from Merced to the San Fernando Valley. Cap and Trade funds will be available as a fiscal backstop.

Cap and Trade

The Budget acknowledges that transportation is the single largest contributor to GHGs in California (38 percent), and reducing transportation emissions should be a top priority (including mass transit, high speed rail, electrification of heavy duty and light duty vehicles, sustainable communities, and electrification and energy projects that complement high speed rail). The Budget recognizes that the first Cap and Trade auction resulted in $55.8 million in proceeds to the state (two more auctions will occur on February 19, 2013 and May 16, 2013); therefore the Budget only addresses the expenditure of auction proceeds of $200 million in 2012-13 and $400 million in 2013-14. Total revenues from the auctions may exceed these amounts.

Transportation Authority of Marin

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Allan Bortel, Chairperson of Citizens' Oversight Committee
Li Zhang, Chief Financial Officer

RE: Acceptance of the FY2011-12 COC Annual Report (Action), Agenda Item 8

Dear Commissioners:

Executive Summary

In accordance with the requirements of the Measure A Half-cent Transportation Sales Tax Expenditure Plan and the Measure B $10 Vehicle Registration Fee Expenditure Plan, the Citizens' Oversight Committee (COC) finalized and approved its FY2011-12 Annual Report to the citizens in Marin at its December 10 meeting. The Annual Report was developed by the COC Annual Report Sub-committee and TAM staff, based on the results of TAM's FY2011-12 financial audit. The Committee is able to release the FY2011-12 report on a timely basis because of the coordinated efforts of the Committee, Staff and TAM's financial audit team.

Please note that the FY2011-12 COC Annual Report includes the first full year of revenues and expenditures for Measure B, the $10 vehicle registration fee for transportation projects/programs. The voters in Marin approved this fee increase back in November 2010. The Measure B Vehicle Registration Fee Expenditure Plan, like the Measure A Half-cent Transportation Sales Tax Expenditure Plan, requires an annual report be produced to inform the citizens in Marin about the Measure B revenues and expenditures. The Measure B $10 Vehicle Registration Fee Expenditure Plan also states that the annual report can be included as part of the annual report currently published by the COC related to the half-cent Measure A sales tax.

The COC will produce 1,500 hard copies of the FY2011-12 Annual Report and distribute them to various communities and agencies according to the distribution plan adopted in December. See below for details regarding distribution. The final report will also be available on TAM's website.

Staff recognizes the dedication of the TAM Citizens' Oversight Committee and thanks the Committee for its great contribution.

Recommendation: The TAM Board accepts the final Draft COC FY2011-12 Annual Report.

FY2011-12 Annual Report

In accordance with the requirements of the Measure A Half-cent Transportation Sales Tax Expenditure Plan and the Measure B $10 Vehicle Registration Fee Expenditure Plan, the Citizens' Oversight Committee (COC) finalized and approved its FY2011-12 Annual Report to the citizens in Marin at its December 10 meeting. The Annual Report was developed by the COC Annual Report Sub-committee and TAM staff, based on the results of TAM's FY2011-12 financial audit.

The Committee is able to release the FY2011-12 report on a timely basis because of the experience gained by the committee members who have now served on the COC for several years, the procedures established during the prior fiscal year, the dedication of the COC Annual Report Subcommittee, and the professional contribution of the TAM staff and design team.

Please note that the FY2011-12 COC Annual Report includes the first full year of revenues and expenditures for Measure B, the $10 vehicle registration fee for transportation projects/programs. The voters in Marin approved this fee increase back in November 2010. The Measure B $10 Vehicle Registration Fee Expenditure Plan, like the Measure A Half-cent Transportation Sales Tax Expenditure Plan, requires an annual report be produced to inform the citizens in Marin about the Measure B revenues and expenditures. The Measure B $10 Vehicle Registration Fee Expenditure Plan also states that the annual report can be included as part of the annual report currently published by the COC related to the half-cent Measure A sales tax.

Distribution Plan

COC will use the FY2011-12 Annual Report as a tool to reach out to the communities and reassure the public that the Measure A half-cent cent transportation sales tax funds and the Measure B $10 vehicle registration fee funds are being spent in accordance with the voter-approved Expenditure Plans. The following is the distribution plan for the 1,500 hard copies. The report will also be available on TAM's website.

1. Distribute the report to Libraries/City/Town/County Civic Center

2. Distribute the report to active committees and partners in transportation including the following:
   - TAM Technical Advisory Committee
   - TAM Bicycle/Pedestrian Advisory Committee
   - School Districts
   - Business/Chambers of Commerce
   - Partner agencies including: Golden Gate Bridge, Highway and Transportation District, Marin Transit, and SMART
   - Related agencies and advocacy groups: Health & Human Services, Paratransit Coordinating Council, the Marin Center for Independent Living, The Sierra Club, Marin Conservation League; Marin County Bicycle Coalition, etc.

3. Distribute the report at various transportation-related public meetings.

Budget Impact

Since staff and the Annual Report Subcommittee have taken on most of the design, writing and edit work, TAM was able to keep the production of report at a very low cost. The total cost of the production is about $2,000 and the amount is included in TAM's FY2012-13 Annual Budget.

Recommendation:

The TAM Board accepts the final Draft COC FY2011-12 Annual Report.

Attachment: Final Draft COC FY2011-12 Annual Report

Citizens' Oversight Committee

Transportation Authority of Marin

Transportation Authority of Marin
781 Lincoln Ave., Suite 160
San Rafael, CA 94901
(415) 226-0815
www.tam.ca.gov

Project Management/Art Design & Layout: Li Zhang/Gary Kell
Photo Credits: Peter Oppenheimer/TAM Staff
Writing/Editing Credits: COC Annual Report Sub-Committee,TAM Staff

Fiscal Year 2011-2012
July 1, 2011-June 30, 2012
Eighth Annual Report

ABOUT TAM & COC MEMBER LIST

ABOUT TAM:

The Transportation Authority of Marin (TAM) is a joint powers authority comprised of Marin's 11 cities and towns and the County of Marin. The TAM Board of Commissioners includes the five members of the County Board of Supervisors and an elected official from each city and town. TAM administers the Expenditure Plans for both Measure A, the 20-year ½ cent sales tax, and Measure B, the $10 vehicle registration fee. Both revenue sources are dedicated to transportation projects and programs in Marin approved by Marin voters and overseen by the Citizens' Oversight Committee (COC). TAM also serves as Marin's Congestion Management Agency (CMA) and is responsible for coordinating funding for many of the transportation projects and programs in the County.

Please visit *www.tam.ca.gov* for the most current information on TAM's projects and programs.

CURRENT COC MEMBERS:

Members/Alternates	Representing
Barbara George/Joy Dahlgren	Central Marin Planning Area
Gilda Selchau/Paul Roye	Ross Valley Planning Area
Robert Burton	Southern Marin Planning Area
V-Anne Chernock (Vice-Chairperson)	Northern Marin Planning Area
Scott Tye	West Marin Planning Area
Vince O'Brien	Bicyclists & Pedestrians Groups
Don Wilhelm/Nancy Okada	Environmental Organizations
Ann Batman/Sue Beittel	League of Women Voters
Allan Bortel (Chairperson)/Rocky Birdsey	Marin County Paratransit Coordinating Council
Peter Pelham/Monique Broussard	Major Marin Employers
Heather McPhail Sridharan	School Districts
Ray Hirsch	Taxpayer Groups

MEET YOUR TAM COC REPRESENTATIVES

What brought you to the COC and made you stay?

Being a travelling salesman for 38 years, I travelled all over California and observed the same transportation congestion problem everywhere. I understand the importance of transportation issues and always wanted to contribute to the improvement of the system. It is also MUTA's strong belief that an effective transportation system is essential if Marin expects to continue to be a strong and vital community. Because of the importance of the taxpayer groups, a permanent seat was created on the COC, and I was nominated by MUTA to serve on the Committee from the beginning. Every meeting is an adventure with great transportation-related discussions among the dedicated committee members. I am pleased to serve the community on this committee.

Ray Hirsch with Judy Garland

Do you think the COC has made a difference in addressing transportation issues of Marin and the transportation future?

The COC definitely plays a critical role in addressing the current and future transportation issues of the County. Over the years, the COC has also become the platform for TAM to reach out to the public on various transportation issues, such as the Central Marin Ferry Connection project and long-term regional transportation planning efforts.

What do you value the most about the COC?

I really value the dedication to various transportation issues my fellow committee members have. The meetings are always very informative. I also appreciate the TAM Executive Director, Dianne Steinhauser, for her and her team's effort of making our government process more efficient and for the wonderful work and support that TAM staff provides.

Ray Hirsch in **Mad Youth,** *1938*

MEET YOUR TAM COC REPRESENTATIVES

THIS YEAR'S FEATURED MEMBER: RAY HIRSCH, RESIDENT OF SAN RAFAEL, REPRESENTING THE TAXPAYER GROUPS

Ray and Betty Hirsch

I came to Marin County in 1961 with my wife, Betty, and our three children, and settled in the Lucas Valley area of San Rafael. We were immediately drawn into the community through school, work and my participation in the Marin United Taxpayers Association (MUTA).

As one who won the national jitterbug championship in 1938, I am passionate about dancing and singing. I had some great times with all my partners, who were the stars of Hollywood's Golden Age. I still have vivid wonderful memories about my roles in "Mad Youth", "Georgie Porgie", and "The Razor's Edge", where I met my bride, Betty. My song-and-dance career was interrupted by World War II, during which I served with the Marines as a master tech sergeant in support of torpedo bomber squadrons. In 2009, I was inducted into the California Swing Dance Hall of Fame.

Retired at 77, I now enjoy my participation with the Sons In Retirement group, entertaining folks at assisted living homes with my movie clips and, of course, dancing and singing. I have also been asked to put my encyclopedic knowledge of dance to work as a judge at dance competitions and workshops, which has opened up a whole new life for me.

How long have you been serving on the COC?

I got involved, on the local level, with transportation issues and community service in Marin when we first moved here. I have been serving on the COC for more than six years and am now on the last year of my second four-year term.

MESSAGE FROM THE COC CHAIRPERSON

The Citizens' Oversight Committee (COC) is charged with reviewing financial procedures and expenditure of funds generated by Measure A (a 20-year, half-cent sales tax) and Measure B (a $10 vehicle registration fee). The Committee consists of volunteers representing geographic areas and interest groups in Marin County. Committee members bring to bear a wide variety of skills in finance, public policy, and transportation management. Membership consists of recent appointees who bring fresh ideas to the group and long standing members with seven years of membership who provide continuity to our efforts.

During this past fiscal year, the COC reviewed TAM's Measure A related expenditures, making sure that they are in accordance with the requirements of the Measure A Expenditure Plan. The COC helped the TAM Board develop and adopt the Measure A Compliance Audit Policy. This Compliance Audit Policy verifies that recipients of Measure A funds manage these expenditures properly. It also helped formulate the Measure B Expenditure Plan. The TAM Board asked the COC to take on the oversight role for the $10 vehicle registration fee revenue.

The COC has also been asked by the TAM Board and staff to provide its input into the longer-term Regional Transportation Plan for the Bay Area, the funding allocation to SMART (Sonoma Marin Area Rail Transit), the High Occupancy Toll lane study along the highway 101 corridor, and various other important transportation projects. We welcome the opportunities to be a voice for the public in Marin's important, transportation-related discussions and decisions.

The COC has been meeting regularly since August 2005. All meetings are open to the public and meeting agendas and materials are posted on TAM's website: www.tam.ca.gov. The COC welcomes individuals to apply for membership on the committee. If you would like to serve on the COC, please call (415) 226-0815 for more information.

Lastly, I want to thank committee members as well as TAM staff for their time and effort in helping the Transportation Authority of Marin to achieve the goals set out by the voters of Marin.

Allan Bortel
Chairperson, Citizens' Oversight Committee

Allan Bortel, a resident of Tiburon, representing the Marin County Paratransit Coordinating Council, has been serving as the COC Chairperson since early 2012.

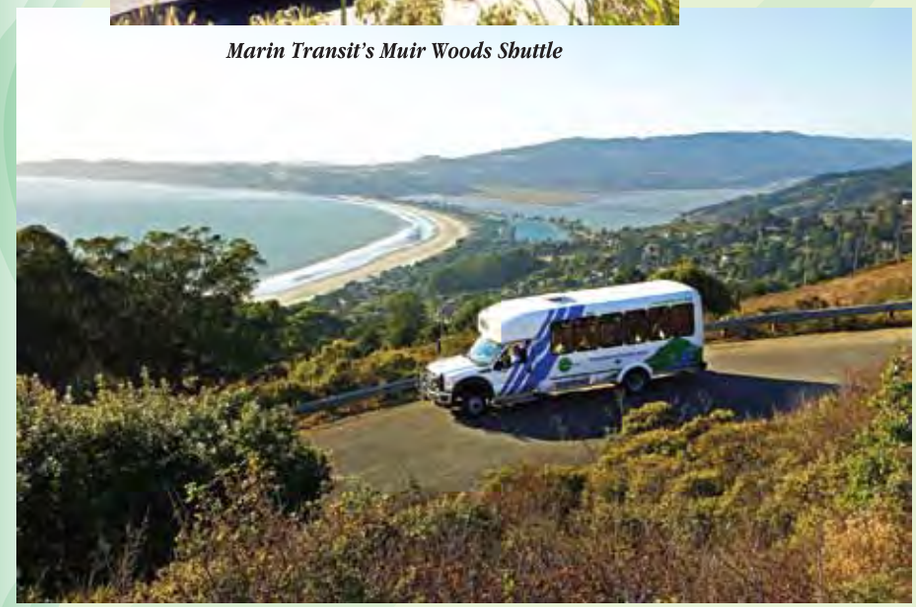
MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 1: LOCAL BUS TRANSIT SYSTEM

Marin Transit manages five contracts that provide a variety of local transit services: (1) local fixed-route bus and community shuttle services; (2) rural transit services (the West Marin Stage); (3) the seasonal Muir Woods Shuttle; (4) the Novato Dial-A-Ride; and (5) transportation services for seniors and persons with disabilities.

For more information about Marin Transit services and to plan your next trip, please visit www.marintransit.org.

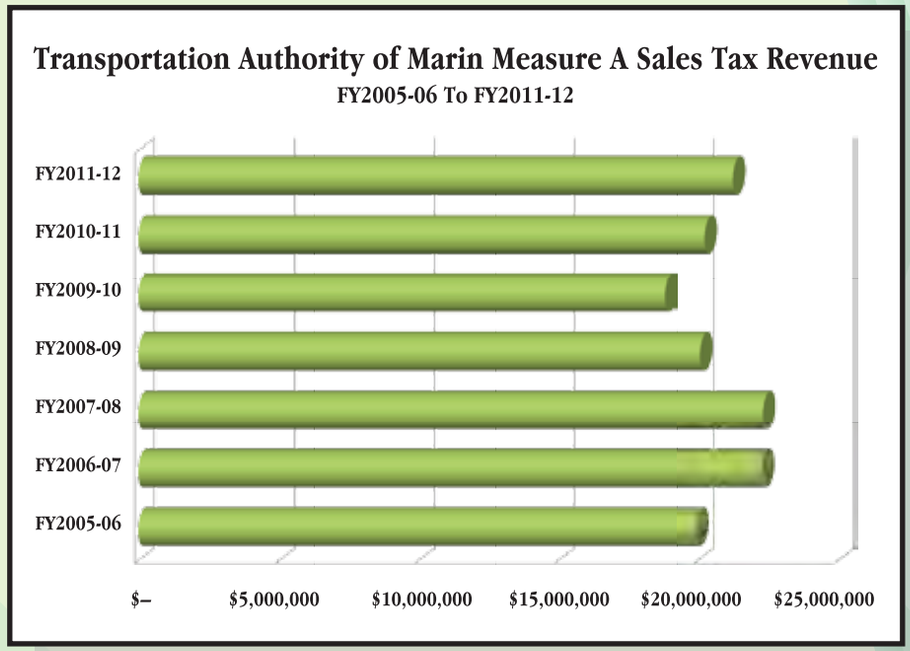
Marin Transit's Muir Woods Shuttle



Marin Transit's West Marin Stage before a breathtaking Stinson Beach vista

FINANCIALS

MEASURE A AND MEASURE B REVENUE TREND



TAM received its first full revenue collection for Measure B, the $10 vehicle registration fee, in FY2011-12. The total FY2011-12 revenue is $2.3 million, a great revenue enhancement to Marin's transportation funding!

FINANCIALS

FY2011-12 MEASURE A AND MEASURE B ALLOCATION/PROGRAMMING

FY2011-12 Measure A Funding Allocation/Programming By Strategy

Strategy	FY2011-12
Strategy 1 – Local Bus Transit System	$9,853,944
Strategy 2 – Local Transportation Infrastructure	
3.1 Major Roads	$5,196,278
3.2 Local Roads	$2,458,858
Strategy 4 – Reduce School Related Congestion and Provide Safer Access to Schools	
4.1 Safe Routes to Schools	$724,972
4.2 Crossing Guards	$725,000
4.3 Safe Pathway Projects	$100,000
TOTAL	**$19,059,052**

FY2011-12 Measure B Funding Allocation/Programming By Element

Element	FY2011-12
Element 1 – Maintain Local Streets and Pathways	
1.1 Local Streets	$ -
1.2 Pathways	$ -
Element 2 – Improve Transit for Seniors and Persons with Disabilities	$530,000
Element 3 – Reduce Congestion and Pollution	
3.1 School Safety and Congestion Reduction	$175,000
3.2 Local Marin County Commute Alternatives	$130,000
3.3 Alternative Fuels Infrastructure and Promotion	$161,992
TOTAL	**$996,992**

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 1: LOCAL BUS TRANSIT SYSTEM

- Carried 3.4 million fixed route and demand-response passengers.
- Implemented Volunteer Driver Programs in East and West Marin.
- Continued to cultivate partnerships that effectively address transportation issues of older adults, the disabled, and low-income residents through the Mobility Management Center.

Happy Volunteer Driver and Rider

- Experienced the highest ridership yet on the award-winning seasonal Muir Woods Shuttle, carrying more than 47,500 passengers, a 46% increase over the prior year.
- Initiated grant funded community shuttle Route 222 connecting Marin City with Marin General Hospital and surrounding medical facilities.
- Developed expanded Stagecoach service, including three additional round trips on Route 68 between Inverness and San Rafael.
- Completed design and engineering for the South Novato Bus Stops Improvement Project.
- Completed the Marin City Transit Hub Improvement Project.

Marin City Transit Hub

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 2: THE HIGHWAY 101 GAP CLOSURE CARPOOL LANE PROJECT

The Project was successfully completed in December 2010 and has been providing congestion relief for Marin travelers since then!

STRATEGY 3: LOCAL TRANSPORTATION INFRASTRUCTURE

Strategy 3 is dedicated to the ongoing needs of our local road system, which is critical to navigating through Marin County. Funding continues to be committed for local infrastructure projects that accommodate vehicle, bicycle, and pedestrian traffic needs.

Major Roads Category

Completed Major Road Projects:

- The City of San Rafael's 4th Street/West End Village Revitalization project (2009)
- Novato Boulevard Segment 3 – Eucalyptus Avenue to San Marin Drive (2009)
- Novato Boulevard Segment 2 – Grant Avenue to Eucalyptus Avenue (2011)

Fourth Street in Downtown San Rafael

FINANCIALS

FY2011-12 AUDIT RESULT AND COC REVIEW

TAM's primary goal is to ensure the best value for the public funds it is entrusted to manage, including Measure A, the ½ cent transportation sales tax fund, and Measure B, the $10 vehicle registration fee fund. A rigorous system of checks and balances is in place to ensure that both the Measure A and Measure B funds are spent efficiently and as promised. Annual independent audits are performed to ensure accountability and transparency of the funds as required by the expenditure plans.

For another year, TAM received an "unqualified" opinion, also known as a clean opinion, meaning that the financial statements appear to be presented fairly with no problems for its FY2011-12 Financial Statements. The COC has reviewed the audited FY2011-12 Financial Statements and verified that Measure A funds were properly administered in accordance with the terms of the Measure A Expenditure Plan and the Strategic Plan for the reporting period. The audit also confirmed that TAM has been in compliance with the 5% cap on administration costs, as required by the Measure A Expenditure Plan.

TAM also completed its second round of Measure A compliance audits for Measure A funds disbursed to fund recipients in and prior to FY2011-12. The purpose of the compliance audit is to confirm that all Measure A funds were spent in accordance with the requirements of the Measure A Expenditure Plan and the funding agreements. Eight Measure A fund recipients were selected for this effort. The results of the compliance audits, along with TAM's FY2011-12 Financial Statements, are available at TAM's website: www.tam.ca.gov or by calling (415) 226-0815.

COC In Action

MEASURE B ELEMENT HIGHLIGHTS

ELEMENT 3 - REDUCE CONGESTION AND POLLUTION

- **School Safety and Congestion Reduction:** Twelve additional crossing guards were funded by Measure B funds in 2011.
- **Local Marin County Commute Alternatives:** The Emergency Ride Home program, started in early 2012, is one of the Transportation Demand Management (TDM) activities enabled by the $10 vehicle registration fee. Please visit www.marinerh.org for more information.
- **Alternative Fuels Infrastructure and Promotion:** Funds generated by the $10 vehicle registration fee serve as matching funds for state and federal grants to install publicly available electric vehicle charging stations and bring alternative fuel fleet vehicles to local governments and public agencies.

Electric Vehicle Recharging Station – Belvedere

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 3: LOCAL TRANSPORTATION INFRASTRUCTURE

Major Roads Category

Miller Avenue in Mill Valley
The Miller Avenue Streetscape Plan was adopted by the Mill Valley City Council in July 2011. The Streetscape Plan addresses critical operational and infrastructure issues while also preserving the unique character of Mill Valley. It is anticipated that construction will be phased for the two-mile project area, occurring over a three-to-five year period.

Miller Avenue, Mill Valley

Novato Boulevard in Novato
The City of Novato continues its work on Novato Boulevard improvements. Segment 2 (Grant Avenue to Eucalyptus Avenue) was completed this year. The environmental phase for Segment 1 (Diablo Avenue to Grant Avenue) is moving forward, with the last of the studies to be included in the draft Environmental Impact Report nearing completion.

Novato Boulevard, Novato

West Sir Francis Drake Boulevard
The County of Marin continues to move forward in improving a 5.2-mile portion of Sir Francis Drake Boulevard through Samuel P. Taylor State Park, with approval of the final environmental document in May 2011. The work consists of replacing all 70 storm drain crossings, repairing a slide near Shafter Bridge, and rehabilitating the roadway in its present configuration. Plans, specifications, and estimates are complete. Construction started in summer 2012 and is expected to be completed by summer 2013.

West Sir Francis Drake Boulevard, Completed Section

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 3: LOCAL TRANSPORTATION

Local Roads Category

To Date, the Measure A sales tax program has provided $14.8 million in funds to all the local jurisdictions in Marin for local street and road projects and bicycle and pedestrian improvements.

	FY2011-12 Allocation	Total To Date
Belvedere	$21,880	$145,500
Corte Madera	$75,267	$468,844
Fairfax	$58,296	$399,441
Larkspur	$380,162	$1,024,207
Mill Valley	$121,872	$823,988
Novato	$394,496	$2,519,251
Ross	$ –	$112,177
San Anselmo	$96,491	$653,606
San Rafael	$424,253	$2,831,490
Sausalito	$60,608	$400,375
Tiburon	$73,736	$480,124
County	$751,797	$4,913,135
Total	**$2,458,858**	**$14,772,138**

MEASURE B ELEMENT HIGHLIGHTS

ELEMENT 2 - IMPROVE TRANSIT FOR SENIORS AND PERSONS WITH DISABILITIES

The dedication of 35% of the vehicle registration fee revenue to Element 2 enables Marin Transit to provide expanded transportation service options for Marin's seniors and persons with disabilities. Additional options include:

- Transitioning the previously grant-funded, very successful volunteer driver programs for seniors to Measure B funding, and expanding one of these programs to serve younger persons with disabilities.
- Supplementing the rapidly growing Marin Access local paratransit service.
- Providing fare subsidies for low-income Marin Access paratransit riders.
- Providing funds for travel training for seniors, including a volunteer based "transit ambassador" program, a “Gap Grant Program,” and the “Marin Catch-A-Ride” discounted ride program for seniors.

Volunteer Driving Program

Travel Training for Seniors

MEASURE B ELEMENT HIGHLIGHTS

With the approval of Measure B, the $10 annual vehicle registration fee, Marin voters validated that transportation continues to be one of the top priorities in the County.

ELEMENT 1 - MAINTAIN MARIN COUNTY'S LOCAL STREETS AND PATHWAYS

This element will provide more than $700,000 annually for the maintenance needs of local streets and pathways in Marin. Funding will be made available every three years to the local jurisdictions.

Calpark Multi-Use Pathway

Canal Neighborhood Local Street

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 4: REDUCE SCHOOL RELATED CONGESTION AND PROVIDE SAFER ACCESS TO SCHOOLS

Safe Routes to Schools

TAM's nationally recognized Safe Routes to School Program continues to provide different mode choices for students traveling to/from schools. With programs in 52 schools countywide, the program has seen an average 8% shift to non-driving modes to date. TAM released a ten-year assessment of the program in November 2011 heralding the success in not only addressing congestion, but also providing and supporting healthier alternatives to driving. The success of the Safe Routes to School Program in reducing congestion and vehicular pollution, promoting team building, and supporting healthy lifestyle options would not be possible without our devoted parents, teachers, school administrators, and students. The School-Pool program is an exciting innovation that helps to coordinate trip reduction and reduce peak period traffic from school-based auto trips. More than 72 Marin schools are participating – with over 2,000 parents and students registered to share trips. Sign up at *http://schoolpoolmarin.org!*

Sun Valley Walk to School Day

SR2S Team Leaders

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 4: REDUCE SCHOOL RELATED CONGESTION AND PROVIDE SAFER ACCESS TO SCHOOLS

Crossing Guard Program

The TAM Crossing Guard program – one of the most comprehensive in the Bay Area – deployed trained school crossing guards at more than 76 locations throughout Marin County in the last year. By making pathways to school safer, a key barrier to promoting walking and biking is eliminated, reducing the need for students to be driven to school.

"Crossing guards are a huge part of our school community and provide a very important safety net for our children. If we didn't have crossing guards I believe our school streets would be far more unsafe, and our children would be in great danger from the traffic going by our schools."

– Andy Falk, Vallecito and Miller Creek Middle School Parent

A Davidson Crossing Guard in action

MEASURE A STRATEGY HIGHLIGHTS

STRATEGY 4: REDUCE SCHOOL RELATED CONGESTION AND PROVIDE SAFER ACCESS TO SCHOOLS

Safe Pathways to School Projects

Completed Safe Pathway projects as of June 2012:

- Corte Madera: Neil Cummins Elementary School
- Fairfax: White Hill School
- Larkspur: Hall Middle School
- Dixie School District: Maria Silveira School
- Mill Valley: Edna Maguire Elementary and Old Mill Elementary Schools
- Novato: Hill Road and Indian Valley Road Improvements
- Ross: Ross School
- San Anselmo: Brookside, Wade Thomas, and St. Anselm Schools
- San Rafael: Laurel Dell Elementary School
- Tamalpais Union High School District: Tamalpais and Redwood High Schools

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Bill Whitney, Principal Project Delivery Manager

RE: Highway 101 Greenbrae/Twin Cities Corridor Improvement Project Update (Discussion), Agenda Item 9

Dear Commissioners:

Executive Summary

On December 17, 2012 The California Department of Transportation (Caltrans), in cooperation with the Transportation Authority of Marin released the draft environmental document for the Highway 101 Greenbrae/ Twin Cities Corridor Improvement Project. The draft environmental document was released for a sixty day public review and comment period. During the comment period Caltrans and TAM will host a public hearing on January 29, 2013 to explain the environmental process, and gather comments on the findings presented in the draft environmental document. Public comments must be received by Thursday February 14, 2013.

At the TAM Board meeting on January 24th, staff will make a brief presentation describing the project's background, project development process, describe the project's multi-modal elements and summarize the environmental review and findings. Staff will then be available to the Board for comments and/ or questions.

The public is welcome to comment to the TAM Board. If anyone wishes their comments to become part of the formal documentation of comments, they will need to fill out a comment card, which will be available at the TAM Board meeting.

Following the public comment period Caltrans and TAM will assess comments and develop responses to all comments received. Comments will be grouped. Some comments may be relatively simply to respond to, possibly requiring direction to information already contained in the draft environmental document. Other more complicated comments may require development of information for the TAM board to consider, as developed by the project team. Note that response to all comments will be prepared in consultation with Caltrans. It is expected the response process will take six to eight months in preparation, for an early Fall 2013 presentation to the TAM Board for further direction. The TAM Board will be asked to concur with the responses.

Recommendation: For Discussion Only.

Attachment: Public Notice and Announcement of Public Hearing

PUBLIC NOTICE AND ANNOUNCEMENT OF PUBLIC HEARING

Notice of Intent to Adopt a Draft Initial Study with Proposed Mitigated Negative Declaration and Draft Environmental Assessment for the Highway 101 Greenbrae/Twin Cities Corridor Improvement Project

WHY THIS NOTICE:
A draft environmental document has been prepared for the Highway 101 Greenbrae/Twin Cities Corridor Improvement Project and was released for public review on Monday, December 17, 2012. As part of the planning process, a public hearing will be held to solicit comments on the draft environmental document for the project. A public hearing is planned at Redwood High School in Larkspur on Tuesday, January 29, 2013.

WHAT IS BEING PLANNED:
The California Department of Transportation (Caltrans) in cooperation with the Transportation Authority of Marin (TAM) proposes to reduce traffic congestion within the Highway 101 Greenbrae/Twin Cities corridor through the reconfiguration of existing interchanges, and the construction of auxiliary lanes and collector-distributor roadways.

The project would include the following major features:

- Reconfiguration of existing US 101 interchanges, and the construction of auxiliary lanes and collector-distributor roadways
- Auxiliary lanes constructed between on and off ramps to allow drivers a safe way to merge into traffic while also preventing bottlenecks caused by drivers attempting to enter or exit the freeway
- Collector-distributer roadways are parallel roads to the freeway which help move traffic from local streets to the freeway.
- Project improvements to existing transit and pedestrian/bicycle facilities
- Construction of new facilities to make alternative transit modes (i.e., buses, bicycles, and pedestrians) more attractive and efficient in order to reduce traffic volumes in the Greenbrae/Twin Cities Corridor

WHERE YOU COME IN:
The public hearing is intended to inform the public about the findings from the environmental review on the proposed project, explain the environmental review process, and gather public comments on the findings presented in the draft environmental document. Members of the public are encouraged to attend the public hearing and provide input. Members of the public can also provide written comments.

WHEN AND WHERE:

WHEN: Tuesday, January 29, 2013
6:00 p.m. to 8:00 p.m.

WHERE: Redwood High School Cafeteria
395 Doherty Drive
Larkspur, CA 94939

REVIEW OF THE ENVIRONMENTAL DOCUMENT:
In compliance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), the Draft Environmental Document (DED) assesses the environmental impacts associated with construction and operation of the proposed project. Per CEQA/NEPA requirements, the DED will be available for public review for sixty (60) days, beginning December 17, 2012. **Public comments must be received by Thursday, February 14, 2013 at 5:00p.m.**

The document will be available for review at the following locations:

- Caltrans' District 4 Office, 111 Grand Avenue, Oakland, California, 94612
- Corte Madera Town Hall, 300 Tamalpais Drive, Corte Madera, CA 94925
- Larkspur City Hall, 400 Magnolia Avenue, Larkspur, CA 94939
- Larkspur Library, 400 Magnolia Avenue, Larkspur, CA 94939
- Marin County Free Library, 707 Meadowsweet Drive, Corte Madera, CA 94925
- Transportation Authority of Marin (TAM) office, 781 Lincoln Avenue, Suite 160, San Rafael, CA 94901
- The document is also available for review online at the following websites:
  - TAM website: www.tam.ca.gov (click on Projects & Programs – Hwy 101 Greenbrae Twin Cities)
  - Caltrans Website: http://www.dot.ca.gov/dist4/envdocs.htm

HOW TO COMMENT:
Please submit written comments on the DED via postal mail to:

Caltrans District 4
Attention: Valerie Shearer, Senior Environmental Planner
Office of Environmental Analysis, MS-8B
P.O. Box 23660
Oakland, CA 94623-0660

Please submit comments via email to: **Valerie_Shearer@dot.ca.gov**

CONTACT:
Please contact Valerie Shearer, Caltrans Senior Environmental Planner, at (510) 286-5594 and valerie.shearer@dot.ca.gov or Bill Whitney, TAM Project Manager, at (415) 226-0823 and bwhitney@tam.ca.gov with any questions about this project or the public input process. More information about the project and public hearings can be found at www.tam.ca.gov. Meeting facilities are accessible to persons with disabilities. Requests for special accommodations should be directed to TAM staff at (415) 226-0815 no later than five days before the hearing.

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Linda Jackson, Planning Manager
Scott McDonald, Associate Transportation Planner

RE: Marin County Bike Share Feasibility Study (Action), Agenda Item 10

Dear Commissioners:

Executive Summary

Bike sharing programs provide a network of bicycles that are made available on demand for short trips. A bike share system consists of several stations at key sites, often linking travelers with transit and other destinations. For these reasons, bike sharing is often used as a flexible and active first or last-mile mobility option, which combined with transit or other modes, can provide an alternative to driving alone.

Since 2008, a proliferation of modern "4th generation" bike share programs have emerged in the U.S. and have stimulated nationwide interest in bike sharing. Within our region, the San Francisco Bay Area Pilot Bike-Sharing Program, expected to launch this summer, includes San Francisco, San Jose, Mountain View, Palo Alto, and Redwood City. The pilot was made possible by a 2010 Climate Initiative Grant from the Metropolitan Transportation Commission (MTC).

In January 2012, the TAM Board authorized $25,000 in Measure B Vehicle Registration Fee (VRF) funding for the development of a bike share feasibility study to identify the potential demand and requirements for a similar program in Marin. TAM completed the study with the help of consultant Alta Planning + Design (also the firm expected to implement and operate the future San Francisco Bay Area Pilot Bike-Sharing Program). Staff met four times with an ad hoc Bike Sharing Advisory Working Group (BSAWG) and received input from various stakeholder groups during the development of the study. This study provides an important first step in exploring the feasibility of bike sharing in Marin County.

<u>Goals for a Bike Share Program</u>

The BSAWG recommends the following seven program goals:

- Provide convenient mobility options for Marin residents, workers and visitors
- Reduce congestion and greenhouse gas emissions
- Serve transit-dependent communities
- Complement/support transit service and bicycle infrastructure

- Promote active and healthy lifestyles
- Encourage economic development
- Be financially sustainable

Benefits of a Marin Bike Share Program

Bike sharing can reinforce transit use by improving the 'last mile' link to a destination. In combination with transit, bike share can replace single occupancy vehicle (SOV) trips. As local public transportation offerings expand in Marin with the new SMART stations, bike sharing could support a growing number of transit commuters. Bike sharing also enhances the visibility of bicycling as a mode of commuting and offers a new form of healthy and active transportation.

Contents of the Feasibility Study

The feasibility study includes an overview of bike-sharing technology, a demand and density assessment, a summary of potential sites in Marin, and a description of estimated operating costs and funding options for a bike share program. The study concludes by providing a list of suggested next steps to further explore required sponsorships and other funding opportunities. (See Attachment A, *Marin County Bike Share Feasibility Study*)

Station Placement/Program Phasing and Trip Projections

The Feasibility Study provides a conceptual framework for a potential 37-station, 300-bicycle bike share system in Marin County using common 3-speed or 7-speed bike share bicycles (bicycles can be equipped with additional gears to manage steep topography and greater distances between stations). The system and phases were developed with input from the BSAWG members.

Phase	# of Stations	# Bikes	# Annual Trips	Locations
Pilot Phase (optional)	3-4	30	8,000	Ferry terminals to downtowns
Phase 1 (two years)	12	W/ pilot: 70 (100 total) Without pilot: 100	19,000 – 44,000	Downtowns, transit hubs
Phase 2 (two years)	12 (24 total)	100 (200 total)	35,000 – 82,000	Activity hubs
Phase 3 (two+ years)	13 (37 total)	100 (300 total)	46,000-125,000	Activity hubs

Alta Planning + Design recommends that an overall target of approximately one trip/bike/day be established as a minimum threshold for the feasibility of a program in Marin. To achieve recommended ridership levels, Alta has assumed a Transportation Demand Management (TDM) effort that would include discounted bulk rate memberships for large employers. With the TDM program, demand for a Marin program would initially range from 0.5 trips/bike/day to approximately one trip/bike/day at the higher performing stations.

Funding Requirements

Capital Costs: $4,800 - $5,400/bicycle, based on a system similar to the proposed San Francisco Bay Area program (includes bicycles, station kiosks and docking equipment).

Launch Costs: $1,500/bicycle, for setting up and installing ("launching") a station-based system. For the potential small pilot effort, however, the 'per bike' launch costs are assumed to be slightly higher due to scaling issues.

Annual Operational Costs: $1,300 - $3,000/bicycle. Operating costs depend on a number of factors, including: system rebalancing needs, maintenance/warehousing needs, local travel costs, customer service, administrative, technical support and marketing services, and degree to which these services are shared with another program.

	Capital	Launch	Annual Operating	Total
Pilot Phase	$160,000	$60,000	$45,000	$265,000
Phase 1/Year 1	$540,000	$180,000	$180,000	$900,000
Phase 2/Year 3	$540,000	$180,000	$360,000	$1,080,000
Phase 3/Year 5	$540,000	$180,000	$500,000	$1,220,000
Total Upfront Costs	$1,620,000	$540,000	-	-

Funding Sources

To fund the costs associated with a bike share program described in the study, a combination of user fees, sponsorships, and grants have been recommended.

User Fees: Approximately $600-1,000/bicycle/year, which would come from both memberships (Annual and Casual members) and "per trip" fees for trips longer than 30 or 60 minutes. Two alternative user fee structures are shown in the study. In one alternative, annual members would have a grace period of up to 30 minutes before being charged a "per trip" fee. In the other alternative, annual members would have a one hour grace period.

Sponsorships: About $800-1,000/bicycle/year in annual private sponsorships will be needed to fund the ongoing costs of operating a Marin bike share program. Educational, health, and science/technology institutions are potential candidates for bike share sponsorships.

Grants: MTC has retained some federal funding for further Climate Initiative grants, with the possibility of programs such as this bike-share program being eligible in their future grant cycle. Other grant sources include Caltrans' Bicycle Transportation Account (BTA) program, Environmental Protection Agency (EPA) "Healthy Community" initiatives, Federal Transit Authority's (FTA) Bus Livability grant program and the FHWA's Transportation, Community, and System Preservation Program (TCSP). Based on the outcome of the San Francisco Bay Area Pilot Bike Share Program, expanding to other Bay Area jurisdictions may be viewed favorably in any of these grant programs.

Potential Timeline and Next Steps

The consultant suggests a timeline of approximately 24-30 months to plan, fund, and implement a bike share program, with the following activities: Engaging Potential Local Sponsors and Large Employers, Selecting a Lead Agency and Business Model, Observing and Assessing the Bay Area Pilot Program Launch, Station Siting and Implementation.

There are a number of concerns that staff have in pursuing a robust program in Marin. See Key Findings in the body of the memo below. While bicycling has increased over the last few years, the need for local transportation improvements in transit, roads, and bike/pedestrian facilities indicate that prioritizing funds for a new program that is untested must be weighed very carefully. TAM's public surveying in recent years (for the Measure B VRF increase) indicates that roads and transit are far needier investments for residents of Marin. Marin is also challenged by its geographic setting, with valleys and hills creating an access dynamic making cycling impractical for many residents. The areas of potential demand for bike sharing are substantially dispersed.

The consultant recommends that approximately one trip/bike/day is the minimum threshold for feasibility for a bike share program. For the proposed bike share network, initial demand estimates start at 0.5 trips/bike/day, depending on the station location. (See Figure 21, page 60 for detailed estimates for average daily trips per station). The program will likely need to be heavily subsidized through grants or ongoing sponsorships. Given the advertising potential of both bikes and stations, sponsorships/subsidies are likely.

Note that TAM has employer/employee program support funds through its VRF program. TAM is finishing a study through the Marin Economic Forum on what transportation alternatives are feasible and desirable for both employers and employees. Those results will be coming forward to TAM in the next few months. As well, TAM needs to consider what level of support it may or may not want to provide employers in Marin regarding implementation of SB 1339, a state law requiring employers to support alternatives modes of travel including transit. Until we have a more thorough outlook on what we may want to spend our annual VRF employer/employee funds on, dedicating them to this bike share program is not advisable until other uses of the funds are also considered by the TAM Board.

With this in mind, TAM staff identified three alternatives for next steps, for the Executive Committee's consideration at its meeting on January 14. After discussion, the committee members recommended Alternative B, an outreach effort to pursue sponsors for a Marin Bike Share program. The outreach campaign would have two phases. The team selected to do the work will report back after no later than 6 months, to judge success of the outreach and make adjustments. It will be determined no later than Spring of 2014 what implementation steps are called for next.

At their January 14, 2012 meeting, TAM's Citizens' Oversight Committee (COC) members reviewed and commented on the feasibility study. The COC generally supported the idea of bike sharing in Marin, emphasizing how a program might compliment transit and provide an alternative to driving. COC members questioned whether Marin has the population density for a successful program. Some members also commented if this program should be a priority given other competing transportation needs.

Recommendation: Recommend that the TAM Board 1) accept the Bike Share Feasibility Study with commendations to the members of the Bike Share Advisory Working Group and 2) authorize Executive Director Steinhauser to approve $55,000 in contract work for outreach to prospective sponsors for a bike share program and for technical advisory services. Reports on outreach success shall be made no later than six months and one year after efforts begin. Next steps on implementation will be made after sufficient outreach is completed.

Background

Bike sharing is a non-motorized transportation service, typically structured to provide users point-to-point transportation for short distance trips (0.5 to 3 miles). It provides users the ability to pick up a bicycle at any self-serve bike sharing station in the network and return it to any other bike sharing station (including the origin).[1]

Since 2008, a proliferation of bike share programs has emerged internationally and in the U.S., stimulating interest in bike sharing in the Bay Area, and in Marin County. In California, new and upcoming bike share programs include:

- UC Irvine ZotWheels, started in 2009, university-operated program.
- Anaheim program started July 2012, operated by BikeNation.
- Long Beach program, operated by BikeNation.
- Regional Bicycle Share Pilot Project in the Bay Area cities of San Francisco, San Jose, Mountain View, Palo Alto, and Redwood City, funded with an MTC Climate Initiatives Grant, expected to start summer 2013, with Alta Bicycle Share.
- Potential Sacramento program under consideration by air district, 2013.
- Potential Monterey County program, draft feasibility study under review, winter 2013.

In January 2012, based on residents previously expressing an interest in bike sharing, staff recommended to the Board that TAM study the feasibility of bike sharing in Marin including suitable sites, infrastructure requirements, and the cost of operating a program. Following the Board's approval of $25,000 in Measure B (Vehicle Registration Fee) funds for the feasibility study, staff conducted a competitive Request For Proposal process. In April 2012, staff recommended and the Board approved consultant Alta Planning + Design to complete the feasibility study. At the same meeting, the Board also approved the formation of the Ad-Hoc Bicycle Sharing Advisory Working Group to provide input during the development of the study.

Process Overview

Bike Sharing Advisory Working Group (BSAWG)

The BSAWG members included the following people:

Benjamin Berto, member, TAM Bicycle/Pedestrian Advisory Committee
R. Scot Hunter, Former TAM Board Commissioner
Eric Lucan, TAM Board Commissioner
Harvey Katz, member, TAM Bicycle/Pedestrian Advisory Committee
Stephanie Moulton-Peters, TAM Board Commissioner
Alisha Oloughlin, member, Marin County Bicycle Coalition

During the development of the feasibility study, between June and December 2012, the BSAWG met four times with the consultant and TAM staff. The group provided an advisory role by discussing and recommending program goals, suggesting suitable station locations, commenting on initial feasibility study drafts, and offering recommendations for the final report.

[1] *Bike Sharing in the United Stated: State of the Practice and Guide to Implementation*. USDOT Federal Highway Administration. September 2012.

Outreach to Stakeholders

During the development of the study, TAM staff provided opportunities for key stakeholders to review the draft findings and recommendations. These stakeholders included staff from Marin Transit, Golden Gate Transit, SMART, Marin Public Works Association, and the Marin Convention and Visitors Bureau. The transit agencies and visitors bureau are generally supportive of the potential program's ability to improve transit access; public works directors expressed concerns about the long-term financial viability.

At their January 14, 2012 meeting, TAM's Citizens' Oversight Committee (COC) members reviewed and commented on the feasibility study. The COC generally supported the idea of bike sharing in Marin, emphasizing how a program might compliment transit and provide an alternative to driving. COC members questioned whether Marin has the population density for a successful program. Some members also commented if this program should be a priority given other competing transportation needs.

Marin County Bicycle Share Feasibility Study

The following are highlights from the Feasibility Study:

Benefits of Bike Sharing

The study describes how bike sharing can reinforce transit use by improving the 'last mile' link to a destination, and in combination with transit, can replace single occupancy vehicle (SOV) trips and increase ridership levels on local bus routes. As local public transportation offerings expand in Marin with the new SMART stations, bike sharing can support a growing number of commuters and employers who rely on public transit. Bike sharing also enhances the visibility of bicycling as a mode of commuting and offers a new form of healthy and active transportation.

Organizational and Funding Models

The study describes in detail a number of case studies from across the United States to highlight the range of operating models, including non-profit governance, private operations and/or public oversight.

Goals of Marin Bike Share Program

BSAWG members identified the following seven goals for a Marin bike share program:

- Provide convenient mobility options for Marin residents, workers and visitors
- Reduce congestion and greenhouse gas emissions
- Serve transit-dependent communities
- Complement/support transit service and bicycle infrastructure
- Promote active and healthy lifestyles
- Encourage economic development
- Be financially sustainable

Local Context Analysis

The consultant completed a spatial analysis of Marin County, considering transit access, street connectivity, and topography, to estimate bicycle share program demand in different communities. The study estimates that demand for bike sharing would be concentrated in the following areas:

- Within **Marin County's historic town centers**, especially downtown San Rafael, Sausalito, Mill Valley, and Fairfax.

- At **major transit nodes** such as the San Rafael Transit Center; Larkspur, Tiburon and Sausalito ferry terminals; San Anselmo Transit Hub; and the future (assumed) Sonoma Marin Area Rail Transit (SMART) commuter stations.

- Near **employment areas** adjacent to Highway 101, including the Canal neighborhood of San Rafael, downtown Novato, and Corte Madera Town Center; and along the Sir Francis Drake Boulevard, Miracle Mile, and East Blithedale/Miller Avenue corridors.

The areas of potential demand are relatively dispersed, which, according to the study, represents a particular challenge to defining a well-contained bike share program with a geographic center, as is typical of most existing systems.

Planning & Implementation

Station Placement and Program Phasing

The Feasibility Study provides a conceptual framework for a 37-station, 300-bicycle bike share system in Marin County using common 3-speed or 7-speed bike share bicycles (bicycles can be equipped with additional gears to manage steep topography and greater distances between stations). This station network and phases were developed with input from BSAWG members; the stations site locations are illustrative and may be revised during implementation. For example, areas in Central San Rafael, Sausalito, and Mill Valley might be suitable for additional station and station pairs, and individual stations might be appropriate for Novato and Tiburon in Phase 1. Adjustments will be made in an advanced feasibility phase of planning, and depending on what business sponsorships are realized.

Phase	# of Stations	# Bikes	# Annual Trips	Locations
Pilot Phase (optional)	3-4	30	8,000	Ferry terminals to downtowns
Phase 1 (two years)	12	W/ pilot: 70 (100 total) Without pilot: 100	19,000 – 44,000	Downtowns, transit hubs
Phase 2 (two years)	12 (24 total)	100 (200 total)	35,000 – 82,000	Activity hubs
Phase 3 (two+ years)	13 (37 total)	100 (300 total)	46,000-125,000	Activity hubs

*Because of the cost of implementing Phase One, the study includes a potential lower-cost Pilot Phase to test the interest of the community in supporting a bike share program.

The consultant recommends that approximately one trip/bike/day is the minimum threshold for feasibility for a bike share program. For the proposed bike share network, initial demand

estimates range from 0.5 – 1.0 trips/bike/day, depending on the station location. (See Figure 21, page 60 for detailed estimates for average daily trips per station.)

As a strategy to achieve usage at the level of one trip/bike/day, the consultant recommends a Transportation Demand Management (TDM) effort that would include bike share membership subscriptions at a discounted bulk rate to large employers. This strategy has been effective in increasing bike share members in other communities.

Estimated Capital, Launch and Operating Costs

	Capital	Launch	Annual Operating	Total
Pilot Phase	$160,000	$60,000	$45,000	$265,000
Phase 1/Year 1	$540,000	$180,000	$180,000	$900,000
Phase 2/Year 3	$540,000	$180,000	$360,000	$1,080,000
Phase 3/Year 5	$540,000	$180,000	$500,000	$1,220,000
Total Upfront Costs	$1,620,000	$540,000	-	-

1) Capital Costs: Total capital costs including the bicycles and all components, station kiosks and docking equipment. Capital costs can range between $4,800 - $5,400/bicycle.
2) Launch Costs: The launch costs include setting up and installing a bike share system, the website and other supportive components.
3) Annual Operational Costs: Operating costs depend on a number of factors, including: system rebalancing[2], maintenance/warehousing needs, customer service, administrative, technical support, and marketing services. Estimates of annual operational costs range from $1,300 - $3,000/bike (page 63). The consultant's estimate assumes $1,800/bike as an average operating cost based on the following assumptions:
   - Customer service/back end operations would be integrated with an existing program (i.e., the Bay Area Bike-Sharing Pilot).
   - There would be limited rebalancing of bicycles between stations.
   - Operations would be adjusted seasonally to maximize demand.

Revenue Assumptions and Funding Sources

The study includes a list of potential funding sources, described under "Revenue Assumptions," on page 65. To fund the costs associated with a bike share program described in the study, a combination of user fees, sponsorships, and grants are recommended.

User Fees: Average user revenue is estimated to be in the range of $600 - $1,000 per bicycle.

There are two types of use fees, "Casual" (visitor) user fees based on a daily (i.e., 3-day) pass which allows for temporary use of a bike, and "Annual" user fees for those who buy an annual membership and have a reduced rental price. Tables 14 (page 65) and 15 (page 66) demonstrate two different fee schedule options, showing the variation possible with a fee

[2] Most bike share programs have a rebalancing component, with staff to reposition bikes from one station to another to ensure enough docks and bikes for riders at the appropriate times and locations.

schedule. Research shows that casual memberships generate approximately 50-66% of user fee revenue, despite the fact that casual users account for just 25% of bike share trips.

Fee schedules typically offer a grace period of 30 to 60 minutes before a fee is charged based on the additional amount of time the bike is being used, with the following benefits:

- Casual users are often willing to take rides a bit longer than the grace period, which generates additional "per trip" fees.
- Bike sharing is cost-effective only for short trips, meaning that bike share programs do not attempt to compete with traditional bicycle rental companies as their market is for longer-term rentals.

Sponsorships: Approximately $160,000 (or $800-1,000/bicycle/year) in annual private sponsorships is estimated by the consultant for a Phase 1**.**

Sponsorships can help fund capital and operating costs. Bike-related businesses, educational, health, science, and technology institutions are potential candidates for bike share sponsorships. Often stations are placed at sponsor locations.

Grants: For Phase One of a 12-station/100-bicycle program, grant funding is estimated to be $750,000. The complete 37-station/300-bicycle program would require approximately $2.35 million in grants. For a small pilot program, needed grant funding is estimated to be $250,000.

Given the level of grant funding for bike/ped programs in Marin, and the high demand, it will be very difficult to identify these grant funds from local sources. MTC has retained some federal funding for further Climate Initiative grants, with the possibility of programs such as this bike-share program being eligible in their future grant cycle. Other grant sources include Caltrans' Bicycle Transportation Account (BTA) program, Environmental Protection Agency (EPA) "Healthy Community" initiatives, Federal Transit Authority's (FTA) Bus Livability grant program and the FHWA's Transportation, Community, and System Preservation Program (TCSP). Based on the outcome of the San Francisco Bay Area Bike Share Pilot, expanding to other Bay Area jurisdictions may be viewed favorably in any of these grant programs.

Summary & Next Steps

The Feasibility Study concludes with a graphic (page 74) of suggested next steps toward exploration and implementation. The timeline recommended "Advanced Feasibility Planning" to:

- Engage large employers and potential sponsors, to raise funds for implementation.
- Identify a lead agency or agencies, to source the entity to oversee the program.
- Observe Bay Area Pilot Bike-Sharing Program launch, to see if it would be effective to participate in this program.
- Select business/governance model, including further research into the most effective and efficient option for overseeing a Marin program.
- Identify membership program inclusive of low-income participants.
- Identify necessary agreements/permits (lengthy process involving multiple parties).

Key Findings

Based on their knowledge of Marin, and review of the feasibility study, the BSAWG members outlined the challenges and opportunities in pursuing a bike share program.

Challenges:

- Lack of density in Marin: Marin does not have the type of densities found in most bike share communities, such as Paris, Miami, and Minneapolis. However, there are examples where bike sharing has been introduced in lower density communities: Chattanooga, San Antonio, Irvine and Boulder.
- Demographics: The largest group of bike share users is 25-34 years old. However, Marin's higher percentage of residents 55 or older (31% of the population), means that there is a smaller pool of typical bike share users. Marketing and Marin's healthy living culture can help to mitigate this.
- Rebalancing bicycles: Bike share users need to have a place to dock their bike when completing a trip. Rebalancing can be essential in certain locations to ensure that there are empty docks to park and that there are bikes to check out. Given the dispersed character of Marin, rebalancing may be a substantial cost to the program.
- Implementation logistics: Creating the governance structure, identifying the operations and management arrangement, and installing the bike stations can take two to three years. It can be challenging to identify the best location for bike stations, which are 10' x 20+', or the size of a parking space, and located in highly visible places, and to work with property owners and local jurisdictions to obtain the necessary agreements.
- Funding challenges: There is currently not sufficient funding to fund a program without substantial sponsorships and/or grants.
- Uncertain return on investment: According to the Feasibility Study, annual operating costs are at least $45,000, and up to $500,000. These costs are not fully covered by user fees, and require ongoing sponsorship support: A sustainable program will need to ensure a viable return on investment.

Opportunities:

- SMART: Bike share stations at the future SMART train will provide an opportunity to help with the 'last mile' commute to work.
- Supports and complements transit: As noted above, bike share stations at transit stops helps employees travel the last part of their commute to locations where they can dock their bike.
- Provides a low cost mobility option for users: One of the goals of a Marin bike share program would be to help meet the transportation needs of lower income residents. Although membership logistics are difficult for residents without a bank account or credit card, some bike share programs are developing methods which enable low income residents to participate and take advantage of bicycle mobility.
- Reduce congestion and green house gases: Bike share members are not driving.
- Enhance tourism: Bike share programs offer visitors a convenient way to travel around Marin.
- Compliments healthy lifestyles: Bike share programs promote bicycling, which is a healthy cardio-vascular activity.
- Supports transit oriented development initiatives: Bikes, given their ease of mobility and parking, do well in transit-oriented communities.
- Great bike facilities throughout Marin: The community's investment in bicycle infrastructure offers bike share riders excellent enjoyable riding opportunities.
- Recognize Marin as a bike destination: Last but not least, Marin is known as a bike-friendly community.

Executive Committee Meeting of January 14

On January 14, the Executive Committee received the Feasibility Study, and considered three alternatives for next steps. These alternatives are described below. Funding for alternatives B and C would come from the Measure B VRF, Element 3.2 Commute Alternatives Programming.

Alternative A: Support Staff to Pursue Grant Opportunities

The TAM Board would accept the Marin County Bike Share Feasibility Study to serve as a framework to pursue grant opportunities to fund the implementation of a future program. TAM staff, working with other agencies in Marin including WalkBikeMarin and County of Marin Department of Health, would seek and apply for grants to apply toward implementing a bike share program.

Alternative B: Fund Outreach to Prospective Program Sponsors

1) Outreach to Prospective Program Sponsors

The TAM Board would accept the Marin County Bike Share Feasibility Study and contract for outreach to the business community to gather sponsorship commitments for infrastructure and/or operating funds.

This effort would be funded with $50,000 in Measure B to contract for a maximum of one year for 1) outreach to the community to identify funding partners to begin a bike share program, 2) a recommendation on an appropriate governance model for Marin bike share program, and 3) a recommended membership model, including equity component for low income members. This contract work would be authorized on a task order basis through two task orders of approximately $25,000 each. TAM would consider whether to continue the effort after 6 months. An initial check-in will occur after ninety days of effort. TAM Board members are welcome to assist with sponsorship opportunities.

2) Amendment to Alta Planning + Design Contract to include Technical Support Services

Alta Planning + Design would continue to assist TAM in a technical advisory capacity. The Alta team has the technical expertise to help staff and consultants address questions concerning bike share sponsorship arrangements. The current $25,000 contract with Alta would be increased to provide an additional $5,000 for advisory services related to the advanced feasibility study, and extended for an additional year.

Alternative C: Set Aside Funds for a Potential Public-Private Partnership

The TAM Board would approve $110,000 (approximately 10% of total cost) in seed funding toward implementing Phase 1 of a bike share program. Staff would issue an RFP for a public/private partnership initiative to implement a program. Potential operators would be required to identify approximately 90% in sponsorships and/or grants, and would be selected through the RFP process. According to the feasibility study, the estimated cost for Phase 1 of the program is $1,080,000.

Executive Committee Recommendation

After reviewing the three options, the Executive Committee members unanimously agreed to recommend alternative B. The following provides additional information about outreach to prospective sponsors for a Marin Bike Share program.

What would the Outreach Strategy look like?

Staff recommends that outreach be conducted in two phases of $25,000 each; the second phase would be contingent on a successful first phase. The outreach campaign should be concluded within a year, to allow for adequate time to identify and solicit sufficient contributions.

The first phase is comprised of three parts:

1) Develop a campaign strategy (testing and identifying a compelling message and media campaign, ascertaining a prospect pool, and establishing a timeline),
2) Initiate outreach to prospective contributors, and
3) Determine an appropriate governance model for a Marin Bike Share Program, ensuring adequate community and fiscal oversight.

The first phase would last approximately six months, with a benchmark of achieving $50,000 to $100,000 (20% to 40%) of the amount needed to implement a pilot ($260,000).

The second phase, should the first phase be successful and after receiving a status report, would be for an additional period of time to complete the outreach campaign to raise the remaining amount ($160,000). In addition, the consultant would prepare a draft funding strategy for a Bike Share Program that would include an equitable membership structure that is available to low income residents who do not have a bank account or credit card.

Who are prospective sponsors for a Bike Share Program?

The prospect pool would include both businesses and individuals. In particular, major employers from the retail, finance, education, health, and hospitality sectors may be interested in providing or supporting alternative modes for commuters, residents, and visitors. Individuals committed to promoting the use of bicycles will also be contacted to contribute toward project start-up costs. A range of sponsorships could include financial contributions, bike share infrastructure, designated sites, etc. Prospects would be asked for a Letter of Interest or similar statement demonstrating their contribution to implementation. Some of the large and medium-sized employers that could be approached include Bank of Marin, Kaiser, BioMarin, Embassy Suites, Marin General, Wells Fargo, Dominican University, Fireman's Fund, Autodesk, the County of Marin, local jurisdictions, and other public agencies.

What would be TAM's financial commitment to the program?

Both the Executive Committee and the COC expressed concerns about creating an on-going financial commitment to manage a Marin bike share program. The intent is to create an independent bike share program that is not dependent on TAM funding or high levels of staff support. The cautionary approach of a two-phase effort to solicit contributions would help determine the level of interest in Marin to support an ongoing program. Note that staff will be looking for grant opportunities to complement the outreach campaign's fund-raising.

Will there be a Pilot Program, or a more expanded Phase One Bike Share Program?

The initial goal will be to raise enough funds for a small-scale pilot program. This does not preclude implementing the Phase One 12-station program should sufficient funds be identified.

Recommendation: Recommend that the TAM Board 1) accept the Bike Share Feasibility Study with commendations to the members of the Bike Share Advisory Working Group and 2) authorize Executive Director Steinhauser to approve $55,000 in contract work for outreach to prospective sponsors for a bike share program and for technical advisory services. Reports on outreach success shall be made no later than six months and one year after efforts begin. Next steps on implementation will be made after sufficient outreach is completed.

Attachment A: Marin County Bike Share Feasibility Study

Marin County
Bicycle Share Feasibility Study

PREPARED BY:
Alta Planning + Design

PREPARED FOR:
The Transportation Authority of Marin (TAM)

TAM
Transportation Authority of Marin

alta
PLANNING + DESIGN

Bike Sharing Advisory Working Group

Alisha Oloughlin, Marin County Bicycle Coalition

Benjamin Berto, TAM Bicycle/Pedestrian Advisory Committee Representative

Eric Lucan, TAM Board Commissioner

Harvey Katz, TAM Bicycle/Pedestrian Advisory Committee Representative

Stephanie Moulton-Peters, TAM Board Commissioner

R. Scot Hunter, Former TAM Board Commissioner

Staff

Linda M. Jackson AICP, TAM Planning Manager

Scott McDonald, TAM Associate Transportation Planner

Consultants

Michael G. Jones, MCP, Alta Planning + Design Principal-in-Charge

Casey Hildreth, Alta Planning + Design Project Manager

Funding for this study provided by Measure B (Vehicle Registration Fee), a program supported by Marin voters and managed by the Transportation Authority of Marin.

Table of Contents

This page intentionally left blank.

1 Executive Summary

Bixi, Montreal

What is Bike Sharing?

Bike sharing is an innovative approach to urban mobility, combining the convenience and flexibility of a bicycle with the accessibility of public transportation. Bike share systems consist of a fleet of bicycles provided at a network of stations located throughout a city or group of cities[1]. Bicycles are available on demand, providing fast and easy access for short trips, transit-linked trips, and tourist trips.

Why do Bike Sharing?

Cities such as Montreal, Denver, Minneapolis, Washington D.C., Boston, Miami Beach, Toronto and over 300 other cities worldwide are investing in bike sharing as a relatively inexpensive and quick implementation urban transportation option. These cities have been transformed by the many benefits of bike sharing that include improved individual and community health, economic development through green jobs and improved access to businesses, environmental benefits such as reduced vehicle emissions, and the community benefits of providing another mobility option as an extension of the transit system.

California cities and jurisdictions currently planning bike share systems include Orange County, Monterrey County, Los Angeles, and Long Beach. In the Bay Area, the City of San Francisco in partnership with the Bay Area Air Quality Management District (Air District), Metropolitan Transportation Commission (MTC), and other cities along the Peninsula is expected to implement the first large-scale system in 2013 (1,000 bicycles) in downtown San Francisco and along the Caltrain corridor at high activity station areas from Redwood City to San Jose.

What are the goals for Bike Sharing in Marin County?

The Transportation Authority of Marin (TAM) is responsible for managing a variety of transportation projects and programs in Marin County and working closely with all eleven cities and towns as well as the county. In conjunction with the Bike Sharing Advisory Working Group (BSAWG), an ad-hoc group formed to guide the direction and development of the Marin County Bike Share Feasibility Study, TAM has identified the following key goals for a successful potential program in Marin:

- Provide convenient mobility options for Marin residents, workers and visitors
- Reduce congestion and greenhouse gas emissions
- Serve transit-dependent communities
- Complement/support transit service and bicycle infrastructure
- Promote active and healthy lifestyles
- Encourage economic development
- Be financially sustainable

[1] Emerging options also include lower-cost "station-less" systems that utilize independent locks and internet-enabled communications to reserve and track bicycles. While these systems are briefly reviewed in this report, the primary focus is the station-based model that is most often associated with modern bike share.

Is there demand for Bike Sharing in Marin County?

Figure 1. Bicycle share demand "heat map" for Marin County. Discussion of demand factors are provided in Section 7.3.

Marin County has several of the characteristics required to make bike sharing successful, including vibrant commercial centers, relatively extensive public transit, large numbers of visitors, a supportive culture of bicycling and active living, and a policy environment that prioritizes the growth of sustainable transportation options. There are also characteristics of Marin (and its various jurisdictions) that are less conducive to bicycle sharing demand: lower densities of housing and jobs; an older demographic with high car ownership; hilly topography; and limited bikeway infrastructure in potential high demand areas – such as along Highway 101 and the Sir Francis Drake Blvd/ Miracle Mile and Mill Valley-Corte Madera corridors.

How these factors ultimately affect the demand for and viability of bicycle share remains to be seen, but initial analysis indicates that a targeted system is feasible as an extension of ferry and core transit service, and as a larger inter-city travel option given the right conditions. Beyond requiring a steady stream of demand from visitors and other 'casual' users to generate revenue, it is anticipated that large employers will need to be early supporters of the system for commute-related, transit-linked trips and possibly for sponsorship. Marin's concentration of older residents with high rates of car ownership will also have to exhibit a sustained interest in bicycle share as a means of conducting errands and discretionary trips for a large scale system to be succcessful. Continued interest and commitment from state and regional funding agencies will also be critical to support up-front funding of capital equipment. Lastly, implementation of the San Francisco Bike Share pilot program and Sonoma-Marin Area Rapid Transit (SMART) commuter rail service are also forthcoming projects with potential positive impacts for bike sharing in Marin.

What might the system look like and how much would it cost?

This report provides analysis of several options for locating and implementing a station-based bicycle share program in the urbanized areas of Marin County, but stops short of recommending a "preferred" system. Additional study and coordination among jurisdictions is necessary to identify a lead agency (or agencies), confirm public support and funding availability, explore options to improve access for transit dependent "lifeline" communities, and select a business model among other factors. To assist these efforts, however, the study does identify 37 potential locations for bike share stations as well as potential phasing concepts. Potential phases range from a pilot effort of 30 bicycles and 4 stations to expanded systems of 100, 200, and 300 bicycles. For the up-front capital and initial launch costs, these phases would require anywhere from $250,000 in grant or other one-time funding to approximately $2.35 million for "full build out" of a 300 bicycle system.

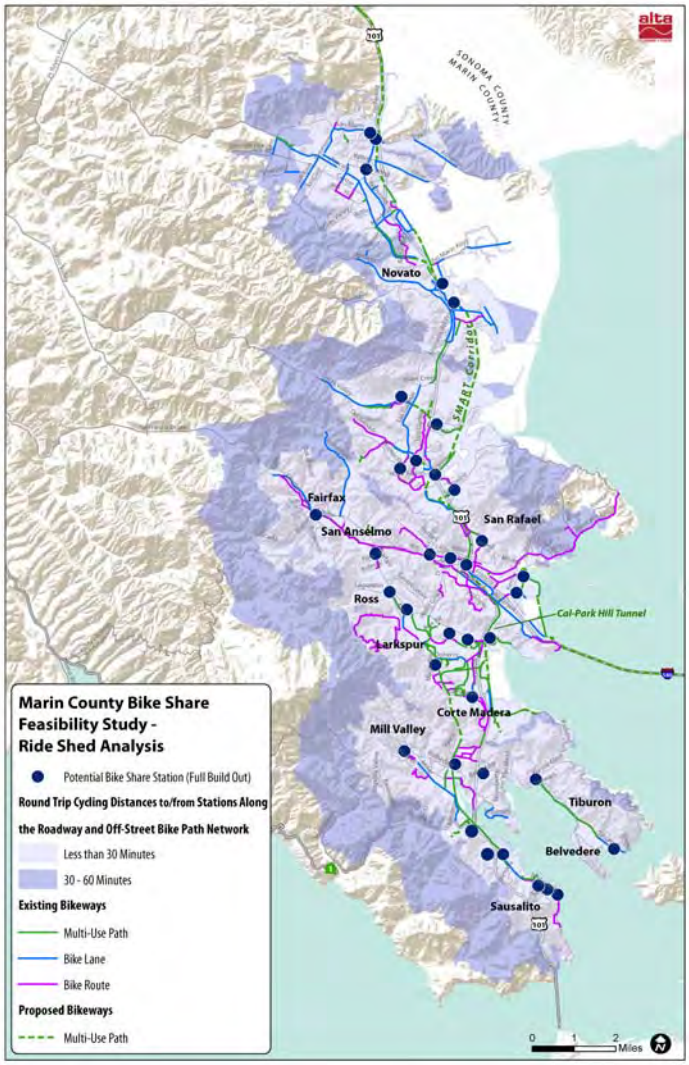


Figure 2. A total of 37 locations were identified in the urbanized area of Marin County as potential bicycle share stations. More analysis and significant outside funding (public and private) are needed to confirm the feasibility, size, and timing of system implementation.

SOURCE: Marin Maps, Alta Planning + Design

Will there be ongoing funding needs?

Most bicycle share programs are different from transit systems in that they can often 'pay their way' without a public operating subsidy, which is essential to their appeal. In Marin, a substantial portion of ongoing operating costs are expected to be covered by user-generated revenues, although additional resources will be needed to ensure no ongoing commitment of public funding. Opportunities to leverage corporate or private sponsorships and Transportation Demand Management (TDM) programs/incentives will be critical to a self-sufficient operating budget, and may over time help lead to annual profits that could be reinvested back into the system.

What are the next steps for developing a Marin Bike Share program?

Bicycle sharing is an exciting - and feasible - opportunity for Marin, but there are many more steps needed to make a system a reality. Additional planning and exploration of funding options and local support is needed before confirming a program scope and timeframe for implementation. Next steps include confirming a preferred business and organizational model, conducting more detailed site location assessment and planning, obtaining necessary permits and agreements from local jurisdictions, and applying for/securing grant funding for the initial capital purchase of bicycles and to cover program launch.

Figure 3. Estimated potential timeline for bicycle share planning and implementation (subject to change)

2 Report Contents

In early 2012, the Transportation Authority of Marin (TAM) hired Alta Planning + Design to study the feasibility and potential design of a bicycle share program in Marin County. Bicycle share programs consist of a fleet of publicly accessible bicycles typically used for short trips in urbanized areas, and often in combination with transit (unlike traditional rental bicycles).

To assist the development of the study, TAM organized an ad hoc Bicycle Share Advisory Working Group (BSAWG) with representatives from throughout Marin who are knowledgeable of local transportation issues, particularly bicycle travel. This Marin County Bike Share Feasibility Study combines content from two working papers and four BSAWG meetings to provide an overview of what a potential Marin County bicycle share system could look like, and key factors that should be considered when deciding whether or not to pursue implementation of a system.

The following **Section 3** of the Feasibility Study provides background context for bicycle sharing programs, including a brief history of the bike share technologies and a detailed listing of program elements and considerations.

Section 4 outlines the benefits of a bicycle share program, while **Section 5** lists the various funding and business models that have been employed in North America.

Section 6 lists the goals of a successful program in Marin as identified by BSAWG, and **Section 7** reviews the physical and demographic characteristics of Marin that are directly relevant to bicycle share feasibility.

The final sections (**Section 6-8**) provides the outline for a proposed system in Marin including demand analysis, station placement, funding strategy, and an identified timeline of next steps. Additional support information on case study programs andissues associated with helmet use are provided as appendices.

3 What is Bike Sharing?

3.1 Overview & History

Bike sharing provides a cost-effective and elegant mobility option for trips too far to walk, but not long enough to justify waiting for transit or those too costly to make by taxi or private vehicle. A bike share system consists of a network of bikes placed at stations situated at key locations around a region and is a relatively inexpensive and quick implementation extension to a region's public transportation offerings.

The international community has experimented with bike share programs for nearly 40 years. Until recently, these programs experienced low to moderate success because of theft and vandalism. In the last five years, innovations in technology to increase accountability have given rise to a new generation of technology-driven bike share programs.

Table 1: Historic Development of Bike Sharing Technology

Generation	Years	Features	Pros/Cons
1st Generation	1960's	Distinguishing looking bikes (i.e. certain paint color)	Subject to theft and poor organization
2nd Generation	1990's	Locking mechanism and check-out deposit	Minimal deposit not enough to significantly reduce theft
3rd Generation	2005 onwards	Credit card transactions and radio-frequency identification chips	Allow user identification and a security deposit to ensure accountability against theft and vandalism
4th Generation	2008 onwards	Solar power and wireless communication	Allows for modular systems that do not require excavation

First-generation bike share programs began in the 1960's and included a fleet of bikes with a distinguishing feature (e.g., painted white) distributed around a city for free use. Theft and poor organization were the key reasons for program failure in many first-generation bicycle programs.

To add some accountability, second-generation systems introduced a locking mechanism and required a check-out deposit payable at pick-up and returned at drop-off. An example of this system is the Copenhagen Bycyklen, founded in 1995, which required a coin deposit to release the bicycle for use. However, the minimal deposit was not enough to significantly reduce theft[2] .

Coin deposit systems do not always provide enough incentive for the user to return the bike.

The primary problem with first and second generation bike sharing was a lack of accountability, resulting in the development of third-generation bike share systems, which are characterized by credit card transactions and RFID chips (radio-frequency identification). These crucial technology upgrades allow user identification and a security

[2] It was estimated that 300 bikes or about 15% of the fleet was lost to theft in Bycyklen in 1996.

deposit to ensure accountability against theft and vandalism. Third generation bike share generally kicked off with the launch of the system in Lyon, France in 2005 and was accelerated with the high profile launch of the Velib system in Paris in 2007.

The so-called "fourth-generation" was coined to characterize modular systems that do not require excavation because they use solar power and wireless communication, as opposed to hardwired installation. In this way, the stations can be moved, relocated, expanded, or reduced to meet demand. Even with this technology available, some cities, such as London, have chosen to utilize a hardwired system. Recent high-profile bike share installations including those in Denver, Minneapolis, Miami Beach, Washington D.C., and Boston utilize fourth-generation technology.

Bay Area Bike Share Planning

In 2012, the Bay Area Air Quality Management District (BAAQMD), in partnership with the City and County of San Francisco, San Mateo County Transit District, City of Redwood City, County of San Mateo, and Santa Clara Valley Transportation Authority (VTA), issued a request for proposals to design, build, operate, maintain, manage and publicize a network of publicly available bicycles in downtown San Francisco and along the Caltrain corridor. The pilot project identified a 4th generation system as the preferred operating model, and includes funding for 1,000 bicycles and 100 stations and operations for at least one year. The results of the pilot will in large part determine the future of the 4th generation system throughout the Bay Area.[3]

3.2 Bike Share Demand Characteristics

The expected users of the system and the geographic spread of regional attractions bring forth a diversity of potential trip types including:

- Short distance trips around built-up areas and downtown centers.
- Short distance trips to and from transit stops.
- Recreational rides or longer trips between major destinations.

A key early decision will be to determine which trip types should be served by the bike share system and which should be left to other transportation options. Traditionally, bike sharing has targeted shorter duration and distance trips, leaving longer trips to transit, private biking, bike rental, and other modes. A similar structure could be adopted in Marin with a focus on access to/from key transit hubs and travel within downtown centers, and satellite systems in outlying activity centers connected by transit or other modes. An example of this might be travel within downtown San Rafael from the Bettini Transit Center that serves regional transit (and will one day be adjacent to SMART commuter rail). Other transit hubs in Marin County that could be supported by bike share stations include the Larkspur and Sausalito ferries, and the future Novato SMART stations.

Bike share systems in North America are diverse and include different generations of technology and varying fee structures and loaning periods to cater for the local environment. However, sophisticated tracking and transaction technology, web-based applications to track real-time availability of bicycles, and fully modular station technology with solar power and wireless communications has broadened the appeal of fourth generation bike sharing. Several case studies relevant to Marin County are presented in an appendix in terms

[3] Alta Bicycle Share has been selected to operate the Bay Area Bicycle Share pilot program. At the time of this feasibility study, the program is expected to be launched in mid to late 2013.

of the size and extent of each system, the system's effectiveness in generating ridership, the ownership / administrative / operating (business) model chosen, and the funding strategy used for capital and operating costs. The case studies were chosen to represent the experience of smaller markets in Boulder and Chattanooga; to highlight different ownership / operations models (including public private partnership and non-profit models); and to share details of the regional San Francisco and Boston systems in terms of expansion under a regional (multi-jurisdictional) scenario.

3.3 System Elements

The components of a fourth-generation bike share system include a network of stations, a fleet of bicycles, a software back-end and maintenance/redistribution teams that operate the system. These elements are described in further detail below.

Bicycles

Bicycle share fleets typically consist of upright bicycles, with step through frames and adjustable seats to allow use by persons of any height. Most models feature a chainguard and 3-speed internal hub gearing, which protects the most vulnerable mechanical parts of the bicycle from exterior wear. Bicycles can be equipped with additional gears if steep topography is a consideration (a 7-speed internal hub is increasingly common). Most bicycles also feature built in safety features such as pedal-powered lights, thick tires, a bell, and reflectors. Some models also include a rack for holding small items, while GPS units can be included to track bicycle locations for system monitoring (operations) as well as planning. The numerous accessories and rugged construction for durability makes the bicycles heavier than most consumer models, often weighing 40-50 pounds. The weight and upright riding position of the bicycles encourages users to travel at moderate speeds. Bicycles are appropriate for intended use of the bicycle transportation network on existing roadways, bike lanes, and multi-use paths.

Although electric-assist bicycles have been explored as part of several bike share systems, the higher capital and maintenance costs typically exclude such bikes from being feasible for financially-constrained systems.

Stations

Bicycle share stations have two main elements: the kiosk provides the interface where users initiate a transaction to rent a bicycle, and a number of docks that securely hold bicycles waiting to be checked out and accept returns. A typical bicycle share station consists of a single kiosk and anywhere from 5-10 to several dozen docks, depending on local demand and available space. Minimum station size by number of docks varies among equipment vendors.

Kiosks

The kiosk provides the interface where users complete a transaction to rent a bicycle, which can include purchasing a temporary (for visitors) or annual system membership (for residents or employees). A credit card or system membership card is usually required to complete the transaction. Fourth-generation bicycle share kiosks are solar-powered, which differs from third-generation systems that are hard-wired to local utilities.

Docks

Once a transaction at the station kiosk is complete, the kiosk will direct the user to a dock where the user can unlock a bike, typically through use of a temporary PIN code or membership card swipe. When the user has completed their trip, they can return the bicycle to any empty dock at a station to complete their rental. The dock that accepts the turn will then lock the bike in place until it is needed for another rental. Fourth

generation bicycle share docks are modular, coming in plates of several docks each, allowing station size to be expanded or reduced adjusted if required by demand.

Flexible Station Placement

A key advantage of fourth-generation bicycle share technology over hard-wired systems is the ability to relocate stations as necessary to serve demand. This can include relocating stations if they are underperforming at current locations, or adjusting station size or availability based on its seasonal demand profile. In the latter scenario, for example, a highly seasonal station that requires active management for balancing may not be worth the cost to operate over the winter when demand is lower. By removing and storing the station for several months, the program may help limit unnecessary operating costs. 4th generation station designs thus help limit risk associated with choosing either the 'wrong' station location or a highly seasonal location. Such limited impacts to existing infrastructure may also limit the need for and cost associated with detailed environmental review.

Operations

Operating costs include those required for operating and maintaining the system and include hiring employees for operational tasks such as maintaining the stations, bikes, and other infrastructure, rebalancing the system, providing customer service, etc. Generally, the operating parameters of the system are agreed upon during contract negotiations and documented in a 'Service Level Agreement'. These represent the contractual obligation of the operator and balance user experience and cost to provide the service.

In 2010 "our total costs for theft and vandalism were only about $5,000."

Bill Dossett, Executive Director of Nice Ride Minnesota, a fourth generation bike share system

Rebalancing

For larger systems, a dispatch center will work to alleviate usage pressures on the system, including the following considerations:

- Full stations: The highest priority goal of operators is to empty full stations as soon as possible, as this is the top frustration from members.
- Empty stations: A close secondary goal is to supply empty stations with bicycles.
- Station clusters: Stations located near each other may be analyzed to determine the level of urgency of redistributing bikes. For example, if locations closest to a problematic station are empty or full when that station is empty or full, it may be less urgent to attend to that station, because users can easily access a different station within one or two minutes.
- Predictive modeling tools: For the first two to four months of operation, staff will rely on best estimates for optimal bike numbers for each station at any given period, especially peak periods. Predictive model mapping allows operators to "right size" bicycle fleets at all stations during critical demand periods, especially at those stations with extreme high/low demands at specific times and for special events.

Data Tracking

Back-end software and computer hardware provide on-the-ground operators with tools for real-time management of the Docking System in order to facilitate maintenance, repair, and redistribution. The System allows monitoring of the following conditions:

- Number of empty docking points and bicycles available at any site

- Functional status of bicycles
- Traffic and usage patterns of docking stations and bicycles
- Real-time locating of any bicycle at any docking station in the system

Other usage data that the Back-end Software and Computer Hardware generates includes:

- Bicycle miles travelled (from GPS or estimates of average trip length)
- Number of trips and their duration
- Number of subscribers with each type of subscription
- Number of uses
- Number of uses per subscriber per day, week or month
- Average number of miles biked per subscriber (based on average trip length estimates)

Maintenance

Most bike share programs have established maintenance programs for system components, including bicycles, docks, and terminals. Utilizing wireless technology, bike share stations are able to be monitored remotely in real time, so they do not require regular on-street checking. Any issues that cannot be addressed remotely are addressed by station technicians in the field.

Bike share bicycles and stations are regularly inspected and serviced to ensure proper safety, functionality, and cleanliness. Broken bicycles can be reported with the push of a button on the dock, which allows the control centre to "lock" that bike and prevent it from being taken out by another user.

Marketing & Customer Service

Call Center

The call center represents an important interface with the customer to deal with enquiries ranging from membership, fee structure, billing and payment, incident or breakdown reporting, full or empty station reports, troubleshooting, complaints, etc. The call centre can be established locally, or batched to an existing system, although an intimate knowledge of the technology and the specifics of the system are critical. Call volumes tend to be high during the first few months of operations and during peak visitor seasons.

Promotions

For the most part, existing bike share systems have operated with small marketing budgets relying on word-of-mouth and visibility of the bikes themselves for promotion of the system. That said, targeted campaigns particularly using social media are effective in targeting early adopters and high-use demographics. Bike sharing should be rolled into existing bicycling media such as facility maps, etc.

Promotional events also help to increase the profile of the system. Examples from other cities include: system launch party, photo and mileage contests, "cycling season" promotions, targeted marketing of annual memberships around the holiday season, and membership offers through discount services such as Groupon, Living Social, bicycle safety and learn-to-ride classes using bike share bikes, etc.

Safety Outreach & Information

In the several years since large-scale, fourth generation bicycle share systems began operating in North America, few crashes involving bicycle share users have been reported. In February 2012, Capital Bikeshare in Washington, DC reported that 17 crashes involving bicycle share users had occurred in the first 1.6 million rentals, a rate of approximately 1 in 100,000. Along with this safety record, North American bicycle share

programs commonly distribute bicycle safety information online to promote safe travel. Typical bicycle share program website safety information includes:

- instructions on how to operate the bicycle;
- local traffic laws pertaining to bicycles;
- links to local government agencies and bicycle advocacy websites;
- links to local bicycle safety education classes;
- bicycle helmet purchase information.

Additionally, many bicycle share programs include safety information when mailing membership materials to new annual members. Members are often encouraged or required to review this information during the membership sign up process (see **Figure 4**).

Website and Mobile Applications

Engaging and interactive websites (and increasingly, applications for mobile devices) are essential to attract and serve bike share members, and for reporting on system functionality and other data. The latter can include real-time display of full/empty stations, special event locations, and personalized summaries of trips taken, distance traveled, calories burned, and other measures.

Figure 4. Elements of a 4th Generation Bike Share System.

Emerging Models and Other Considerations

Station-less Systems

As a constantly evolving field, there are emerging concepts and strategies that may offer an alternative to (or options within) the station-based "4 generation" systems that have come to represent modern bicycle sharing in North America. One such example is the station-less bicycle share model, which attempts to utilize improved technology and communications to solve issues that plagued older "2nd generation" systems.

Image of a station-less bike share bicycle, with independent locking mechanism (Source: The Social Bicycle Company)

Similar to 4th generation systems, station-less models can employ sophisticated locking solutions and Global Positioning System (GPS) tracking to deter theft and vandalism, and generally improve accountability. Instead of formal custom stations with kiosks, however, each bicycle has its own independent locking "unit" and bicycles can be parked anywhere within a certain designated zone or zones. The point of sale interface is handled via computer or smart phone, which is also how users are able to locate and reserve bicycles in advance.

Although less capital intensive (and thus less expensive), there are several potential drawbacks to the station-less model. First, the system is less visible and accessible to the public, which inhibits demand particularly for spontaneous trips. Second, the reliance on individual smart phones and computers can be a barrier to entry for many lower income communities. Third, station-less systems have been utilized mainly for college or private campus circulation and (as of 2012) have not been tested at a large scale in an urban environment. This means, among other issues, that detailed maintenance data is not available to compare life cycle costs. More information on two examples of station-less systems can be found at www.socialbicycles.com and www.viacycle.com.[4]

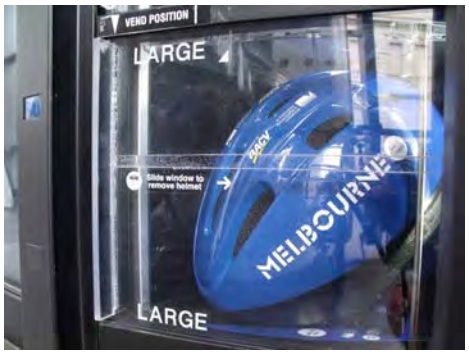
Subsidized/Sponsored Memberships

Although generally affordable and accessible to the public, 4th generation bicycle share systems have had a mixed track record on serving lower-income neighborhoods and communities of color. Factors that may be dampening demand from these potential users include required access to a credit card and the up-front cost of memberships. Additional non-economic factors may include access to stations, which in many cases have been located in more affluent business districts and tourism areas, and the lack of targeted marketing.

Bicycle share programs are increasingly working to address these social equity issues in a number of ways. In Washington D.C., the program has teamed with local banks to offer discounted memberships, payment installment plans, and access to membership without the need for a credit card or bank account. In other

[4]Web-based, informal bicycle sharing models are also emerging in several cities. A recent summary of such efforts can be found here: http://www.nytimes.com/2012/08/19/nyregion/spinlister-and-social-bicycles-develop-bike-sharing-alternatives.html

communities, banks are sponsoring members' security deposits while grants are helping purchase bulk memberships for distribution in needy areas. Lastly, most systems are now including (or planning to include) more aggressive outreach and marketing to help improve ridership among minority and transit-dependent populations.[5]



In Melbourne, a City that has a bicycle helmet requirement for all riders, inexpensive helmets are available at larger stations and promoted heavily to existing and potential members.

Helmet Use

Depending on the community in which a bicycle share program operates, the provision and promotion of helmet wearing can be a major consideration. Where there is a requirement to wear a bicycle helmet, demand can be significantly impacted – particularly for attracting casual members who spontaneously want to ride.

In California, bicyclists under the age of 18 are required to wear a helmet. Since most North American bicycle share systems require members to be 18 years of age or older, this provision should not have a significant impact on bicycle share demand. More information on bicycle helmet encouragement strategies are provided in Appendix B.

4 Benefits of Bike Sharing

This section provides a summary of some of the financial, health, environmental, and transportation / mobility benefits of bike sharing.

4.1 Financial Benefits

Bike sharing is a relatively inexpensive and quick to implement urban transportation option compared to other transportation modes. For example, the initial 1,100 bike launch of Capital Bikeshare in Washington DC cost approximately $6.2 million, several orders of magnitude less than the cost of constructing a mile of urban freeway and was rolled out in a matter of months.

Data from Capital Bikeshare and other systems suggests that a bike share system is able to support operating costs with user-generated revenues, such that ongoing public subsidies may not be needed. Whether these revenues literally provide full "farebox recovery" or simply cover a majority of operating cost, this is a major difference from traditional rail and bus transit systems, which typically operate with farebox recovery ratios of between 25% and 50%. Full farebox recovery may or may not be possible in Marin County; however where user fees do not cover the cost of operating the system, other cities have been able to pick up the shortfalls without using local public funding.

Bike sharing systems can also:

[5] For more discussion of bike sharing and social equity, see: http://dc.streetsblog.org/2012/10/03/why-isnt-bike-share-reaching-more-low-income-people/

- Be high-profile additions to a city or region that in themselves become an attraction for visitors and tourists and generate positive national and international media exposure that would otherwise be difficult or costly to generate.
- Create "green" jobs with on-going positions for managing and operating the system.
- Provide existing businesses an additional way to get customers to their front door or to provide employees with an inexpensive transportation option for commuting to work and running errands during the day (bike sharing could form part of a business' Travel Demand Management toolbox).
- Provide businesses of all sizes an opportunity for brand development through station and/or bike sponsorship. Bike sharing also represents a positive "community amenity" contribution for many companies and property developers.
- Help household budgets. Bike sharing can reduce transportation costs, and in some cases – often coupled with transit – could eliminate the need for an extra vehicle.

Bicycling, and in particular bike sharing, is an affordable form of transportation. Transportation is second to housing as a percentage of household budgets, and it is a top expense for many low income families. The cost of using a bike share bicycle for a year can be as low as the annual membership fee, typically between $50 and $100 per year, compared to $7,800 for operating a car over the same time period.[6] Increasingly, bicycling will become an even more attractive transportation option as gas prices continue to rise.[7]

Table 2. Transportation Costs by Mode:[8]

Car	$0.59/mile
Transit	$0.24/mile
Private Bike	$0.05/mile
Walking	$0.0/mile

4.2 Health Benefits

The health benefits of bicycling are well recognized and include the potential to reduce obesity, heart disease, and other sedentary lifestyle diseases. The potential synergies between bike sharing programs and health have attracted considerable interest from the health care industry, with several examples (Minneapolis and Denver) where health care providers have become major sponsors of bike sharing systems.

Healthy, active lifestyles are well-promoted and represented within Marin County. According to a 2009 California Community Health Survey, less than 16% of adults are obese – considerably less than the national average (the target goal for 2020 is 30% nationally). For children and teens under 18 years of age, regular physical activity is also well promoted through the Safe Routes to School program, which includes pedestrian and bicycle education woven into teacher and physical education curriculum. Marin County has also

[6] Pedestrian and Bicycle Information Center. (2010). *Economic Benefits: Money Facts.* (http://bit.ly/h35uvG)
[7] King, Neil. (2/27/2008). *The Wall Street Journal*: Another Peek at the Plateau.

[8] Rails to Trails Conservancy. (2008). *Active Transportation for America*; pg. 39.

promoted the many health benefits of bicycling through its involvement with the federally-funded Non-Motorized Transportation Planning Program.

4.3 Environmental Benefits

Bike sharing is practically carbon neutral. The stations are solar powered and environmentally friendly facilities and equipment can be chosen for operations (such as cargo bikes or electric vehicles) for bicycle redistribution.

North American cities with bike sharing report that approximately 25% of trips replace a vehicle trip, reducing emissions, fuel use, and the need for hard space taken up by automobile parking.

Bike sharing reduces the environmental footprint of a region's transportation system in many ways. Some bike sharing trips directly replace vehicle trips, directly reducing vehicle miles traveled (VMT) and vehicle emissions. When bike share stations are located at transit stops, bike sharing can also increase the feasibility and accessibility of transit, indirectly increasing the likelihood of replacing vehicle trips in the region with bike-transit trips. Bike sharing also indirectly increases the number of people in the community riding private bicycles by introducing new users to bicycling without the upfront expense of purchasing a bicycle. Many North American bike sharing systems have found that a common reason for discontinued memberships is that the member had recently purchased a private bicycle.

4.4 Mobility Benefits

Bike sharing provides an additional mobility option for short urban trips for residents and visitors. **Figure 5** illustrates how bike sharing fills an existing gap between trips too long to walk, but not long enough to justify waiting for transit. Bike sharing can also:

- Extend the reach of transit by providing a first- and last-mile transportation solution or providing service to under-served areas or areas that do not justify the cost of other transit options. Complement to transit service
- Reduce reliance on the private automobile. Initial experience in North American cities has shown that approximately 25% of bike share trips replace a vehicle trip.
- Encourage more bicycling. In Paris, for example, consumers have bought more than 2 million bicycles since the city launched its Velib bike share program[9]. Approximately 66% of surveyed users in Minneapolis (2010) stated that they bicycle more since subscribing to Nice Ride.
- Introduce people to cycling that do not typically ride. The 2010 user survey in Minneapolis showed that

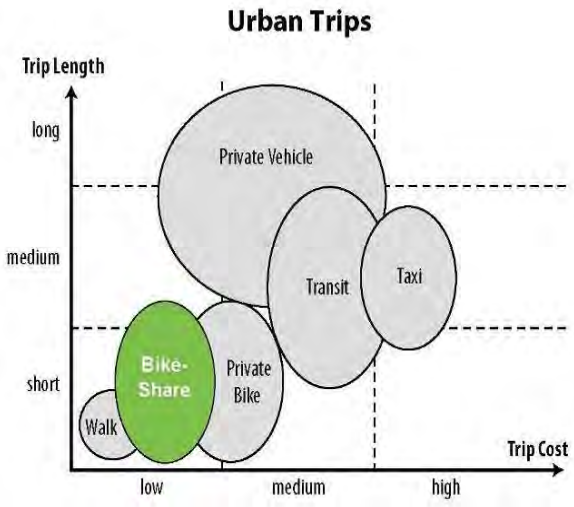


Figure 5. Urban Transportation Spectrum

[9] http://www.ecf.com/4575_1

approximately one-third of system users cycled less than once per month.

- Reduces barriers to cycling as there is no need to own or store a private bicycle or to worry about locking your bike and having it stolen.

4.5 Safety Benefits

Bike share systems have to date observed a solid safety record. In North American systems, few serious injuries or fatalities have been reported, and in Washington DC a total of 14 crashes were reported in the first year of operation, of which one was serious in nature. Approximately one million trips were made during this same period – an injury crash rate of 0.83 injuries per million miles (the average trip length was approximately 1.2 miles per trip), which is lower than the injury rate of 7.3 injuries per million miles ridden for private bicycling.[10]

Some of the factors contributing to this safety record could include:

- "Rider caution" as bike share riders are less familiar with bike routes, and therefore more attentive to surroundings and safe biking
- Increased driver awareness due to increased media, increased numbers of cyclists on the street, and because many drivers now use the bike share system or own a bicycle. A similar phenomenon is observed in bicycling in many cities including Portland, Oregon that has seen an increase in bicycling associated with a reduction in bicycle crash rates.
- The safe design of the bicycle as a visible, slow-speed, upright bicycle fitted with internal safety features such as lights and bells. Further, the bikes are regularly inspected to ensure that all safety features are in proper working order.

5 Organizational and Funding Models

5.1 Business Models

North American bike share systems operate under many different business models. In fact, each existing system (and those in planning) has identified a governance and organizational structure that fits the needs of the local market, the municipal and/or regional procurement offices, and the funding environment. A summary of North American bike share business models is included in Table 3.

Table 3. North American Bike Share Business Models

Name	Stations / Bikes	Operations	Ownership of Capital Infrastructure
Boston New Balance Hubway	61 / 610	Public – private partnership; operator direct contract with the City of Boston, other municipalities to contract directly with operator (RFP issued by regional planning agency).	City of Boston (government agency)

[10] http://bicycleuniverse.info/transpo/almanac-safety.html

Name	Stations / Bikes	Operations	Ownership of Capital Infrastructure
Capital Bikeshare	179 / 1,560	Operator direct contract with both Washington DC and Arlington County.	DDOT and Arlington County (government agencies)
Capital Bixi (Ottawa / Gatineau)	10 / 100	NCC funding of $785,000 for equipment and launch. Operated by PBSC.	National Capital Commission (government agency)
Chattanooga Bike Share (2012 launch)	30 / 300	Public – private partnership; operator direct contract with local transit agency (which received federal funding).	Outdoor Chattanooga (government agency)
Chicago B-Cycle	6 / 100	Completely private system, privately owned and operated, concession agreement only.	Bike N Roll (private company)
Denver B-Cycle	50 / 500	Non-profit set up by city.	Denver Bike Sharing (non-profit)
Des Moines B-Cycle	4 / 18	Already existing local non-profit (Des Moines Bicycle Collective).	Des Moines Bicycle Collective (non-profit)
Ecobici, Mexico City	85 / 1,000	Private advertising-funded system.	Clear Channel Communications (private company)
Miami Beach DecoBike	100 / 1,000	Completely private system, privately owned and operated, concession agreement only.	DecoBike (private company)
Montreal	405 / 5,050	Owned and operated by Public Bike System Company (PBSC), a non-profit organization.	PBSC (non-profit)
New York City Bike Share (2012 launch)	600 / 10,000	Completely private system; privately owned and operated.	Alta Bicycle Share (private company)
Nice Ride Minnesota	116 / 1,200	Non-profit set up by city.	Nice Ride Minnesota (non-profit)
San Antonio B-Cycle	14 / 140	Governed by non-profit set up by city – operated by bike rental company through tender.	San Antonio B-Cycle (non-profit)
Toronto Bixi	80 / 1,000	Program owned and operated by PBSC. City of Toronto provided a $4.8 million loan guarantee.	PBSC (non-profit)

Based on **Table 3** and other examples globally, the core business models include:

- Operating non-profit (either pre-existing or established specifically) owns and operates the system.
- Administrative non-profit (either pre-existing or established specifically) owns and administers the system; operated by a private contractor.
- Privately owned and operated.
- Publicly owned; operated by a private contractor.
- Publicly owned and operated (no North American examples).
- Owned and operated as part of a street-furniture advertising contract.
- Transit agency owned and operated (no North American examples).

More detailed descriptions of common models and liability considerations are provided below.

Operating Non-Profit
Similar to Nice Ride Minnesota and Denver Bikesharing, this model assumes a Non-Profit Organization (NPO) is formed whose mission is to create a bike sharing system. The NPO undertakes all aspects of creating the system, including funding it, establishing regional guidelines, procuring and establishing the equipment, procuring operations facilities, and providing expertise for operations. In other cities where an operating NPO has been established, there has not been an operating contract between the jurisdiction(s) and the NPO to define required service levels, reporting and other operational metrics, giving less control to the jurisdictions.

Administrative Non-Profit with Private Operating Contractor
Under this model, which is currently being deployed in King County, WA, an NPO is formed whose mission is to create a bike sharing system. The non-profit undertakes funding the system, establishing regional guidelines, procuring the equipment, and choosing an operator. In this scenario the NPO hires a private contractor to implement and operate the system, acting as the client to the contractor. The non-profit could also undertake marketing functions for the system or outsource these services to a third party.

Privately Owned and Operated
Similar to Miami Beach DecoBike, Chicago B-Cycle, Los Angeles Bike Nation, and the proposed system for New York City, municipalities contract with an operator for street space only using a concession agreement. The operator provides all funding for equipment and operations. Although this structure requires no public funding for capital or operations (a positive for the municipalities), it gives less control and transparency to the contracting jurisdictions, and there could be significant risk that such systems might fail due to the unknown long-term feasibility of completely privately funded and supported systems.

Direct Contract with Operator
Similar to Capital Bikeshare (Washington D.C.) and Hubway (Boston), municipalities within the same region contract directly with the operator using the overarching umbrella of a regional planning organization to establish similar standards across jurisdictions. There is no official board of directors, although there is typically an ad hoc committee that forms consensus, and each jurisdiction acts as a separate client to the operator. Each jurisdiction can have a different source of funding and different revenue sharing arrangements with the operator. The jurisdiction(s) assume responsibility for initial and ongoing funding for the system.

Liability/Insurance
In nearly all cases, the contractor obtains an insurance policy that covers almost all liability (e.g. general liability, workers compensation, auto, etc.) except theft and vandalism of the bikes, which is covered by a replacement fund (note: insurance can be obtained for coverage of bikes while they are in stations or in storage). The contractor typically indemnifies related agencies, private property owners who host a station, and other stakeholders. Although this has not yet been mandated by cities, insurance that protects against force majeure is strongly recommended.

In terms of personal risk, similar to car rental and other common rental transactions, any risk involved with operating a bike share bike is assumed by the customer. Bicycle share customers are required to consent to this arrangement by signing a user agreement that specifies the terms of bicycle share membership.

5.2 Funding

Most U.S. systems have launched using a combination of public and private funding but have used limited local public funding (versus federal or state public funding) beyond in-kind services such as staff time, right-

of-way use, lost on-street parking revenues, etc. Table 4 details the various funding sources used in selected North American bike share systems.

Public funding could also potentially come from local "steady stream" sources such as parking revenues, bus bike rack advertising, special taxes, distribution of license plate fees, etc. Promotion and marketing of the system could also be funded and/or coordinated through established public agency departments as part of their financial contribution to the system.

More information on potential local funding sources is provided in Section 8.5

Table 4. North American Bike Share Systems Using Public Capital Funding Sources

System	Bikes	Stations	Approximate Service Area	Population	Launch Date	Total Capital Funding	Public Funding Amount	Private Funding Amount
Boston	610	61	8 sq. mi.	620,000	2011	$4 million	$3 million (75%, CDC Communities Putting Prevention to Work, CMAQ, FTA Bus Facilities Livability Initiative Program, State grants).	$1 million (25%, multiple local sponsors and a naming sponsor).
Capital Bikeshare – Washington D.C. (Phase 1)	1,110 (bikes circulate between both Washington DC and Arlington)	91 (105 total)	8 sq. mi.	600,000	September 2010	$5 million	$5 million (83% CMAQ, 17% District funding)	$0
Capital Bikeshare – Arlington (Phase 2/current)		14 (105 total)	1 sq. mi.	210,000	September 2010	$500,000	$200,000 (40%, state grants)	$300,000 (60%, local BID sponsorship)
Capital Bikeshare – Washington D.C. (Phase 2)	1,560 (400 new; bikes circulate between both Washington DC and Arlington)	138 (179 total)	12 sq. mi	600,000	2011	$1 million	$1 million (74%, CMAQ).	$350,000 (26%, revenues from system).
Capital Bikeshare – Arlington (Phase 2/current)		41 (179 total)	4 sq. mi.	210,000	2011	$1.5 million	Undisclosed.	Undisclosed.
Chattanooga	300	30	3 sq. mi.	170,000	2011	$2 million	$2 million (100%, CMAQ)	$0 (future sponsorship may be sought)
Denver Bike Sharing	500	50	5 sq. mi.	600,000	April 2010	$1.5 million	$210,000 (16%, ARRA federal Energy Efficiency and Conservation Block Grant program).	$1.3 million (84%, Kaiser Permanente as "presenting sponsor", Denver 2008 DNC Host Committee, several foundations, multiple station sponsors).
Fort Lauderdale	200	20	25 sq. mi.	170,000	2011	$1.1 million	$300,000 (27%, Florida DOT funds)	$800,000 (63%, sponsorship / advertising)
Montreal	5,050	405	24 sq. mi.	1,650,000	2008	$33 million	$33 million (City funds) to develop and market technology and plan the initial system.	Subsequent stages funded by sponsorship, advertising, and user fees.
Nice Ride Minnesota (Phase 1)	700	73	12 sq. mi	380,000 (Minneapolis)	June 2010	$3.0 million	$1.75 million (58%, Bike Walk Twin Cities / FHWA). $250,000 (8%, City Convention Center Fund).	$1 million (33%, Blue Cross Blue Shield tobacco settlement funds).
Nice Ride Minnesota (Phase 2/current)	1,200 (500 new)	116 (63 new)	30 sq. mi.	670,000 (Minneapolis & St. Paul combined)	2011	$2.3 million	$1.0 million (43%, Bike Walk Twin Cities / FHWA). $200,000 (9%, ARRA US Department of Health and Human Services). $150,000 (6%, University of Minnesota).	$700,000 (30%, Blue Cross Blue Shield). $250,000 (11%, Central Corridor Light Rail Funders Collaborative). $30,000 (1%, Macalester College).
San Antonio	140	14	3 sq. mi.	1,330,000	2011	$840,000	$840,000 (100%, U.S. Dept of Energy's Energy Efficiency and Conservation Block Grant (EECBG) program, CDC)	$0

Note: All numbers in this table are round numbers from various publicly available sources, as well as other sources.

This page intentionally left blank.

6 Goals of Marin Bike Share Program

To consider establishing a feasible bicycle share system with specific station locations and service areas, it is essential to understand the goals of the program. After discussion and revision at several Bicycle Share Advisory Working Group meetings, these seven goals have been identified for a bicycle share program in Marin:

Goal 1: Provide convenient mobility options

For various reasons, a bicycle share program may provide a more convenient travel option for people than other modes, including personal bicycles. Consider these potential scenarios:

- A transit rider who wants to complete the last part of a trip by bicycle
- People who normally walk but are in a hurry
- People who normally drive (e.g. for lunch) but don't want to re-park their automobile
- Bicycle owners who do not want to ride both ends of a trip
- Bicycle owners who do not want to leave a bike locked up outside for an extended period of time

In Washington, DC's bike share system, nearly two-thirds of members said they made a new trip that otherwise would have been too far to walk, while 30% of users also indicated they own a personal bicycle. These are indications that bike share trips can be more convenient than either walking or conventional bicycle trips in many situations.

Goal 2: Reduce congestion and greenhouse gas (GHG) emissions

As a zero-emission transportation mode, bicycle share reduces GHG whenever a bicycle trip (or bicycle share trip chained with transit) replaces a motorized vehicle trip. Previous experience with bicycle share user behavior shows that up to 25% of bike share trips can replace trips that were formerly made by personal automobile.

Goal 3: Serve transit-dependent ccommunities

As a low-cost and healthy transportation alternative, bike-sharing is one strategy to improve transportation access and options for transit-dependent populations – i.e., low-income and/or low-vehicle ownership households.

The Canal neighborhood and northern parts of San Rafael east of Highway 101, Marin City and adjacent segments of Mill Valley, and downtown Novato stand out in this analysis for Marin County. These areas should be prioritized for potential bike share station locations, and would be good candidate areas for targeted outreach and education, and sponsored memberships.

Goal 4: Complement and support transit and bicycle facility Investments

Bicycle sharing and transit are complementary modes of travel, and the existence of each can support the use of the other. Bicycle sharing can increase demand for transit by extending the reach of transit to destinations that were previously too far to walk from a transit stop, and may also serve to broaden the base of public use of and support for bicycle facilities.

Goal 5: Promote active and healthy lifestyles

Bicycle share systems create a new, visible presence of bicycling throughout the service area and can help build the social brand of a region. By raising the visual profile of bicycles and introducing new people to bicycling, bicycle share can build public support and enthusiasm for the construction of new bicycle facilities.

User surveys in North American cities with existing bicycle share systems indicate that many members choose to purchase a personal bicycle because they've found bicycling to be enjoyable and practical after using the bicycle share system.

Goal 6: Encourage economic development

Reports from cities with existing bike share systems indicate that bike share facilitates new trips that a person wouldn't have taken if bike share weren't available as a transportation option. In Washington, DC, 44% of Capital Bikeshare members reported making an induced trip, and 64% of this group reported making the trip by bike share when the destination was beyond walking distance. These induced trips were often noted to be social/entertainment trips, likely accompanied by retail spending. In this way, bike share may help stimulate commercial activity within the service area while also providing additional mobility options and benefits mentioned above.

Goal 7: Be financially sustainable

Economic sustainability is important to the success of a Marin bike share program. In these times of reduced funding for transportation, new programs must produce cost-effective results and show long-term viability to be successful. A Marin bicycle share system should be financially prudent by pursuing grant opportunities to fund infrastructure, implementing a fee structure to support ongoing costs, and targeting mutually beneficial public-private partnerships to contribute to operations and capital expansion.

7 Local Context Analysis

7.1 Physical Characteristics

Marin County is located on the northwest of the San Francisco Bay, north of San Francisco and the Golden Gate Bridge. The majority of terrain within the county consists of coastal hills along the Pacific Ocean, including Mount Tamalpais State Park and the Golden Gate National Recreation Area. The county's main population centers are located along the San Francisco Bay.

The recently rebuilt Cal Park Tunnel shortened trip distances for bicyclists traveling to and from downtown San Rafael, and has resulted in a fourfold increase in bicycle activity along the corridor.

Source: WalkBikeMarin.

Although most city centers are relatively flat, coastal hills create consistent divisions between areas that can create obstacles for bicyclists. One example is Cal Park Hill, where a refurbished rail tunnel (shared with the SMART rail alignment) bypasses what used to be a steep climb south of downtown San Rafael. Topography inside each of Marin County's cities should provide few challenges to short bike share trips, but may discourage some bike share users from attempting to travel over the hills between cities. The map in **Figure 7** includes shaded-relief of the County's topography, which highlights the change in elevation across the region.

Land use in West Marin consists mainly of parks, open space and agriculture. In the county's population centers, most cities and towns follow a development pattern based on one or several main streets where most commercial development is clustered (see **Figure 6.** Current land uses in Marin County)Error! Reference source not found.. A substantial portion of the county's residential population is located beyond walking distance of these activity centers. To achieve the highest level of use, bike share stations are typically located in mixed-use and commercial areas, so many of Marin County's single-use residential neighborhoods may be located outside of the bike share service area.

This page intentionally left blank.

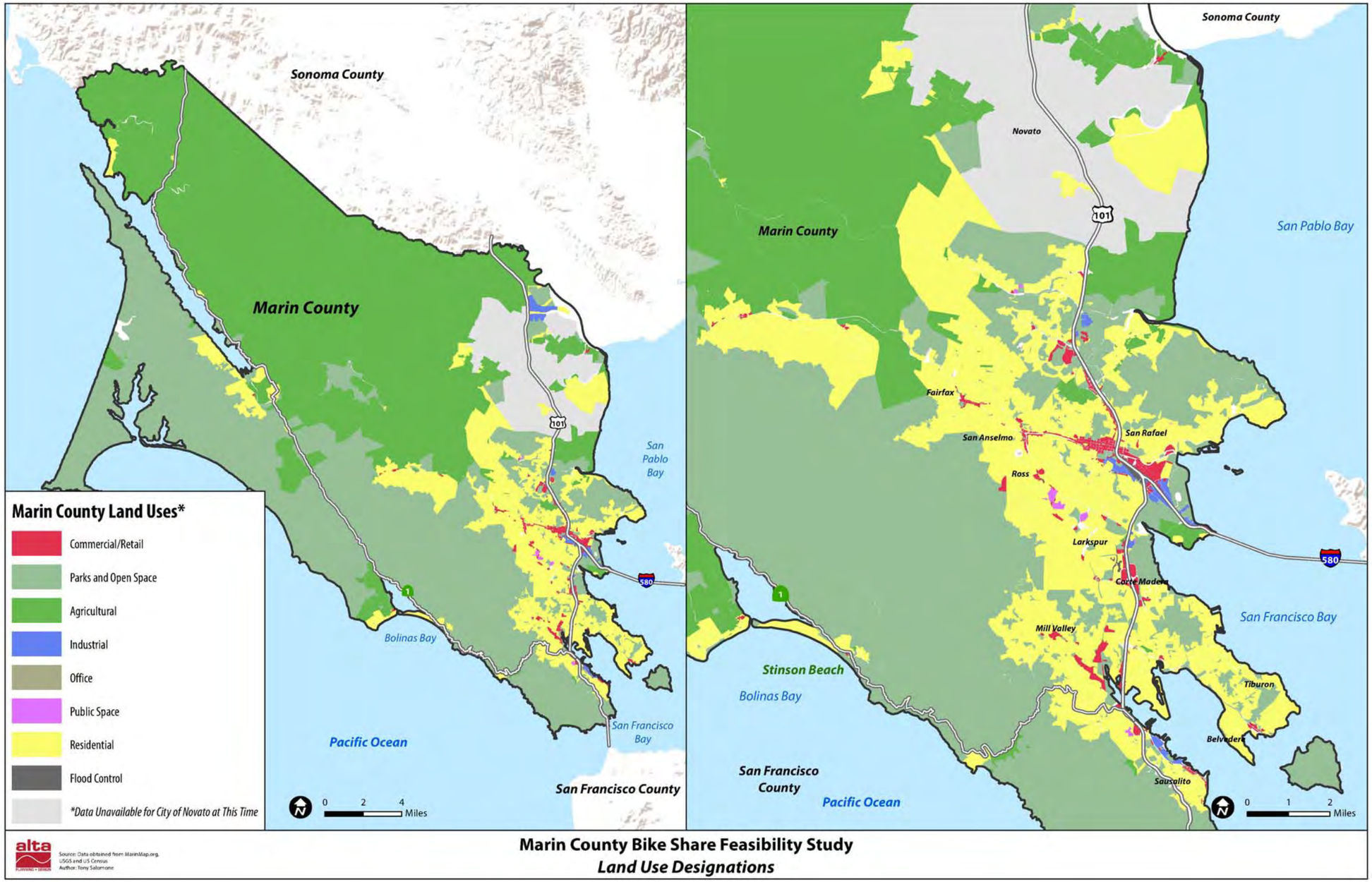


Figure 6. Current land uses in Marin County

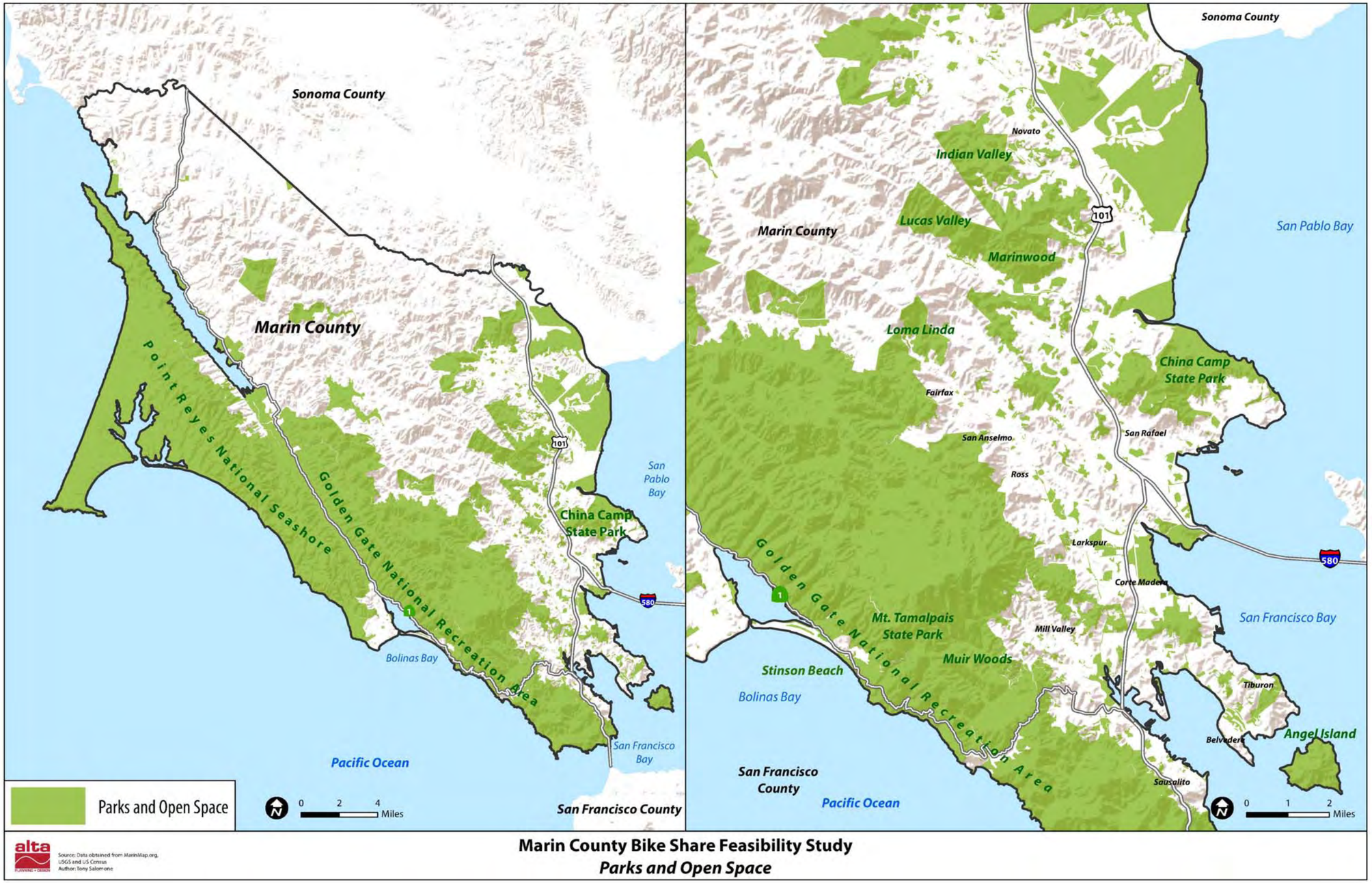


Figure 7. Parks, Open Space and Topography in Marin County.

Transit

College students and high-income young professionals are strongly represented among new Marin Transit users, indicating a potential synergy with bike sharing.

Marin Transit contracts with Golden Gate Transit to transport over 9,000 riders per day to destinations throughout Marin County in addition to connections to regional transit systems. Services provided include local routes, community shuttles, and the West Marin Stagecoach. In FY 2007/2008, Marin Transit facilitated nearly 3.5 million passenger trips[11]. Marin Transit also serves Golden Gate Transit transfer points and connections to the Sausalito, Larkspur and Tiburon ferries. Table 5 shows ridership averages and totals for the Larkspur and Sausalito ferries for the last five years.

Table 5 Golden Gate Transit Ferry Ridership

Year	Annual Ridership			Average Weekday Ridership			Average Weekend/ Holiday Ridership
	Larkspur	Sausalito	Total	Larkspur	Sausalito	Total	Total
FY 2011	1,432,039	599,180	2,031,000	5,007	1,550	6,557	3,385
FY 2010	1,342,382	579,713	1,922,095	4,615	1,442	6,057	3,552
FY 2009	1,370,400	578,635	1,949,035	4,640	1,521	6,161	3,047
FY 2008	1,413,283	566,560	1,979,843	5,564	2,231	7,795	3,390
FY 2007	1,477,762	547,173	2,024,935	5,144	1,447	6,590	3,280

Source: www.goldengateferry.org

The Marin Transit *2008 Systemwide Onboard Survey* found that approximately 75% of passengers walk to access transit and that a similar number also walk to continue to their final destination after deboarding. Bike share service has the potential to increase ridership and extend the geographic coverage of local transit by making it feasible to access transit over longer distances from transit stops. Bike share can also improve the convenience of transit, sometimes providing passengers with the option of riding a longer distance to access a bus stop in order to avoid waiting for a transfer. Current ridership on Marin Transit is heavily weighted towards younger people with lower incomes and people traveling for work and school trips. Bike share service could help improve convenience for existing users, while providing an entry point for higher income bike share users to consider utilizing Marin's public transportation services. Recent trends among Marin Transit ridership indicate that college students and high-income young professionals are strongly represented among new users; bike share early adopters typically come from similar demographic group, suggesting possible synergies between bike share and transit.

Planned to open in 2016, SMART (Sonoma-Marin Area Rail Transit) passenger rail service will add a new dimension to transportation in Marin County. The first phase of the rail corridor will reach 37 miles between Santa Rosa and downtown San Rafael, with a future phase planned to extend the corridor to 70 miles between Cloverdale and Larkspur Landing Ferry Terminal to include a 70 mile long Multi-Use Pathway (MUP). With a high percentage of Marin County residents working in Sonoma County (and vice versa), SMART has the potential to attract a large number of the region's commute trips. As with bus transit, SMART stations (see

[11] Marin Transit's Short Range Transit Plan, FY 2008/09 - FY 2017/18.

Figure 8) will be ideal candidates for bike share stations, daily commuters will be seeking an affordable and convenient way to connect to their final destinations. SMART ridership forecasts, shown in Table 3 Table 6, estimate over 6,200 trips per day generated by riders traveling to and from SMART stations in Marin County.

Table 6. 2035 AM ridership estimates at Marin County SMART stations.

Station	Activity	Walk/Bike	Drive/Drop/ Carpool	Transit
North Novato	501 boardings	3%	77%	20%
	487 alightings	73%		27%
South Novato/Hamilton	541 boardings	41%	57%	2%
	541 alightings	93%		7%
Marin Civic Center	693 boardings	34%	52%	14%
	706 alightings	71%		29%
San Rafael Downtown	1175 boardings	4%	35%	61%
	1150 alightings	43%		57%
Larkspur	202 boardings	4%	19%	77%
	213 alightings	37%		63%

Source: SMART 2011 ridership forecast

As described in the Environmental Impact Report (EIR) and SMART White Paper #9, plans for station access include free shuttles to complement local transit service. In Marin, seven routes have been studied to serve the following key destinations outside of the stations:

- San Quentin Prison
- Marin General Hospital
- College of Marin
- E/W Francisco Blvd Business Strip
- Northgate Mall Shopping Center
- Marin Technology Center
- Light industry along Professional Center Parkway,
- Redwood Highway, Fair Isaacs
- Bel Marin Keys business complex
- Historic Downtown / City Offices
- Fireman's Fund
- Redwood Boulevard / Auto Row
- Vintage Oaks Shopping Center
- Sutter North Community Hospital

Figure 8. Future SMART stations will become multi-modal hubs, and will be connected to regional trails and bikeways, providing obvious potential co-location opportunities for a bike share program.

At the time this feasibility study was in development, funding for the SMART station shuttles has not been identified. As a potential strategy to complement local shuttles, or as a low-cost alternative to such services, bicycle sharing should be considered when revising station access plans and/or seeking additional dedicated funding.

Bicycle share may be a low cost alternative or complement to local shuttles serving SMART stations, which are currently planned (but unfunded) as part of the commuter rail project.

Bike Network

Marin County has made substantial recent investments in its bikeway network, and continues to improve and expand the network with many miles of new bike facilities in various stages of planning and design. The 2008 *Marin County Unincorporated Area Bicycle and Pedestrian Master Plan* calls for the construction of 164 new miles of bicycle facilities including:

- 18 miles of Class I bikeways (shared-use paths)
- 20 miles of Class II bikeways (bicycle lanes)
- 126 miles of Class III bikeways (shoulder bikeways)

Additionally, nine local bike plans for jurisdictions in Marin have been completed since 2008, each of which includes local recommendations for new bicycle facilities. The Marin County Non-Motorized Transportation Pilot Program (NTPP) has funded many of the region's priority bicycle projects, with dozens of new facilities opening across the region (**Figure 9**).

There is limited information to suggest whether a dense network of bicycle infrastructure is required in order for bike sharing to be successful. There are cities such as Lyon, France where successful bike share systems have been introduced with small bikeway networks. For North American systems, although there is little data to conclude the impact, it is noted that these systems have acted as a catalyst for increased investment in bicycle infrastructure and to date have recorded no fatal crashes and very few injury-causing crashes.

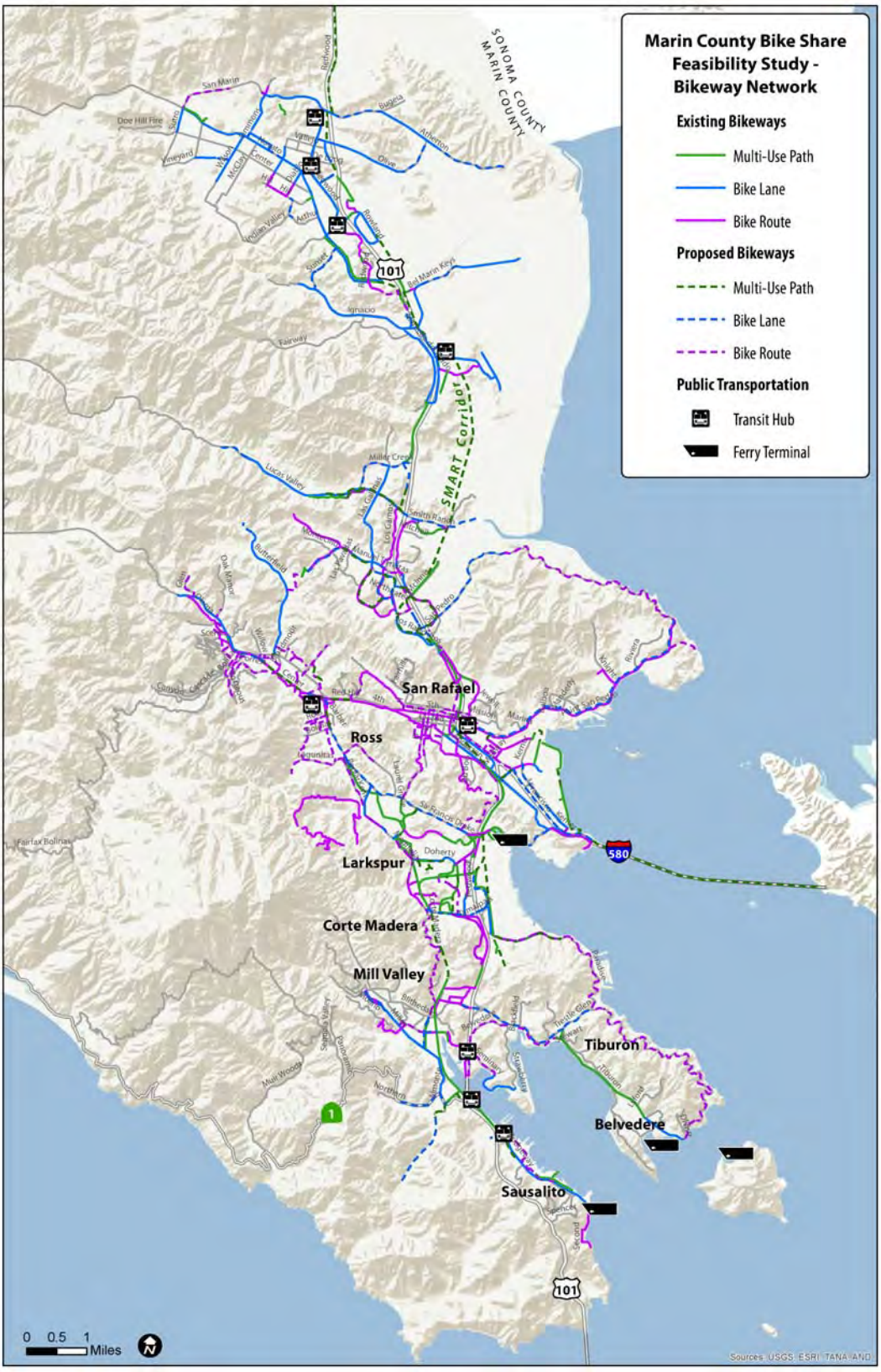


Figure 9. The Existing and Planned Marin County's bikeway network.(Source: Marin Maps 2012)

Weather

Weather can influence bike share demand. **Figure 10** shows average monthly temperature in Marin County over the last 30 years. In general, the region experiences moderately warm temperatures during summer months with limited precipitation events from May to October. The winters have increased incidence of precipitation with mild temperatures. The average annual precipitation is 32.2 inches.[12]

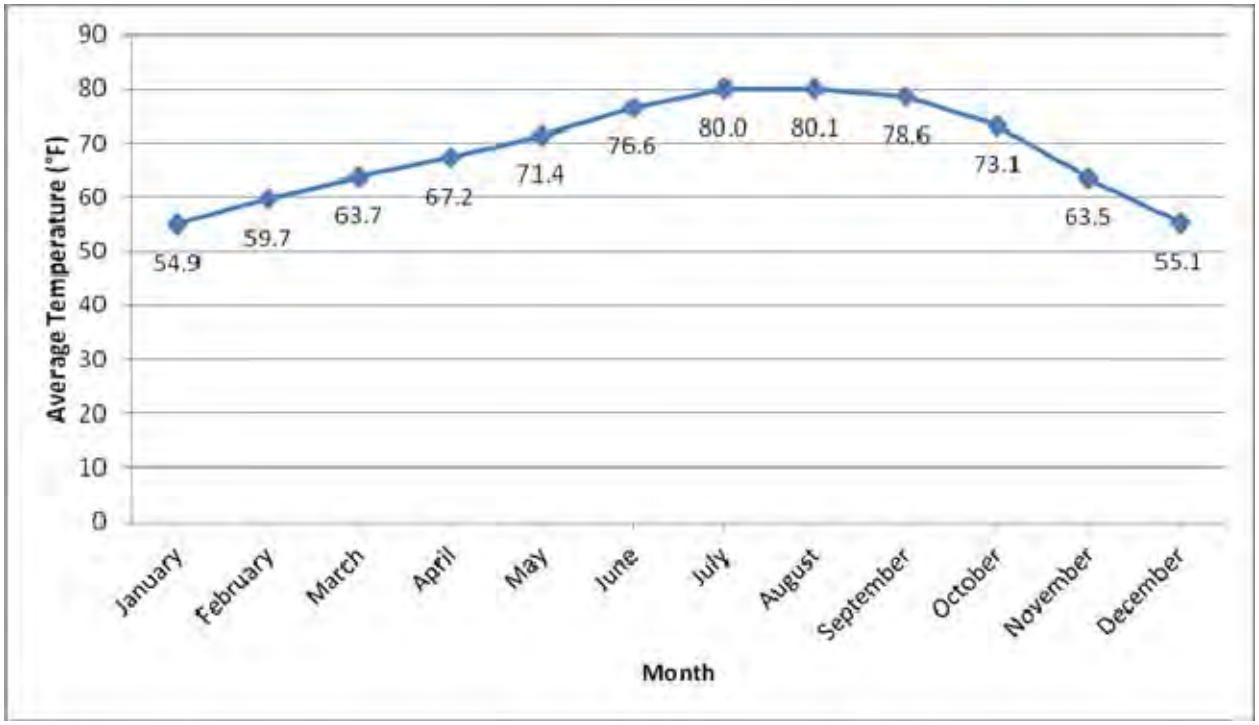


Figure 10. Average monthly high temperature in Marin County from 1981 to 2010. Source: National Oceanic and Atmospheric Administration, National Weather Service Forecast Office

The highest demand months will occur during the peak tourism season from May to September (Memorial Day to Labor Day). Bike share demand will likely decrease but remain constant during off-season months due to the appeal of spring and fall weather and the relatively mild winters. Several bike share systems, including Hubway in Boston and Nice Ride in Minneapolis, shut down during winter months due to snowfall and icy conditions. Marin County's climate will allow a bike share program to operate year-long without the need for a seasonal closure.

7.2 Demographics

Bike share systems are most successful where there is a mix of land uses and trip-making throughout the day to attract users. In Marin County users would include local residents and commuters living or working in the bike share service area, students of college campuses, residents travelling to local city centers for shopping, recreation, entertainment, or other purposes, and visitors and tourists. The system may cater to tourists and visitors as well as residents and provide a mobility option for:

- Visitors and tourists accessing entertainment and cultural attractions.

[12] National Oceanic and Atmospheric Administration. National Weather Service Forecast Office.

- Residents who live, work, or recreate in the area covered by the bike share program.
- A "last mile" option for existing transit services, including the Golden Gate Ferry.
- Extending the reach of transit into areas that are currently underserved.

Factors considered important to the success of bike sharing are reviewed below. Where possible, comparisons have been made to other U.S. cities that have operating bike share systems. Under-performance in any one of these areas does not exclude the feasibility of a bike share system but each factor influences the potential success of the system. A summary on the preparedness of the community is provided at the end of this section along with a discussion of some of the potential issues that may pose as barriers to success.

Population

With a population of approximately 250,000 people, Marin County is notably smaller than most North American regions with significant bike share systems. However, bike share systems are beginning to expand into smaller markets; Chattanooga, TN has a population of 170,000 and is scheduled to launch a bike share system later this year. At just under 210,000 people, Arlington County, VA has a smaller population than Marin County and currently hosts over 30 bike share stations as part of the Washington, DC Capital Bikeshare system.

Population density in Marin County is also lower than other communities with established bike share systems. Countywide population density is 300 persons/square mile, due to more than two thirds of the county being open space or farmland. However, the main population centers of the county are still less dense than potential peer bike share communities. San Rafael and Novato have population densities of roughly 3,000 persons/square mile, while Washington DC has an average density of 10,000 persons/square mile and Minneapolis averages 7,000 persons/square mile. Despite this, the trend of bike share moving into smaller markets supports the feasibility of a bike share system in Marin. Population density in Jackson, which is considering bike sharing, has a residential density of approximately 3,500 persons/square mile (similar to typical San Rafael neighborhoods with densities of approximately 3,000 persons/square mile) and Chattanooga has a density of approximately 1,200 persons/square mile, much lower than most Marin County cities. Density in Marin County is expected to stay steady with recent population growth in Marin County being stable, increasing only 2% between 2000 and 2010.

Age

Nearly two-thirds of Marin residents are older than 35 years of age, which should be a key factor in the demand (and marketing) for a bicycle share program.

Comparisons of user surveys and general age distributions in Washington DC and Minneapolis are shown in Table 7 along with the age distribution of the general population in Marin County. User surveys in other cities have shown that certain populations are overrepresented as bike share users. These 'early adopters' aged 25 – 34 years old represent the largest group of bike share users - at between 39 percent and 49 percent - although this cohort only represents 18 to 22 percent of the general population. This age group makes up only 10% of Marin County's total population; about half the share of Washington DC and Minneapolis. The 35 – 54 year old age range also makes up a significant portion of users with over a third of Nice Ride and Capital Bikeshare users being in this age range compared to 28 percent of the general population.

The 35 – 54 age group in Marin is slightly overrepresented compared to these cities, with a share of 32% of the overall population. Persons over 55 in age are almost as large a cohort, representing 31% of Marin residents. That these two groups represent almost two-thirds of Marin residents will be an interesting factor to consider in designing and marketing a potential bicycle share program.

Table 7. Age Distribution of Users from other Bike Share Systems and of the General Population (in parentheses).

Age Range	Nice Ride (Minneapolis Population)	Capital Bikeshare (Washington DC Population)	(Marin County Population)
‹ 18 years	0% (23%)	0% (23%)	(21%)
18 – 24 years	8% (10%)	10% (8%)	(6%)
25 – 34 years	39% (22%)	49% (18%)	(10%)
35 – 54 years	40% (28%)	34% (28%)	(32%)
55+ years	13% (18%)	7% (23%)	(31%)
Total	100% (100%)	100% (100%)	(100%)

Sources: Capital Bikeshare (Washington, DC) Customer Survey, 2010; Nice Ride (Minnesota) Fall Subscriber Survey; Census 2010

Marin County has a lower share of residents aged 18-24 compared to the other two cities. College students are likely to be early adopters of bike share, with Nice Ride, Hubway and Capital Bikeshare all having significant presence with bike share stations near college campuses. Approximately 6% of Marin County residents are enrolled in college or graduate studies. Despite this small population, the campuses of the College of Marin and Dominican University are important activity centers that would be good candidates for inclusion in a Marin County bike share system.

In Table 7, the under-18 age group represents 0% of Nice Ride and Capital Bikeshare users because minors (under 16) cannot legally use the system and those under 18 require parental approval. Although Marin County's age profile doesn't align with the typical bike share user base, resident users are only one component of bike share users.

Employment

Approximately 120,000 Marin County residents were employed in 2010, according to the US Census Bureau American Community Survey. Most residents in the area have significant commutes, with nearly 60% of Marin workers traveling to work at an employer outside the county[13], including nearly 20% of the residential workforce working in San Francisco. A large population also commutes into the county for work; 55,000 jobs located in Marin County are held by workers who live outside of the county[14]. For residents and workers with inter-county commutes, a bike sharing system could provide a flexible new option for combined bike share/transit commute trips, and for non-home-based work-related trips. If Marin County enters into a bike share system with other Bay Area agencies, bike share membership could be especially appealing to commuters with access to bike share on either end of their trip.

[13] US Census Bureau Longitudinal Employer-Household Dynamics (LEHD), 2010.

[14] Ibid.

Table 8. Major Employment Industries in Marin County[15]

NAICS Industry Sector	Share of Marin County Employment
Health Care and Social Assistance	14.40%
Retail Trade	11.80%
Professional, Scientific, and Technical Services	11.50%
Educational Services	9.00%
Accommodation and Food Services	7.80%
Public Administration	6.80%
Administration & Support, Waste Management and Remediation	5.70%
Other Services (excluding Public Administration)	5.60%
Construction	5.50%
Finance and Insurance	4.70%

The health care, professional/technical services and retail trade industries are the three largest employers of Marin County residents, combined employing more than a third of Marin County workers (see Table 8). Another 9% of Marin County workers are employed in education. Major employers such as Marin General Hospital, AutoDesk, Fireman's Fund insurance and other business campuses may serve as important trip generators and attractors for the bike share program. Bike sharing, in combination with public transit services, could increase residents' access to jobs. The possibility of combining bike sharing as part of an employee benefit package or travel demand management strategy may serve as a means to promote early adoption of a bike share system (e.g. a significant proportion of annual members in Boulder signed up through corporate programs).

Income and Social Equity

In general, higher income brackets are disproportionately more likely to use the bike share system than low income populations. Approximately 46 percent of Capital Bikeshare users and 39 percent of Nice Ride users reported incomes over $100,000 and in Dublin, Ireland, only 16% of users earned less than 30,000 Euros (approximately $50,000). Based on the income profile, Marin County residents may be more likely to use bike share than other cities. Nearly half of Marin County households (45%) had incomes of over $100,000 in 2010.

The relationship of bicycle share demand to income may be related to greater numbers of high income users living and working in the system service areas. To ensure equity of access to bicycle share, and to promote bike sharing as a mobility option for underserved areas, this feasibility study has conducted a review of identified "lifeline" transit routes and communities within Marin. Since 2005, the Metropolitan Transportation Commission (MTC) has recognized transit routes throughout the Bay Area that provide essential services and mobility options to low-income residents. MTC describes the program and route designation criteria as follows:

> *The Lifeline Transportation Network comprises public transit routes identified as critical to meeting the transportation needs of low-income persons as well as a series of related spatial and temporal gaps in the*

[15] Ibid.

network based on analysis by the Metropolitan Transportation Commission (MTC). Specifically, these routes meet one or more of the following criteria:

- *The route provides direct service to a neighborhood with a high concentration of CalWORKs households;*
- *The route provides service to areas with concentrations of key destinations;*
- *The route is part of an operator's core service; or*
- *The route provides a key regional link between the local service areas of different transit operators.*

A detailed analysis of lifeline mobility services and gaps is outside the scope of this study. However, **Figure 11** and **Figure 12** highlight areas in Marin that can be viewed as priorities for serving potentially underserved populations with high transit dependence and/or need for low-cost transportation options. Two community-based transportation plans for Marin City and the Canal Neighborhood of San Rafael also provide information on gaps in transit and non-motorized transportation routes that serve similar purposes to the MTC's Lifeline Transportation Network. The Canal neighborhood and northern parts of San Rafael east of Highway 101, Marin City and adjacent segments of Mill Valley, and downtown Novato stand out in this analysis. These areas of need were considered during the development of potential bike share station locations.

Proximity to stations is of course only one element of creating a bike share system that achieves equity objectives. Although the cost of bike share membership is comparatively low compared to other transportation modes, they may be out of budget for some who could benefit from the system. Some strategies that have been initiated to engage traditionally underserved communities to actively participate in their city's bike share program include:

- Boston: the operator partners with the Boston Public Health Commission to sell $5 memberships. The Boston Medical Center has a pilot a program called "Prescribe a Bike" for low income individuals with health related issues that care providers believe can be addressed, in part, by moderate exercise. The program allows physicians to literally prescribe Hubway membership at no cost to the patient.
- Washington, DC: the operator works with Bank On DC, an organization that seeks to provide financial education and services to unbanked families and individuals. Reduced price memberships are provided to Bank On DC account holders.

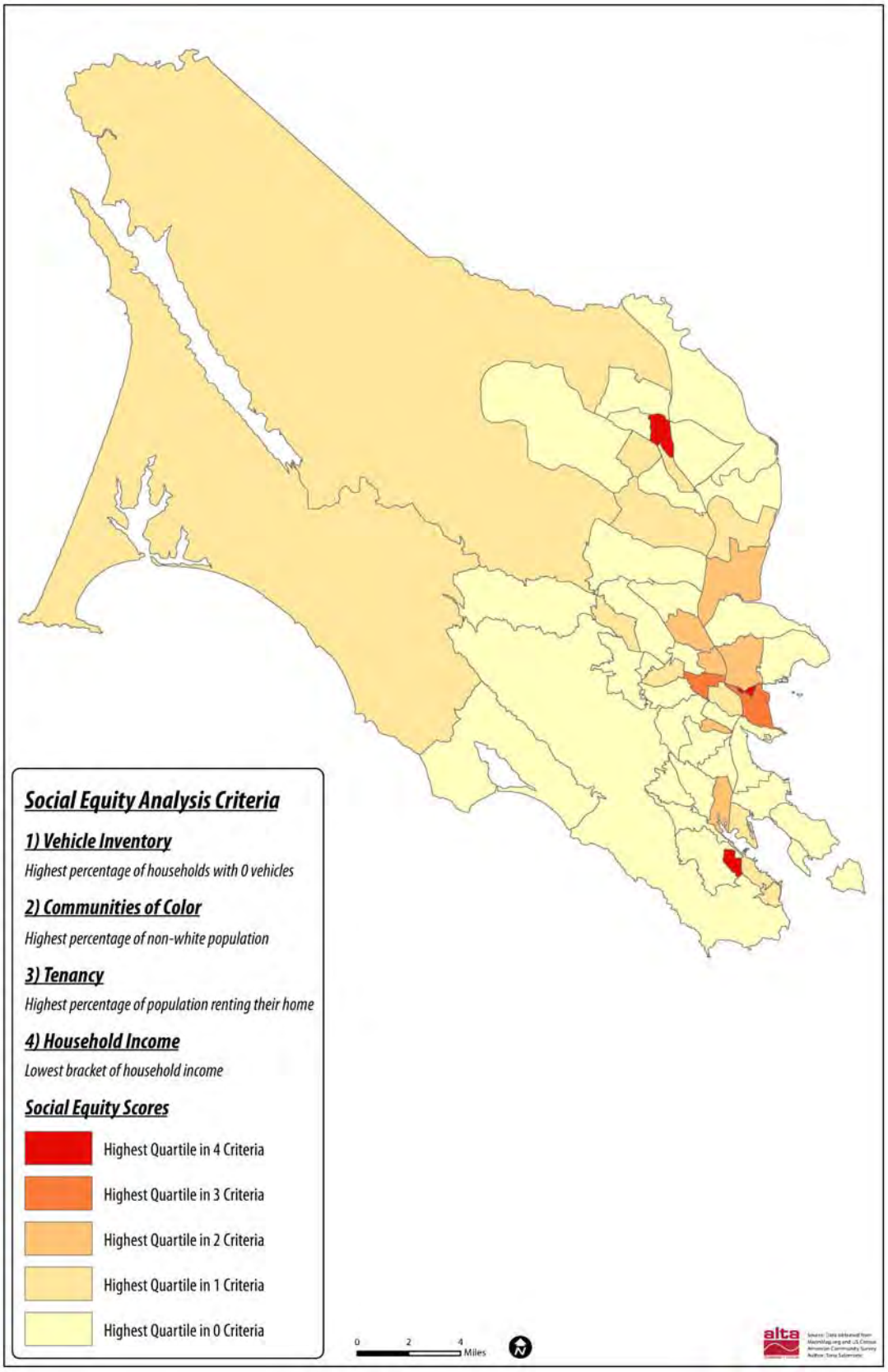


Figure 11. Priority Areas for Social Equity/Lifeline Mobility (Countywide)

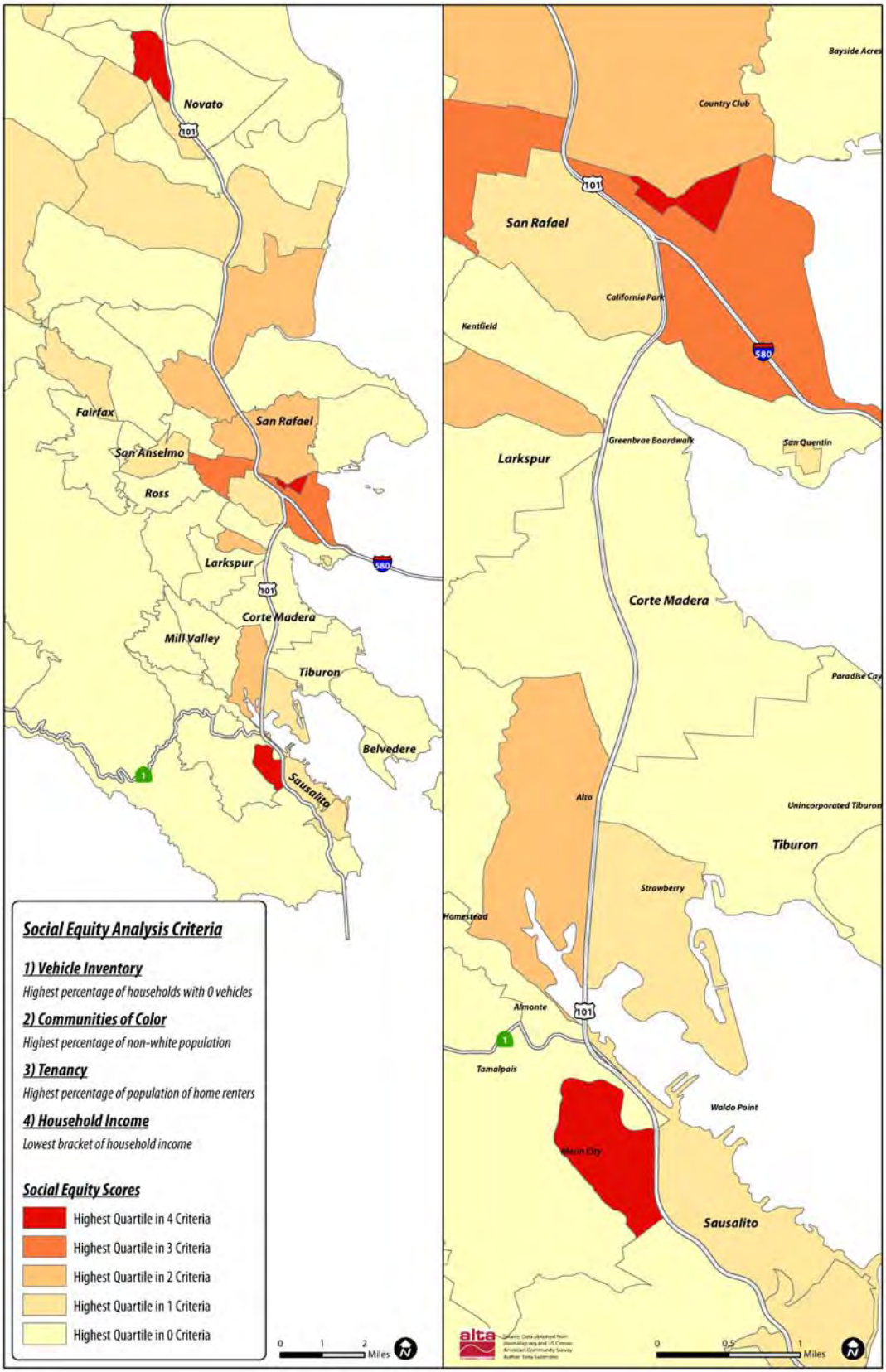


Figure 12. Social Equity/Lifeline Mobility Areas

Visitors

Marin County is nationally known as an area of scenic natural beauty with convenient proximity to both urban San Francisco and the wine regions of Napa and Sonoma. The county's livability is recognized regularly, most recently in Smithsonian Magazine which named Mill Valley one of the 20 Best Small Towns in America in May 2012. Visitors to Marin County spend over $600 million annually, supporting over 6,000 local jobs and generating over $40 million in local and state tax revenue. The county's most popular destination, Muir Woods, draws over 750,000 visitors annually, supported seasonally by Marin Transit's Muir Woods shuttle. In San Rafael, the Frank Lloyd Wright-designed Marin County Civic Center is the county's second most-visited destination, which has the distinction of being the only government building ever designed by the famous architect. Many travelers to the region also stop in Sausalito and Fort Baker as a staging point along a walk or bicycle ride across the Golden Gate Bridge, others by taking the Sausalito Ferry from San Francisco's Ferry Terminal.

Other natural attractions in Marin County include Mount Tamalpais, the birthplace of mountain biking, which draws many visiting bicyclists who would likely be inclined to try one of the first bike sharing systems on the west coast. In West Marin, the gentle curve of Stinson Beach framing Bolinas Bay makes it one of the most popular ocean beaches in the area. Marin County farms are also increasingly recognized for their sustainable agricultural practices, and visitors can purchase and enjoy their fresh produce without leaving the city at the Marin County Farmers' Market in downtown San Rafael.

The high level of visitor activity at these attractions, as well as the many other Marin County destinations, may significantly impact bike share demand. Visitors and tourists to an area often do not have access to a car and many prefer the opportunity to experience a new place by walking or bicycling while vacationing. However, many of these destinations are spread throughout the County and as such it will be important to understand which of these attractions make the most sense to target for bike share trip-making (e.g., versus more traditional rental bicycle activity).

Current Bicycle Activity

The American Community Survey estimates that 1.3% of Marin workers commute to work by bike, over twice the national average. Other regions with bike share systems often follow this trend of above average bike mode share, as shown in Table 9. Although high rates of bicycling aren't necessarily a prerequisite to the creation of a bike share system – many bike share users are casual bicyclists and do not own their own bikes – the existing levels of bicycle activity in Marin indicate that bike share could be a good fit for residents.

Table 9. Bicycle Commute Mode Share in Comparison Bike Share Cities[16]

City/Region	Bicycle Commute Mode Share
Marin County, California	1.30%
Boulder, Colorado	9.77%
Washington, DC	2.24%
Boston, Massachusetts	1.44%
Minneapolis, Minnesota	3.70%

[16] US Census Bureau, 2006-2010 American Community Survey, B08301 Journey to Work.

A deeper analysis of commute mode share at the Census tract level reveals that bicycle usage varies greatly by city (see **Table 10**) and neighborhood (see **Figure 13**). Bicycling rates vary from 6% in downtown Novato and almost 4% in Corte Madera and Mill Valley, to virtually no bicycle commuting in less dense areas of the county. This analysis also highlights the potential for untapped bicycle demand in places such as San Rafael, Novato, and Ross, which currently experience less than 1% mode share. Especially in conjunction with new bicycle facility improvements, bike sharing could provide a great opportunity to facilitate mode shifts in these areas.

Table 10. Bicycle Commute Mode Share in Marin County Cities[17]

City/Region	Bike Commute Mode Share
Marin County, California	1.30%
Corte Madera, California	3.58%
Fairfax, California	2.10%
Larkspur, California	1.40%
Mill Valley, California	3.62%
Novato, California	0.96%*
Ross, California	0.76%
San Anselmo, California	1.84%
San Rafael, California	0.84%
Sausalito, California	2.54%
Tiburon, California	N/A

** Within Novato, downtown has a mode share of 6.1% (the highest percentage by tract in Marin County)*

Although American Community Survey Journey to Work data is the most common standard for measuring rates of bicycle activity, it is important to point out that it only captures typical commute patterns and does not account for discretionary social/errand, recreational, or school-related trips. To help assess demand for these trips, screenline bicycle counts can offer a more detailed view of bicycle traffic on specific streets and paths around the region. From 2007 to 2011, the Marin County Non-Motorized Transportation Pilot Program (NTPP) conducted annual bicycle counts at 22 locations around the region, documenting a 57% increase in the number of bicyclists counted over the five year period.[18] Marin County also has a nationally-recognized Safe Routes to Schools (SR2S) program, where surveys of students and parents have both shown an increase in the number of children bicycling to school.

Review of existing bicycle travel demand is generally a helpful step to understand potential feasibility of bicycle share and identify potential target areas and locations. A more thorough and specific assessment of bicycle share demand, however, is provided in the following section.

[17] US Census Bureau, 2006-2010 American Community Survey, B08301 Journey to Work

[18] For more information on the Marin NTPP, visit www. walkbikemarin.org

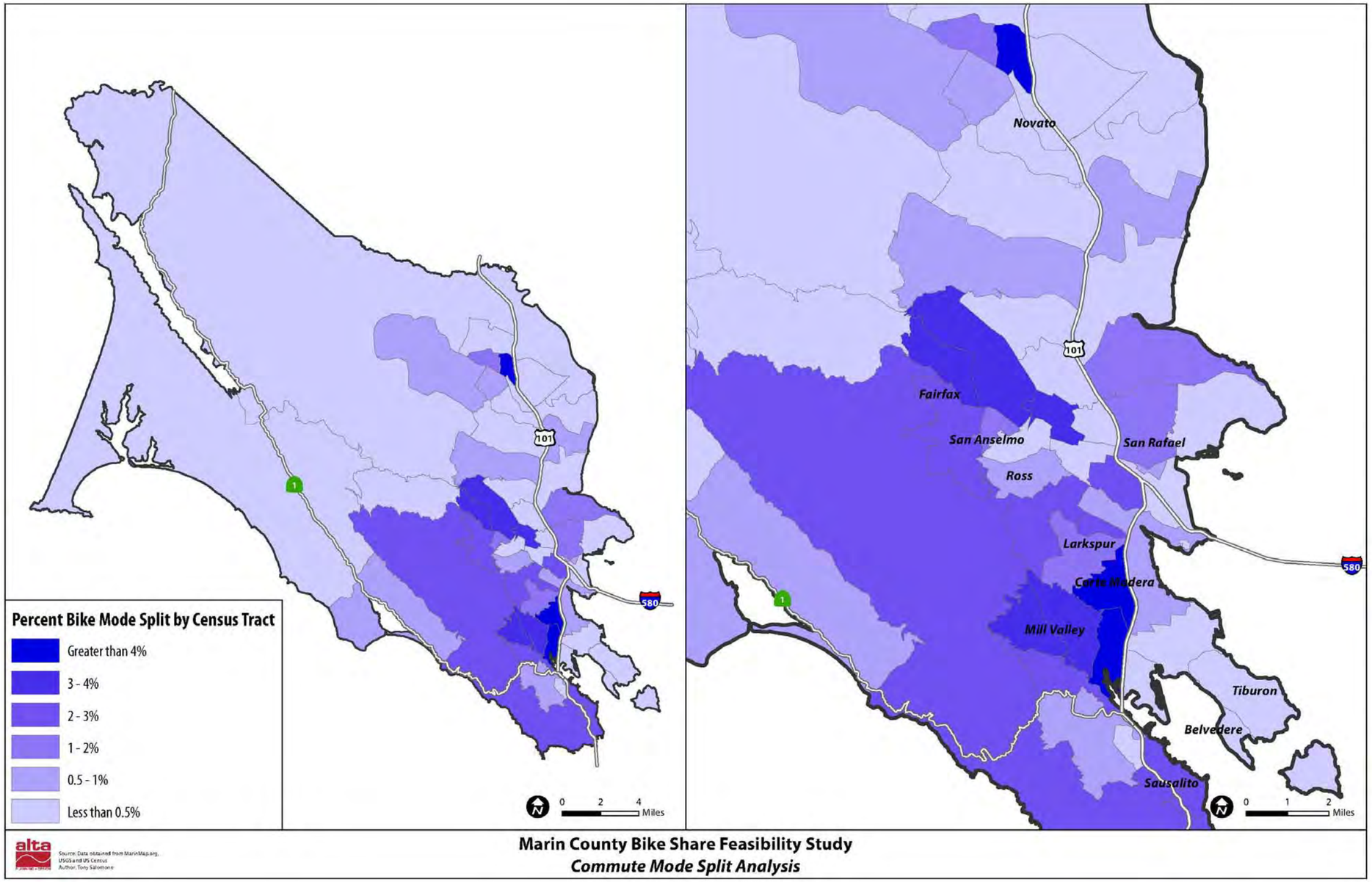


Figure 13. Current levels of bicycling activity in Marin County as measured by commute mode share. Downtown Novato has the highest rate of bicycle commuting in the county at 6.1%.

7.3 Demand Heat Mapping

High potential demand areas in Marin County are generally focused in smaller areas and spread out from another, which represents a challenge to defining a well-contained bike share program with a geographic center, as is typical of most existing systems.

Alta conducted a spatial analysis of Marin County to estimate bicycle share program demand in different areas using the inputs of where people live (population density), work (employment density, non-service jobs), and 'play' (density of service jobs, such as for hotels and food establishments), with additional modifiers for transit access, street connectivity, and topography. These factors help determine locations with potential for both high demand for short trips and high suitability for bicycles to meet that demand, and are selected/weighted based on data from existing North American bicycle share systems. For example, while population density is itself a factor, as it would be for most transportation demand models, there is an additional modifier of population density for a particular age group (20-39) that exhibits an especially high demand for bike share trips compared to other age cohorts.

The results of the suitability analysis are shown as heat maps in **Figure 14** and **Figure 15,** which also include additional details for each of the factors included. Not surprisingly, the analysis shows most bike share demand concentrated in the eastern half of Marin County, in the following general areas:

- within Marin County's historic town centers, especially downtown San Rafael, Sausalito, Mill Valley, and Fairfax
- at major transit nodes such as the San Rafael Transit Center; Larkspur, Tiburon and Sausalito ferry terminals; San Anselmo Transit Hub; and the future (assumed) Sonoma Marin Area Rail Transit (SMART) commuter stations
- near employment areas adjacent to Highway 101, including the Canal area of San Rafael, downtown Novato, and Corte Madera Town Center; and alongside the Sir Francis Drake Boulevard, Miracle Mile, and East Blithedale/Miller Avenue corridors

The fact that these areas generally are not contiguous and are relatively spread out from one another represents a challenge to defining a well-contained bike share system with a geographic center of demand, as has been typical with other North American bike share systems such as Washington, DC and Denver, CO. On the other hand, Marin's constellation of village-scale activity centers and larger employment areas offers a potentially unique condition where demand for intra-city travel and "last mile" transit connections to/from job and shopping centers could be met and stimulated through a targeted bike share system.

The key to further understanding potential demand based on the heat mapping analysis is to locate a sufficient number of stations within a relatively short ride from one another, in order to provide choice and convenience for a variety of trips (i.e. to establish a 'network effect'). Depending on pricing structure and other factors, there may also be instances where a single station could serve isolated demand areas by providing both the starting and ending point for short trips – such as running errands.

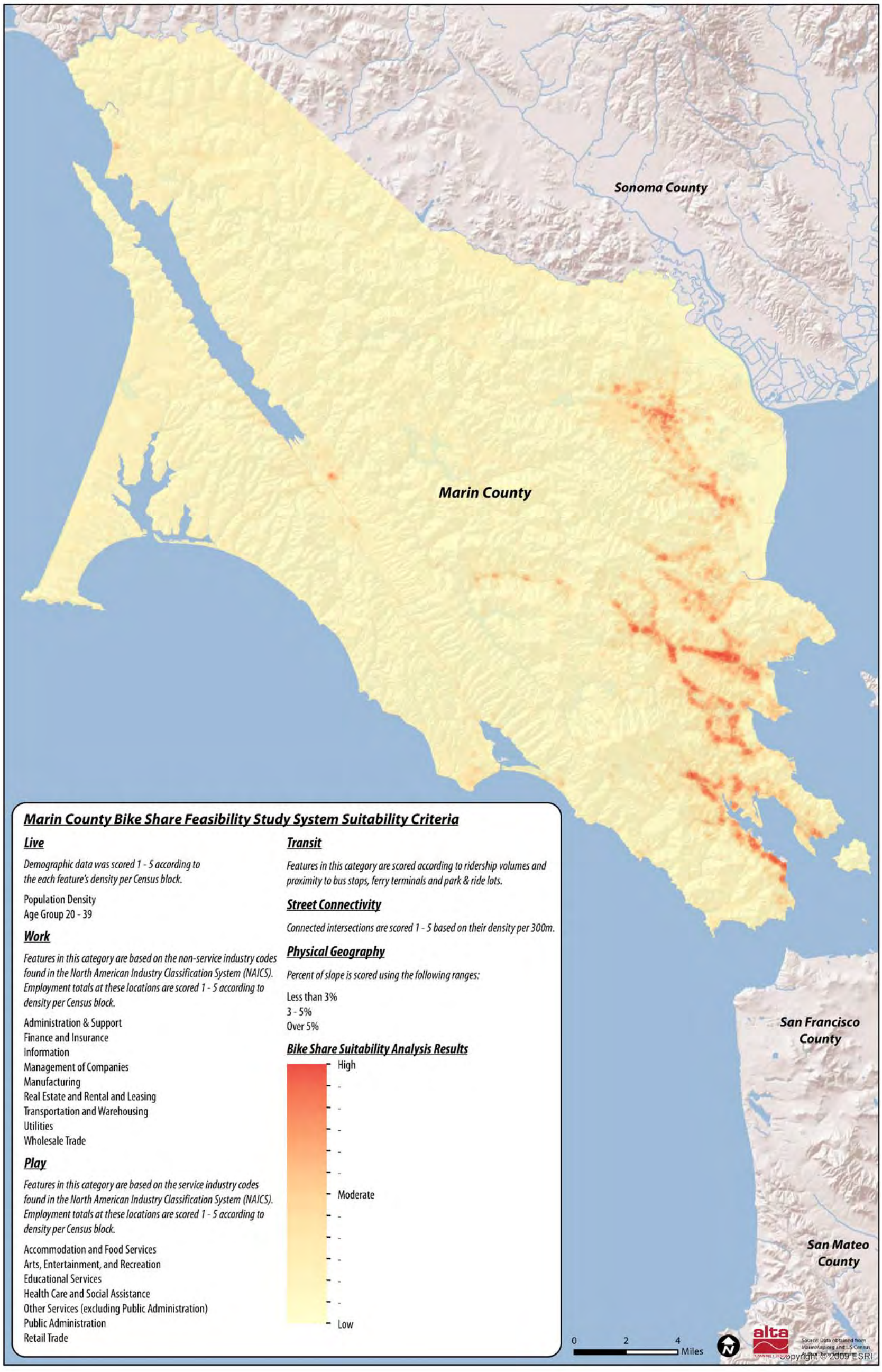


Figure 14. Marin County Bicycle Share Suitability Heat Map.

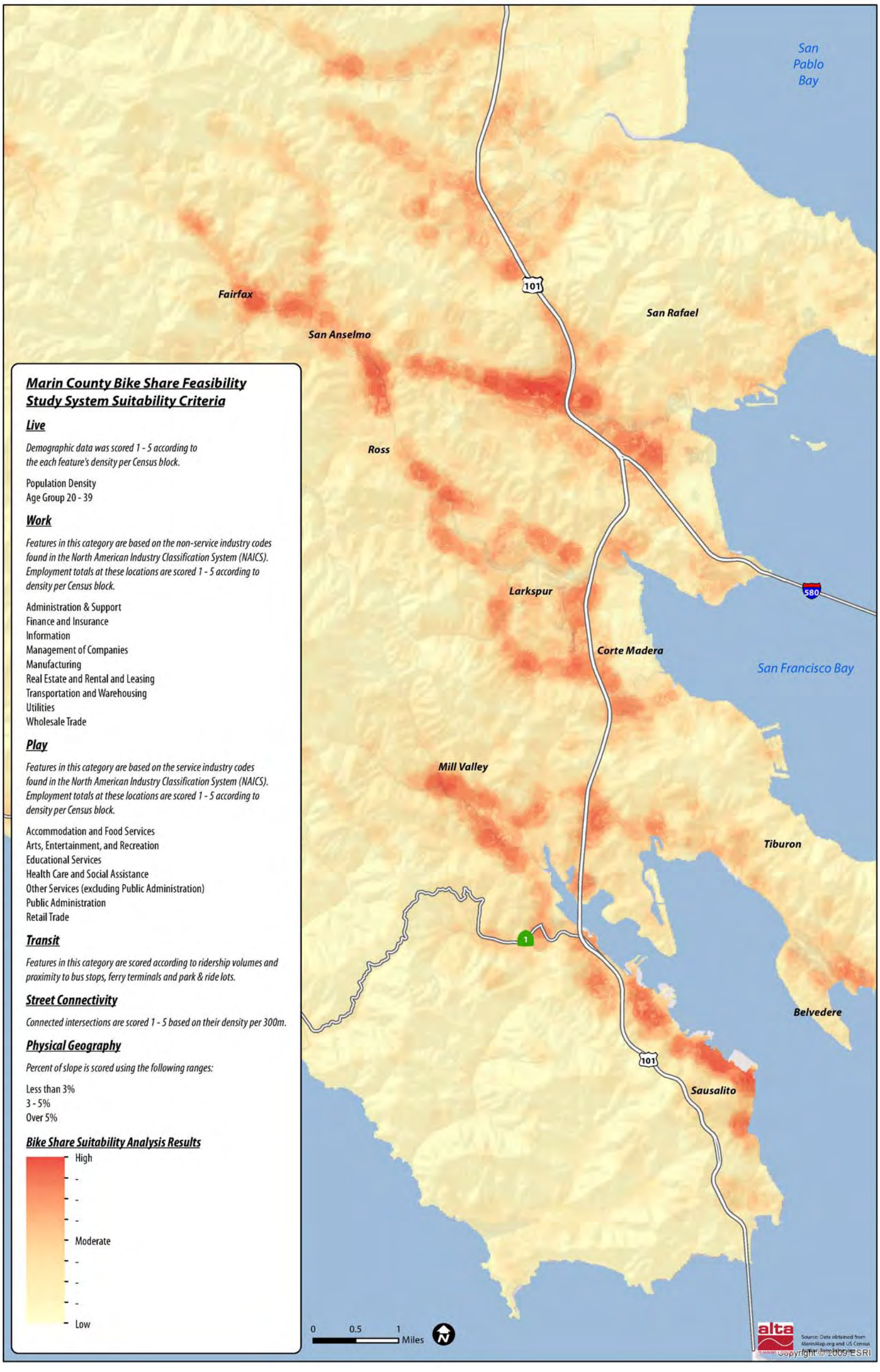


Figure 15. Marin County Bicycle Share Suitability Heat Map (Highway 101 corridor).

7.4 Summary

Marin County bears many characteristics supportive of a successful bike share system, yet differs in its density and demographics from other US bike share cities.

Strengths

Key strengths of Marin include:

- Mild climate with warm winters and temperate summers allow for a year-round project
- Visitor attractions that include special events and parks and trails, as well as museums and institutions
- Vibrant commercial centers and shopping districts
- Significant transit operations, including popular ferry terminals and both regional and local bus
- An established and growing bikeway network with planned improvements
- High median income and a household income profile that matches the typical profile of bike share system memberships
- Demonstrated financial commitment for multi-modal transportation (including SMART)
- Support for actions that help address climate change and reduce vehicle miles traveled and related greenhouse gas emissions
- Proximity to anticipated Bay Area Bike Share Pilot Program

Challenges

Despite Marin's many strengths that suggest a high suitability for bike share, the county also has several weaknesses that could challenge the success of a bike share system. Potential challenges to bike share include:

- Low college population and below average percentage of residents in typical bike share demographic (20-39)
- Distance and topographical barriers between city and commercial centers
- Segregated land uses and low residential density in city and town centers
- Many tourism/visitor destinations located in rural areas (ex. state and national parks, agri-tourism)
- Highway 101 barrier and limited street connectivity in many locations

The primary challenges that TAM will need to address in planning a bike share system are the separation of residential and commercial land uses and topographical barriers between cities, and the financing of upfront costs and ongoing operations for a viable system. Currently, most residential development is segregated from commercial areas, while typically the highest use bike share stations are located in mixed use areas with a density of both trip originators and attractors.

Significant distances and elevation between Marin's cities can intimidate casual bike share users and visitors. This may be mitigated by improving bikeway connections along these key routes, improving wayfinding for 'least effort' routes, as well as improving opportunities for linking transit with bike share to better serve longer inter-city trips and last mile connections for regional transit. Further multi-modal development such as transit-oriented developments located at stations along the future SMART corridor would also help create denser, mixed-use neighborhoods that are well-suited for bike share.

Target Populations
A successful bicycle share program in Marin will include targeted outreach and marketing to at least four distinct user groups:

Employees on Transit: Existing bus and ferry riders, and future users of the SMART commuter train seeking last mile connections to destinations or convenient alternatives to low frequency routes

Transit-Dependent Communities: In order to meet all the program's goals, efforts must be made to encourage participation from low-income and minority populations. These users will benefit from the convenience and affordability of bicycle share, particularly for areas such as the Canal neighborhood and Marin City that are generally isolated from community and social services

Tourists: A key strategy to generate bicycle share revenue, promotion to visitors and casual users might also help support economic development in smaller town centers and improvements to recreational pathways and trails

Older Marin Residents: Representing almost one third of Marin residents, those 55 years of age and older will pay a key role in determining the success of bicycle share as a healthy and environmentally-friendly alternative to driving for local discretionary trips

8 Planning & Implementation

This section outlines a conceptual framework for program planning, including possible station locations, potential phasing, trip and revenue estimates, and a review of anticipated funding needs and strategies. A recommendation to continue planning for the system and a timeline of next steps are provided, along with recommendations to pursue Transportation Demand Management (TDM) integration and consider a pilot program effort as a means to realize bike share in Marin County.

8.1 Station Placement & Program Size

Based on the program goals and potential demand profile outlined in Sections 6 and 7, and with consideration to other factors such as bicycle and transit facility access and trip origin/destination pairings, this Feasibility Study identifies a potential 37-station, 300-bike bicycle share system in Marin County as the basis for initial planning and analysis. This program design was developed with input from the Bicycle Share Advisory Working Group (BSAWG), and provides a conceptual framework for identifying high demand locations and phasing in a potential program over a period of years, as outlined below. **Figure 16** provides a map of the proposed station locations, while tables and figures (maps) for each phase concept summarize additional station information, including estimated demand and proximity to other bike share stations at "full build-out" of the system.

The Bicycle Share Advisory Working Group (BSAWG) helped identify potential station locations and phasing during the plan development process.

The main inputs of the bike share demand analysis include the concentration of locations where people live, work, and play, and additional modifiers for transit access, street connectivity, and topography. In order to convert these general densities of demand into actual numbers (trips), Alta maps the station locations and utilizes a regression model developed from existing bicycle share data to estimate specific demand for all proposed stations in the program. This model includes assumptions of seasonal bicycle demand variation (i.e. the general profile for bicycle use in December vs. June) and trip patterns for both casual and annual member usage. In the case of Marin County, the availability of ferries (fewer runs in winter) is also considered in the seasonal profile and trip estimates.

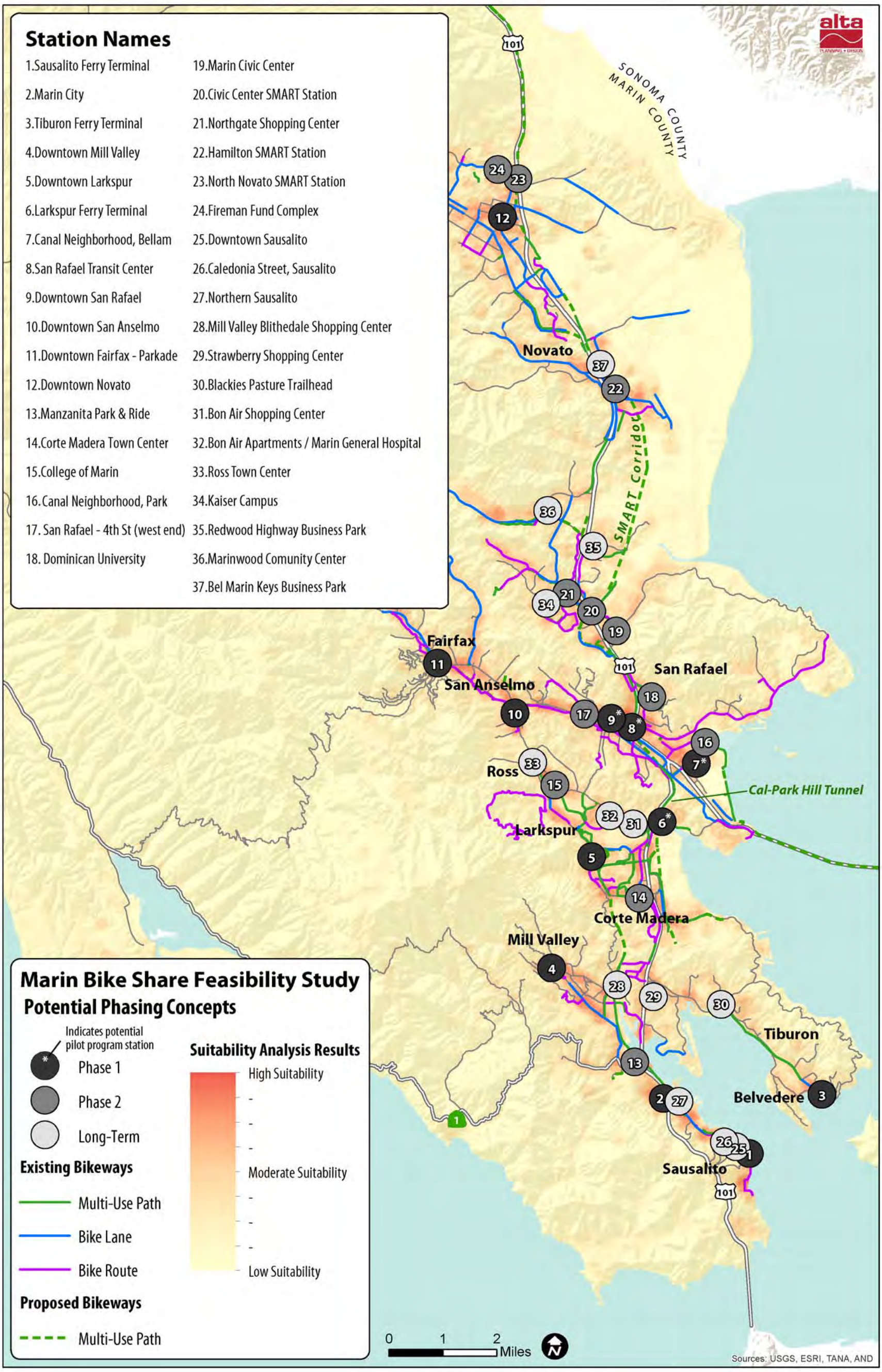


Figure 16. Summary Map of Potential Station Locations and Phasing

This page intentionally left blank.

8.2 Phasing Concepts

Below is a review of the conceptual phasing framework used to develop capital and revenue projections/estimates for the Marin County Bike Share Feasibility Study. These proposed phases and station locations are for conceptual planning purposes only, and are subject to significant revision. The specific number and siting of stations would be developed during advanced planning prior to implementation in consultation with local agencies and property owners.

Phase 1 Concept

Phase 1 envisions twelve (12) stations and 100 bicycles in Marin, focused on the highest demand areas near downtowns and transit hubs. Initial demand is projected at between 19,000-34,000 trips (Year 1 is based on a 9-month operations concept, assuming the program would not want to start in the middle of winter), with demand in Year 2 estimated at between 29,000-44,000 trips. While a specific timeline for implementation is not identified, for the purposes of analysis it is assumed that Phase 1 could take place prior to implementation of the SMART corridor project. Station details are provided in **Table 11**. **Figure 17** provides a map of station locations and estimated daily demand, while **Figure 18.** Proposed System Rideshed Analysis (Phase 1) illustrates the potential ride shed area of the system.

Table 11. Phase 1 Station Locations (12 stations)

Station #	Station Name	Nearby Bus Stops	Estimated Annual Demand (Bikes Out)	Estimated Daily Demand (Bikes Out)	Proximate Stations 30 Minute Ride	Proximate Stations 60 Minute Ride
1	Sausalito Ferry Terminal	4	2,616	9	2	4
2	Marin City	17	2,778	9	3	7
3	Tiburon Ferry Terminal	2	2,147	7	1	5
4	Downtown Mill Valley	2	1,967	7	3	10
5	Downtown Larkspur	3	1,936	6	7	11
6	Larkspur Ferry Terminal	1	2,157	7	6	10
7	Canal Neighborhood	3	2,677	9	6	9
8	San Rafael Transit Center	10	3,472	12	7	8
9	Downtown San Rafael	4	3,279	11	7	8
10	Downtown San Anselmo	3	2,119	7	7	8
11	Downtown Fairfax	2	1,612	5	4	7
12	Downtown Novato	4	3,071	10	1	1

This page intentionally left blank.

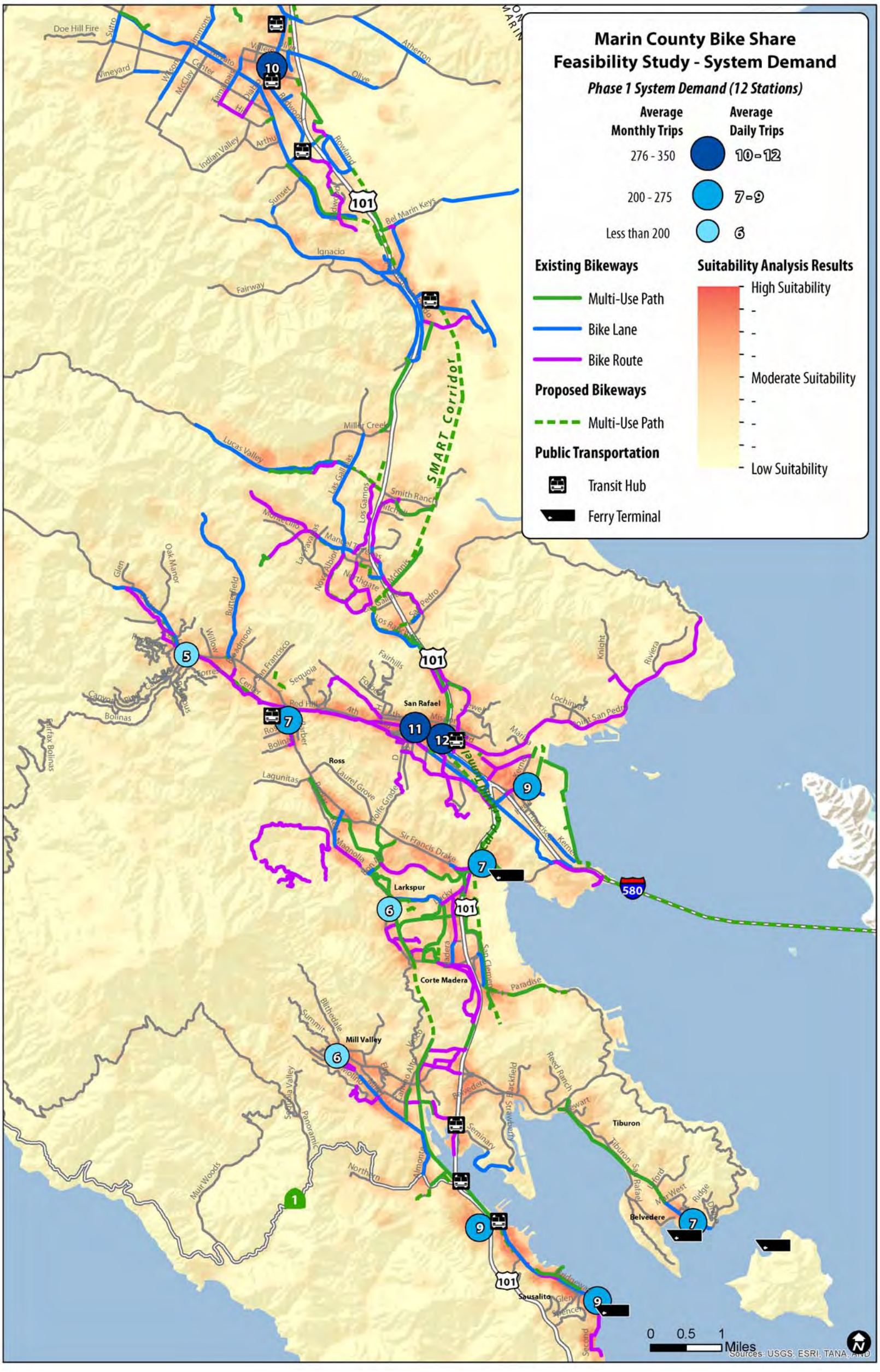


Figure 17. Proposed Station Locations and Demand (Phase 1)

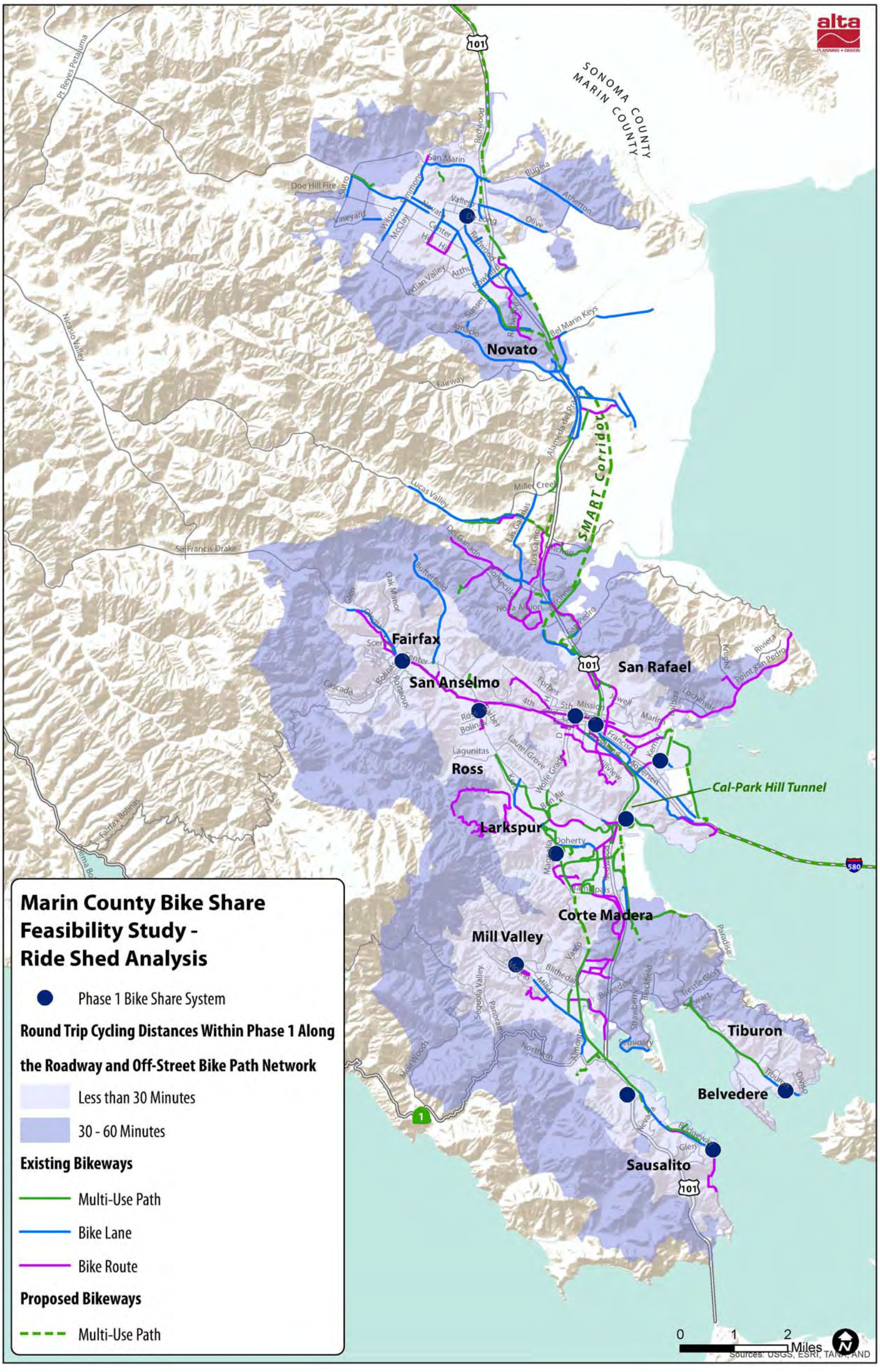


Figure 18. Proposed System Rideshed Analysis (Phase 1)

Phase 2 Concept

In Year 3, the Phase 2 concept envisions an expansion of the program by approximately 12 stations and 100 bicycles for a total of 200 bicycles and 24 stations. For this phase, SMART is assumed to be operational and initial demand is projected at between 35,000-69,000 trips, with this increasing up to 82,000 trips in Year 4 as the system is further promoted and more users come online. Table 12 provides detailed station information, while Figure 19 and Figure 20 map station locations/daily demand estimates and system rideshed.

Table 12. Phase 2 Station Locations (24 stations).

Station #	Station Name	Nearby Bus Stops	Estimated Annual Demand (Bikes Out)	Estimated Daily Demand (Bikes Out)	Proximate Stations 30 Minute Ride	Proximate Stations 60 Minute Ride
1	Sausalito Ferry Terminal	4	2,640	9	4	8
2	Marin City	17	2,778	9	4	8
3	Tiburon Ferry Terminal	2	2,207	7	13	16
4	Downtown Mill Valley	2	1,911	6	4	14
5	Downtown Larkspur	3	2082	7	9	17
6	Larkspur Ferry Terminal	1	2,157	7	9	17
7	Canal Neighborhood - Bellam	3	2,659	9	1	6
8	San Rafael Transit Center	10	3,527	12	13	16
9	Downtown San Rafael	4	3,332	11	13	16
10	Downtown San Anselmo	3	2,157	7	9	15
11	Downtown Fairfax	2	1,683	6	5	13
12	Downtown Novato	4	3,091	10	3	4
13	Manzanita Park & Ride	6	1,526	5	4	13
14	Corte Madera Town Center	4	1,999	7	15	31
15	College of Marin	7	2,824	9	14	28
16	Canal Neighborhood – Pickleweed Park	2	1,826	6	9	15
17	San Rafael 4th Street (west end)	2	1,856	6	13	16
18	Dominican University	6	2,306	8	11	15
19	Marin Civic Center	5	1,552	5	9	14
20	Civic Center SMART Station	3	1,521	5	7	14
21	Northgate Shopping Center	4	1,951	7	7	14
22	Hamilton SMART Station	4	1,572	5	1	11
23	Novato North SMART Station	6	1,685	6	3	4
24	Fireman Fund Complex	5	1,524	5	3	4

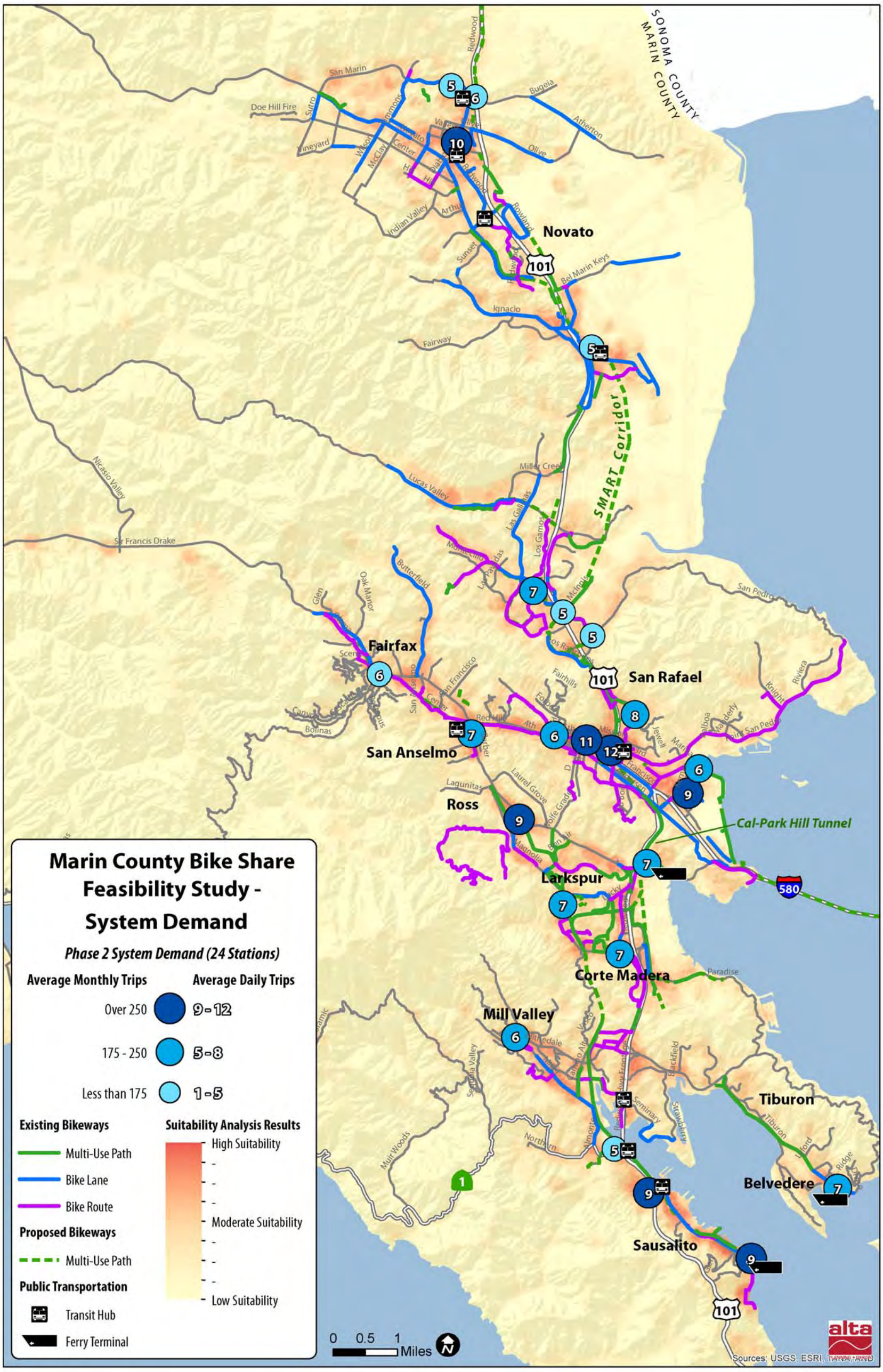
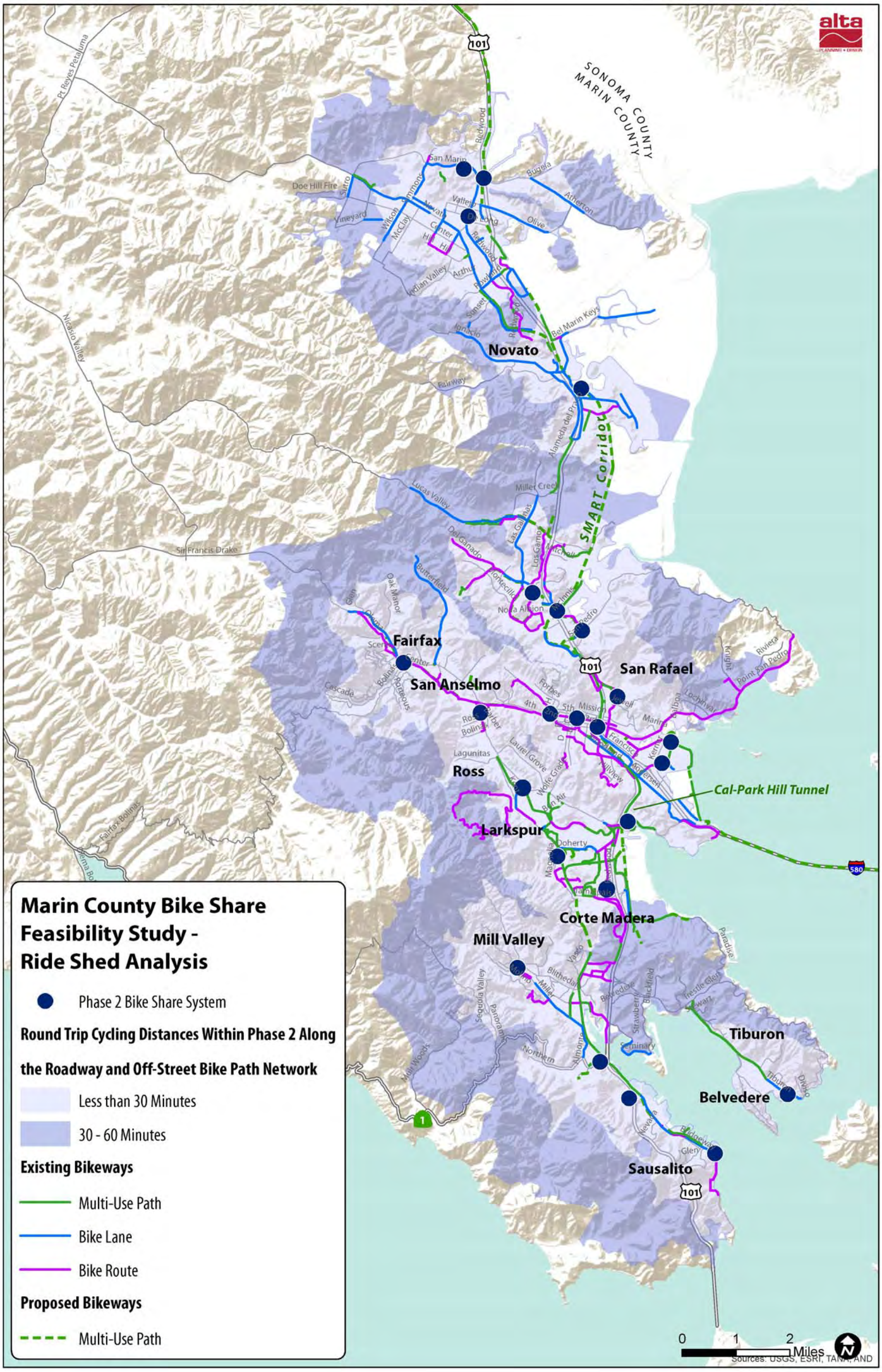


Figure 19. Proposed Station Locations and Demand (Phase 2)



Marin County Bike Share Feasibility Study - Ride Shed Analysis

- Phase 2 Bike Share System

Round Trip Cycling Distances Within Phase 2 Along the Roadway and Off-Street Bike Path Network

- Less than 30 Minutes
- 30 - 60 Minutes

Existing Bikeways

- Multi-Use Path
- Bike Lane
- Bike Route

Proposed Bikeways

- Multi-Use Path

Figure 20. Proposed System Rideshed Analysis (Phase 2)

Potential Phase 3

Implementation of the Phase 3 concept brings additional expansion of the program at up to 13 additional locations, for a potential total of 37 stations and 300 bicycles. These are stations with lower estimates of ridership, with greater likelihood of success as part of a more robust system. The primary recipients of new stations are in business parks in north San Rafael, two hospitals, Ross Town Center, and additional locations along the perimeter of Richardson Bay in southern Marin. Initial demand for a fully built-out system (assuming year 5 of program) is projected at between 46,000-98,000 trips, with this potentially increasing to 125,000 trips or more as the program matures in subsequent years. Demand estimates beyond Year 6 are not calculated. Table 13 provides station level details, while Figure 21 and Figure 22 map station locations, daily demand, and system rideshed.

Table 13. Phase 3 Station Locations (37 stations).

Station #	Station Name	Nearby Bus Stops	Estimated Annual Demand (Bikes Out)	Estimated Daily Demand (Bikes Out)	Proximate Stations 30 Minute Ride	Proximate Stations 60 Minute Ride
1	Sausalito Ferry Terminal	4	2,664	9	4	12
2	Marin City	17	2,845	9	9	19
3	Tiburon Ferry Terminal	2	2,185	7	2	12
4	Downtown Mill Valley	2	1,967	7	9	25
5	Downtown Larkspur	3	1,876	7	16	31
6	Larkspur Ferry Terminal	1	2,157	7	15	31
7	Canal Neighborhood - Bellam	3	2,793	9	14	28
8	San Rafael Transit Center	10	3,610	12	20	28
9	Downtown San Rafael	4	3,413	11	18	28
10	Downtown San Anselmo	3	2,216	7	13	26
11	Downtown Fairfax	2	1,683	6	8	22
12	Downtown Novato	4	3,097	10	4	5
13	Manzanita Park & Ride	6	1,576	5	11	24
14	Corte Madera Town Center	4	1,999	7	15	31
15	College of Marin	7	2,824	9	14	28
16	Canal Neighborhood – Pickleweed Park	2	1,881	6	12	26
17	San Rafael 4th Street (west end)	2	1,912	6	17	27
18	Dominican University	6	2,368	8	16	26
19	Marin Civic Center	5	1,593	5	12	23
20	Civic Center SMART Station	3	1,562	5	10	23
21	Northgate Shopping Center	4	1,998	7	10	27
22	Hamilton SMART Station	4	1,590	5	3	15

Station #	Station Name	Nearby Bus Stops	Estimated Annual Demand (Bikes Out)	Estimated Daily Demand (Bikes Out)	Proximate Stations 30 Minute Ride	Proximate Stations 60 Minute Ride
23	Novato North SMART Station	6	1,690	6	3	5
24	Fireman Fund Complex	5	1,529	5	3	5
25	Downtown Sausalito	3	1,931	6	6	13
26	Caledonia Street - Sausalito	4	2,357	8	7	14
27	Northern Sausalito	3	1,941	6	9	19
28	Blackie's Pasture Trailhead	4	1,121	4	7	23
29	Strawberry Shopping Center	4	2,210	7	9	25
30	Mill Valley Blithedale Shopping Center	2	1,403	5	11	26
31	Bon Air Shopping Center	2	1,472	5	14	30
32	Bon Air Apartments or Marin General Hospital	2	1,828	6	14	28
33	Ross Town Center	2	388	1	12	28
34	Kaiser Campus	4	2,475	8	10	23
35	Redwood Highway Business Park	5	2,499	8	9	23
36	Marinwood Community Center	7	1,269	4	6	21
37	Bel Marin Keys Business Park	6	2,115	6	3	14

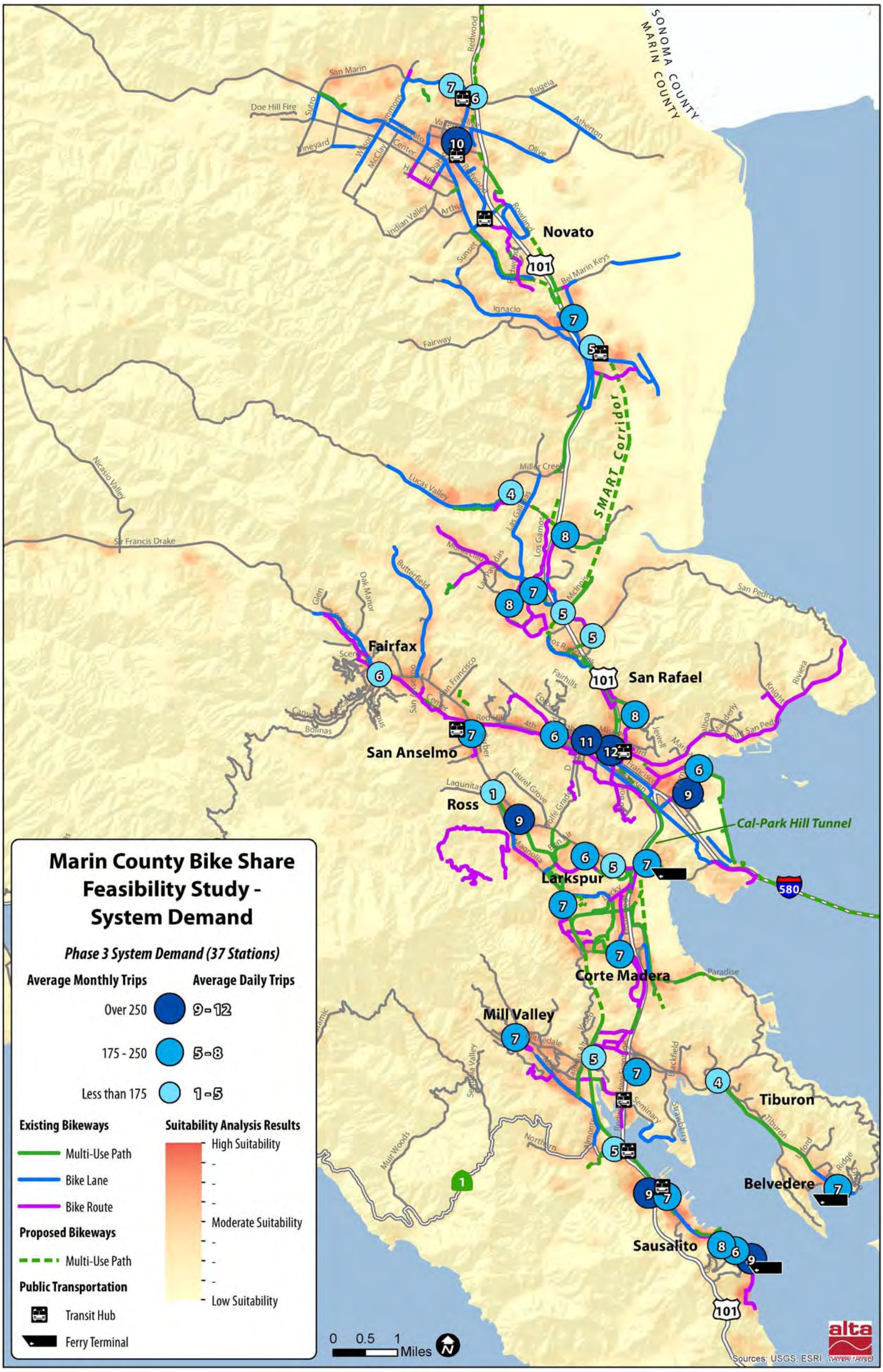


Figure 21. Proposed Station Locations and Demand (Phase 3)

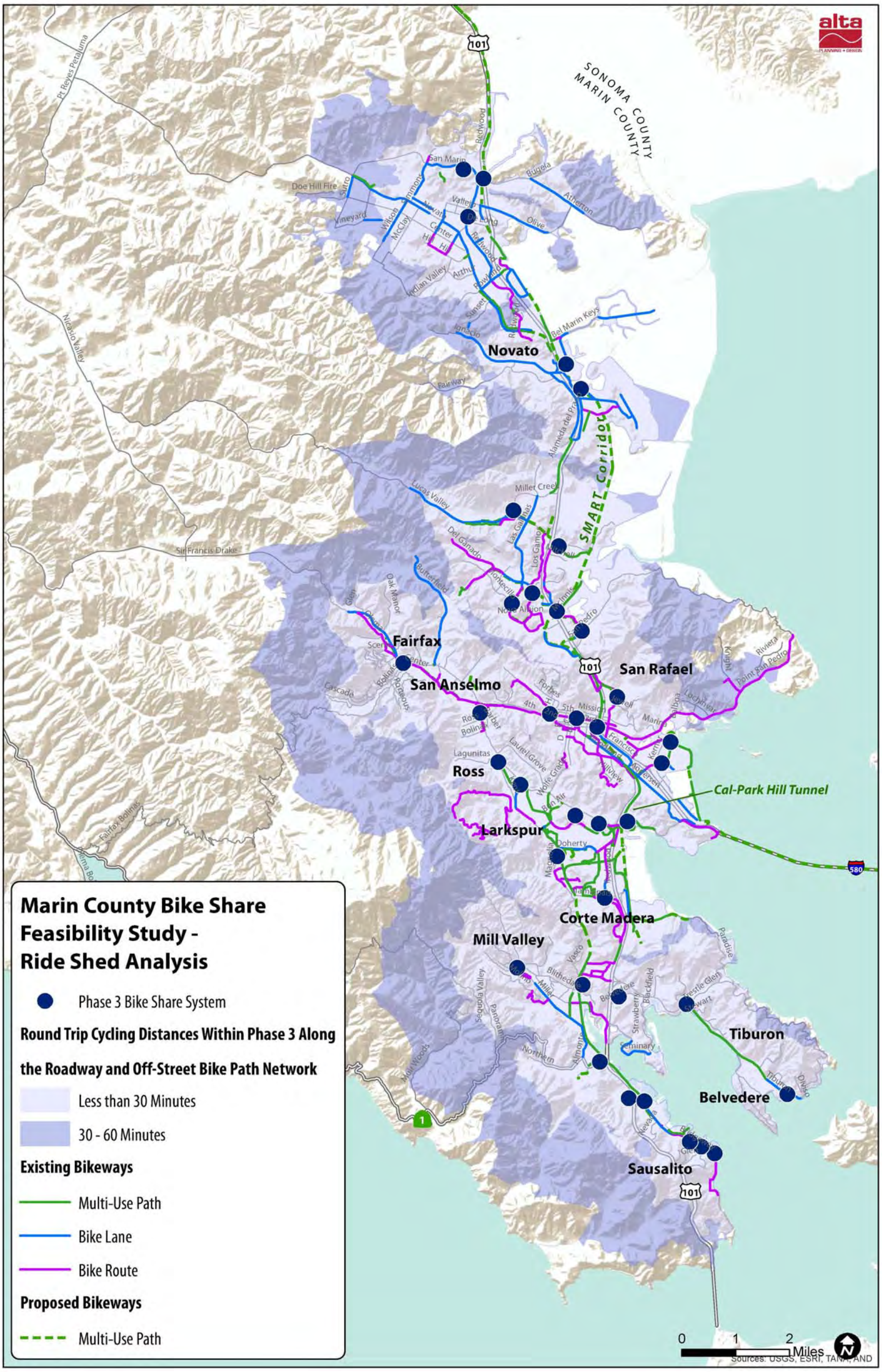


Figure 22. Proposed System Rideshed Analysis (Phase 3)

8.3 Demand and Phasing Analysis

Bike share demand in Marin County appears sufficiently high to support a small program catered to last mile transit and ferry connections. A larger program expanded throughout urbanized Marin will likely require proactive measures (such as targeted promotion to large employers) and market capture from residents over the age of 55 to be successful.

For the proposed scenarios above, the demand estimates range from 0.5 trips per bike per day to approximately 1 trip per bike per day for the higher performing stations and phases. The low demand figures do not compare well with other bike share systems, although the higher end is comparable to other systems currently in operation (e.g. Boulder, CO) and in planning (e.g. Palo Alto, as part of the Bay Area Bike Share program). For the purposes of this study, it is recommended that an overall benchmark of approximately 1 trip/bike/day be established as a minimum threshold for feasibility in response to the goals of the Marin County Bike Share Program.

The estimated demand for the Phase 1 program scenario comes close to meeting this threshold, albeit only in the second year as demand is expected to increase. This appears to be modestly good news for prospects of a Marin program, although subsequent phases indicate maintaining this level of demand (and by extension the benefit/cost of a bike share trip) will be a challenge. Several strategies may be considered in response to these estimates:

Integrate Transportation Demand Management (TDM) Strategies

According to the demand model, the difference between 0.5 and 1.0 trips/bike/day (the low and high end estimate) equates to approximately 300 new annual members for each phase. To bolster demand for bike share by this amount, this number is proposed as a target figure for a Transportation Demand Management (TDM) effort that reaches out to large employers and promotes membership subscriptions (either at full cost or a discounted bulk rate). While such a TDM "modifier" of the baseline estimated demand would have only a small impact on user revenue (see next section), it would help achieve progress toward the goals of reducing congestion and pollution and of promoting a healthier, more active lifestyle. Section 8.4 provides additional discussion of TDM considerations. It should be noted that in order to present feasible scenarios, the demand increases associated with the TDM modifier were used to generate the maps and detailed tables from the preceding section, as well as the estimates provided in Table 16.

Consider a Pilot Phase

The initial phase (Phase 1) concept is estimated to cost $750,000 in potential grant funding, which may be beyond the capacity of local funding (unless a more robust funding strategy can be identified during an advanced feasibility planning stage). If necessary, a starter pilot program of 3-4 stations may help minimize the up-front capital and launch costs while still helping target the highest demand areas and building momentum toward a larger system.

The key to a successful pilot phase is to use resulting data to understand the critical factors for successful operation and expansion, and potentially using excess revenues (if any) to generate matching funds for larger grant requests or system reinvestment. With this in mind, two potential pilot scenarios were considered for further analysis:

- Larkspur Ferry – Canal Neighborhood – Downtown San Rafael: This pilot concept would provide a link between key transit hubs in Central Marin and test demand for both commute trips and discretionary trip-making in downtown San Rafael. An additional station in the Canal neighborhood might also be included to test marketing/outreach strategies and provide an immediate option for this

transit-dependent area. If successful, incremental expansion northward to the Marin Civic Center area, west to San Anselmo and Fairfax, and southward to downtown Larkspur, Corte Madera, and the College of Marin is possible.

- Sausalito Ferry – Marin City – Mill Valley: This concept could generate feedback on both visitor-oriented and commute-oriented demand, and would provide an immediate option for another identified 'lifeline' neighborhood. It may also help understand the potential impacts of higher personal bicycling rates on bike share annual memberships.

If funding for a Phase 1 (100 bicycle) system cannot be secured, a smaller pilot phase still would likely provide mobility benefits while testing potential demand for a larger system. A 30-bicycle pilot program is estimated to cost $250,000 in up-front costs with potential to continue as a self-funded operation

Based on estimates from the Alta Bicycle Share Demand Model, and from feedback from the Bicycle Sharing Advisory Working Group (BSAWG), the Larkspur Ferry-Canal Neighborhood-Downtown San Rafael pilot concept is strongly preferred over the southern Marin option. Analysis of this preferred pilot concept, which is subject to change, is summarized in Table 16.

8.4 Estimated Launch & Operating Costs

Capital costs for a modern (4th generation) bicycle share system similar to the proposed San Francisco Bay Area program are approximately $5,400 per bicycle. Some recent bike share systems appear to utilize a slightly less expensive (and presumably, less rugged) bicycle that is estimated at $4,800/bicycle.[19] These costs include the actual bicycle and its components, as well as the station kiosks and docking equipment.

For the purposes of the Feasibility Study financial performance assessment, this potential difference in purchase costs was utilized to provide a "high" and "low" cost range. Other lower capital cost bike share models do exist (i.e., station-less systems), but these were not included in the financial performance model. For setting up and installing ("launching") a station-based system, costs are assumed to be relatively fixed at $1,500/bicycle (Alta Bicycle Share estimate). For the potential small pilot effort, however, the 'per bike' launch costs are assumed to be slightly higher due to scaling issues.

Estimated annual operating costs for 4th generation systems can vary significantly (between $1,300-$3,000 per bike) depending on a number of factors, including:

- system rebalancing demand,
- maintenance/warehousing needs,
- local travel costs, and
- whether the system is sharing costs associated with regional customer service, administrative, technical support and marketing services, or is providing these services independently.

[19] Based on a back of the envelope calculation of Bike Nation's proposals for Long Beach and Los Angeles, CA. Exact figures not available.

Although actual costs can vary, Alta would estimate annual operating costs for a potential Marin system at $1,600/bicycle, which for a system of 300 bicycles would be $480,000/year.

For this estimate, it is assumed that:

- customer service and back end operations would be integrated with an experienced operator with existing access to administrative and technical support (customer call centers, online servers, marketing, etc.);
- a significant number of (but not all) stations in the system would be self-balancing (i.e., they do not require active management to keep bicycles available or to ensure a station has open docks); and
- operations could be adjusted seasonally or as part of a Service Level Agreement (i.e. expectations for such things as how long a station can be empty or how often bikes have to be checked could be modified to fit within an established budget).

Estimated sponsorship and grant funding needs are based on relatively fixed cost assumptions for the purchase and installation of bicycles and stations. Potential ongoing operating costs, however, are more variable and include a number of assumptions that are detailed in this section.

To provide a reasonable range of cost assumptions, the $1,600/bike operating cost scenario is considered a "low cost" case scenario, while $2,000/bike was used to establish a "high" estimate. For the purposes of the financial testing included in Table 16, an average operating cost of $1,800/bicycle was utilized.

Operating Cost Considerations

A major potential and highly variable cost of operations is the need to rebalance bicycles during the day to ensure enough docks and bikes for riders at the appropriate times and locations. In most bicycle share programs, a fleet of vehicles is maintained by the operator and is sent out to reposition bikes as supply information is made available (via continuous data feeds from the docking stations). By rebalancing bikes, the operator can ensure that nearly all members are able to find a bicycle at their preferred location and more importantly, park a bicycle at an available station in order to avoid higher fees. If an open docking station is not available at the end of one's trip, the user can contact the call center to get an extension of time and the location of the nearest available dock. If the bike has an independent lock, the user could lock the bicycle to the nearest secure location and notify the call center that the bike has been returned.

Service levels are crucial for a well-operated bike share system. They determine the customer experience (e.g. bikes with maintenance issues, graffiti on stations, full or empty stations) and are heavily correlated to operating costs. For example, if an operator is required to check each bike each day, the system will be more expensive to operate than if they are required to check every bike each month.

There are some aspects of the service levels that will be dependent on funding. Specifically, if operations for the bike share system are supported by system revenues, the model could allow for a relaxation of some service levels if the system is generating less revenue than anticipated. This allows an operator to reduce its baseline costs to provide longer-term financial sustainability of the system. If the operations contract is fully-funded, then there is no need to scale service levels to revenues.

Maintaining satellite systems can be difficult and either needs separate operating systems and staff, or requires travelling large distances between systems. For example, if Marin was to attempt integration with a San Francisco program, it would not be practical to have operating crews travel from San Francisco to maintain and redistribute bikes. The "down time" associated with travelling back and forth would affect

service levels and be an inefficient use of staff time. Given there is likely to be little (or no) bicycling back and forth between Marin County and San Francisco, it may be prudent either contract out to local bike shops for maintaining and rebalancing the system or create a small Marin-focused operations unit.

The size of the system is also a key consideration for satellite systems. There are a number of fixed costs associated with operating the system that do not scale with the number of stations or bikes. Relatively, smaller systems cost more to operate (per station or per bike) than larger systems. Experience so far suggests that economies of scale do not materialize until a system reaches 10 stations or more.

The placement of related station pairs can help create a balanced distribution of trips between bike share stations that minimizes the need to manually relocate bikes throughout the system. Similarly, other locations may be limited to round-trips that start and end at the same station, where the bicycle is used for quick errands and returned to the original docking station. The Phase 1 downtown Novato station would likely be an example of such a self-balancing station, since there would be limited connectivity to other stations and higher potential use of the independent locking mechanism for short round-trips.

At other locations, large waves of one-way commute traffic are a potential concern for rebalancing. Especially at locations such as the Larkspur, Tiburon, and Sausalito Ferry Terminals, morning commute trips may fill up available docks at a station, leaving users who arrive later no place to return their bike. If these locations are likely to be in high demand, they may merit consideration for increased dock space (and increased initial capital costs) in order to minimize ongoing operations costs from system rebalancing. Alternatively, there might be opportunities to partner with a local business to rebalance the system less expensively, or for there to be incentives built into the pricing structure for member-initiated rebalancing.

8.5 Revenue Assumptions

User Fees

A fee schedule for membership and per-trip usage must be established in order to convert projected demand identified from previous tasks into a financial revenue forecast for assessing the economic feasibility of system implementation. Table 14 highlights a 'typical' fee schedule, one which is similar to that expected for the proposed San Francisco Bicycle Share Pilot Program[20]. This schedule is designed to generate revenue while providing a financial disincentive for using bike share over a traditional bicycle rental for trips over 4-5 hours (fees above 180 minutes continue to rise in 30-minute increments but are not shown).

Table 14. Sample Program Fee Schedule (Typical)

	Casual Fee Structure	Member Fee Structure
Base Subscription	$7/day, $12/3-day	$70 annual
Duration	**Per Trip Fees**	
0-30 mins	$0.00	$0.00
30-60 mins	$2.00	$1.50
60-90 mins	$6.00	$4.50

[20] Subject to change. The final details of the San Francisco Bike Share Pilot Program are under negotiation at the time of this writing and have not been confirmed. The San Francisco Bike Share Pilot Program is being implemented by the consultant Alta Planning and Design's sister company, Alta Bicycle Share.

	Casual Fee Structure	Member Fee Structure
90-120 mins	$14.00	$10.50
120-150 mins	$22.00	$16.50
150-180 mins	$30.00	$22.50

Visitor and casual membership demand is a key consideration within the overall system demand profile in terms of revenue. Approximately one-half to two-thirds or more of user revenue is generated through casual memberships and fees (1-3 day pass purchases as opposed to annual memberships), while such users typically account for only one-quarter of bicycle share trips. This is because of both a higher pricing structure for one-time memberships as well as a greater willingness of casual users to pay for longer rides than is exhibited by annual members who pay a single annual fee and typically avoid surcharges.

Establishing a fee structure similar to the proposed San Francisco Bicycle Share Pilot Program could help produce consistency across the Bay Area. This consistency is by no means required, however, and conditions in Marin County may merit some differences. For example, longer distances between destinations could make the 30-minute free period at the start of each trip too short for some users to reach key destination pairs. Extending the free ride period longer than 30 minutes could increase user confidence and convenience. The addition of an independent lock to the shared bicycle model could also increase the number of feasible destinations within a short radius of bike share stations, as users would not have to depend on finding an available docking station to leave their bicycle. Lastly, the fee structure could be modified differently for visitors and members, retaining a revenue-generating trip fee structure for visitors while increasing the availability of potential low to no cost trips for members.

Table 15 highlights an alternative potential fee schedule that takes into account the above features for Marin County. While the base subscription remains the same, the per-trip fees are modified to provide a longer grace period for annual members and a less aggressive fee structure for both annual and casual members. Under this scenario, for example, a 120-minute ride would cost an annual member only $3 (as opposed to $10.50 under Alternative A), while a casual member would be charged $6 (as opposed to $14). For rides over 150 minutes, tiered fees increase by $10 every half hour in order to continue discouraging long trips and recovering additional revenue when those trips do occur.

Table 15. Potential Program Fee Schedule (Modified)

	Casual Fee Structure	Member Fee Structure
Base Subscription	$7/day, $12/3-day	$70 annual
Duration	**Per Trip Fees**	
0-30 mins	$0.00	$0.00
30-60 mins	$1.50	$0.00
60-90 mins	$3.00	$1.50
90-120 mins	$6.00	$3.00
120-150 mins	$12.00	$6.00
150-180 mins	$24.00	$12.00

Since the demand model expects very few annual members to trigger additional fees, the alternative fee structure with reduced annual member trip fees has very little effect on estimated revenue. Both models

project average user revenue in the range of $600 - $1,000 per bicycle, with the "Modified" schedule estimating slightly lower revenues. Practically speaking, it is possible that the lower pricing structure could actually incentivize trips that trigger additional fees, and thus remove any difference in revenue between the alternatives.

The Alta Bicycle Share Demand Model is not calibrated to decipher changes in demand based on slight variations in the membership or fee structure. Such analysis will have to be qualitative and based on input from stakeholders, and reviewed and approved by the system's board and directors or similar body. It is also not clear what the practical impact might be of the modified fee structure on bike share availability, and by extension the potential need for additional up-front capital costs. If too many members are taking longer trips due to lower fees, there will be less turn over and re-use of bicycles and thus the program may have to purchase additional bicycles to limit the instances of empty docking stations. Understanding how to strike the correct balance between fees and total bicycles will require careful monitoring during the initial installation of the program.

Large Employer Based Revenues (Transportation Demand Management)

Revenue projections include the assumption of additional memberships sold through a proposed Transportation Demand Management (TDM) campaign to raise participation in bike share and leverage bike share to replace vehicle trips. Such a program would be directed at large employers who could purchase memberships for their employees, potentially at a bulk rate. In Washington, DC, a membership discount promotion through LivingSocial was successful at signing new bike share program members. A recent Capital Bikeshare member survey found that 38% of survey respondents had used the LivingSocial coupon to purchase their membership, with participation reaching as high as 69% of members who joined through the three-month peak period of the promotion. The coupon was used more heavily by women and members under 35.

Sponsorships

Based on Alta's experience, we estimate that the user revenues alone, even with aggressive TDM and marketing, will not be sufficient to fund the program, and that approximately $800-1,000/bicycle/year in private sponsorships will be needed for the program to sustain itself once the system is in place. Stations should be strategically located to help promote private sponsorship and help defray ongoing operational costs not covered by user fees. Educational, health, and science/technology institutions such as Kaiser Permanente and Dominican University are potential candidates for bike share sponsorship. For example, a sponsor could subsidize a station or advertise on the bike share system, such as on station kiosks or on the bikes themselves. A large geographic coverage area may also provide greater incentive for a title sponsor, if the system is visible throughout the county and thus the "market" for the advertising has greater reach.

Sponsorship is different from advertising in that it typically involves a long-term relationship between the sponsor and the vendor, where stickers are put on the infrastructure (bikes, stations, and/or website) with a logo and/or statement that "Company X supports Marin County Bike Share". Sponsorship can come in a variety of forms, shown in Figure 23, including:

- Title sponsorship: where a company pays for full and exclusive sponsorship rights to the system and its components, i.e. stations, bikes, etc. Sponsor's name is included in referring to the system, e.g., London Barclay's Cycle Hire.
- Presenting sponsor: receives recognition in mention of the system, e.g. "Denver Bikeshare presented by Kaiser Permanente". In most cases (e.g. Toronto, Boston, Denver), presenting sponsorship includes branding some of the stations and bikes, however presenting sponsors do not have exclusive rights to

the system and share sponsorship with other organizations. A detailed valuation of presenting sponsorship would need to be conducted and negotiated with any potential sponsor(s).

- Station and bike fleet sponsorship: general presentation of the sponsor's logo and/or a simple message, e.g., "this station is sponsored by company X" placed on the map frame, kiosk, and / or the docking points at a station or logos placed on the bicycle frames, baskets, or fenders. The value of station and bike sponsorship depends on the market and uptake is variable.
- Other: webpage, back of receipt, membership keys, helmets, mobile applications, etc.

One sponsorship scenario for Marin County is to secure a presenting sponsor (or sponsors) and several smaller station sponsors. Similar models in North American bike share systems include:

- Toronto: existing sponsors were brought along by the operator (Public Bike Share Company, who own and operate the Montreal Bixi system). This minimizes the effort of having to find new sponsors and pay marketing commission. These presenting sponsors were signed for approximately $600,000 per year ($800 per bike per year) and as part of the deal are provided logo placement on the map frames, bike fenders, and docking stations on 75% of the equipment (the remaining 25% is available to other sponsors although not yet sold).
- Boston: the presenting sponsor (New Balance) was signed for approximately $600,000 for three years ($333/bike/year) and is provided its logo on all the station map frames and bike fenders in the system but shares this space with station sponsors who pay an annual fee for logo placement on the station map frame and a certain number of bikes. At the time of system launch (July 2011), approximately 60% of station sponsorships had been sold for $50,000 each for three years ($16,667 per year). Advertising is also sold on one side of the map panel to supplement sponsorship revenue.
- Denver: a three-year presenting sponsorship was secured with Kaiser Permanente Colorado for $450,000 ($300 / bike / year). Station sponsorship is also available with sponsors paying $30,000 for one year or $20,000 per year for 3 years for a website listing, logo placement at a station kiosk, and logo placement on 10 bikes (current uptake uncertain).
- Minneapolis: Blue Cross Blue Shield of Minnesota contributed $2.5 million as the presenting sponsor of Phases 1 and 2 of Nice Ride. The presenting sponsor takes all the bike advertising space as part of its contract. As a result, station sponsorship is valued somewhat lower than in Denver at $10,000 per station per year.[21] Anecdotally, approximately 35% of stations were under sponsorship in July 2011.

A municipality or supporting agency such as TAM can help engage potential sponsors early in the planning process to best understand outside funding needs and program feasibility. Another approach, which is increasingly common, is to place the burden of sponsorship on the potential program operator/vendor either explicitly in a request for proposals (RFP), or through an Expression of Interest (EOI). In these cases interested vendors would essentially base their operating proposals on their own investigations or assumptions of sponsorship revenue, and have a set timeframe for executing agreements. Depending on the results of the Bay Area Bicycle Share sponsorship negotiations, there may also be an opportunity to "buy into" a sponsorship contract that has already been established for San Francisco and other participating cities.

[21] It is understood that Nice Ride is considering changing their station sponsorship model to offer tiered station sponsorship pricing, valued according to the level of exposure. This is an effort to increase the uptake of sponsorship (goal of 100%) with an expectation to raise an average of approximately $5,000 per station.

Grants

Based on the results of the phasing scenarios described above, and the financial projections summarized in **Table 16,** the Marin County bicycle share program could require approximately $2.35 million in grants or other one-time funding sources over five years to cover capital and launch expenses for a 300-bicycle system[22]. **To purchase equipment and launch a smaller initial system, required grant funding (assuming no local funding) could range from as low as $250,000 for a 30 bicycle pilot effort to $750,000 for a larger program (envisioned as Phase 1 in this report)**.

Congestion Management and Air Quality (CMAQ)/One Bay Area Grant Programs

The most popular source of grant funding for bicycle share systems are federal Congestion Management and Air Quality (CMAQ) grants, which in the Bay Area are generally administered by the Metropolitan Transportation Council (MTC). Either through the agency's competitive grant programs, such as the Climate Action Initiatives Program, or through discretionary local funding as part of the One Bay Area Grant Program (OBAG), CMAQ funding is one potential source for one-time revenue to fund capital investment in bicycle share.

Bicycle Transportation Account (BTA)[23]

Caltrans' Bicycle Transportation Account (BTA) program provides cities and towns with approximately $7 million in funding annually to improve safety and convenience for bicycle commuters, including students bicycling to school. Local agencies applying for BTA funding must first have an approved Bicycle Transportation Plan, and provide a 10% match. Although bicycle share programs are not currently listed under eligible expenses, the program's intent is to provide a flexible funding source for local bicycle improvements and may be an additional funding option to consider. More information on BTA can be found here: http://www.dot.ca.gov/hq/LocalPrograms/bta/btawebPage.htm

Healthy Communities Grants

The Environmental Protection Agency (EPA), National Recreation and Parks Association (NRPA), and other agencies and private foundations are increasingly funding active transportation projects to combat obesity, asthma, and other environmental and public health issues. Often labeled under "Healthy Community" initiatives, these grant awards are typically lower than other capital project-focused sources, but could provide opportunities for expanded outreach and policy planning for communities of concern within Marin, including the Canal neighborhood, Marin City, and Novato.

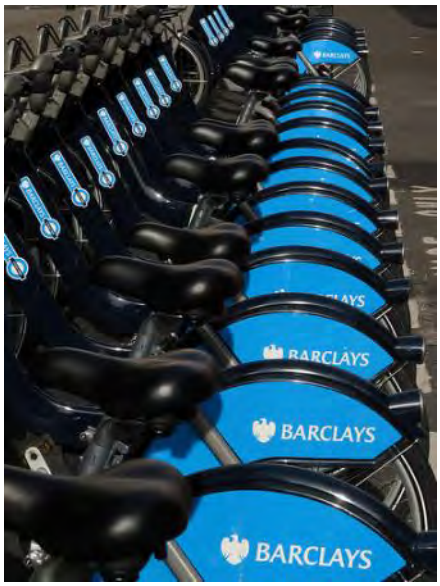
Federal Transit Authority / Highway Administration

Other grant sources that have funded multiple bike share programs are the Federal Transit Authority's (FTA) Bus Livability grant program and the FHWA's Transportation, Community, and System Preservation Program (TCSP). Depending on the outcome of the San Francisco Bay Area Pilot Bike Share Program, other regional grant sources may emerge that specifically target expansion of bicycle sharing programs.

---

[22] Estimated grant or other one-time funding needs are based on relatively aggressive expansion of the program, and may be lower if initial phases are allowed to operate for several years at a profit.

[23] Caltrans has recently announced changes to the BTA program as part of a larger consolidation effort in response to the 2012 federal transportation funding bill (known as Map -21). These changes may affect funding and eligibility for the BTA program.



Title Sponsorship: Barclays Cycle Hire, London, UK.

Presenting Sponsor: Denver B-Cycle.

Station Sponsorship: Boston Hubway.

Bike Sponsorship: Decobike, Miami Beach.

Figure 23. Bike Share Sponsorship Examples.

Government Partnerships

Bike sharing typically requires the cooperation of public agencies and private corporations. Public agencies can play a role in funding, management, and operation. However, most systems use very little local public funds, relying more on a combination of federal and state grants, corporate sponsorship (or advertising), and user generated revenues.

Public agencies have tended to take a back seat in administering and operating bike share systems, instead contracting these services to non-profit organizations or private companies. Public agencies do, however, bring the following value and support to bike sharing:

- In-kind services such as staff time, assistance with permitting, etc.
- Right-of-way and/or property for station locations.
- Avenues and skills for pursuing grant funding.
- Potential local public funding sources.
- Outreach to potential members.
- Marketing through promotional and informational materials (such as website and bicycle maps) and market research.
- Large membership potential (as large employers).
- Creating policies that are conducive to bike sharing.

Other Potential Revenue Sources

Bike share funding sources continue to evolve. Some other potential funding sources include:

- Funding the program as an extension of transit. The synergies with transit make bike sharing a logical extension of transit service. However, in practice, there are only a handful of systems globally where the transit agency actually operates the system including OV-Fiets in the Netherlands and Deutsche Bahn's Call-A-Bike system in multiple cities in Germany. In the US, Boston and Chattanooga received FTA funding through the local transit agencies (MBTA and CARTA, respectively), but these agencies have acted as funding pass-through entities, not operating entities. Originally, Chattanooga envisioned the potential of CARTA having an operational role, however, upon a deeper understanding of the uniqueness of bike share operations, CARTA opted out of this role in favor of a contract operator. It is possible in the future that once a system is up and running, transit agencies could pick up an operational role, especially in smaller satellite systems.
- Station purchase. Large employer campuses such as Kaiser Permanente or Dominican University may purchase stations directly (that may allow them to control sponsorship content). In these cases, stations could be purchased outright and at least cover the significant capital cost per station, but should also consider some portion of operating cost if sponsorship of the station is not permitted or desired.

8.6 Financial Summary

The financial projections for a Marin County bicycle share program are summarized in Table 16. As stated above, the costs associated with the program would almost certainly require a three-pronged approach to revenue beyond user fees:

1. Aggressive promotion of bicycle share as part of existing and future Transportation Demand Management (TDM) packages, which would raise a small amount of additional revenue while greatly increasing the projected baseline demand for trips. This is especially important for generating demand at stations identified in Phases 2 and 3.
2. Establishment of sponsorship revenue in the range of $800-$1,000/bicycle, procured through a variety of strategies and opportunities, to help cover ongoing operating costs
3. Grant funding or other one-time revenues to support the up-front capital purchase of the bicycles and station equipment. An initial outlay of $250,000 may be sufficient to cover a pilot phase, and up to $2 million (or more) may be needed for a 'mature' system that reaches all demand areas in Marin.

This page intentionally left blank.

Table 16. Estimated System Demand and Financial Performance

Operating Phase	Members[1]		Estimated Annual Demand (Trips)[1]				Costs				Revenues				Net Balance[6]
	Bikes	Annual	Casual	Total	Annual Member	Casual Member	Trips/Bike/ Day	Total	Capital[2]	Launch[2]	Operating[3]	Total	User Fees[1]	Sponsorships[4]	Grants[4]	
Pilot[5]	**30**															
San Rafael-Larkspur Ferry		100	1,000	8,000	6,000	2,000	1	$265,000	$160,000	$60,000	$45,000	$290,000	$30,000	$10,000	**$250,000**	$25,000
Phase 1 - 12 Stations	**100**															
Year 1 (9 months)		600	2,000	34,000	30,000	4,000	1.24	$900,000	$540,000	$180,000	$180,000	$900,000	$70,000	$80,000	**$750,000**	$0
Year 2		700	3,000	44,000	39,000	5,000	1.20	$180,000	$0	$0	$180,000	$180,000	$100,000	$80,000	$0	$0
Phase 2 - 24 Stations	**200**															
Year 3		1,200	4,000	69,000	61,000	8,000	0.95	$1,080,000	$540,000	$180,000	$360,000	$1,105,000	$145,000	$160,000	**$800,000**	$25,000
Year 4		1,300	5,000	82,000	72,000	10,000	1.12	$360,000	$0	$0	$360,000	$335,000	$175,000	$160,000	$0	$0
Build Out - 37 Stations	**300**															
Year 5		1,800	5,000	98,000	86,500	11,500	0.89	$1,220,000	$540,000	$180,000	$500,000	$1,230,000	$190,000	$240,000	**$800,000**	$10,000
Year 6		1,900	7,000	126,000	111,500	14,500	1.15	$500,000	$0	$0	$500,000	$490,000	$250,000	$240,000	$0	$0

Notes:

1 Estimates generated from Alta Bicycle Share Demand Model (based on actual ridership and revenues from other U.S. systems) with assumption of increased membership and usage benefits due to recommended Transportation Demand Management (TDM) strategies.

2 Capital and launch costs based on experience from other systems and San Francisco pilot program estimates.

3 Operating costs are generally estimated at $1,800/bicycle, but can vary significantly depending on a number of factors, including service level agreements, station rebalancing, and program scale. For full system build out, per bike operating costs have been slightly adjusted (lowered) to account for these factors.

4 Sponsorships and grants have not been secured and are shown for planning purposes only. Sponsorship estimate of $800/bicycle includes reasonable potential revenue from system and station naming rights, advertising on bicycles and at stations. Grant totals reflect estimated need to cover system capital and launch for each potential phase.

5 Although the size and locations of a potential pilot phase have not been determined, the San Rafael-Larkspur Ferry concept is used to develop ridership and revenue estimates. Due to scale, operating cost and sponsorship revenue estimates have been adjusted.

6 Net totals reflect year-over-year balance except for pilot phase. Given the cost and grant/sponsorship revenue assumptions, each phase is assumed to be operating at a profit after the second year due to projected growth in membership and usage fees.

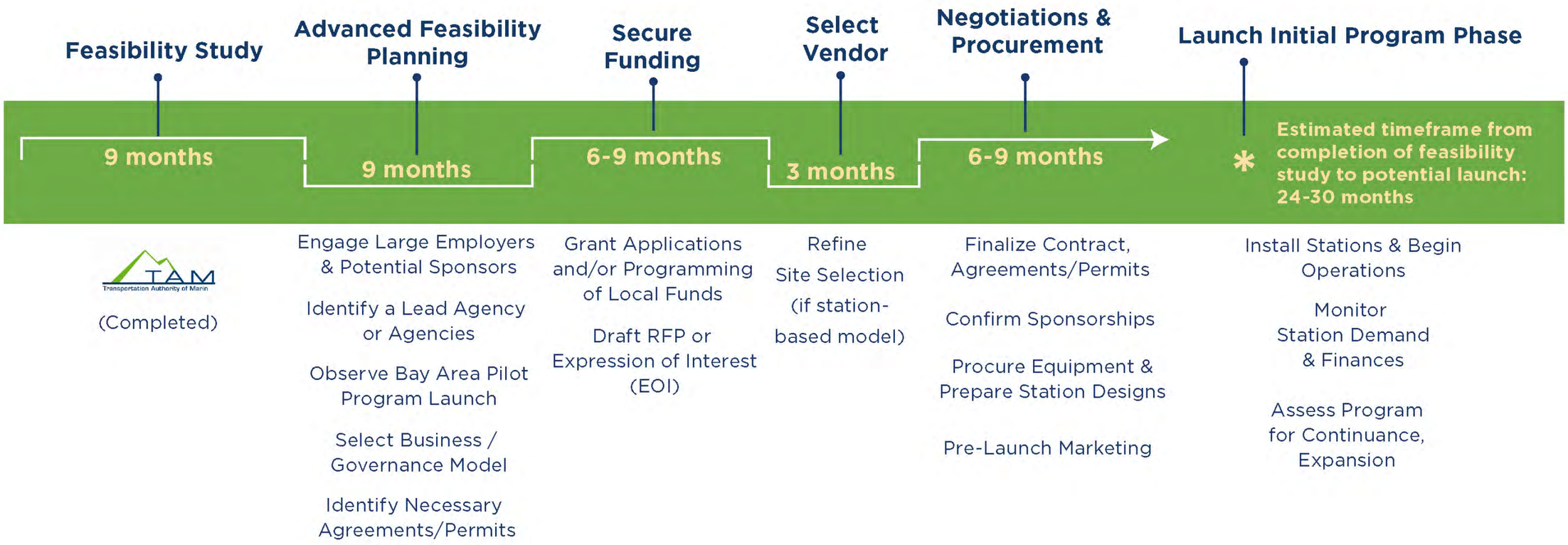


Figure 24. Potential Timeline for Planning and Implementation of Bicycle Share System.

8.7 Summary and Next Steps

Marin County has several of the characteristics required to make bike sharing successful, including vibrant commercial centers, relatively extensive public transit, large numbers of visitors, a supportive culture of bicycling and active living, and a policy environment that prioritizes the growth of sustainable transportation options. There are also characteristics of Marin (and its various jurisdictions) that are less conducive to bicycle sharing demand: lower densities of housing and jobs; high car ownership; hilly topography; and limited bikeway infrastructure in potential high demand areas. Impacts from other factors, such as an older demographic and proximity to an anticipated bike share program along the San Francisco peninsula area, remain unclear.

Although stopping short of identifying a preferred business model and system, analysis in this report indicates that a station-based bicycle share program in the urbanized areas of Marin County is feasible, and should be further explored. To assist planning efforts, 37 potential bike share station locations are identified, along with their projected user demand, associated revenues, and expected costs. As with many other systems, private sponsorship (title sponsorship and advertising on the stations and/or bikes) will likely be necessary to help cover the ongoing operating costs, while one-time grant sources will be necessary for up-front capital purchases and installation.

Due in part for the need of up front capital funding, and also due to the uncertainty of demand for a larger system, a phased approach to implementation is recommended. Potential phases range from a pilot effort of 30 bicycles and 4 stations to expanded systems of 100, 200, and 300 bicycles. These phases should generally target ferry terminals and transit centers, transit-dependent neighborhoods, city centers, and areas with high employment.

An estimated 24-30 months are needed to plan, fund, and implement an initial bicycle share program in Marin County. This estimate is subject to change, and assumes continued interest and engagement by key stakeholders and success at procuring grant or local funding. Highlighted below are next steps to maintaining the 'critical path' for this timeline and helping build overall consensus to move forward with a program.

NEXT STEPS FOR ADVANCED FEASIBILITY PLANNING

Selecting a Lead Agency and Business Model

A primary question for Marin relates to coordination and ownership: who will "own" the system? This has implications on how the system is administered and operated as well as how revenues and costs are distributed. It will be important to identify which characteristics should be consistent across the region and which should be unique to each "sub-system". For example, the technology and membership structure should be consistent throughout the County so that users can seamlessly transfer from one sub-system to another. To help define a preferred system for Marin, TAM should continue to explore potential sources of funding and work with key stakeholders who may have an interest in bike sharing. Once a governance and business model is chosen, a more detailed understanding of the necessary agreements and permits can also be identified.

Engaging Potential Local Sponsors and Large Employers
As documented in this report, the feasibility of a bicycle share program is predicated on the procurement of sponsorship revenues and the support of large employers (through purchase of bulk memberships) in addition to grant funding. Reaching out to these potential stakeholders as part of an advanced feasibility planning effort should help "ground truth" the revenue estimates while helping build local momentum for the program.

Observing and Assessing the Bay Area Pilot Program Launch
Within the next year, the Bay Area Bike Share Pilot Program led by BAAQMD should be launching in San Francisco and in communities along the Caltrain corridor. While the performance of the system may provide instructive feedback on potential demand elsewhere in the Bay Area, a key focus for Marin should also be to understand the potential implications of the governance structure and the contractual details of the sponsorship revenue that will be generated. These factors will help determine the potential benefits of emulating the Bay Area program model and/or lessons learned that can be incorporated into Marin's efforts moving forward.

Station Siting
Although not a critical task in the near term, local jurisdictions or other interested stakeholders could help sustain momentum for a program by conducting independent assessments of the proposed bike share station locations identified in this report. Items for confirmation include potential on-street and private property configurations at preferred sites, overall visibility of stations, access to/from adjacent bikeways, remaining accessibility of sidewalks/walkways, compatibility with adjacent transit facilities and land uses, solar access (if solar-powered), levelness of proposed site, and other characteristics that may affect the ability to install or operate a station. Even if an alternative "station-less" system is ultimately chosen, many of these considerations will still be important to locate "core zones" for locating bicycle racks, wayfinding, and other features.

Final site designs typically require mutual agreement between the program sponsor, local jurisdiction (if not the sponsor), and the operator, as well as the processing and approval of local relevant permits. While higher-level questions ultimately need to be answering first, having the feasibility of station locations confirmed by local stakeholders will help speed up the implementation process once these questions are resolved.

9 Appendix A – Case Studies

Boulder B-cycle

Source: Josh Montague (http://www.flickr.com/photos/jmontague)

Launch: May 2011

Size: 25 stations / 200 bikes

Population: 90,000

Funding: Capital funding obtained through federal, state and local government grants, private funding and foundation grants ($1.25 million – 85% grants / 15% donations). Operations funding comes from sponsorship (a number of sponsorship options are available including on the basket, badge, and station kiosk), memberships, and usage fees ($500,000 per year (est.) – 64% sponsorship / 36% membership and usage fees).

Management: Non-profit

Cost: $55 annual membership, $15 weekly, $5 daily pass; first 60 minutes free, $4 for each additional 30 minutes.

Access: casual users pay with credit card at the consol, members are provided a B-Card.

Boulder B-cycle is operated by a non-profit that was specially-formed to bring bike sharing to Boulder. The City of Boulder is represented as a liaison to the Board of Directors. The objectives of the program are to provide a green transportation option to residents and visitors, encourage more people to bicycle, and to operate a financially sustainable transportation system.

Statistics (2011): 1,170 annual members, 6,000 24-hour passes sold, 18,500 trips (48% by annual members). Three-quarters of annual members were part of a corporate membership program; 83% of trips less than 60 minutes (the free-ride period); 76% of users have a transit pass and 20% of these say they connect to public transit.

Boston Hubway

Source: thehubway.com

Launch: July 2011

Size: 61 stations / 610 bikes (currently under expansion to 110 stations and 1,000 bikes in the cities of Boston, Cambridge, Brookline, and Somerville)

Population: 650,000 (Boston)

Funding: Capital funding obtained through federal (CMAQ, FTA) and local (Boston Public Health Commission) grants ($4.5 million – 75% grants / 25% sponsorships). Operation funding comes from naming sponsorship (New Balance) and station sponsorship (a number of sponsorship options are available including on the basket, badge, and station kiosk), memberships, and usage fees ($0.7 – 0.8 million per year - sponsorship).

Management: Public – private partnership. Each City contracts directly with a City staff director that works with the private operator who is responsible for management, operations, and maintenance.

Cost: $85 annual membership, $12 three-day, $5 daily pass; first 30 minutes free, graduated pricing structure for additional 30 minute periods (varies for members and casual users).

Access: casual users pay with credit card at the kiosk, members are provided a membership key to unlock bikes without using the kiosk.

The initial RFP was issued by the regional planning commission (MAPC) with the intent of each city contracting directly with the operator. The region secured federal funding from the FTA, which is managed by the MAPC. Boston was the first city in the region to launch with a combination of federal and local grants, and private sector sponsorship. Subsequent cities including Cambridge, Brookline, and Somerville are using the federal grant money and limited private sponsorship to launch. The program is operated by a private operator (Alta Bicycle Share) under direct contract with each of the cities.

Statistics (2011): over 3,700 annual members and over 30,000 casual memberships sold, over 142,000 trips. A survey of Hubway members concluded that the number one reason for usage is that it's the fastest way to get around town. Boston Bikes has a partnership with the Boston Public Health Commission to provide subsidized helmets ($7.99) available at convenience stores across the city. There were +2,600 distributed last year (sold and given for free). Boston also offers an affordable membership to qualified individual, which offers a $5 membership, free helmet and 60 min of free riding time per trip. The system relaunched in April 2012, and annual members have already climbed to 4,900. Hubway reached 100,000 rides for the 2012 season in fewer than two months, and surpassed 250,000 total rides in May 2012.

San Francisco / Caltrain Corridor

Launch (Projected): October 2012, truncated pilot phase (SF only); roll out of the full five-city pilot program is to-be-determined based on timing/success of private sponsorship

Size: 50 stations / 500 bikes (San Francisco only); 100 stations / 1,000 bicycles (Five-city pilot program)

Population: 805,000 (San Francisco); 77,000 (Redwood City), 64,000 (Palo Alto), 74,000 (Mountain View), 945,000 (San Jose)

Funding: $5.9 million in capital funding obtained through a grant from the Bay Area Air Quality Management District (Air District) in partnership with MTC and their Climate Initiatives Program. Additional funding for the launch and operations of the full pilot system is anticipated to come from corporate sponsorship (a number of options are available including title sponsor naming rights, individual station sponsorships, and bicycle basket/badge and station kiosk advertising), memberships, and usage fees.

Based on other cities, operating costs could be expected to cost in the order of $2,200 / bike / year and user-revenues generating in the order of $1,800 / bike / year – although actual revenues and operating costs may vary as much as 30-50% depending on demand / local conditions, station locations, and the operating service levels.

Management: Public - Private partnership. The Air District is currently serving as the program administrator, with Alta Bicycle Share as the private operator of the system. The continuance of and long-term management plan for a Bay Area program are still to be determined, based on the results of the pilot study.

Cost: TBD

Access: casual users pay with credit card at the kiosk, members are provided a membership key to unlock bikes without using the kiosk.

The prospect of a successful San Francisco Bay Area-based bike share program may provide an intriguing option for Marin County, both in terms of a streamlined "plug and play" operations model and in attracting membership demand through regional compatibility. Although most program specifics are not yet determined, there is the potential for an "umbrella" system, similar to Boston, under which individual municipalities (or regional entities) could contract directly with the private operator.

Statistics: N/A

Chattanooga Bicycle Transit System

Launch: 2012

Size: 30 stations / 300 bikes

Population: 170,000

Funding: Capital funding obtained through federal grant ($2 million CMAQ) and private foundation support ($0.2 million). Operations funding comes from sponsorship (a number of sponsorship options are available including on the basket, badge, and station kiosk), memberships, and usage fees.

Management: Public - private partnership. A private operator (Alta Bicycle Share) will operate the system in return for a share of the revenues.

Cost: $75 annual membership, $6 daily pass; first 60 minutes free, $5 for each additional 30 minutes.

Access: casual users pay with credit card at the kiosk, members are provided a membership key.

Chattanooga Bicycle Transit System is a public / private partnership model whereby the City and the operator (Alta Bicycle Share) will share in revenues from the system. The objectives of the program are to provide an additional mobility option that provides an extension of the existing CARTA transit service.

10 Appendix B: Bicycle Helmet Use

Bicycle Helmet Use Law

California state law has required the use of bicycle helmets for riders under age 18 since 1994. California Vehicle Code Section 21212 reads:

> *21212. (a) A person under 18 years of age shall not operate a bicycle, a nonmotorized scooter, or a skateboard, nor shall they wear in-line or roller skates, nor ride upon a bicycle, a nonmotorized scooter, or a skateboard as a passenger, upon a street, bikeway, as defined in Section 890.4 of the Streets and Highways Code, or any other public bicycle path or trail unless that person is wearing a properly fitted and fastened bicycle helmet that meets the standards of either the American Society for Testing and Materials (ASTM) or the United States Consumer Product Safety Commission (CPSC), or standards subsequently established by those entities. This requirement also applies to a person who rides upon a bicycle while in a restraining seat that is attached to the bicycle or in a trailer towed by the bicycle.*[25]

However, this law will have limited impact on potential bicycle share use in Marin County, because customers must be 18 or older to become a bike share member and rent a bike. In other areas, child bicycle helmet laws allow minors of a certain age to ride a bicycle without a helmet; 16 years is a common age for this exemption.

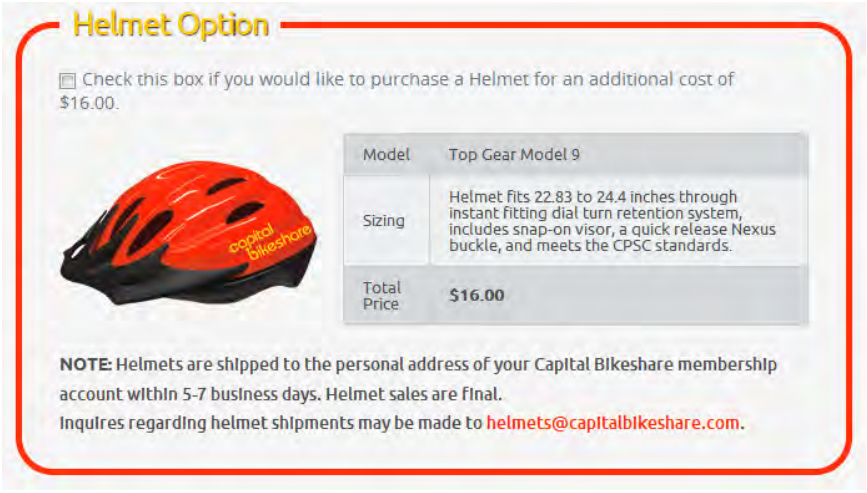
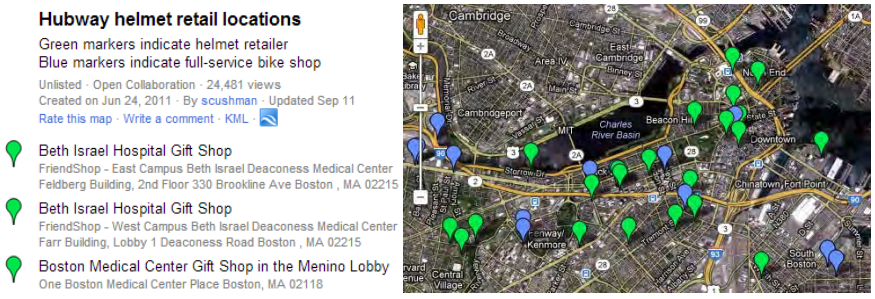
If Marin County or the State of California were to adopt a mandatory helmet law for adult bicyclists, demand for bike share could be severely impacted. Currently there are only two systems in the world operating with a helmet requirement in place – Melbourne Bike Share and Brisbane's CityCycle, both in Australia. A 2010 survey in Melbourne reported that approximately 25% of respondents identified having to wear a helmet as a barrier to using the system. The same survey found 36% of respondents would have used bike share more often if seamless access to a helmet was provided. Mexico City and Tel Aviv previously had mandatory bicycle helmet laws, but repealed them prior to the implementing bike sharing systems. Seattle and Vancouver, British Columbia have adult helmet requirements and are investigating the feasibility of providing helmets as part of a future bike sharing program.

Bicycle Helmet Use Encouragement Strategies

In addition to general bicycle safety information, many existing bicycle share systems promote helmet use among members through outreach materials, discount offers, retail partnerships, and other methods.

[25] http://www.dmv.ca.gov/pubs/vctop/d11/vc21212.htm

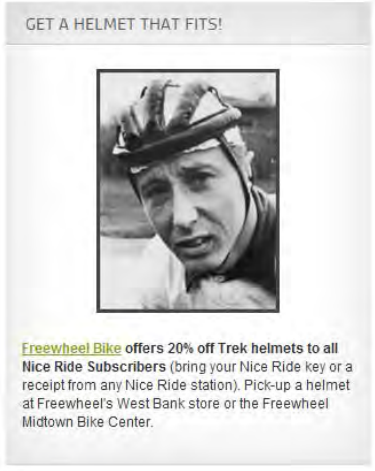
Table 10-1. Bicycle Helmet Encouragement Strategies

System Name and City	Bicycle Helmet Encouragement Strategy
Capital Bikeshare, Washington DC	 Capital Bikeshare offers inexpensive, branded helmets to new members during online sign up.[26]
Hubway, Boston	 In Boston, Hubway has partnered with several dozen retailers, including CVS and Walgreens pharmacy chains, to provide low cost, $7.99 helmets available for sale.[27] An online map helps direct users to nearby locations to purchase a helmet.
Montreal BIXI	Montreal BIXI members receive a 10% discount on helmet purchases at Ça Roule Montréal, a local bicycle repair and rental shop.[28]

[26] https://www.capitalbikeshare.com/signup

[27] http://www.thehubway.com/bike-rental-and-helmet-shops

[28] https://montreal.bixi.com/offres-speciales/promotions/avantages-aux-membres-en

System Name and City	Bicycle Helmet Encouragement Strategy
Melbourne Bike Share	 **Helmets** Helmets are available for just $5 at many retail outlets or vending machines at Southern Cross Station and Melbourne University. Bicycle helmet use is mandatory in Melbourne. In addition to retail locations, Melbourne bicycle share users can purchase helmets for $5 at vending machines located near high-use bicycle share stations. Helmets may then be returned for a partial refund of $3.
Nice Ride, Minneapolis	 In Minneapolis, Nice Ride partners with local bicycle rental shops to provide discounted helmets to bicycle share customers.

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Suzanne Loosen, Senior Transportation Planner

RE: Review Draft Work Scope for Contract RFP for Continuation of Safe Routes to Schools Program (Discussion) – Agenda Item 11

Dear Commissioners:

Executive Summary

The Safe Routes to Schools Program is an education and incentive program that encourages children and parents to walk and bicycle, particularly to school. Safe Routes to Schools programs are designed to decrease traffic and pollution and increase the health of children and the community. The program addresses parents' safety concerns by educating children and the public, partnering with traffic law enforcement, and developing plans to create safer streets. Marin County pioneered the national Safe Routes to Schools program that has spread across the U.S. Marin's program has served as a model for many counties around the Bay Area and around the state and nation.

TAM's current Safe Routes to School and Street Smarts contract was executed in 2008 for three years with the option for two one-year renewals. TAM exercised both one-year options and the current contract expires June 30, 2013. TAM staff recommends the same format for the next contract period, i.e., executing a three-year contract with the option for two one-year extensions. The three-year contract would begin on July 1, 2013 and end June 30, 2016 (with extensions, the expiration would be June 30, 2018).

TAM's transportation sales tax and annual vehicle registration fees provide approximately $700,000 per year for the Safe Routes and Street Smarts programs. (The Crossing Guard program is managed under a separate contract.) The Safe Routes team has been successful in leveraging additional grant funding, bringing the annual operating budget to around $1,000,000 per year and allowing expansion into new programs and products. The program is designed to leverage local funds to obtain outside funds. To ensure that core programs are adequately funded during the next contract period, staff proposes a scope of work that can be implemented within the annual budget of $700,000. New and expanded programs would be positioned to compete for additional grant funding from regional, state, federal, and private sources.

Recommendation: Review and comment on draft scope of work for the next phase of Safe Routes to Schools Program.

Introduction

The Safe Routes to Schools Program of the Transportation Authority of Marin (TAM) is an education and incentive program that encourages children and parents to walk and bicycle, particularly to school. Safe Routes to Schools programs are designed to decrease traffic and pollution and increase the health of children and the community. The program addresses parents' safety concerns by educating children and the public, partnering with traffic law enforcement, and developing plans to create safer streets. Marin County pioneered the national Safe Routes to Schools program that has spread across the U.S. Marin's program has served as a model for many counties around the Bay Area and around the state and nation.

Background

In August 2000, the National Highway Traffic Safety Administration funded the Marin County Bicycle Coalition and Walk Boston in Arlington, MA to develop a national model Safe Routes to Schools program. In November 2004, the voters of Marin passed a ½-cent, 20-year transportation sales tax, which dedicates 11% of funds raised to Safe Routes to Schools education and encouragement programs; a crossing guard program that provides adult supervision at busy crosswalks near schools; and Safe Pathways infrastructure projects, such as sidewalks, street crossings, and bike lanes.

TAM assumed management of the Safe Routes program in 2005 after our local transportation sales tax measure went into effect. Parisi & Associates won a three-year contract, and a subsequent three-year contract extended through 2013, to provide Marin County's Safe Routes program, with an array of projects that promote and support walking and biking to school.

TAM's Safe Routes to School program as outlined in the transportation sales tax (Measure A) has three components:

- A Crossing Guard program providing over 70 crossing guards to Marin County schools
- The Safe Pathways program that distributes approximately $2.5 million in funding every two years for infrastructure improvements
- The education and encouragement program

In 2010, Marin residents passed Measure B which increased the annual vehicle registration fee (VRF) by $10 to help fund transportation improvements. The VRF strategic plan allocates funding to "School Safety and Congestion Reduction" in three areas:

- Maintain and expand the school Crossing Guard program
- Provide matching funds for Safe Routes to Schools programs
- Enhance/expand programs designed to reduce congestion and improve safety around schools including Street Smarts and School Pool programs

Together, the sales tax and VRF funds provide approximately $700,000 per year for TAM's Safe Routes to School and Street Smarts programs. (The Crossing Guard program is managed under a separate contract.)

Program Evaluation

In November 2011, the TAM Board heard and discussed a comprehensive 10-year evaluation of the Safe Routes program. Commissioners commended the program and spoke in favor of the School Pool maps and the importance of sharing technology and programs with other jurisdictions in the region. Key sections of TAM's 2011 Program Evaluation (introduction, overview, and recommendations) are included in Attachment A.

In July 2012, the Safe Routes consultant team presented its 2012-2013 work plan to the TAM Board. The work plan builds on several recommendations from the November 2011 Program Evaluation, including continuing to establish institutional support in the school districts, expanding to additional schools, offering new social media tools, participating in a regional clearinghouse, and increasing Street Smarts educational and distracted driving programs.

Funding and Scope Evaluation

TAM's current Safe Routes to School and Street Smarts contract was executed with Parisi & Associates in 2008 for three years with the option for two one-year renewals. TAM exercised both one-year options and the current contract expires June 30, 2013. TAM staff recommends the same format for the next contract period, i.e., executing a three-year contract with two one-year extensions. The three-year contract would begin on July 1, 2013 and end June 30, 2016 (with extensions, the contract would expire on June 30, 2018).

TAM's transportation sales tax and VRF funds provide approximately $700,000 per year for the Safe Routes and Street Smarts programs. The Safe Routes team has been successful in leveraging additional grant funding from the Marin Community Foundation and the Metropolitan Transportation Commission, bringing the annual operating budget to around $1,000,000 per year and allowing expansion into new programs and products. The program is designed to leverage local funds to obtain outside funds. To ensure that core programs are adequately funded during the next contract period, staff proposes a scope of work that can be implemented within the annual budget of $700,000. New and expanded programs would be positioned to compete for additional grant funding from regional, state, federal, and private sources.

The significant challenge for TAM is that we have successfully expanded the program in several areas using grant funding, but have no guarantee of future grant funding. Therefore, how best do we shape the program elements to meet Marin's needs with the funds we have?

The Safe Routes program initially emphasized the 5 E's—education, encouragement, engineering, enforcement, and evaluation—focusing on education in the kindergarten through eighth grades ("K through 8"), projects that improved infrastructure around schools, and the development of volunteer Task Forces. The program has since expanded to middle and high schools.

Task forces are fundamental to the Safe Routes program and include parent and neighborhood leaders, elected officials, agency and public works staff, traffic engineers, school district representatives, and law enforcement. Task Forces identify infrastructure needs within their school districts and develop Travel Plans for their schools. Travel Plans include information about proposed engineering plans, traffic safety plans, and encouragement and education plans.

As part of the funding and scope evaluation, TAM staff compiled a detailed review of program costs for the last five years. Those costs are shown on Attachment B and are summarized in Chart 1 below. Note this same chart is shown in larger format on Attachment C.

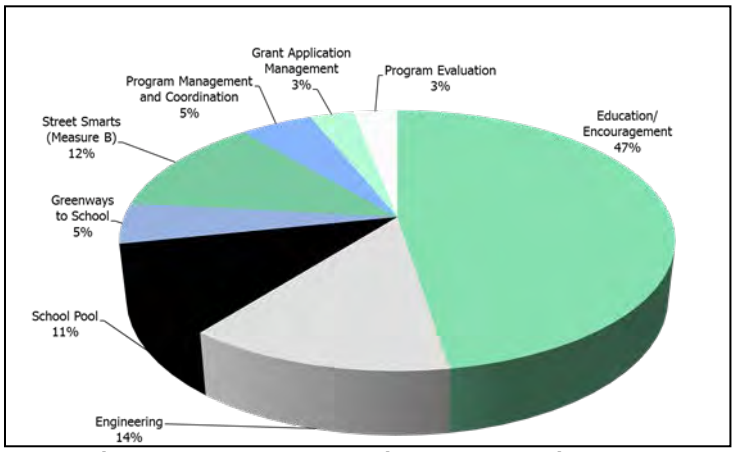


Chart 1: Cost Summary July 2008 to October 2012

Note that Supplemental programs that were developed with grant funding were primarily the Schoolpool and Greenways to School programs. The above chart depicts all costs, with about 20% of the total funding representative of those grants.

Staff compared the cost information with the evaluation and recommendations presented in the 10-year Program Evaluation, and offers the following:

- The core program of education, especially at the K through 8 levels (29%) has achieved the greatest results with respect to habit change. The volunteer Task Forces are vital to that success, and continued investment in the Task forces is important to the program's success.

- The new education programs introduced by the Safe Routes team, such as Teens Go Green, have the potential to more firmly establish habit change that began at the K through 8 levels. These programs have been grant funded; identifying more of the base funds for them may be advisable.

- Our newer general programs, such as SchoolPool, which includes highly popular Neighborhood Maps, are showing signs of success in offering new features to the overall program. These programs have been grant funded and without reductions in other areas, will be difficult to sustain without further grant funding.

- Grant applications have yielded tremendous results in Marin—the moderate amount of 3% of the total funds for this effort is very cost-effective.

- With a mature program, program evaluation and monitoring can be reduced somewhat. Monitoring of parents and schools in particular is encouraged to continue to adjust the program for further success.

- Management of the program at 5% of costs is very reasonable, considering that a wide range of elements need to be coordinated together to create the best chance for success.

Draft Scope of Work for Next Contract Period

To develop the draft scope of work, TAM staff reviewed the Safe Routes program elements and funding history to evaluate goals for the next contract period. From that effort, along with input from the current Safe Routes team, TAM staff developed the draft scope of work presented in Attachment D and summarized below. This work scope represents a continued investment in a mature, core Safe Routes program, and positions Marin's Safe Routes program to expand projects and programs and develop new products based on capturing additional funding streams.

- The core program includes education programs at second, fourth, and sixth grade levels. Encouragement programs at existing high schools would continue; expansion to additional high schools or middle schools would require outside funding. District Task Forces would be maintained; interested school districts that do not currently have a Task Force would be invited to participate.

- The SchoolPool program, which was upgraded and expanded with funding from MCF and MTC's Climate Change Initiative Grants, would be expanded to approximately five to ten schools per year. Priority would be given to school districts with the largest catchment areas and longest travel distances.

- The Street Smarts program would be maintained at its current level with a provision for expansion into San Rafael and Marin County, if additional grant funds become available. The program's effectiveness would be evaluated during the contract period.

- Planning and engineering services would include approximately ten school walk audits each year, which would be the basis for "grant ready" Safe Routes concept plans, and three corridor plans per year. The proposed program includes providing design services for "low cost" improvements, as identified by the Task Forces or public works departments. In addition, five to ten "Suggested Route Maps" would be prepared in conjunction with the SchoolPool Neighborhood Maps. Additional grant funds would be necessary to expand these features.

Presentation to TAM Executive Committee

Staff presented this item to the TAM Executive Committee on January 14, 2013. Commissioners expressed support for the program in general, and specifically for School Pool Neighborhood Maps and Suggested Route Maps, which can be used by local jurisdictions to evaluate infrastructure priorities. Commissioners also asked for an inventory of existing infrastructure needs that have been planned, but not funded. Staff will evaluate inventory, and return this information to the TAM board at a future meeting.

Schedule for Request for Proposals (RFP)

Milestone	Schedule
Draft scope of work to TAM Executive Committee for review	January 7
Draft scope of work with Executive Committee comments to Board of Commissioners for review	January 24
Issue RFP (60 day response)	February 15
Proposals due	April 15
Review Panel/Consultant Selection	April 16-30
Consultant selection recommendation to TAM Executive Committee	May 13
Consultant selection recommendation to Board of Commissioners; authorize Executive Director execute contract	May 23
Contracts executed	June 30
Consultant team begins	July 1

Recommendation: Review and comment on draft scope of work for the next phase of Safe Routes to Schools Program.

Attachments:

A: Key Sections of TAM's 2011 Safe Routes Program Evaluation
B: Safe Routes Cost Summary, July 2008 to October 2012
C: Cost Summary July 2008 to October 2012
D: Safe Routes to School Draft Scope of Work for Contract Renewal Contract Period: July 2013-June 2016

SAFE ROUTES TO SCHOOLS MARIN COUNTY

MARIN COUNTY
SAFE ROUTES TO SCHOOLS

PROGRAM EVALUATION

22 NOVEMBER 2011

Parisi ASSOCIATES transportation consulting

TAM Transportation Authority of Marin

INTRODUCTION

Established in 2000, Marin County's Safe Routes to Schools (SR2S) is an award-winning program designed to reduce congestion around schools, while at the same time instilling healthy habits in children and creating a safer and cleaner environment for all. It does this through classroom education, special events, infrastructure improvements, and other strategies that aim to increase the number of non-motorized (walk and bike) and higher occupancy (carpool and transit) trips to and from schools.

PROGRAM HIGHLIGHTS

Marin's SR2S program has been in operation for ten years and has expanded to include 52 schools and over 23,500 students. With its long history and continued community participation, SR2S has enjoyed long-term success.

- In 2000, there were nine schools participating in Safe Routes to Schools; today, there are 52 schools.
- Since the program began, there has been an eight percent mode shift countywide from single-student car trips to walking, bicycling, riding public transit, and carpooling to/from schools.
- Twenty-one schools have exceeded the countywide average since joining SR2S. Old Mill and Tam Valley elementary schools in Mill Valley and Bacich Elementary in Kentfield, for example, have increased the number of green trips to/from their school by over 20 percent.
- According to the most recent parent survey, over 25 percent of families changed their travel mode because of SR2S.
- Launched in 2009, the Green Ways to School Campaign proved to be a success through the Spring 2011. During this time, there was an overall four percent increase in green trips to school, but schools participating in the Green Ways to School Programs demonstrated an even higher increase of six percent.
- Over 100 Safe Routes to Schools infrastructure projects totaling more than $17 million have been constructed or are currently under design.
- Nearly 2,000 familes have enrolled in SchoolPool Marin or taken the Green Ways to School pledge, representing 71 schools across the county.
- Street Smarts Marin was pilot-tested in 2008 in three communities. The program has now been expanded into nine out of 11 jurisdictions in the county.
- Marin's Crossing Guard program currently deploys trained school crossing guards at over 75 locations throughout the county.

01 PROGRAM OVERVIEW

PROGRAM HISTORY

Pilot Program

The Marin County Safe Routes to Schools program began in 2000 when the National Highway Traffic Safety Administration funded the Marin County Bicycle Coalition (MCBC) and Walk Boston in Arlington, Massachusetts to develop a national model program. At the end of the two-year pilot program, the nine participating schools in Marin experienced a 17 percent increase in the number of children walking and biking to school, and a 24 percent decrease in the number of children arriving as the only child in a car.

Building on this success, the County of Marin adopted SR2S in 2003 through a grant provided by the Bay Area Air Quality Management District. In November 2004, SR2S reached a major milestone when Marin voters passed Measure A. The 20-year half-cent transportation-related sales tax provided an ongoing revenue source for SR2S programs, as well as crossing guards and school access infrastructure projects. As a result of this new funding source, SR2S became a program of the Transportation Authority of Marin (TAM) in 2005.

A National Model

Within a year of the launch of the pilot projects in Marin County and Arlington, Massachusetts, many similar efforts began throughout the country. Interest in a federally-funded national program grew, and in 2005 the SAFETEA-LU federal transportation bill provided $612 million for a new national Safe Routes to Schools program that provides benefits in all 50 states. Communities have used this funding to construct new bike lanes, pathways, and sidewalks, as well as to launch SR2S education and promotion campaigns in elementary and middle schools. As the first long-term sustainable program with a dedicated local funding source, Marin County continues to be a national leader with new and innovative programs.

SAFE ROUTES TO SCHOOLS IN MARIN COUNTY

Marin's Safe Routes to Schools program integrates health, fitness, traffic relief, environmental awareness and safety under one program. It does this through a comprehensive approach that consists of four key components: Education, Encouragement, Engineering, and Enforcement. A fifth "E"—Evaluation—is also an important tool used to strengthen existing programs and facilitate long-term goal setting. Evaluation of Marin's program involves documenting trends through student surveys conducted in the fall and spring of each school year, as well as periodic parent surveys. The most recent student and parent survey results from spring 2011 are incorporated in this report.

In Marin, the five Es are integrated as part of Measure A, which is organized around four transportation-related strategies. As shown in Table 1, Strategy 4 addresses safe access to schools and is supported by three programs: Safe Routes to Schools, Crossing Guards, and Safe Pathways. Each of these programs is further discussed in this report.

THE 5 E'S

Like other mature SR2S programs, Marin uses a planning framework known as the 5 E's to ensure a successful program. The 5 E's are as follows:

- **Education.** Classroom lessons teach children the skills necessary to navigate through busy streets and persuade them to be active participants in the program. Safe Routes instructors have developed the curriculum to include lessons on safety, health, and the environment. The most recent lesson plans can be found on the Safe Routes to Schools website (www.saferoutestoschools.org).
- **Encouragement.** Encouragement strategies, such as events, contests and promotional materials, encourage children and parents to try walking and biking to school. The program supports and coordinates volunteer organizers and provides schools with promotional and contest materials, prizes, and ongoing consultation.
- **Engineering.** The focus of the engineering component is on creating physical improvements to the infrastructure near the school, reducing speeds and establishing safer crosswalks and pathways. The Program's professional traffic engineers assist schools in developing a plan to provide a safer environment for children to walk and bike to school.
- **Enforcement.** Police officers and other law enforcement officials participate throughout the Safe Routes process to encourage safe travel through the community. Targeted enforcement of speed limits and other traffic laws around schools make the trip to school more predictable for students and allow them to interact with motorists and other travelers in the safest possible way. The program also includes enforcement enhancements and outreach to drivers through driver safety campaigns.
- **Evaluation.** Program participation is regularly monitored to determine the growth in student and parent participation. Most years, "before and after" travel surveys are taken to ascertain any change in travel mode to school over the course of the year.

Evolution of Safe Routes To School Program

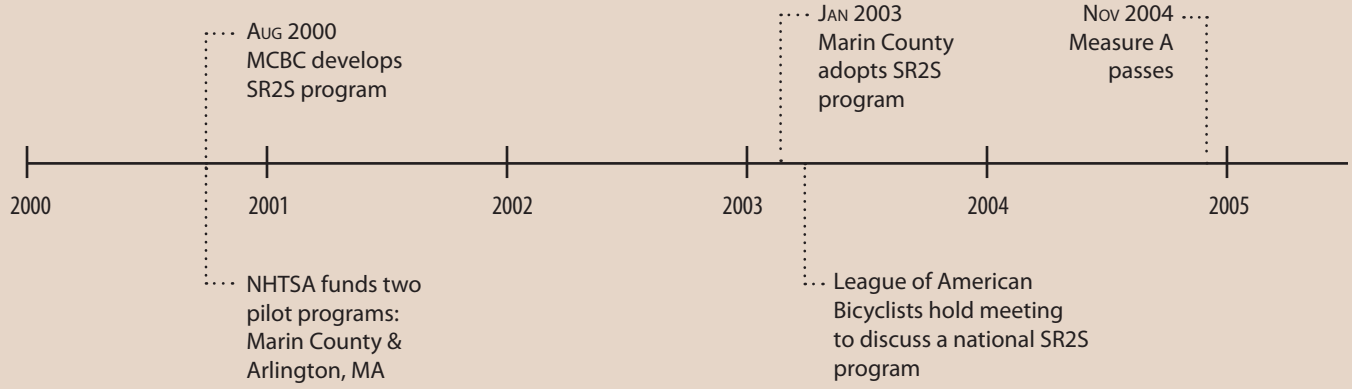


Table 1: Strategy 4 of Measure A

Strategy #4: Reduce school related congestion and provide safer access to schools.
1. Safe Routes to Schools Ongoing funding to support this successful and popular program that promotes walking, biking, taking transit, or carpooling to school.
2. Crossing Guards Crossing guards at 70 intersections along major roads serving schools.
3. Provide capital funds for Safe Pathways To School projects Safety improvements around Marin County schools in conjunction with the Safe Routes to Schools Program, including sidewalk improvements, safer crosswalks and crossings, bicycle and pedestrian safety improvements, and speed reduction measures.

SURVEYS

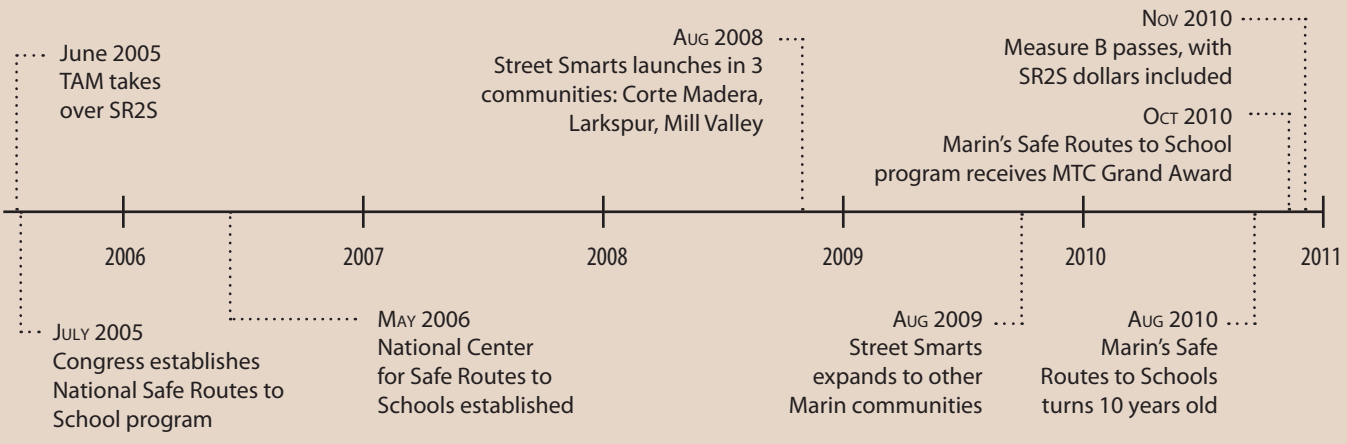
Regular input from Safe Routes to Schools participants is critical in determining the effectiveness of the program's activities. As participants join each year or change their behavior, the program benefits from constant evaluation to stay current. In Marin County, staff evaluates SR2S through student and parent surveys.

Student Surveys

A key element of the SR2S program is quantitative measurement of the shift from single student drive alone trips to school, sometimes called "chauffeured trips," to other modes, including biking, walking, carpooling, and transit. To measure how students travel to school, SR2S staff members work with classroom teachers to administer "before" and "after" surveys at participating schools. The "before" survey is generally taken at the beginning of the semester in which Safe Routes education is offered and the "after" survey is taken at the conclusion of the school year. This information is then sent to the National Center for Safe Routes to School, which compiles the data. Student surveys have been conducted every year since the fall of 2003.

Parent Surveys

Parents and guardians of students can provide valuable insight on the strengths and weaknesses of the programs. Parent questionnaires have been administered three times, in 2006, 2007, and 2011. This year, a total of 836 surveys were completed, representing 55 schools and almost 1,500 students. The survey was distributed at the schools and could be mailed back or completed online. A Spanish version of the survey was also provided in hardcopy and online.



RECOMMENDATIONS

The following recommendations are intended to improve both the effectiveness and the long-term sustainability of Marin's Safe Routes to Schools program.

Develop a Strategic Plan

While Travel Plans guide specific goals and strategies at the school and district level, an overall Strategic Plan would establish the overarching vision for Safe Routes to Schools at countywide. In order for Marin's SR2S program to reach its next level of maturity, it will be essential to create a roadmap of where it is headed and how it will get there. The Strategic Plan would provide a decision-making framework, setting goals, prioritizing programs, and allocating resources within a set timeframe.

Working in tandem with Measure A's 20-Year Strategic Plan, the SR2S Strategic Plan would also help coordinate efforts between SR2S staff, funding agencies, local elected officials, school district leadership, and regional agencies, such as MTC. As changes to revenues and policies occur at the county level, the SR2S plan would be similarly updated.

Lastly, a countywide strategic plan would give SR2S further leverage when seeking funding. By identifying program and budget needs in a strategic plan, SR2S can actively secure grants for the most vital components of the program.

Establish Institutional Support

The varying degrees to which schools participate in Safe Routes programs depends largely on not only the availability of staff and volunteers, but also on the school's willingness to incorporate SR2S lessons and activities into their existing curriculum. The institutionalization of SR2S at multiple levels—County, City, and school district—will ensure consistent participation among SR2S schools, while establishing it as one of the county's top priorities. The institutionalization process would:

- Consider the opportunities and risks of requiring participation in Task Force meetings once or twice a year to discuss mutual issues on relieving congestion around schools and creating safety measures.
- Explore options for law enforcement to develop a rotational schedule to monitor all schools, as well as other ways in which law enforcement can contribute to SR2S.
- Explore ways to engage the Marin County Offfice of Education through meetings, presentations, or other means.
- Explore opportunities, as well as cost implications, of ensuring school district and school participation in SR2S programs. Options include:
  - Creating a standing committee and Safe Routes liaison from each school
  - Encouraging green travel choices to school, especially through contests and events
  - Promoting SchoolPool via e-blasts and/or newsletter announcements, as well as recruiting neighborhood captains
  - Requiring classroom lessons on traffic safety

KEY ELEMENTS OF A SUCCESSFUL PROGRAM

When it comes to showing tangible results, participating SR2S schools have achieved various levels of success. Those that have experienced the most dramatic results—whether it has been through a high increase in green trips or a large number of infrastructure projects—often have three key features in common:

- **A strong vision.** Having a long-term vision in place allows schools to more effectively implement their goals as they relate to each of the four E's—Education, Encouragement, Engineering, and Enforcement. It is those schools that have a clear vision for their future that are also able to more successfully seek out grants.
- **Active school participation.** Based on the survey results, it is evident that those schools that experience the most reduction in car trips are also those that are fully engaged in the five "E's." Schools that do not participate in classroom education activities, or at least one of the all-school events, do not do as well as those that do. Involving the whole school reinforces the lessons taught at specific grade levels and continues the teaching process. Lastly, a successful program cannot be achieved without a team of active school leaders and volunteers, who dedicate their time to be part of School Task Forces and other SR2S activities.
- **Strong local support.** An effective SR2S program requires a team approach that involves not only schools, but also support from City, Town, and County representatives and elected officials. Enforcement programs cannot be administered without the cooperation of local police departments, just as engineering projects cannot be implemented without the help of public works engineers.

Identify and Prioritize Infrastructure Needs for Schools in Unincorporated Marin

The County of Marin is responsible for participating in Safe Routes to Schools Task Forces that focus on schools in unincorporated areas of Marin County, and when requested, for investigating all locations along the school routes and recommending appropriate traffic control measures. The County's Public Works Department has been extremely busy managing diverse projects throughout the county, including the $25 million Nonmotorized Transportation Pilot Project (NTPP), which is focused on important pedestrian and bicycle improvements, and in delivering a number of school travel infrastructure projects. Because of these increased demands, the department presently has limited resources to respond effectively to SR2S-related requests.

It is recommended that TAM support the County by assisting the Public Works Department in identifying and prioritizing potential needs based on criteria including, but not limited to, safety considerations, number of students affected, and Task Force input. The potential needs would be reviewed with the Task Forces by the County. TAM would work with the County to identify potential funding sources for future implementation, as appropriate.

Safety and maintenance issues, when brought to the County's attention, would continue to be immediately addressed by the County.

Expand to Other Schools

The Safe Routes to Schools program has historically been targeted toward younger students and as a result, elementary schools make up 32 of the 52 schools currently participating in SR2S. Marin's SR2S has made great strides in reaching older students, who usually express reluctance in participating in events that are considered for young children. Nevertheless, SR2S continues to struggle to reach high schools, with only 20 percent of the county's schools participating in SR2S programs.

Going forward, SR2S staff will be developing a new model for middle and high schools focused more on education and leadership training. Furthermore, SR2S should continue to take advantage of technologies available today, integrating its programs with web-based tools and social media. The use of bar code scanning at Miller Creek Middle School in San Rafael demonstrated the impact that technology can have on generating interest and excitement with SR2S events. Efforts toward expanding the program to other schools should continue, as older children often act as role models for younger students.

It is important to note that teen programs often requre more staffing resources. Adequate funding will need to be maintained in order to successfully expand into the higher grades.

For schools that have a large, dispersed student population, such as private schools or those located in rural areas, biking and walking are often not an option. For these schools, efforts should focus on carpooling, transit, and other alternatives to single-student car trips, such as remote drop-off and pick-up. As SchoolPool continues to mature, it will become an invaluable tool for these parents looking to coordinate trips to and from school.

Offer New Tools

Throughout its history, Safe Routes to Schools has continuously evolved, developing new and innovative tools to further the effectiveness of its programs. Web-based tools, in particular, have been successful in attracting enthusiasm from students. SR2S staff should continue to look for opportunities to expand upon these tools, such as adding interactive features on its website and upgrading the barcode scanning machines. SR2S staff can also take advantage of social media, such as Facebook and Twitter, to promote its classes and events to both students and parents.

As it looks to expand SchoolPool, staff should use social media and other means to market the program and increase users. In addition, staff should explore the development of Neighborhood Guides, which would not only include organizing tools, but also suggested route maps for biking and walking. Many school and jurisdictions have requested walking and bicycling school route maps. Prototypical route maps will be prepared in 2011–2012, and it is recommended that school route maps be prepared countywide by 2013–2014.

Neighborhood Guides, as well as other technological enhancements, will be developed as part of the recently awarded MTC Creative Grant.

Participate in a Regional Clearinghouse

The longer SR2S is in place, the more challenging it becomes to keep its classes and events fresh and interesting. To maximize achievement it must continue to service existing schools as children work their way through the system, while at the same time, adding new schools. This requires ongoing development and updating as it reinforces and builds upon knowledge from year to year.

To help with this effort, Marin's SR2S staff should seek to work with other jurisdictions in the region that have similar programs in place, including Alameda, San Francisco, Sonoma, and Santa Clara among others. Some of these jurisdictions are implementing innovative programs that could be successful in Marin as well. Similarly, as one of the oldest programs in the country, Marin has a wealth of experience it can offer to others as well.

This regional "clearinghouse," or consortium, would gather the region's SR2S leaders on an annual or semiannual basis. It would provide a format for transferring knowledge among jurisdictions, building a stronger SR2S program on both the local and regional level.

Continually Evaluate the Program

Survey tools support accurate and reliable program analysis and evaluation to reassure the program and its participants, advisors, and funding groups that resources are being used effectively. Through its student surveys, the program has successfully standardized and centralized data collection and analysis to track changes in mode share, and must continue to do so as the program grows more inclusive.

In a well-established program like Marin's, however, reductions in driving alone must also be matched by ongoing and continual changes in travel modes. Goals and expectations must be reassessed and modified to fit the realities of a mature program. Evaluation techniques and survey tools should be designed to reflect the length of time schools have participated in the program, tracking mode shift retention among participants as they move up through the school system.

SR2S has seen numerous successes and challenges throughout its history. In recent years, new enhancements, such as Green Ways to School, have been very successful boosting results. This report recommends that staff continue to review and evaluate individual programs, and that findings be used to improve current programs and develop new ones.

Establish Sustainable Funding

Safe Routes to Schools must be able to fund the programs it seeks to implement in order to maintain its level of success. By establishing a dedicated funding stream, Measure A has, and will continue to be, critical to the long-term success of SR2S. Nevertheless, these funds currently make up only a portion of the amount used to successfully operate and expand SR2S programs.

SR2S's grant assistance program has been extremely effective in obtaining funds for a variety of both infrastructure projects and programming. Staff should continue to seek out opportunities for funding, including other long-term sources. A truly sustainable program can only be achieved by having a variety of consistent funding sources.

Expand Street Smarts

As of 2011, Street Smarts has been implemented in nine out of 11 jurisdictions in the county. Future goals include expanding the program into San Rafael and unincorporated parts of Marin County.

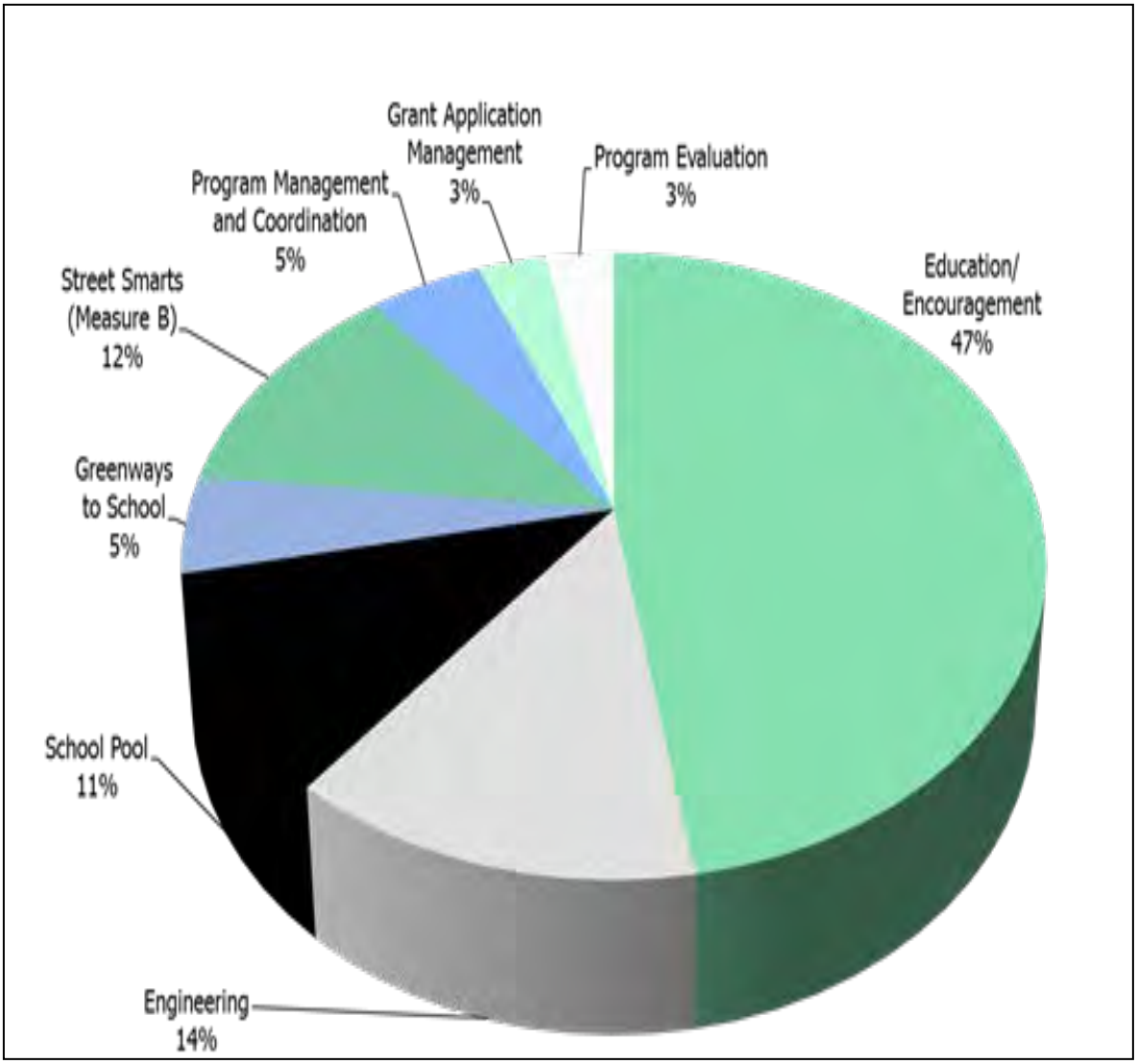
Furthermore, additional educational tools should be explored. To date, Street Smarts Marin has primarily utilized outdoor media, such as banners, signs and brochures to modify driver, pedestrian, and bicyclist behavior. While this has proven to be effective, further community outreach can increase the success of Marin's Street Smarts program. Outreach within the high schools to address issues such as distracted driving, can increase traffic safety awareness in both students and parents. Similarly, presentations at community groups, such as neighborhood associations and senior centers, can expand Street Smarts' reach.

TAM Safe Routes to School Program
Cost Summary July 2008 to October 2012

(Crossing Guard Program and Safe Pathways project costs not included.)

Element	Element Costs ($000)	Sub-Element Costs ($000)	Sub-Element Percent of Total	Percent of Total
Program Management and Coordination	169			5%
Concept Plans and Engineering	415			13%
Travel Plans	64			2%
School Educational Programs (including many contests):	955			29%
Elementary Schools		561	17%	
Middle Schools		243	7%	
High Schools		151	5%	
School Task Force Management	201			6%
Newsletters	49			2%
Educational Program School Events:	45			1%
International Walk to School Day		20	--	
Rock and Roll to School		25	1%	
Educational Program Encouragement / Contests:	227			7%
Go for the Green		48	1%	
Teens Go Green		156	5%	
Golden Sneaker Award		15	--	
Pollution Punch Card		8	--	
General Safe Routes Programs:	944			29%
School Pool		374	11%	
Greenways to School		172	5%	
Street Smarts		398	12%	
Grant Application Management	90			3%
Safe Pathway Service to Locals	19			--
Program Evaluation	101			3%
TOTAL	**3,279**			**100%**

Chart 1: Cost Summary July 2008 to October 2012



Safe Routes to School
Draft Scope of Work for Contract Renewal
Contract Period: July 2013-June 2016

Management and Oversight

1. Manage Program

- Manage the contractor team, including the school education and encouragement program, engineering program, and SchoolPool and Street Smarts programs. Conduct regular team meetings and conference calls. Participate in strategy meetings with TAM staff.

- Coordinate with related TAM programs, including the Safe Pathways and the Crossing Guard programs. Coordinate with other TAM programs, as appropriate, such as Transportation Demand Management.

- Present and solicit input from TAM committees, including the Technical Advisory Committee (TAC) and the Citizens Oversight Committee (COC).

- Present status updates to the TAM Board up to twice per year.

2. Integrate Program Regionally

- Review best practices undertaken by other Safe Routes programs to potentially use within TAM's Safe Routes program. Participate in the San Francisco Bay Area Safe Routes Regional Clearinghouse on a quarterly basis. Promote TAM's Safe Routes program within Marin County and the Bay Area, as appropriate.

3. Establish Sustainable Funding

- Develop additional Safe Routes-related funding. Research and identify potential local, regional, state, and national funding sources. Consider both private and public funding.

- Prepare grant applications for both non-infrastructure program funding and infrastructure funding. Coordinate infrastructure grant applications with local jurisdictions, as appropriate. Prepare an average of two to three grant applications per year.

4. Promote Safe Routes to School Program

- Develop a media plan to promote the Safe Routes to Schools program within the schools, as well as on social and print media. The plan will include talking points, designated spokespeople, and a schedule of promotional activities. Prepare print media.

- Maintain the program's website (saferoutestoschools.org), the program's Facebook site, and other social media.

Programming

1. Facilitate District Task Forces

- Provide logistical support for existing Task Forces including scheduling meetings, developing agendas, providing notification, preparing meeting summaries and facilitating meetings when necessary. Assist the Task Forces in implementation of Travel Plans and discussion of new issues.

- Develop new Task Forces for those interested school districts that do not yet have one. Contact the school districts and local jurisdiction's staff, and volunteer team leaders. Assist Task Forces in setting goals and objectives and establishing a time line for the development of Travel Plans.

- Develop Travel Plans for those schools that do not yet have them. These will include gathering data for baseline information, walk audit notes, concept plans and identifying education, enforcement, and encouragement activities.

- Update and maintain existing Travel Plans. Coordinate with local jurisdictions to integrate Travel Plan information into Bicycle/Pedestrian master plans.

2. Institutionalize the Program

- Encourage school districts and the cities, towns and the county to establish policies supporting Safe Routes to Schools in their jurisdictions. Policies will institutionalize jurisdictional support for Task Forces, Travel Plans, classes, encouragement programs and survey collection.

- Work with school Parent Teacher Associations (PTAs) to establish Safe Routes teams within the PTA organizational structure. Request PTAs to recruit and support a Safe Routes Team Leader and that each Team Leader has support for establishing teams for ongoing activities.

3. Evaluate the Program

- Provide schools with student tally surveys in the fall and spring and oversee the collection and compilation of data. Distribute parent surveys every two to three years, or when requested, to evaluate the progress of the program and determine course corrections. Working with teen student clubs, assist students in the development and distribution and tabulation of student attitude surveys where requested.

- Provide each school principal and team leader with a comprehensive report card of the schools progress and participation in the program. Compile results of the report cards to TAM.

- Use the evaluation information to determine structure and goals for the future of the Safe Routes program over the duration of TAM's ½-cent, 20-year transportation sales tax (Measure A) program. Establish metrics and benchmarks to determine the success of the program.

- Prepare an overall Program Evaluation report every three years that highlights the program's educational, encouragement, engineering, enforcement, and funding successes, and provide recommendations to be integrated into the overall program. Present the Program Evaluation report to TAM's TAC, COC, and Board.

4. Develop and Support Educational Opportunities

- Provide trained instructors to all participating schools to teach traffic safety. Teach pedestrian education to second grade classes. Teach bicycle safety courses to participating fourth and six grade classes. Utilize existing curriculum and improve upon curriculum where deemed necessary.

- Promote supplemental Green Class curriculum, developed through a previous Metropolitan Transportation Commission Creative Grant, to all participating schools. Classes can be presented by Safe Routes trained instructors or curriculum instructions can be provided to the classroom teachers.

- Offer four to five two-hour Riding with Youth classes at various locations throughout the county to teach families how to safety bike with their children. Promote the program through the schools and the school's team leaders.

5. Develop and Support Encouragement Opportunities

- Recruit volunteers to act as "Team Leaders" in each school by working with former Team Leaders, PTAs and school officials. Team leaders will serve on the school district Task Forces, run events and contests, and assist in promoting the program. Support Team Leaders by providing materials, promotional information, and other logistical support. Assist Team Leaders in organizing International Walk to School Day and National Bike to School Day. Assist Team Leaders to establish weekly or monthly Walk and Roll to School Days.

- Develop materials and instructions for contests and events to encourage more walking, biking, carpool or bus use (where available).

6. Organize Teen Clubs through Existing or New Clubs

- Identify a teacher advisor at participating middle and high schools to assist with Safe Routes teen activities. Work with existing clubs, student leadership, and other opportunities to introduce Safe Routes resources to students. Work with student clubs or classes to develop activities that promote walking, biking, carpooling or bus use (where available). Provide logistical and material support for these activities.

- Facilitate club meetings and other educational activities with the teenagers. Assist students to develop special activities such as bike giveaways and distracted driving programs. Organize field trips for club members and for whole classes where requested. (Contractor shall have appropriate liability insurance coverage to offer these off campus bicycling activities.)

7. Promote SchoolPool Marin

- Provide schools with logistical and material support to organize neighborhood walking school buses, bike trains and carpools. Provide schools with various TAM tools including the SchoolPool web site and SchoolPool guidebook. Meet with Team Leaders, principals and other volunteers to develop a comprehensive plan for organizing by neighborhoods, recruiting captains, and launching and promoting SchoolPool.

- Prioritize expansion of the SchoolPool program to school districts with the largest catchment areas and longest travel distances. Add approximately five to ten schools per year. Work with the school district Task Forces and local jurisdictions to prepare SchoolPool Neighborhood Maps. Update and maintain the SchoolPool website to incorporate maps, match users, and update materials.

- Prepare an annual evaluation report to assess the success of SchoolPool, including trip matches, mode share changes, vehicle miles traveled reductions, and greenhouse gas decreases.

8. Promote Street Smarts Marin

- Facilitate Street Smarts Marin committee consisting of city, town, and county police and public works representatives. Meetings will occur about twice each year. Manage annual banner and sign deployment programs. Expand programs to San Rafael and Marin County, as appropriate. Manage other key elements of Street Smarts program, including safety brochures and fliers, display materials, the new pledge program, etc. Maintain the program's website (streetsmartsmarin.org).

- Working with the Street Smarts Marin committee, conduct an evaluation on the success of the program by surveying committee members and the general public.

Planning and Engineering

1. Provide Planning and Engineering Services

- Provide ongoing transportation planning and traffic engineering support to local jurisdictional public works departments. Conduct field reviews and meet with public works staff to identify issues and potential remedies. Offer limited on-call services to local public works departments related to school travel safety needs.

- Organize and conduct an average of ten school area walk audits each year. Lead Task Force participants, as well as jurisdictional representatives, on audit covering issues identified by the Task Force and/or local jurisdiction. Summarize issues identified during walk audit. Coordinate with local jurisdiction on priority locations, develop consensus on issues, and determine potential short-term and longer-range countermeasures.

- Engineering services shall be provided a registered traffic and/or civil engineer with experience in bicycle and pedestrian safety audits.

2. Prepare Conceptual Plans

- Based on the results of the walk audits and consultation with the jurisdictional public works departments, prepare an average of ten "grant ready" Safe Routes concept plans each year. The concept plans shall be prepared using the Marin Safe Routes concept plan template. Each concept plan shall illustrate existing conditions and proposed enhancements. Potential measures may include, but are not limited to, street crossing improvements, sidewalk enhancements, added pathways, traffic calming improvements, bicycle lanes, and traffic controls. Concept plans shall use aerial imagery and photosimulations may be used. Each concept plan shall include a planning level cost estimate.

- Prepare an average of three corridor plans each year. Corridor plans illustrate existing conditions and proposed treatments along a linear corridor extending from one-quarter mile to one-mile long. Improvements may range from walkways, bikeways, shared pathways, crossing treatments, and traffic controls. Corridor plans, shall use aerial imagery and include planning level cost estimates.

- All concept plans and corridor plans shall be prepared under the guidance of a registered Civil Engineer and must be approved by the appropriate public works agency.

3. Provide Design for "Low-Cost" Improvements

- Provide design for low-cost Safe Routes improvements that can be implemented in the short-term by local jurisdictions. These include elements such as pavement markings, signage, curb markings, and minor physical improvements. Improvement plans shall be prepared based upon prioritized needs identified by the school district Task Forces and/or jurisdictional public works departments. Prepare up to seven low-cost Safe Routes plans annually.

- Prepare school area traffic control plans for an average of three schools each year. Plans shall be prepared in accordance with the provisions of Part 7 of the California Manual on Uniform Traffic Control Devices (MUTCD). The school area traffic control plans shall cover all streets peripheral to each school, as well as roadways within one-quarter mile of each school.

4. Create Suggested Route Maps

- Working with school district Task Forces and local jurisdictions, prepare Suggested Route Maps. Maps will be prepared based on field reviews, student enrollment areas, and key travel patterns and shall conform to the requirements in the California MUTCD. The Suggested Route Maps shall identify key routes to and from school, with consideration to existing roadway and intersection conditions and presence of sidewalks, pathways, crosswalks, traffic controls, and crossing guards. Maps shall incorporate safety tips and shall be approved by local jurisdictional public works officials before publication and posting to the SchoolPool website.

- Prepare five to ten Suggested Route Maps each year, in conjunction with the SchoolPool Neighborhood Maps.

January 24, 2013

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Li Zhang, Chief Financial Officer

RE: FY2012-13 Second Quarter Financial Report (Discussion), Agenda Item 12

Dear Commissioners:

Executive Summary

This Quarterly Financial Report is for the period ending December 31, 2012 and covers TAM's revenue and expenditure activities for the period of July 1, 2012 to December 31, 2012. The following attachments are included in the report for your review:

Attachment 1 FY2012-13 Quarterly Budget to Actual Comparison as of 12/31/2012
Attachment 2 Summary of FY2012-13 Budget Amendments as of 12/31/2012
Attachment 3 FY2012-13 Revenue and Expenditure as of 12/31/2012– Measure A Detail
Attachment 4 FY2011-12 and FY2012-13 Monthly Measure A Disbursement Comparison
Attachment 5 FY2011-12 and FY2012-13 Monthly Measure B Disbursement Comparison
Attachment 6 Marin County Treasurer Portfolio Yield Report as of 12/31/2012

As of December 31, 2012, total Measure A half-cent sales tax cash disbursements received from the Board of Equalization (BOE) for the six-month period from July 2012 to December 2012 was $11.1 million, 5.3% higher than the total Measure A disbursement for the same period of last year. The same upward trend of sales tax revenue has been continuing since FY2010-11 but the revenue level has only just reached the collection level of FY2008-09. This significant increase in sales tax collection is encouraging but the high US unemployment rate, the disappointing holiday sales for many retailers, as well as the volatility caused by the "fiscal cliff" drama, weigh heavily on the US economy. Actual holiday sales tax collection results will be available in March. Staff will monitor the sales tax revenue closely and report to the Board in a timely manner if there is any major change in the trend.

As of December 31, 2012, TAM also received a total of $1.2 million in Measure B $10 vehicle registration fee cash disbursement from the Department of Motor Vehicle (DMV) for the six-month period from July 2012 to December 2012, which is 8.7% higher than the same period of last year. However, staff expects that the total revenue for the year will be at similar level of last year, since there is no indicator implying that the number of registered vehicles in Marin will increase dramatically.

Expenditures for most budget line items are happening at a slower pace than projected. Staff is available to provide detailed information if Board members have any specific questions.

Recommendation: Information Item, Staff is available to answer any specific questions.

Background

This report, along with all accompanying attachments, provides a summary of the financial activities for the first two quarters of FY2012-13, ended December 31, 2012. Revenues and expenditures are presented on a cash basis for the period covered. Any material revenues or expenditures that have occurred but haven't been received/paid are highlighted in the staff report presented.

Revenue Highlights

As of December 31, 2012, total Measure A cash disbursements received from the Board of Equalization (BOE) for the six-month period from July 2012 to December 2012 was $11.1 million, 5.3% higher than the total Measure A disbursement for the same period of last year. The same upward trend of sales tax revenue has been continuing since FY2010-11 but the revenue level is just back to the collection level of FY2008-09. This significant increase in sales tax collection is encouraging but the high US unemployment rate, the disappointing holiday sales for many retailers, as well as the volatility caused by the "fiscal cliff" drama, weigh heavily on the US economy. Staff will monitor the sales tax revenue closely and report to the Board in a timely manner if there is any major change in the trend.

As of December 31, 2012, TAM also received a total of $1.2 million in Measure B cash disbursement from the Department of Motor Vehicle (DMV) for the six-month period from July 2012 to December 2012, which is 8.7% higher than the same period of last year. However, staff expects that the total revenue for the year will still be at the same level of last year, since there is no indicator implies that the number of registered vehicles in Marin will increase dramatically.

TAM has received the total $430,000 annual contribution from cities/towns/county, for the CMA planning, programming, and project delivery support services provided. Staff has been holding off on the MTC Planning fund invoicing due to the OBAG process. Once the funding agreement with MTC is finalized, staff will send the first two quarters of CMA activity expenditure reimbursement request to MTC. Various reimbursement requests for other projects/fund sources will also be sent out once TAM receives more invoices from its vendors.

Expenditure Highlights

While expenditures are trending under the budgeted amounts as of the end of the second quarter, growth in several expenditure areas will occur in the next quarter. Marin Transit is expected to invoice TAM for the second quarter reimbursement soon. Invoices for the Measure A Major Roads projects and for the distribution to Marin cities/towns/county for Measure A Local Infrastructure are increasing as well.

Investment Option Study

In response to the Board's concern of less than ideal investment return performance of TAM's current fund balance in the Marin County Investment Pool, TAM staff has launched an Investment Option Study with its financial advisor team. The Study effort includes working with the County Department of Finance staff to explore investment performance enhancement options both within

and outside the Marin County Investment Pool. Result of the study is scheduled to be presented to the Executive Committee as well as the TAM Board for review and further direction in February.

Budget Amendment

No Budget Amendment is recommended for this time period.

Recommendation

Information Item, Staff is available to answer any specific questions.

Attachments

Attachment 1 FY2012-13 Quarterly Budget to Actual Comparison as of 12/31/2012
Attachment 2 Summary of FY2012-13 Budget Amendments as of 12/31/2012
Attachment 3 FY2012-13 Revenue and Expenditure as of 12/31/2012– Measure A Detail
Attachment 4 FY2011-12 and FY2012-13 Monthly Measure A Disbursement Comparison
Attachment 5 FY2011-12 and FY2012-13 Monthly Measure B Disbursement Comparison
Attachment 6 Marin County Treasurer Portfolio Yield Report as of 12/31/2012

Attachment 1: FY2012-13 Budget to Actual Comparison as of 12/31/12

	Annual Budget	Actual 12/31/12	$ Difference	Actual as % of Budget
REVENUE				
Measure A Sales Tax Revenue	21,000,000	11,123,224	(9,876,776)	53.0%
Measure B VRF Revenue	2,100,000	1,160,567	(939,433)	55.3%
Cities/Towns and County Contribution	430,000	430,000	-	100.0%
Interest Revene	100,000	10,873	(89,127)	10.9%
MTC STP/CMAQ Planning Fund	900,000	-	(900,000)	0.0%
MTC Regional Measure 2 Fund	1,728,000	-	(1,728,000)	0.0%
Federal CMAQ Fund	1,180,000	-	(1,180,000)	0.0%
Transporation For Clean Air Funding	346,000	175,823	(170,177)	50.8%
State STIP PPM Fund	239,000	-	(239,000)	0.0%
MSN Federal Earmark	20,546	-	(20,546)	0.0%
CMIA Bond Revenue	268,182	-	(268,182)	0.0%
TCRP/STIP RTIP Funds	1,182,683	-	(1,182,683)	0.0%
Dynamic Rideshare Grant Fund	330,000	-	(330,000)	0.0%
Other Agency Contributions	6,000	-	(6,000)	0.0%
Total Revenue Available	*29,830,411*	*12,900,488*	*(16,929,923)*	*43.2%*
EXPENDITURES				
Administration				
Salaries & Benefits	2,095,930	1,035,854	(1,060,076)	49.4%
Office Lease - Note 1	175,000	88,097	(86,903)	50.3%
Office Relocation Cost	80,000	92,545	12,545	115.7%
Agencywide IT and Computer Equipment Upgrade	65,000	16,734	(48,266)	25.7%
Equipment Purchase/Lease	30,000	7,212	(22,788)	24.0%
Telephone/Internet/Web Hosting Services	30,000	11,559	(18,441)	38.5%
Office Supplies	25,000	13,849	(11,151)	55.4%
Insurance	8,000	5,427	(2,573)	67.8%
Financial Audit	25,000	17,736	(7,264)	70.9%
Legal Services	70,000	4,904	(65,096)	7.0%
Accounting/Payroll	10,000	-	(10,000)	0.0%
Staff Benefits Comparison Study	25,000	-	(25,000)	0.0%
Document Reproduction	35,000	4,958	(30,043)	14.2%
Memberships	25,000	2,785	(22,215)	11.1%
Travel/Meetings/Conferences	22,000	9,425	(12,575)	42.8%
Professional Development	5,000	40	(4,960)	0.8%
Human Resoureces/Board Support	40,000	2,450	(37,550)	6.1%
Information Technology/Web Support	40,000	11,138	(28,863)	27.8%
Misc. Expenses	5,000	380	(4,620)	7.6%
Subtotal, Administration	*2,810,930*	*1,325,092*	*(1,485,838)*	*47.1%*

Attachment 1: FY2012-13 Budget to Actual Comparison as of 12/31/12

	Annual Budget	Actual 12/31/12	$ Difference	Actual as % of Budget
Professional Services				
CMP Updte/Traffic Monitoring	90,000	34,106	(55,894)	37.9%
Traffic Model Maintenance & Update	65,000	-	(65,000)	0.0%
Dynamic Rideshare Pilot Program Support	265,000	74,489	(190,511)	28.1%
Community Based Transportation Plan Update	50,000	-	(50,000)	0.0%
Project Management Oversight	270,000	-	(270,000)	0.0%
MSN Redwood Landfill Interchange Design	216,318	95,138	(121,180)	44.0%
MSN San Antonio Curve Design	1,000,000	194,421	(805,579)	19.4%
MSN A3 Novato Carpool Lane Extension	168,681	-	(168,681)	0.0%
Federal Legislative Assistance	25,000	-	(25,000)	0.0%
State Legislative Assistance	35,000	17,500	(17,500)	50.0%
Financial Advisor Services	25,000	-	(25,000)	0.0%
Hwy 101 Greenbrae/Twin Cities PA&ED	1,310,000	179,476	(1,130,524)	13.7%
Central Marin Ferry Connection PA&ED	1,250,000	264,846	(985,154)	21.2%
MSN Project Management	100,000	17,029	(82,971)	17.0%
On Call Public Outreach Contract	50,000	-	(50,000)	0.0%
Consulting Pool	80,000	38,025	(41,975)	47.5%
Subtotal, Professional Services	*4,999,999*	*915,030*	*(4,084,969)*	*18.3%*

Attachment 1: FY2012-13 Budget to Actual Comparison as of 12/31/12

	Annual Budget	Actual 12/31/12	$ Difference	Actual as % of Budget
Measure A Sales Tax Programs/Projects				
Measure A Compliance Audit	20,000	20,000	-	100.0%
Bike/Ped Path Maintenance	145,000	92,000	(53,000)	63.4%
Gap Closure Interest Funded Design/Construction	525,000	-	(525,000)	0.0%
Strategy 1 - Transit	12,708,000	2,572,125	(10,135,875)	20.2%
Substrategy 1.1 - Local Bus Transit Service	*7,709,000*	1,927,181	(5,781,819)	25.0%
Substrategy 1.2 - Rural Bus Transit System	*1,141,000*	176,170	(964,830)	15.4%
Substrategy 1.3 - Special Needs Transit Services	*1,875,000*	468,774	(1,406,226)	25.0%
Substrategy 1.4 - Bus Transit Facilities	*1,983,000*	-	(1,983,000)	0.0%
Strategy 2 - Hwy 101 Gap Closure	5,729,025	1,299,909	(4,429,115)	22.7%
MTC Loan Repayment	*1,936,325*	968,162	(968,163)	50.0%
TE/TLC/STP Swap Project	*900,000*	331,747	(568,253)	36.9%
Construction Capital Support Payment to Caltrans	*2,892,700*	-	(2,892,700)	0.0%
Strategy 3 - Local Transportation Infrastructure	6,692,000	1,471,759	(5,220,241)	22.0%
Substrategy 3.1 - Major Roads	*4,198,000*	-	(4,198,000)	0.0%
Substrategy 3.2 - Local Roads	*2,494,000*	1,471,759	(1,022,241)	59.0%
Strategy 4 - Safer Access to Schools.	2,467,000	514,268	(1,952,732)	20.8%
Substrategy 4.1 - Safe Routes to Schools	*600,000*	86,788	(513,212)	14.5%
Substrategy 4.2 - Crossing Guards	*830,000*	213,319	(616,681)	25.7%
Substrategy 4.3 - Safe Pathways To School				
Safe Pathways Plan Development	*450,000*	53,857	(396,143)	12.0%
Safe Pathway Capital Projects	*587,000*	160,304	(426,696)	27.3%
Subtotal, Measure A Programs	***28,286,025***	***5,970,061***	***(22,315,963)***	***21.1%***
Measure B Programs				
Element 1 - Maintain Local Streets & Pathways	100,000	-	(100,000)	0.0%
Element 1.1 - Local Streets	-	-	-	-
Element 1.2 - Bike/Ped Pathways	*100,000*	-	(100,000)	0.0%
Element 2 - Seniors & Disabled Mobility	707,000	126,202	(580,798)	17.9%
Element 2.1 - Mobility Management programs	*100,000*	31,938	(68,062)	31.9%
Element 2.2 - Paratransit & Low Income Scholarships	*110,000*	30,285	(79,715)	27.5%
Element 2.3 - Paratransit Plus	*300,000*	11,616	(288,384)	3.9%
Element 2.4 - Volunteer Drive & Gap Grant	*197,000*	52,363	(144,637)	26.6%
Element 3 - Reduce Congestion & Pollution	435,000	91,732	(343,268)	21.1%
Element 3.1 - Safe Routes to School	*180,000*	42,250	(137,750)	23.5%
Element 3.2 - Trans. Demand Management	*130,000*	45,241	(84,759)	34.8%
Element 3.3 - Discretionary Fuel (EV) Programs	*125,000*	4,241	(120,759)	3.4%
Subtotal, Measure B Programs	***1,242,000***	***217,934***	***(1,024,066)***	***17.5%***

Attachment 1: FY2012-13 Budget to Actual Comparison as of 12/31/12

	Annual Budget	Actual 12/31/12	$ Difference	Actual as % of Budget
Interagency Agreements				
Old Redwood Highway Roadway Improvement - Larkspur	400,000	12,162	(387,838)	3.0%
City of Larkspur Station Area Study Match Fund	100,000	18,600	(81,400)	18.6%
CMFC County Agreement	110,000	-	(110,000)	0.0%
CMFC SMART Agreement	20,000	-	(20,000)	0.0%
CMFC Larkspur Agreement	28,000	-	(28,000)	0.0%
Caltrans MSN Carpool Lane Extension Design Support	375,000	-	(375,000)	0.0%
Novato Redwood Bus Transit Facility Improvement	100,000	-	(100,000)	0.0%
Marin County MSN Project Support	50,000	-	(50,000)	0.0%
City of San Rafael Gap Closure Project Support	80,000	-	(80,000)	0.0%
Subtotal, Interagency Agreements	*1,263,000*	*30,762*	**(1,232,238)**	**2.4%**
Other Capital Expenditures				
TFCA - TDM Projects/Vanpool Incentive	17,000	24,883	7,883	146.4%
TFCA - EV Fleet and Charging Stations	106,000	-	(106,000)	0.0%
TFCA - Reimbursement of Various Capital Projects	350,000	397,485	47,485	113.6%
Subtotal, Other Capital Expenditures	*473,000*	*422,368*	**(50,632)**	**89.3%**
Total Expenditures	*39,074,954*	*8,881,246*	**(30,193,708)**	**22.7%**

Attachment 2: Summary of FY2012-13 Budget Amendments as of 12/31/12

No Budget Amendments is reconmended for this time period.

Attachment 3: FY2012-13 Revenue and Expenditure Report as of 12/31/12 – Measure A Detail

Budget Line	Interest	5% Reserve	1% Admin	4% Program	Stragegy PM	S - 1.1 Local Bus	S - 1.2 Rural Bus	S - 1.3 Para.	S - 1.4 Cap. Imp.	S - 2 Gap Closure	S - 3.1 Major Roads	S - 3.2 Local Roads	S - 4.1 SR2S	S- 4.2 C. Guards	S - 4.3 Pathways	Total
REVENUE																
FY2012 Accural Balance	**2,923,257**	**5,382,896**	**59,211**	**1,127,687**	**-**	**2,069,295**	**1,225,437**	**546,444**	**2,256,102**	**1,260,141**	**8,856,935**	**3,104,013**	**874,627**	**1,039,674**	**1,222,603**	**31,948,322**
FY2013 Revenue	**10,873**	**-**	**75,724**	**302,897**	**-**	**1,937,521**	**157,096**	**471,289**	**314,193**	**2,350,000**	**693,842**	**693,842**	**172,806**	**219,935**	**183,279**	**7,583,298**
EXPENSES																
Aencywide IT and Computer Upgrade				16,734												16,734
Bike/Ped Path Maintenance	92,000															92,000
101 Gap Closure CMO																-
Accounting/Payroll																-
Consulting Pool				37,735												37,735
Document Reproduction				4,958												4,958
Equipment Lease/Purchase				7,212												7,212
Financial Advisor																-
Financial Audit				17,736												17,736
HR/Board Support				2,450												2,450
Insurance				5,427												5,427
IT/Web Support				11,138												11,138
Legal																-
Measure A Compliance Audits				20,000												20,000
Memberships				160												160
Misc Expense				318												318
Office Lease				117,847												117,847
Office Relocation Cost				62,795												62,795
Office Supplies				13,849												13,849
Professional Development				40												40
Program Management Oversight																-
Salaries & Benefits			110,688	185,555							10,262	10,262	25,356	25,356	25,356	392,836
Strategy 1 - Transit						1,927,181	176,170	468,774								2,572,125
Strategy 2 - Gap Closure										1,299,909						1,299,909
Strategy 3 - Streets & Rds												1,471,759				1,471,759
Strategy 4- Safe Routes													99,843	213,319	214,161	527,323
Telephone/Internet/Web Hosting Services				11,559												11,559
Travel/Meetings/ Conferences				3,251												3,251
Total Expenses	**92,000**	**-**	**110,688**	**518,762**	**-**	**1,927,181**	**176,170**	**468,774**	**-**	**1,299,909**	**10,262**	**1,482,021**	**125,199**	**238,675**	**239,517**	**6,689,158**
BALANCE	**2,842,130**	**5,382,896**	**24,247**	**911,822**	**-**	**2,079,635**	**1,206,363**	**548,959**	**2,570,295**	**2,310,232**	**9,540,515**	**2,315,834**	**922,234**	**1,020,934**	**1,166,365**	**32,842,461**

Attachment 4: FY2012 and FY2013 Monthly Measure A Disbursement Comparison

(Cash Disbursement from July to June)

		FY2012	FY2013	$ Difference	% Difference
Actuals	July	1,525,500	1,584,400	58,900	3.86%
	August	1,896,200	1,966,400	70,200	3.70%
	September	1,768,072	1,967,991	199,920	11.31%
	October	1,473,000	1,681,900	208,900	14.18%
	November	1,813,400	2,085,200	271,800	14.99%
	December	2,088,177	1,837,333	(250,844)	-12.01%
Actual/Estimates	January	1,609,300		(1,609,300)	-100.00%
	February	2,025,100		(2,025,100)	-100.00%
	March	1,800,427		(1,800,427)	-100.00%
	April	1,395,800		(1,395,800)	-100.00%
	May	1,727,600		(1,727,600)	-100.00%
	June	2,013,787		(2,013,787)	-100.00%
	July - December	**10,564,348**	**11,123,224**	**558,876**	**5.29%**
	Annual Disbursement	**21,136,362**	**11,123,224**	**(10,013,138)**	**-47.37%**
	FY2013 Annual Budget		**21,000,000**	**(9,876,776)**	**-47.03%**

Attachment 5: FY2012 and FY2013 Monthly Measure B Disbursement Comparison

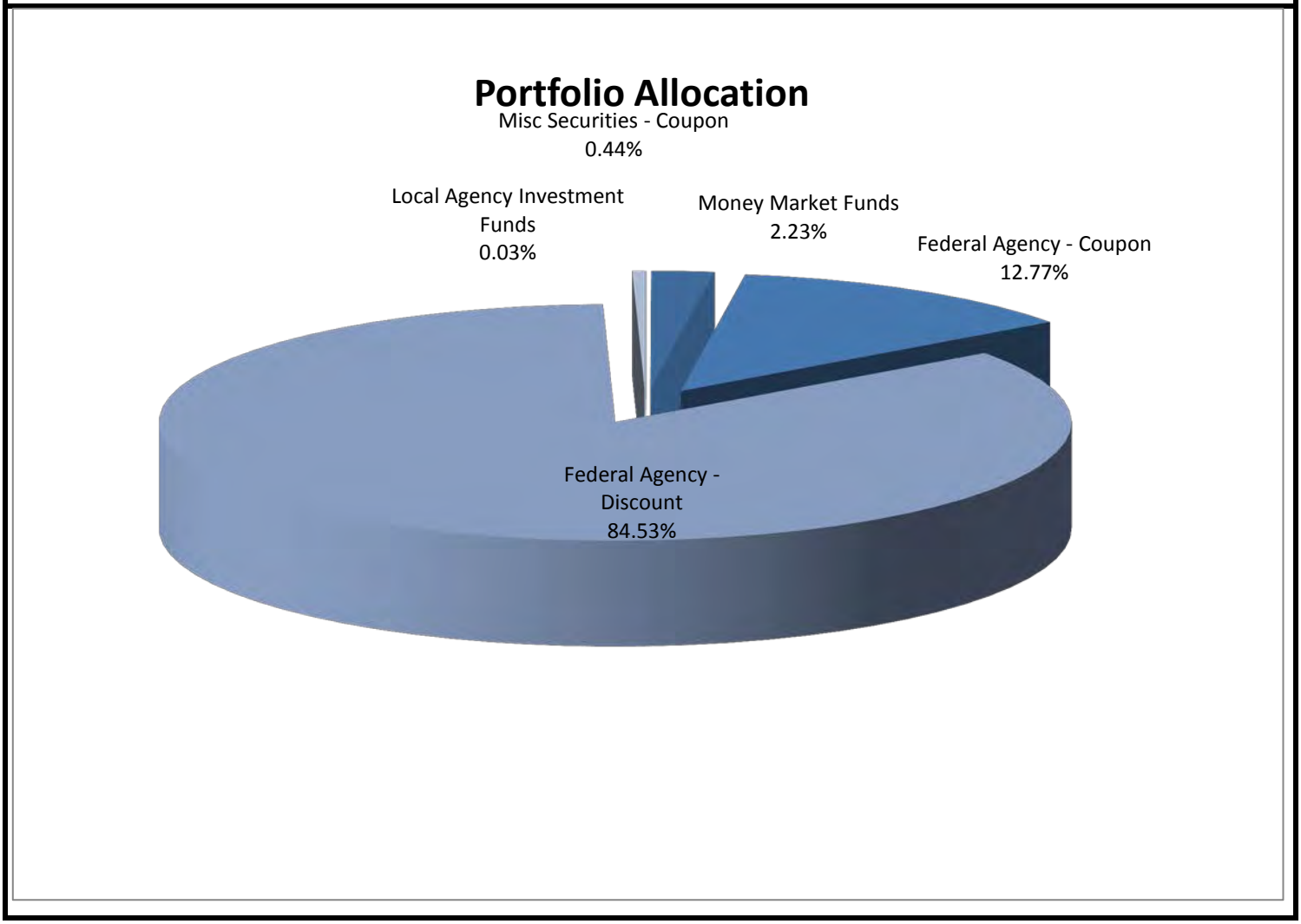
(Cash Disbursement from July to June)

		FY2012	FY2013	$ Difference	% Difference
Actuals	July	109,803	203,101	93,298	84.97%
	August	88,397	192,658	104,261	117.95%
	September	248,010	198,065	(49,945)	-20.14%
	October	257,987	204,095	(53,892)	-20.89%
	November	190,407	173,140	(17,267)	-9.07%
	December	173,904	189,508	15,604	8.97%
Actual/Estimates	January	168,905	-	(168,905)	-100.00%
	February	177,067	-	(177,067)	-100.00%
	March	185,239	-	(185,239)	-100.00%
	April	180,128	-	(180,128)	-100.00%
	May	186,300	-	(186,300)	-100.00%
	June	184,247	-	(184,247)	-100.00%
	July - December	**1,068,508**	**1,160,567**	**92,059**	**8.62%**
	Annual Disbursement	**2,150,393**	**1,160,567**	**(989,826)**	**-46.03%**
	FY2013 Annual Budget		**2,100,000**	**(939,433)**	**-44.73%**

Attachment 6: Marin County Treasurer Portfolio Yield Report as of 12/31/2012

Michael J. Smith, Marin County Treasury
Portfolio Yield Report - Operating Funds
County of Marin, Schools & Special Districts
December 31, 2012

Investment Holdings		Book Value	Portfolio Yields as 12/31/2012
Local Agency Investment Funds	$	235,310.25	0.326%
Money Market Funds	$	20,100,039.45	0.010%
Federal Agency - Coupon	$	114,992,870.00	0.529%
Federal Agency - Discount	$	761,007,489.56	0.126%
Misc Securities - Coupon	$	3,920,777.00	3.509%
TOTAL	**$**	**900,256,486.26**	**0.190%**



* Detail monthly reports can be provided upon request.