



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, May 10, 2018
1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Mohammed Nuru, Chair
Jeff Gee, Vice Chair
Bruce Armistead
James Davis
Greg Harper
Jane Kim
Edward Reiskin
Nadia Sesay

Executive Director
Mark Zabaneh

Secretary
Nila Gonzales

201 Mission St. #2100
San Francisco, California 94105
415-597-4620
415-597-4615 fax

9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Nuru called the meeting to order at 9:30 a.m.

2. Roll Call

Secretary Gonzales indicated that Director Kim was absent and Tilly Chang, her alternate, would be joining shortly.

Present: Bruce Armistead
Tilly Chang (arrived during Item 6)
James Davis
Greg Harper
Ed Reiskin
Nadia Sesay
Jeff Gee
Mohammed Nuru

Absent: Jane Kim

3. Communications

Chair Nuru stated that he met Allied Security, TJPA's new security firm, over the weekend at some of the job fairs where they were recruiting for guards for the new Transit Center and he acknowledged them for local hiring efforts.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Retail Leasing Update
- Grand Opening Update

Executive Director Zabaneh reported that the executive site meeting with AC Transit to assess construction progress and determine next steps to start bus driver training went very well and Ron Alameida would provide a detailed update under the construction update. He stated the Final Supplemental Environmental document is still under review by the Federal Transit Administration and will be presented to the TJPA Board once that process is complete. He also

indicated that the State released the TIRCP approved project lists on April 27, 2018 and, unfortunately, the DTX did not make it on the list of projects to receive funding this programming cycle. TJPA will resubmit an application for TIRCP funding for the DTX when the application submittal period opens again in two years and DTX should be in a much more competitive position by then since the updated environmental document will be completed. He further reported that the California High Speed Rail Authority (CHSRA) released their Draft 2018 Business Plan on March 9, 2018 and TJPA has provided comments to CHSRA on the draft plan. TJPA's comments encouraged CHSRA to consider making the Transit Center instead of the 4th and King Streets Station as the terminus station of the initial operating segment between the Central Valley and the Silicon Valley Bay Area since that segment is expected to be completed in 2029 and DTX should be fully constructed by then if funding becomes available.

Erika Elliott of Colliers, Asset Management team, presented the Retail Leasing Update.

Christine Falvey, Public Relations, presented the Grand Opening Update. Director Harper suggested coordinating with the historical bus organization, Pacific Bus Museum, who showed interest in displaying their fleet of buses. Director Reiskin stated that, due to the seamless connection to the Bus Deck, it would be good to advertise on drive time radio to reach potential AC Transit and other operators' riders to get people out of their cars to reduce traffic on the Bay Bridge.

6. Construction Update

Dennis Turchon, TJPA Senior Construction Manager, and Ron Alameida, SFPW Director of Design and Construction, presented the update and Jes Pedersen of Webcor/Obayashi, Construction Manager/General Contractor (CM/GC), provided a status on Substantial Completion.

Director Reiskin thanked the team for stopping the schedule slip. He asked if there were contingency plans in place for AC Transit's training which would allow the August date to hold if the Temporary Certificate of Occupancy is not completely reached in June. Mr. Alameida responded that there are various interim life/safety measures that can be implemented if certain things, such as the fire alarms, are not quite ready. Director Reiskin inquired on Mr. Alameida's confidence that the August start date for AC Transit would hold and Mr. Alameida responded affirmatively, stating that the issues are low risk.

7. Facility Readiness Update

Martha Velez, TJPA Facility Manager, and Sidonie Sansom, TJPA Chief Security Officer, presented the item.

Director Reiskin suggested getting input on the digital signage program from the TJPA CAC.

8. Citizens Advisory Committee (CAC) Update

Bruce Agid, TJPA CAC Chair, provided comments regarding the quality of life issues community meeting held on April 20, 2018 by Supervisor Kim's office and stated the next meeting is scheduled for May 18, 2018. He indicated that several members of the CAC toured the Transbay Program construction site on May 8, 2018 and are excited about the progress. He relayed the CAC's disappointment that Phase 2/Downtown Rail Extension (DTX) was not successful in receiving Transit and Intercity Rail Capital Program (TIRCP) funding but they are hopeful that the DTX will be in a better position at the next opportunity, in two years, to receive TIRCP funding. He stated the CAC is pleased that the next Railyard Alternatives and I-280 Boulevard (RAB) Feasibility Study community working group meeting is scheduled for May 21, 2018 with the public meeting scheduled for the following week and their desire to receive a timeline and next steps to reach a decision in a timely manner. He expressed the CAC's satisfaction with the planned opening activities as well as the retail program and noted some feedback provided on setup/breakdown for vendors. He also conveyed the CAC's contentment with the construction and facility readiness updates.

Director Chang stated that the San Francisco County Transportation Authority (SFCTA) will continue to support Executive Director Zabaneh on future efforts for TIRCP funding. She also indicated that the RAB item will be heard at the SFCTA Board meeting on May 22, 2018.

9. Public Comment

Members of the public may address the Authority on matters that are within the Authority's jurisdiction and are not on today's calendar.

Jim Patrick, Patrick and Company, suggested the Board create a committee for Phase 2 to review lessons learned on Phase 1.

THE FOLLOWING MATTERS BEFORE THE TRANSBAY JOINT POWERS AUTHORITY ARE RECOMMENDED FOR ACTION AS STATED BY THE EXECUTIVE DIRECTOR OR THE CHAIR.

CONSENT CALENDAR

10. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Transbay Joint Powers Authority, and will be acted upon by a single vote. There will be no separate discussion of these items unless a member of the Board or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

(10.1) Approving the Minutes of the April 12, 2018 meeting.

(10.2) Approving the Operating Assistance Proposal dated April 26, 2018, and an Implementing Agency Resolution for the allocation of Regional Measure 2 Funds in an amount not to exceed \$8,026,046 for the Transbay Program.

RESOLUTION 18-015

(10.3) Approving updated Board Policy No. 016, Advertising Policy.

RESOLUTION 18-016

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Armistead, Chang, Harper, Reiskin, Sesay, Gee and Nuru

REGULAR CALENDAR

11. Presentation of and Public Hearing for draft Fiscal Year 2018-19 (FY 2018-19) Capital Budget in an Amount Not To Exceed \$165,522,920 and draft FY 2018-19 Operating Budget in the amount of \$40,423,900.

Sara DeBord, TJPA Chief Financial Officer, presented the item.

Director Reiskin stated his preference of reducing operating costs for the operators instead of setting aside funds into an operating reserve. Director Harper agreed with his preference.

Director Sesay asked if the Operations and Maintenance (O&M) Reserve would fund Tenant Improvements (TIs) and Ms. DeBord responded that it would not. Director Sesay inquired if the Naming Rights Agreement funding was restrictive to certain uses and Ms. DeBord confirmed that it is restrictive to capital and operating for Phase 1. Director Sesay expressed concern about the use of City Financing for TIs and the necessity to limit the use of those funds; therefore, if the Board's current discussion is considering moving the operating reserve out of operations and making it available to fund the operating budget, then use of the City Financing for TIs should also be reconsidered.

Executive Director Zabaneh indicated that it is understood that the Board favors the proposed alternate draft budget and suggested moving forward with the previously approved Board Reserve Policy with a goal of funding the O&M Reserve at 25% of projected expenses within a few years, and reassessment and adjustments as necessary.

Director Harper stated that AC Transit has a 10% reserve and preferred TJPA billed when it needed to collect on reserve instead of providing funds in advance.

Director Reiskin stated he concurs with Director Harper but understands TJPA does not have other sources so is ok with a 25% goal, however, thinks there is a justification for working towards it as there is less revenue in the first years of operations at the Transit Center before everything is leased.

Director Sesay agreed in terms of the uncertainty of launching this new endeavor so having cushion in the reserve is helpful, taking into consideration that TJPA does not have other revenue sources. She further stated that there would be opportunities to make amendments to the budget as the year moves along so making a decision today to fund the reserve does not take away the opportunity to adjustment later as necessary.

Director Reiskin indicated that he and Director Harper were suggesting that the operators keep the funds that TJPA is asking to fund the reserve and provide funds as the need arises.

No public comment.

12. Adopt Rental and Fee Schedule for Fiscal Year 2018-19.

Martha Velez, TJPA Facility Manager, presented the item.

RESOLUTION 18-017

No public comment.

On motion to approve:

ADOPTED: AYES – Armistead, Chang, Harper, Reiskin, Sesay, Gee and Nuru

13. Authorizing the Executive Director to execute a lease agreement and an ancillary improvements agreement with the San Francisco Municipal Transportation Agency to conduct bus operations in the bus plaza of the new transit center and related purposes.

Martha Velez, TJPA Facility Manager, provided the item.

RESOLUTION 18-018

No public comment.

On motion to approve:

ADOPTED: AYES – Armistead, Chang, Harper, Sesay, Gee and Nuru
ABSTAIN – Reiskin

14. Presentation of the Pop-Up Retail Program by Pro Resources Inc. (PRI)

Deborah Kravitz of PRI presented the item. Chair Nuru stated that having the Farmers' Market once a week seemed insufficient and Ms. Kravitz replied that if the demand is there for more exposure, the vendors will be accommodated.

15. Approving an amendment to the Employment Agreement with Mark Zabaneh for the position of Executive Director.

Chair Nuru presented the item.

RESOLUTION 18-019

No public comment.

On motion to approve:

ADOPTED: AYES – Armistead, Chang, Harper, Reiskin, Sesay, Gee and Nuru

ADJOURN – Chair Nuru adjourned the meeting at 11:30 a.m.

A recording of the meeting is on file in the office of the Secretary to the Transbay Joint Powers Authority Board of Directors.

Nila Gonzales
Board Secretary

The Ethics Commission of the City and County of San Francisco has asked us to remind individuals that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [Campaign and Gov't Conduct Code, Article II, Chapter 1, § 2.100, et seq.] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102, telephone (415) 252-3100, fax (415) 252-3124 and web site: www.sfethics.org.