



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, December 13, 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
Michael Hursh
Jane Kim
Boris Lipkin
Edward Reiskin
Nadia Sesay
Tony Tavares

Executive Director
Mark Zabaneh

Secretary
Nila Gonzales

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9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Nuru called the meeting to order at 9:35 a.m.

2. Roll Call

Secretary Gonzales announced that Director Chang was attending as Director Kim's alternate.

Present: Tilly Chang
Michael Hursh
Boris Lipkin
Ed Reiskin
Nadia Sesay
Jeff Gee
Mohammed Nuru

Absent: Jane Kim
Tony Tavares

3. Communications

None.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Facility Operations Update
- Quarterly Financial Reports

Executive Director Zabaneh provided an update regarding reopening the transit center and stated a presentation will be provided by the Metropolitan Transportation Commission (MTC) Peer Review Panel later in the agenda. He also reported that the Final Supplemental Environmental Impact Statement/Environmental Impact Report (SEIS/EIR) for the Transbay Program Phase 2/Downtown Rail Extension (DTX) has been approved by the Federal Transit Administration (FTA) and will be presented for TJPA Board approval later in the agenda. He acknowledged that the approval of the Final SEIS/EIR marks a major milestone in advancing Phase 2/DTX.

Executive Director Zabaneh also provided an update on the San Francisco County Transportation Authority (SFCTA) funding suspension for DTX and reported that SFCTA issued a Request for Proposal to review international and domestic mega rail projects, identify best practices in the areas of oversight, governance, program management, project delivery and project finance and a report with its conclusions will be issued. He stated the selection of the firm that will perform the work is anticipated by January 4, 2019 with the effort to be completed by May 2019. Executive Director Zabaneh also reported in follow-up to Vice Chair Gee's suggestion for the American Public Transportation Association (APTA) to review SFCTA's assessment, APTA is able to provide a peer review which would include an evaluation of the processes and procedures implemented in Phase 1 and recommended improvements for Phase 2. He stated the purpose of the APTA peer review is to complement SFCTA's peer review as the recommendations will be coming from public sector leaders with extensive experience in delivering complex public infrastructure projects. He confirmed that the TJPA Board was supportive of the APTA peer review and stated he would engage APTA after the start of the new year. Executive Director Zabaneh also reported that the TJPA was pleased to receive a letter from Mayor Breed communicating her support for the Pennsylvania Avenue Extension (PAX) stating her affirmation that San Francisco is aligned behind the PAX. He further reported that staff will present the PAX at a future meeting for the TJPA Board's consideration to incorporate it into the Transbay Program. He said the PAX extends and complements Phase 2/DTX as it can be delivered as a follow up project to Phase 2/DTX or concurrently, depending on funding and project delivery schedule. Executive Director Zabaneh also noted that there were two new retail leases for consideration on the agenda which would bring the total executed leases to 9 with 12 spaces leased which brings the total spaces leased to approximately 34% and total area leased by square footage to approximately 48%.

Martha Velez, TJPA Facility Manager, presented the Facility Operations Update.

Executive Director Zabaneh provided the Quarterly Financial Reports.

Director Reiskin inquired about security costs remaining high while the transit center is closed. Sidonie Sansom, TJPA Chief Security Officer, explained that security costs include securing the transit center, surrounding ancillary properties along with the temporary terminal. Executive Director Zabaneh stated security costs will continue to be refined and a budget presentation will be brought to the TJPA Board in January.

Director Reiskin asked what additional steps would be done to review the rest of the facility, beyond the areas of 1st and Fremont Streets. Executive Director Zabaneh confirmed that the repair of the girders, along with an investigation of the entire building, will be recommended by the MTC Peer Review Panel.

6. Citizens Advisory Committee (CAC) Update

Bruce Agid, CAC Chair, stated that CAC members hoped the SFCTA evaluation and review by the Controller's office, as stated in SFCTA Resolution 19-02, could be completed within 120 days but the CAC understands that a thorough review needs to be performed and appreciates the established May 2019 completion date. He also reported that the CAC was pleased with the

letter from Mayor Breed supporting the SFCTA approval of the PAX; the CAC was encouraged with the two new leases being brought to the TJPA Board for approval; and, the CAC was glad that tenant improvements were continuing while the transit center is closed. Chair Agid further stated the CAC received a presentation of the Final SEIS/EIR and a robust discussion ensued regarding impacts to buildings near the 2nd and Howard street intersection based on the changes to the throat design as well as mitigation measures with Caltrain's use of the turnback track crossing at 16th Street. Chair Agid acknowledged that a small business owner provided public comment at the CAC meeting and stated his satisfaction with the communications and accommodations made by the TJPA project team to minimize impacts on his business during Phase 1 construction. He expressed the CAC's full support of approving the Final SEIS/EIR. He also said the CAC looks forward to hearing more on the latest update regarding the temporary closure of the transit center.

7. 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.

None.

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

CONSENT CALENDAR

8. 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.

(8.1) Approving the Minutes of the October 2, 2018 meeting.

(8.2) Approving the Minutes of the November 8, 2018 meeting.

(8.3) Approving an easement agreement, granting Pacific Gas & Electric Company (PG&E) certain rights necessary for construction, maintenance, and use of certain PG&E-owned electric facilities infrastructure within the subterranean levels of the transit center.

RESOLUTION 18-044

(8.4) Authorizing the Executive Director to execute an amendment to extend the agreement for State Advocacy Services with Townsend Public Affairs, Inc. for one year at the pre-negotiated rate of \$111,000.

RESOLUTION 18-045

(8.5) Authorizing the Executive Director to execute an amendment to extend the agreement for Federal Advocacy Services with Carpi & Clay, Inc. for one year at the pre-negotiated rate of up to \$163,000.

RESOLUTION 18-046

(8.6) Authorizing the Executive Director to finalize negotiations for and execute an intergovernmental agreement with the San Francisco Department of Building Inspection to provide plan review and field inspection services for retail tenant improvements.

RESOLUTION 18-047

(8.7) Authorizing the Executive Director to complete negotiations and execute a lease agreement with Foundation Food Services, Inc. (d/b/a Foundation Cafe) for about 1,108 square feet of commercial/retail space on the ground level of the new transit center (space number 141) for a 10 year term.

RESOLUTION 18-048

(8.8) Authorizing the Executive Director to complete negotiations and execute a lease agreement with Mr. East, Inc. (d/b/a Tycoon Kitchen) for about 687 square feet of commercial/retail space on the ground level of the new transit center (space number 121) for a 15 year term.

RESOLUTION 18-049

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

REGULAR CALENDAR

9. Presentation by the Metropolitan Transportation Commission Peer Review Panel, LPI, and Thornton Tomasetti on the Temporary Closure of the Salesforce Transit Center.

Ron Alameida, SF Public Works Director of Design & Construction for the Transit Center, introduced the item which was presented by Robert Vecchio of LPI, Bruce Gibbons of Thornton Tomasetti, Dr. Michael Engelhardt, Chair of the MTC Peer Review Panel, and Andrew Fremier of MTC.

Director Reiskin inquired if the fabrication of the access holes was the root cause of the failure of the steel girders and if the welding of the access holes exasperated the situation and Mr. Vecchio replied that a root cause has not yet been identified, however, a significant contributing factor to the fractures were the presence of flaws that developed during the fabrication process. Director

Reiskin further inquired if the fabrication of the access holes were performed per specifications and Executive Director Zabaneh stated that the specifications complied with the code, however, there are still many unanswered questions and the analysis is not yet complete, but the team hopes to bring more details to the next Board meeting.

Director Hursh asked Mr. Vecchio if a failure of this type would suggest other areas that should be examined in the design or fabrication of the structure and Mr. Vecchio confirmed that LPI is working with Thornton Tomasetti, the Engineer of Record, to identify what other regions in the structure are potentially susceptible and the information will be provided in a final report that will be presented to the MTC Peer Review Panel.

Vice Chair Gee commended the team on the report and requested Mr. Vecchio elaborate on the timing involved for the analysis. Mr. Vecchio explained the process involved takes weeks.

Director Chang expressed appreciation for the work provided by LPI and asked what the stress analysis would eventually help the team to understand and intersect with any design review. Mr. Vecchio explained the purpose of the stress analysis would provide the driving force, influence of residual stresses, and what influence of shape and size of the access hole has on the stresses locally that initiated the fracture. He further stated the other part of the stress analysis being performed which will evaluate the integrity of the structure is called fracture mechanics assessments which will allow them to assess the susceptibility of the structure to potential flaws that might exist in other locations.

Director Lipkin inquired about the design fix and noticed that there were no access holes shown in the repair design. Mr. Gibbons stated that the repair consists of taking a continuous plate and bolting it on; there is no welding in this process, it is a bolted connection.

Director Reiskin stated the Board would like assurance that the entire structure will be assessed for a clean bill of health. Mr. Engelhardt stated the panel members have identified four additional areas that need to be studied that go beyond the immediate area of concern.

Director Chang asked if a review of the entire design was being undertaken and Executive Director Zabaneh responded that a design peer review was conducted during the design process and a presentation of that design peer review will be presented at the next Board meeting.

Director Hursh expressed his request for an evaluation of the entire building, wanting to know who was responsible for the quality assurance of the work that was flawed and questioned whether everything was looked at appropriately. Mr. Alameida responded that the building validation plan for the transit center, which will confirm the structural integrity of the building, will include revalidating the fire/life safety systems and building management control system.

Vice Chair Gee asked Executive Director Zabaneh to explain the approval process, focusing on safety, the repair, and opening the transit center. Executive Director Zabaneh responded that the MTC Peer Review Panel will provide approval on the fix and provide recommendations on other areas that need evaluating. The team will undertake the work recommended and approved by the peer review panel, obtain any approvals or permits needed, complete the revalidation referenced

by Mr. Alameida, then present the accomplishments to the Board and explain why the team is confident in reopening the transit center. Executive Director Zabaneh hopes to provide clarity on interim steps toward reopening the transit center at the next Board meeting.

Mr. Alameida provided further clarity to address Director Hursh's earlier question about whether everything was looked at appropriately and he confirmed that there was a robust quality assurance/quality control program implemented and the team is reviewing the records to determine what transpired. Chair Nuru asked if there are any other items that should be looked at and Mr. Alameida replied that he did not think there were any other items at this time.

Public Comment:

Robert Hazelton, President of Herrick Corporation, stated he was the contractor responsible for fabricating the girders and that the access holes were not required to weld the girders. He provided further comments regarding the access holes and welding and stated the design drawings did not have access holes incorporated because they were later added.

Rafael Sabelli, Structural Engineer with Walter P. Moore, provided comments regarding the scope that was presented and suggested questions for the TJPA Board to ask the MTC Peer Review Panel. He stated that the information presented was a root cause assessment of how the fractures in the girders occurred and does not assess the loads, fatigue, design and specifications issues. He further provided his opinion on the fabrication and design detail used and questioned the Charpy V notch toughness and microcracks reported at Fremont Street which he felt should be investigated because cracks were not present in the girders at 1st Street. Executive Director Zabaneh welcomed Mr. Sabelli and all contractors to submit questions to the MTC Peer Review Panel to be considered as part of the analysis.

Roland Lebrun suggested using Structural Health Monitoring to monitor the health of the building and will signal any issues with the building.

Director Reiskin said that significant costs are being incurred among the different agencies and there needs to be accountability as to why the failure occurred. Executive Director Zabaneh stated that once all testing and analysis are complete, the MTC Peer Review Panel will provide a full report on the data analyzed, the responsible party, how the failure occurred and what should have been done to prevent it.

10. Approving a Resolution to certify the Final Supplemental Environmental Impact Statement/Environmental Impact Report (Final SEIS/EIR) for refinements to the previously approved Downtown Rail Extension (DTX) component of the 2004 Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project (Transbay Program), other transportation improvements associated with the Transbay Program, and future surplus land development adjacent to Transbay Program components (together, the "Project"); adopt California Environmental Quality Act (CEQA) Findings for the Project; approve amendments to two previously adopted Transbay Program mitigation measures; adopt and incorporate into the Project all of the mitigation measures and improvement measures within the responsibility and

jurisdiction of the TJPA that are identified in the Final SEIS/EIR; adopt the Mitigation Monitoring and Reporting Program for the Project; select the site at 689–699 Third Street and 180 Townsend Street as the preferred location for the Third and Townsend Streets ventilation/egress structure; and, approve the Project.

Executive Director Zabaneh introduced Rodney Jeung of AECOM and Meghan Murphy of the Program Management team, who presented the item.

Director Lipkin congratulated the TJPA and stated this was an important milestone for the advancement of the DTX.

Director Chang echoed Director Lipkin’s comments and said she was pleased SFCTA was able to contribute. She stated her hope that the resumption of the design process will help minimize impacts on adjacent properties and stakeholders and the effects of cut and cover construction but believes the SEIS/EIR does a good job of ensuring the right path forward.

Public Comment:

Daniel Krause, Principal Planner with Caltrain, expressed support of the certification of the SEIS/EIR and eagerness for completion of the DTX as the project is integral to Caltrain’s plans which increases the value of their services.

Jim Patrick, Patrick & Company, stated his support to approve the SEIS/EIR, however he stated that in regard to mitigating circumstances and a limited amount of money, he suggests the TJPA look into a private partnership to fund the DTX. He also expressed cost concerns with Buy America and the Project Labor Agreement.

Roland Lebrun stated he believes the PAX eliminates the turnback track and expressed concern about the number of vent structures required under the tunnel alignment. He provided comments about the structural integrity after mining the two tunnels. He also commented on the feasibility of the extension of the tunnels to the East Bay from the transit center.

Robert Feinbaum, TJPA CAC member and President of Save Muni, stated his support for DTX and encouraged the TJPA Board to approve the SEIS/EIR. He also stated that the funding for the DTX should be reinstated immediately because he felt the delay was destructive to the project. He urged the TJPA Board to empower staff to seek interim funding until SFCTA releases the suspension of funding for DTX.

RESOLUTION 18-050

On motion to approve:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

11. Authorizing the Executive Director to execute an amendment to the Professional Services Agreement with URS Corporation to increase the budget for Phase 1 Program Management / Program Controls services by \$720,000 for a not-to-exceed total contract amount of \$34,750,000 to support the completion of Phase 1 through June 2019.

Ron Alameida, SF Public Works Director of Design and Construction for the Transit Center, presented the item.

Director Reiskin inquired if the extension was a result of the girders or the lawsuit filed by Webcor Obayashi Joint Venture and noted that the TJPA will seek compensation for all costs related to the closure from the responsible contractor. Mr. Alameida replied that the extension was for contract close-out, temporary terminal and recalibration of the staffing plan to deal with the lawsuit. Executive Director Zabaneh confirmed that TJPA is tracking all costs associated with the temporary closure and plans to recoup all incurred costs.

Vice Chair Gee reiterated that TJPA needs to be made whole on all costs related to the closure.

No public comment.

RESOLUTION 18-051

On motion to approve:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

12. Authorizing the Director of Design & Construction for the Transbay Transit Center, SF Public Works, to execute a contract modification to the Bus Storage Facility Construction Contract with Ghilotti Construction Company for additional construction services, increasing the contract value from \$21,608,720 up to \$24,708,720 (a potential total increase of \$3,100,000), to extend the substantial and final completion dates to October 1, 2018 and February 1, 2019, respectively, and to close-out the Contract.

Dennis Turchon, TJPA Senior Construction Manager, presented the item.

No public comment.

RESOLUTION 18-052

On motion to approve:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

13. Annual review of Board Policy No. 009, Investment Policy and Board Policy No. 017, Debt Management Policy.

Executive Director Zabaneh provided the item.

ADJOURN – Chair Nuru adjourned the meeting at 11:55 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.