



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, February 14, 2019

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
Matt Haney
Michael Hursh
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 Supervisor Matt Haney was joining for his first meeting as the Board of Supervisors newly appointed TJPA Board member and Vice Chair Gee was in route.

Present: Matt Haney
Michael Hursh
Boris Lipkin
Ed Reiskin
Nadia Sesay
Jeff Gee (*arrived during Item 5*)
Mohammed Nuru

Absent: Tony Tavares

3. Communications

None.

4. Board of Director's New and Old Business

Director Lipkin reported on the recent comments in the news as a result of Governor Newsom's State of the State speech regarding the high-speed rail project. He stated that Governor Newsom continues to support the project; however, at this time, the Governor wants to prioritize finishing construction on the connection from Merced to Bakersfield, which is reflected in the California High-Speed Rail Authority's 2018 Business Plan. He also mentioned that Governor Newsom continues to prioritize investments in Caltrain electrification in Northern California and similar projects in Southern California, which will eventually be linked to high-speed rail.

5. Executive Director's Report

Executive Director Zabaneh welcomed Director Haney and stated he looks forward to working with him on how to best maximize the benefits of the transit center to the immediate neighborhood and its residents, which Director Haney represents as the District 6 Supervisor. Executive Director Zabaneh then reported on the status of the repairs to the girders over Fremont Street and the remediation work to the girders over First Street. He advised that Webcor

Obayashi/Joint Venture provided a construction schedule showing the repair work to be complete by the first week of June. He further advised that the TJPA has contacted the San Francisco Fire Department and the Department of Building Inspection regarding the repair schedule so that they will be available to perform oversight and inspections once the facility is ready to be recommissioned. He reiterated that the project team continues an exhaustive review into the cause of the fissured beams at Fremont Street in full cooperation with the Metropolitan Transportation Commission (MTC) Peer Review Panel (PRP) and, shortly, TJPA expects to receive a final determination of the finite element analysis, which would confirm the cause of the fissures. He also stated that the MTC PRP is undertaking a review to ascertain if additional areas of the transit center require further review; however, to date, the TJPA is not aware of any additional reviews or inspections required elsewhere in the building and stands ready to reopen the facility in June 2019 pending the MTC PRP's confirmation. Additionally, he stated the TJPA will work closely with transit operators to resume bus operations in preparation for reopening the transit center.

Executive Director Zabaneh also reported that transit agencies continue to provide bus service from the Temporary Transbay Terminal and recently Bay Area Rapid Transit (BART), in coordination with AC Transit, successfully began early morning service at the Temporary Terminal to allow them to do critical seismic work on the Transbay Tube. TJPA staff provided a seamless experience for BART's early morning commuters with security and additional signage to support the change. In regard to the Downtown Rail Extension (DTX)/Phase 2, he reported that the process required by the California Environmental Quality Act for the Supplemental Environmental Impact Statement/Environmental Impact Report (SEIS/EIR) has concluded and TJPA is working with the Federal Transit Administration (FTA) to issue the amended Record of Decision (ROD), which will conclude the Federal or National Environmental Policy Act (NEPA) process that was delayed due to the partial shutdown of the Federal government earlier this year; however, FTA is expected to issue an amended ROD soon. Executive Director Zabaneh also provided an update on the San Francisco County Transportation Authority (SFCTA) suspension of Proposition K funding for the design of DTX/Phase 2 pending an evaluation of the management and delivery of Phase 1 by the San Francisco Controller's office and a peer review of alternative oversight and governance models for the management and delivery of Phase 2. He stated SFCTA is to conclude their peer review in May, and the Controller's review of the management and delivery of Phase 1 is anticipated to be complete within the same time frame. He indicated that the TJPA will continue to work closely with SFCTA and the Controller's Office so that funding can be reinstated and work on Phase 2 can resume. He reiterated that the approval of the SEIS/EIR and resumption of the 30% design development effort are major milestones in advancing the delivery, funding and construction of Phase 2 and these efforts will allow the TJPA to enter the federal News Starts program to capture the \$1 billion in federal funding included in MTC's Plan Bay Area for Phase 2. Additionally, he stated it makes Phase 2 more competitive for Senate Bill 1 (SB1) funding from the State and potential infrastructure funding from the Federal government. He also provided an update on the American Public Transportation Association (APTA) peer review for Phase 2, requested at the December Board meeting, and stated the review will begin in March and be led by APTA's Technical Services and Innovation Department. He explained the effort, which will include an evaluation of the processes and procedures implemented in Phase 1 and recommended improvements for Phase 2, is expected to be complete in four months. He also stated that the scope includes recommendations on organizational capabilities, lead agency/governance, and project delivery

best practices for Phase 2. Executive Director Zabaneh also reported that he is discussing the implementation strategy regarding the Pennsylvania Avenue Extension (PAX) with the California High-Speed Rail Authority (CHSRA), Caltrain, the City and County of San Francisco and SFCTA and once discussions with those stakeholders are complete in the next few months, he plans to present the PAX to the Board along with the implementation strategy.

Director Reiskin requested it be confirmed that APTA can also review Phase 3, the PAX, should the Board add Phase 3 into the Transbay Program.

Vice Chair Gee suggested the scope of work for the SFCTA and APTA peer reviews be provided to the Board so they have a clear understanding of what has been asked of the different entities.

Martha Velez, TJPA Facility Manager, provided a Retail Leasing Update.

Director Reiskin requested the Gantt chart show the current leasing progress versus the projection in the Merchandising Plan of 2017 for all leasable spaces.

Director Lipkin advised to use caution when making retail leasing deals during the temporary closure and Ms. Velez stated that the TJPA proforma and market rates have not been impacted.

Executive Director Zabaneh also announced that the annual Citizens Advisory Committee recruitment was launched in January and applications are due by February 20, 2019.

6. Update on Construction and Temporary Closure of the Salesforce Transit Center

Dennis Turchon, TJPA Senior Construction Manager, and Ron Alameida, SF Public Works Director of Design and Construction for the Transit Center, presented the item.

Director Hursh stated he appreciated the presentation and it addressed his previous concern and request.

Vice Chair Gee requested confirmation that work on the repairs and advancing Tenant Improvements were both occurring while the transit center is temporarily closed, and Mr. Alameida responded affirmatively. Vice Chair Gee also inquired if additional findings in other parts of the transit center have been identified and Mr. Alameida stated that there have been no new findings to date; however, the team is methodically going through all the records.

Director Sesay complimented the team on the presentation and inquired about the cost breakdown for the temporary closure and wanted to know when full finance impacts would be realized, and Mr. Alameida replied that he anticipates presenting an update at the next meeting.

7. Citizens Advisory Committee (CAC) Update

Bruce Agid, TJPA CAC Chair, congratulated and welcomed Director Haney as the newly elected San Francisco Board Supervisor for District 6 and member of the TJPA Board of Directors. He

stated Governor Newsom's State of the State address caused concern due to the potential impacts to not only high-speed rail but also DTX; however, based on clarifications received from the Governor's office, Director Lipkin, and various city agencies, the CAC feels reassured that the high-speed rail work will continue to move forward. He further reported that the CAC looks forward to the ROD being issued in a timely manner, as the FTA has since reopened. The CAC was pleased to receive an update from SFCTA; however, they were disappointed that the completion for the review is now targeted for the end of May. The CAC requested SFCTA provide periodic updates and advance their review with a sense of urgency. The CAC was also pleased that APTA is engaged to conduct a best practices peer review and lessons-learned, which can be used for DTX/Phase 2. The CAC expressed support for the TJPA Board's adoption of the PAX into the Transbay Program and encourages the scoping and environmental work move forward expeditiously. The CAC is confident that once the center is reopened, the level of interest in retail leasing will be renewed and they look forward to updated plans and refinements to the Operations and Maintenance costs and revised revenue projections. The CAC members were pleased with the project team update that completion of the girder repairs are targeted for June 1, 2019 and they agreed that reopening as much of the transit center, with approval from the MTC PRP and the TJPA Board, as soon as possible with a comprehensive communication plan will start the process of rebuilding confidence within the community.

8. 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 & Company, stated concerns regarding the transit center's security plan and its cost. He suggested TJPA coordinate with entities such as the East Cut Community Benefit District and Yerba Buena Gardens to form a mutual aid agreement should there be a need for backup security due to a major event.

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

CONSENT CALENDAR

9. 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.

(9.1) Approving the Minutes of the January 10, 2019 meeting.

(9.2) Approving Amendment 1 to the Cooperative Agreement with the Metropolitan Transportation Commission (MTC) to reimburse MTC for certain fees related to the established panel of technical experts independently reviewing matters related to the fissures in girders in the transit center, increasing the maximum reimbursement of fees from \$510,000 to \$1,010,000, extending the period of performance to April 30, 2019, and authorizing the transfer of \$500,000 from Program Reserve to cover the increased peer review effort.

RESOLUTION 19-003

No public comment.

On motion to approve the Consent Calendar:

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

REGULAR CALENDAR

10. Presentation by the Metropolitan Transportation Commission Peer Review Panel on the Temporary Closure of the Salesforce Transit Center.

Andrew Fremier, MTC Deputy Director, introduced the item and Dr. Michael Engelhardt, Chair of MTC Peer Review Panel, who presented the item.

Director Reiskin asked if the review conducted by the MTC PRP will be able to determine culpability and accountability and Executive Director Zabaneh replied that once the final report is presented to the TJPA Board, it will identify the responsible party. Dr. Engelhardt stated that MTC has asked the MTC PRP to make recommendations on how to improve industry standards and codes to prevent this type of issue from occurring in the future. Director Reiskin stated that the TJPA will need to convey to the public that the entire building is structurally sound beyond the brittle fracture review and Executive Director Zabaneh confirmed an extensive review is being conducted by the team and, at this time, there are no other areas of concern.

Director Hursh requested a final report be provided to the TJPA Board confirming the entire facility's structural integrity and safety. Executive Director Zabaneh and Mr. Alameida confirmed that the process undertaken by the team has been for that affirmation.

Vice Chair Gee concurred with the process undertaken for affirmation and stated, based on peer reviews, the issue is not design but whether the design was executed as intended.

Chair Nuru stated that the discussions regarding the temporary closure have proved to be healthy and asked Dr. Engelhardt if he felt the crack in the girder was an isolated issue. Dr. Engelhardt confirmed that it appears to be an isolated incident; however, steps are being taken to confirm there are no other related isolated incidences in other areas.

11. Authorizing the Director of Design & Construction for the Transbay Transit Center, SF Public Works, to execute Amendment No. 6 to the Professional Services Agreement with Turner Construction Company for Construction Management Oversight services on the Transbay Transit Center project to increase the contract amount by \$3,000,000 to a total of \$78,000,000 and extend the term by one year to June 30, 2020.

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

Vice Chair Gee emphasized the importance of accumulating liquidated damages related to the temporary closure.

No public comment.

RESOLUTION 19-004

On motion to approve:

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

12. Approving the Fiscal Year 2019-20 Preliminary Operating Projection in the amount of \$31,846,000.

Mary Pryor of NWC Partners, TJPA Financial consultant, presented the item.

Director Hursh thanked TJPA staff for working diligently to decrease operations costs.

No public comment.

RESOLUTION 19-005

On motion to approve:

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

RECESS REGULAR MEETING AND CONVENE CLOSED SESSION

There was no member of the public who indicated that they would like to comment on the item scheduled for discussion in closed session.

CLOSED SESSION

13. Call to Order

Chair Nuru called the Closed Session to order at 11:25 a.m.

14. Roll Call

Present: Matt Haney
Michael Hursh
Boris Lipkin
Ed Reiskin
Nadia Sesay
Jeff Gee
Mohammed Nuru

Absent: Tony Tavares

15. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code section 54956.8)

Property: Salesforce Transit Center (generally located between Mission, Beale, Howard, and Second Street in San Francisco; Assessor's Block 3721, Lots 006 and 124; Assessor's Block 3720, Lots 010 and 011; Assessor's Block 3719, Lot 003)

Agency negotiators: Mark Zabaneh, Executive Director; Martha Velez, TJPA Facility Manager; Rodger Dean, Lincoln Property Company; Julie Taylor, Erika Elliott and Ann Natunewicz of Colliers International

Negotiating parties: Parties that have submitted formal expressions of interest through the retail procurement process

Under negotiation: Price and terms of payment for retail leases of the new transit center

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 12:02 p.m.

16. Announcement of Closed Session.

Secretary Gonzales announced that there was no action to report.

ADJOURN – Chair Nuru adjourned the meeting at 12:05 p.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.