

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, March 16, 2006
1 Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Greg Harper, Vice Chair
Michael Cohen
Chris Daly
Nathaniel Ford
Jerry Hill

Executive Director
Maria Ayerdi

Secretary
Roberta Boomer

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9:30 - REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Vice Chairman Harper called the meeting to order at 9:30 a.m.

2. Roll Call

Present: Michael Cohen
Chris Daly
Nathaniel Ford
Greg Harper
Jerry Hill

3. Communications

None.

4. Board of Director's New and Old Business

Director Daly stated that he sponsored a law that does not allow city departments to spend money on holiday cards and although the TJPA is not required to follow that law, staff should be cognizant of spending money.

5. Executive Director's Report

-Quarterly Contract Status Report
-FY06 Second Quarter Budget Report

Executive Director Ayerdi welcomed new Directors Nathaniel Ford and Jerry Hill.

Nancy Whelan, Transbay Financial Consulting, presented Quarterly Contract Status Report and FY06 Second Quarter Budget Report.

Director Daly requested future spreadsheets include a column that shows percentages.

E.D. Ayerdi reported that the project office at 201 Mission Street has been established and staff completed the implementation strategy report that was presented to the Board as well as funding partners and stakeholders. Staff has also provided Preliminary Engineering Report #8 and Financial Plan Report #1. The Technical Advisory Committee met to discuss the updated massing study, phasing plan, and design and development competition. Staff has also been developing scope documents for the station building facilities; completing an initial draft of a tunnel alternative analysis for the downtown extension project; continued working on updating downtown cost estimates and putting together the next value management workshop; and

continuing design work with bus operators.

E.D. Ayerdi stated that on January 19, 2006, the Federal Transit Administration deemed TJPA eligible to be a grantee for federal grant funds. The last step will be the adoption of a DBE program which will be presented to the TJPA Board at the next meeting.

Ms. Ayerdi announced the launching of a new website www.transbaycenter.org.

6. Public Comment

Norman Rolfe, SF Tomorrow, congratulated Director Harper for his quote in SF Weekly. He stated that real estate speculation is the problem. SF Tomorrow remains wholeheartedly in favor of bringing Caltrain downtown as they have been trying to do for decades. He urged the Board to find more money for the extension and suggested talking to the Joint Powers Board to get them to speed up electrification.

Gerald Cauthen discussed an issue in the NY Times regarding a political issue between the developer and NY Port Authority over the redevelopment of the World Trade Center. The Transbay Terminal Project is as important to San Francisco as the World Trade Center is to New York. Transbay Terminal Project hasn't had the political support it needs. Supervisor Daly has proposed making all five members of the TJPA Board elected members. Raising the money to construct the project is going to take political clout. San Francisco's Mayor needs to be on the TJPA board.

Jane Morrison expressed support for High Speed Rail and thanked the Board for their work.

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

CONSENT CALENDAR

7. 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.

(7.1) Approving the Minutes of the December 19, 2005 meeting.

(7.2) Authorizing the Executive Director to issue a Notice to Proceed for Professional Services Agreement 04-06-PR-000 with Singer Associates for public relations support and community outreach services for an amount not to exceed \$275,368 for the total contract value of \$420,000.

RESOLUTION 06-001

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Cohen, Daly, Ford, Harper and Hill

REGULAR CALENDAR

8. Election of Chairman and Vice Chairman pursuant to the TJPA Joint Powers Agreement.

Director Daly requested that the TJPA Board hold its' annual elections at the first meeting of each year and suggested that the election of officers be postponed until July.

Scott Emblidge, Legal Counsel, stated that the Joint Powers Agreement requires that the TJPA fill a vacancy in the office of Chairman or Vice Chairman at the first meeting after the vacancy occurs. He stated that the Board needed to take some action at this meeting either on a temporary or a permanent basis.

The Board agreed to postpone the item until the end of the meeting. Following the conclusion of Item 14, the TJPA returned to the item.

Director Daly nominated Director Harper as Chairman of TJPA.

Director Cohen nominated Director Ford as Chairman.

PUBLIC COMMENT:

Joyce Roy stated that the Board should look for someone who has first hand knowledge of the issues and has proven his dedication. She expressed support for Greg Harper as Chairman.

Hale Zukas stated that Greg Harper was the obvious choice. The Vice Chair traditionally succeeds as Chairman. Director Harper has been involved for five years, and clearly knows the issues. Director Ford has only been in San Francisco for two months and may only be on TJPA for a few months pending the outcome of June vote.

Norman Rolfe endorsed Director Harper as Chairman and stated that with all due respect, Director Ford is the new kid on the block. Director Harper is familiar with the ins and outs of the project. Continuity and background are important. He urged that the board vote for Director Harper.

On motion to elect Director Harper as Chairman:

AYES – Daly, Harper

NAYES – Cohen, Ford, Hill

The motion to elect Director Harper as Chairman failed.

On motion to elect Director Ford as Chairman:

AYES – Cohen, Ford, Harper and Hill

NAYES – Daly

The motion to elect Director Ford as Chairman passed.

On the election of a Vice Chairman, Director Cohen nominated Director Hill as Vice Chairman.

Director Harper nominated Director Daly as Vice Chairman.

Director Daly accepted the nomination but stressed it would be more meaningful in July.

On motion to elect Jerry Hill as Vice Chairman:

AYES – Cohen, Ford and Hill

NAYES - Daly and Harper

The motion to elect Director Hill as Vice Chairman passed.

9. Audit Presentation of the TJPA Financial Statements for Fiscal Year 2005.

Kevin O’Connell, Macias, Gini & Company, presented the TJPA’s FY05 financial statement. Julie van Hoff has joined the TJPA staff since the last statement and should be commended for her efforts. Mr. O’Connell stated that the TJPA received an unqualified and clean opinion, which is the highest level of assurance. The only recommendation is to consolidate the accounting process into one in-house system.

No public comment.

10. Adopting the Investment Policy identified as Board Policy No. 009, Category: Financial Matters.

No public comment.

RESOLUTION 06-002

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Harper and Hill

11. Presentation on recommended Program Implementation Strategy and Preliminary Funding Plan.

E.D. Ayerdi stated that a Preliminary Funding Strategy that delivers the recommended phase program was being presented today in detail for the benefit of the new directors.

Emilio Cruz, Program Manager, URS, Nancy Whelan of Transbay Financial Consulting, Mary Smitheram of CB Richard Ellis and Kohki Shiga of Seifel Consulting presented the recommended Program Implementation Strategy and Preliminary Funding Plan.

Director Cohen requested that counsel clarify what the cooperative agreement with the State says regarding the release of their parcels to the TJPA.

Director Cohen requested E.D. Ayerdi discuss the disposition strategy for the parcels at the next meeting and requested that staff consult with the City's Planning Director. E.D. Ayerdi stated that she has met with the Director of Planning from the beginning on the Project and that staff has met regularly with the Redevelopment Agency and Planning Department through the TAC. Director Cohen also requested that future reports indicate elements that have changed.

Director Daly expressed interest in further discussions about the pro and con slide of the DTX first option at the next meeting.

PUBLIC COMMENT:

David Schonbrunn, TRANSDEF, stated that he disagrees with SF Tomorrow's letter. TRANSDEF supports a phased implementation strategy. It's most important to get the redevelopment process going quickly. Securing the state's land is crucial. The Mayor sitting on TJPA Board will be a strong factor in securing funding for the rail phase.

Jane Morrison thanked staff for analyzing the phasing plan. She stated that the primary reason behind this project is to get Caltrain downtown and not for a bus terminal although a bus terminal was part of the deal. Any delay in construction can increase costs. She expressed hope that the Board will extend the train as fast as possible.

Gerald Cauthen stated that constructing a tunnel when there are no trains is abstract. It's a big disadvantage to rail first.

12. Discussion and possible action on letter from City and County of San Francisco and San Francisco County Transportation Authority dated February 8, 2006 regarding funding and phasing plans.

Director Ford stated the working group mentioned in the letter would meet shortly. E.D. Ayerdi will be invited to address the group and be provided, in advance, any questions the group may have.

E.D. Ayerdi stated that she was currently working with the Technical Advisory Committee, comprised of city departments and is also meeting directly with transit operators. Ms. Ayerdi welcomes a meeting with any group.

Director Harper reported the Finance Committee postponed discussions on the budget until there is a decision regarding the funding and phasing plan. He stated that the TJPA would have to suspend the timeline outlined in Budget Policy #003 in order to allow this. The Board unanimously agreed to suspend Budget Policy #003 regarding the timeline for budget review.

E.D. Ayerdi clarified the direction she received as the Board will not be presented a budget before a plan is approved. She also confirmed staff will wait to hear from either Director Cohen or Director Ford in reference to the working group.

PUBLIC COMMENT:

Norman Rolfe stated that his impression of the Mayor's letter is that it's disingenuous. The Mayor's office has continually nitpicked and delayed this project and they were carrying water for a developer of a phony project, whose object was to increase costs and delay the project. Mr. Rolfe recommended that the Board get the legislature to put money into a bond measure for High Speed Rail.

13. Authorizing the Executive Director to execute Intergovernmental and Loan Agreements with the San Francisco Redevelopment Agency to reimburse the Agency for services provided to the Authority.

No public comment.

RESOLUTION 06-003

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Harper and Hill

14. Authorizing the Executive Director to execute Amendment Two to Request for Services #1 to Shute, Mihaly & Weinberger to increase the maximum approved amount from \$725,000 to a total of \$1,425,000.

No public comment.

RESOLUTION 06-004

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Harper and Hill

ADJOURN - The meeting was adjourned at 1:11 p.m.

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

Roberta Boomer
Board Secretary

The Ethics Commission of the City and County of San Francisco has asked us to remind individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin. Code Sections 16.520 - 16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, Suite 801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 554-8757 and web site: sfgov.org/ethics.