



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, December 10, 2020

REGULAR MEETING
9:30 a.m.

WATCH LIVE ON SFGOVTV: www.sfgovtv.org/tjpa

PUBLIC COMMENT CALL-IN: 1-855-282-6330 -- Access Code: 126 769 2576

Due to the COVID-19 health emergency, the Board's Meeting Room in City Hall is closed.

Members of the public are encouraged to participate remotely.

Please see additional information on the next page for remote meeting access.

In compliance with the Governor's Executive Order N-25-20 (March 12, 2020) as superseded by Order N-29-20 (March 17, 2020), this meeting will be held *exclusively* via teleconference participation of a quorum of Board members in locations not open to the public. The purpose of the orders is to provide the safest environment for all persons consistent with San Francisco Department of Public Health Orders of the Health Officer and current public health recommendations, while allowing the public to observe and address the Board.

BOARD OF DIRECTORS

Jeff Gee, Vice Chair

Elaine Forbes

Matt Haney

Michael Hursh

Boris Lipkin

Jeffrey Tumlin

Interim Executive Director

Nila Gonzales

Interim Secretary

Donald Pollitt II

9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Vice Chair Gee called the meeting to order at 9:37 a.m.

2. Roll Call

Interim Secretary Pollitt announced that Director Chang was joining as Director Haney's alternate.

Present: Tilly Chang
Elaine Forbes
Michael Hursh
Boris Lipkin
Jeffrey Tumlin
Jeff Gee

Absent: Matt Haney

3. Communications

Interim Secretary Pollitt provided instructions on the Public Call-in/Comment process.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Facility Operations Update
- Quarterly Financial Reports

Interim Executive Director (ED) Gonzales thanked Vice Chair Gee for presiding over the meeting and noted for the public that Nadia Sesay (former TJPA Board Chair) and Tony Tavares (former Caltrans District 4 Director) have moved on to other opportunities and appointments for their seats are forthcoming.

Interim ED Gonzales reported that the Salesforce Dreamforce to You virtual conference was hosted in TJPA's Salesforce Park on December 2 with Marc Benioff providing the keynote address. She noted the filming took two weeks to prepare by George P. Johnson Experiential Marketing Agency on behalf of Salesforce, who transformed a portion of the Park and Amphitheater into a winter wonderland. Interim ED Gonzales expressed appreciation to the production team for their thorough and strict adherence to COVID-19 protocols throughout the

two weeks of activities, safely delivering this event to thousands on-line, while showcasing the beauty of Salesforce Park to an international audience.

She further reported the TJPA was saddened by the recent Stay-At-Home Order but fully supports the region's efforts to reduce the community spread of COVID-19. She reiterated that TJPA continues to adhere to the Order and enhance cleaning protocols remain in place at the Transit Center.

Interim ED Gonzales announced that after close collaboration with the Office of Community Investment and Infrastructure (OCII), the interim activation Request for Proposals (RFP) notice has been posted. She stated that bids from prospective activators are due to OCII by February 3, 2021, with a target contract date of April 5, 2021.

Regarding Downtown Rail Extension (DTX)/Phase 2 of the Transbay Program, Interim ED Gonzales noted the Board would consider the Communications and Outreach Services contract for DTX/Phase 2, as well as the Comprehensive Work Plan as recommended by the Executive Steering Committee (ESC). Regarding the DTX Project Director recruitment, Interim ED Gonzales stated that negotiations ended unsuccessfully as the previous candidate had to consider family matters; therefore, recruitment efforts continue. Additionally, she noted that the December ESC meeting was cancelled, and a notice has been distributed and posted on the TJPA website.

In closing, Interim ED Gonzales introduced Lily Madjus Wu, TJPA's new Communications & Legislative Affairs Manager and CAC Liaison. She stated Ms. Madjus Wu will officially start on December 16 but joined the December 10 meeting to provide a brief introduction before she formally participates in meetings in January 2021. Ms. Madjus Wu stated she looks forward to working with the Board in advancing the Transbay Program.

John Updike, TJPA Facility Director, presented the Facility Operations update.

Erin Roseman, TJPA Chief Financial Officer (CFO), provided the Quarterly Financial Reports.

6. Citizens Advisory Committee (CAC) Update

Derrick Holt, CAC Chair, reported the CAC had a productive meeting on December 8 and thanked Interim ED Gonzales for continuing to provide updates and appreciated her helpfulness and transparency, as she answered brief questions from CAC members on several topics. Furthermore, he noted the CAC's excitement for the recent hire of Lily Madjus Wu, TJPA Communications & Legislative Affairs Manager and CAC Liaison.

He noted the CAC appreciated the Facility Update, which highlighted some of the significant activities that took place over the last month including the Dreamforce Virtual Conference, the holiday lights and future retail openings in 2021. He stated that CAC members suggested developing a strategy to better identify potential Transit Center visitors to activate the Transit Center's use during these unique COVID times.

Mr. Holt stated that CAC members also appreciated the update provided by Stephen Polechronis, Interim DTX Project Director (PD). He highlighted that the CAC was able to provide Interim DTX PD Polechronis with a list of requested topics that CAC members would like to hear about,

which includes an update from Caltrain on their projects that may tie into the Transit Center and Phase 2 plans.

Mr. Holt concluded the report by suggesting actions be undertaken by the ESC or TJPA to increase public awareness for the DTX/Phase 2 project, including publicizing the job benefits, which was done during Phase 1.

Director Lipkin thanked CAC Chair Holt for the update and made note of upcoming items on the Consent Calendar regarding communications and outreach work for the DTX/Phase 2 project, and he concurred with the CAC's suggestions.

Public Comment:

Roland Lebrun thanked CAC Chair Holt for his report and asked for it to be posted on the TJPA's website in advance. Mr. Lebrun also expressed concern for the short tunnel due to its impact on San Francisco properties and recommended the Board consider combining all the smaller projects into one project. Mr. Lebrun noted he offered to present to the CAC on a comprehensive alignment, from end-to-end, which would start in Brisbane and end in West Oakland.

Jim Patrick concurred with the previous commenter's points. He urged the CAC and Board to think bigger and noted now would be an ideal time to do so to make a stronger case for a larger product and weaker case for a smaller product.

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.

Roland Lebrun stated it was difficult to hear CAC Chair Holt during his report, which also happened during the CAC meeting on December 8 and noted that he is meeting with the TJPA IT Director to address audio issues.

THE FOLLOWING MATTERS BEFORE THE TRANSBAY JOINT POWERS AUTHORITY ARE RECOMMENDED FOR ACTION AS STATED BY THE INTERIM EXECUTIVE DIRECTOR OR THE VICE 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 November 12, 2020 meeting.

(8.2) Authorizing the Interim Executive Director to execute a professional services agreement with Sciens Building Solutions for fire life safety sprinkler testing maintenance services for an amount not to exceed \$488,610 for a three-year term, with two one-year options to extend.

RESOLUTION 20-037

(8.3) Authorizing the Interim Executive Director to execute a professional services agreement with Civic Edge Consulting for communications and outreach services related to the agency and operations of the transit center for a four-year term, with an option to extend the term for two additional three-year periods, and an amount not to exceed \$350,000.

RESOLUTION 20-038

(8.4) Authorizing the Interim Executive Director to execute a professional services agreement with Davis & Associates Communications, Inc. for communications and outreach services related to Phase 2 of the Transbay Program for a four-year term, with an option to extend the term for two additional three-year periods, and an amount not to exceed \$350,000.

RESOLUTION 20-039

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Chang, Forbes, Hursh, Lipkin, Tumlin and Gee

REGULAR CALENDAR

9. Presentation of the audited Annual Financial Report for the fiscal year ended June 30, 2020.

Erin Roseman, TJPA CFO, introduced the item and David Alvey, Maze and Associates, presented.

Director Forbes congratulated the team on a clean audit and noted how commendable it is, especially without any significant or material issues. She expressed appreciation for the staff's outstanding work and giving the Board confidence in the work that is conducted internally.

Vice Chair Gee congratulated the team for a job well done and great report.

Ms. Roseman thanked the Board and expressed appreciation to the TJPA finance staff for their support and hard work.

Public Comment:

John Goldsmith, a 30-year San Francisco resident, noted he submitted two parklet applications to San Francisco Parks Alliance and San Francisco Public Works back in 2017 in an effort to preserve the only greenbelt in the Muni system; he asked the Board to consider protecting these transit assets. He requested the item stay on the Board's radar and noted that he has 1,700 signatures supporting his initiative for parklet uses.

At the concurrence of the Board, Items 10 and 11 were called together.

10. Annual review and approval of updates to Board Policy No. 009, Investment Policy.

Erin Roseman, TJPA CFO, presented the item.

No public comment.

RESOLUTION 20-040

On motion to approve:

ADOPTED: AYES – Chang, Forbes, Hursh, Lipkin, Tumlin and Gee

11. Annual review and approval of updates to Board Policy No. 017, Debt Management Policy.

Erin Roseman, TJPA CFO, presented the item.

Director Chang thanked Ms. Roseman for the provision regarding future financing options for DTX/Phase 2, which have been taken advantage of in the past, and as the ESC is looking to explore the funding strategy for the project.

No public comment.

RESOLUTION 20-041

On motion to approve:

ADOPTED: AYES – Chang, Forbes, Hursh, Lipkin, Tumlin and Gee

12. Adopting Board Policy No. 019, Write-Off Policy.

Erin Roseman, TJPA CFO, presented the item.

Vice Chair Gee asked Ms. Roseman if the TJPA plans to write-off anything in the near future. Ms. Roseman stated that the TJPA does not plan to write-off anything at this time. She noted the criteria in place would make it six months out before anything could be written-off and noted the thresholds in the policy that would require Board approval.

No public comment.

RESOLUTION 20-042

On motion to approve:

ADOPTED: AYES – Chang, Forbes, Hursh, Lipkin, Tumlin and Gee

13. Approving the Comprehensive Work Plan for the Downtown Rail Extension as recommended by the Executive Steering Committee (ESC) under the terms of the San Francisco Peninsula Rail Program Memorandum of Understanding (MOU).

Tilly Chang, ESC Chair, introduced the item and Stephen Polechronis, Interim DTX PD, presented.

Ms. Chang stated this item is recommended by the ESC and is a living document with milestone activities coming from the MOU. Ms. Chang highlighted two main points: 1) the ESC is driving towards an early milestone of late summer/early fall of 2021 to identify an initial operations project recommendation that will reflect reasonable and cost-effective project changes to make it more fundable and competitive on the federal and state level; and, 2) the addition of details to better define the business case, which will precede that recommendation. She noted a potential submittal for the Federal Transit Administration (FTA) New Starts program in 2024, with hopes of accelerating the Work Plan and submitting in 2023.

Director Lipkin asked what the process is for updating the Board regarding revisions to the Work Plan. Ms. Chang suggested that the ESC discuss it further, with guidance from the TJPA Board, to establish criteria regarding policy-level changes, major schedules or budget implication changes to the Work Plan to determine the best way to provide regular updates. Interim DTX PD Polechronis noted that any changes in milestones or deliverables would be brought to the Integrated Program Management Team (IPMT), ESC and TJPA, respectfully. Ms. Chang also noted that only 6 of the 18 months of the project are funded, but a funding plan is in place to identify additional funding sources.

Deborah Miller, TJPA Counsel, stated that the MOU contemplates that any changes to the approved Work Plan would return to the Board for their review and approval.

Director Hursh expressed concern regarding the 2024 FTA New Starts submittal date and urged the ESC to meet the 2023 date, as 2024 will be another election year.

To manage expectations, Vice Chair Gee asked if 2030 was the expected year for rail to come into the Transit Center. Interim DTX PD Polechronis stated that would be the soonest and noted that it is funding dependent, and with Regional Measure 3 (RM 3) funding uncertain, the ESC is taking a conservative approach to ensure the project receives the Full Funding Grant Agreement (FFGA) by April 2025. Additionally, Vice Chair Gee noted the inconsistent use of “DTX Project” versus “DTX Rail Program” throughout the Work Plan and asked if that was intentional. Interim DTX PD Polechronis stated it was not intentional and that he would check the entire Work Plan and correct accordingly.

Regarding the Master Schedule, Vice Chair Gee asked if procurement would run concurrent with other activities listed in the schedule as it relates to project delivery and items presented to the IPMT, ESC and/or the TJPA Board. Interim DTX PD Polechronis stated that for the purposes of the Master Schedule, the ESC has assumed a design-bid build solution with fairly large contract packages and noted the project delivery recommendation could change that or modify the schedule to reflect that, which is a base assumption to give the ESC something to work with as

the ESC goes through the studies over the next year to define the project through the Phasing Study, which would ultimately allow the ESC to provide a recommendation to the TJPA Board.

Regarding financing, Vice Chair Gee asked how all of the multiple funds can come together under one entity, with one controller to avoid having too many hands in the pot. Interim DTX PD Polechronis stated the bulk of the project funding comes through the TJPA and noted the MOU envisions partner agencies completing several discrete tasks. Additionally, Interim DTX PD Polechronis noted the MOU contemplates the possibility that the TJPA, subject to Board approval, would use another agency to construct the project and, with that governance report, would come a recommendation with management of construction finances through the construction period. Ms. Roseman concurred with Interim DTX PD Polechronis and stated the funds identified for Phase 2 come directly through the TJPA. Additionally, Ms. Roseman stated the caveat being passenger facility charges or maintenance funds that would come from the operators, which still needs to be worked out, but those funds are expected to also flow through the TJPA. Vice Chair Gee asked would the cost be captured so that at 2035, the cost of the DTX project would then transition into depreciation or be carried off by the partner agency that commits to providing resources. Ms. Roseman stated her interpretation is that it would be carried off as a cost to the partner agency. Director Chang stated that after the project is allowed into project development in the FTA New Starts program, the local expenditures by any agency should be accountable towards the project match. Therefore, she noted the ESC will begin asking partner agencies to document the expenditure investments into the project.

Regarding the governance section of the Work Plan, Vice Chair Gee asked for clarification regarding the reference to assets in other cities along the Peninsula and how the governance review process will engage with them. Interim DTX PD Polechronis noted the intent is to examine the governance of the construction delivery, which will allow the project to engage partners that will be affected by this in an effort to gain their input. Vice Chair Gee suggested the ESC review page seven of the Work Plan and report back, which would allow Vice Chair Gee to give his colleagues notice that this may be coming, if this is the actual intent. Director Chang stated the intent was to limit the DTX infrastructure itself while trying to determine who would be responsible for contracting, operations and maintenance and noted the project team would follow up to provide clarification.

Public Comment:

Roland Lebrun asked that the risk registry mimic what Caltrain is doing for its activation and asked that monthly reports be provided to the CAC, ESC and TJPA Board. Additionally, Mr. Lebrun expressed great interest and potential concern regarding the IPMT's report and will look to obtain that report through a public records request. Further, he suggested that the procurement for the section between the Transit Center and Townsend should be a design-bid build, and when at 60 percent, the project team should showcase that progress to the public. Mr. Lebrun also asked that a monthly report on the funding plan be provided, with a focus on RM 2 and RM 3, specifically RM 2 and its supporting legislation such as Senate Bill 916, which clearly identifies the need for an East Bay connection. Mr. Lebrun also suggested that Caltrain replace its diesel trains with its electric multiple units.

Jim Patrick expressed concern on some of the details in the Work Plan and encouraged the ESC and Board to move faster.

RESOLUTION 20-043

On motion to approve (with clarifications requested by Vice Chair Gee):

ADOPTED: AYES – Chang, Forbes, Hursh, Lipkin, Tumlin and Gee

RECESS REGULAR MEETING AND CONVENE CLOSED SESSION

CLOSED SESSION

14. Call to Order

Vice Chair Gee called the Closed Session to order at 11:10 a.m.

15. Roll Call

Present: Tilly Chang
Elaine Forbes
Michael Hursh
Boris Lipkin
Jeffrey Tumlin
Jeff Gee

Absent: Matt Haney

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

Property: 425 Mission Street, space # 216, 218, 220
Agency negotiators: Nila Gonzales, Interim Executive Director; John Updike, Facility Director
Negotiating parties: Onsite Dental, LLC
Under negotiation: Price and terms of payment for retail lease in the transit center

RESOLUTION 20-044

Property: 425 Mission Street, space # 103, 143
Agency negotiators: Nila Gonzales, Interim Executive Director; John Updike, Facility Director
Negotiating parties: Philz Coffee, Inc.
Under negotiation: Price and terms of payment for retail lease in the transit center

RESOLUTION 20-045

Property: 425 Mission Street, space # 207, 208, 212
Agency negotiators: Nila Gonzales, Interim Executive Director; John Updike, Facility Director
Negotiating parties: Transbay Fitness, Inc.
Under negotiation: Price and terms of payment for retail lease in the transit center

RESOLUTION 20-046

17. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code Section 54956.8)

Property: Parcel F development site (APN 3721-016, 3721-135, 3721-136, 3721-138) and Salesforce Transit Center site (APN 3719-003, 3720-010, 3720-011, 3721-006, 3721-124, 3721-134, 3721-137)

TJPA negotiators: Nila Gonzales, Interim Executive Director, and Andrew Schwartz, Shute, Mihaly & Weinberger LLP, outside counsel

Negotiating parties: F4 Transbay Partners LLC

Under negotiation: Price and terms of payment for easement

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 12:00 p.m.

18. Announcement of Closed Session.

Deborah Miller, TJPA Counsel, announced that there was no action to report.

ADJOURN – Vice Chair Gee adjourned the meeting at 12:02 p.m.

Donald Pollitt II
Interim 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.