

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, January 13, 2022

REGULAR MEETING

9:30 a.m.

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

PUBLIC COMMENT CALL-IN: 1-855-282-6330 -- Access Code: 2552 833 9246

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 Assembly Bill ("AB") 361 (Rivas, Chapter 165, Statutes of 2021) and its amendments to California Public Resources Code Section 54953(e), this meeting will be held **exclusively** via teleconference participation of a quorum of Board members in locations not open to the public. This meeting is being held during a proclaimed state of emergency, and state and local officials have imposed or recommended measures to promote social distancing, while allowing the public to observe and address the Board.

BOARD OF DIRECTORS

Jeff Gee, Chair

Rafael Mandelman, Vice Chair

Elaine Forbes

Alicia John-Baptiste

Boris Lipkin

Diane Shaw

Jeffrey Tumlin

Dina El-Tawansy (*ex-officio*)

Executive Director

Adam Van de Water

Interim Secretary

Donald Pollitt II

9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Gee called the meeting to order at 9:42 a.m.

2. Roll Call

Interim Secretary Pollitt announced that Director Borden was joining as Director Tumlin's alternate, and that Director El-Tawansy would not be in attendance.

Present: Gwyneth Borden

Elaine Forbes (*joined during Item 5*)

Alicia John-Baptiste

Boris Lipkin

Diane Shaw

Rafael Mandelman

Jeff Gee

Absent: Dina El-Tawansy

Jeffrey Tumlin

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

- State Legislative Update
- Facility Operations Update
- Project Labor Agreement (PLA) Quarterly Update

Executive Director (ED) Van de Water kicked off his inaugural ED report by sharing his vision for the TJPA which includes continuing to stabilize services with TJPA's transit, retail and community partners by working collaboratively to facilitate the return of users to the world-class Salesforce Transit Center, incredible four-block long rooftop park, and transit-oriented neighborhood. He reported that 2022 is a critical year for the Downtown Rail Extension (DTX), stating that he is committed to ensuring the TJPA meets the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) New Starts programs funding milestones and timeline to apply for a full-funding agreement in August 2023 and finally bring rail service into the heart of downtown San Francisco and create a truly integrated regional transit system. He also reported

that he has conducted briefings with key regional, state and federal stakeholders as an introduction to himself as well as to elevate the significance of the Transbay Program as the essential transportation infrastructure for San Francisco, the Bay Area, California and the nation.

Regarding the Transit Center, ED Van de Water reported that the TJPA continues to track the City's response to COVID-19 along with the recent surge of the Omicron variant, noting masks are still required throughout the Center except when on the rooftop park and that some TJPA staff are working a hybrid remote schedule to reduce exposure and the spread of COVID-19. He stated the rooftop park continues to be an open space resource, noting the TJPA is working to expand public access signage to keep the surrounding neighborhood informed on all park-related news. At the Metropolitan Transportation Committee's (MTC) programming and allocations committee meeting on January 12, the committee approved and allocated \$200,000 to TJPA in an effort to support upgrades to the digital wayfinding system at the Transit Center, which will add to the existing wayfinding budget and is expected to be heard at the full MTC Board meeting on January 26. ED Van de Water highlighted current park programming since the April 2021 restart, noting that TJPA has offered over 280 activities and served nearly 7,000 attendees, and continues to offer free and exciting park activities, which will be discussed in greater detail under the Facility Operations update. He conveyed the Transit Center experienced another Pacific, Gas and Electric (PG&E) power outage on January 8, similar to that of December 17, 2021, noting the power was out for approximately 90 mins and affected some retail tenants, the Grand Hall, bus plaza and bus deck, with the Center and Park remaining open and all transit services operating as normal. The TJPA has reached out to PG&E for additional information as well to evaluate its current processes to better prepare for these types of unexpected events in the future.

ED Van de Water reported that the TJPA continues to seek funding for the Transbay Program, including the Transit Center and DTX project and noted TJPA is currently working on its Transit and Intercity Rail Capital Program (TIRCP) application that is due on March 3, 2022, to the California State Transportation Agency. Similar to the Consolidated Rail and Infrastructure and Safety Improvements application, the TJPA is working to obtain letters of support from partners and stakeholders and has requested MTC endorsement of the DTX TIRCP application.

Regarding the DTX, and as reported in December 2021, ED Van de Water stated the FTA accepted the DTX into the Project Development phase of the CIG New Starts Program, noting it is a key milestone to move the project forward as well as position the project for significant funding from the Bipartisan Infrastructure Law. Coupled with that key milestone, he highlighted TJPA's recent hosting of Speaker Nancy Pelosi along with Congresswoman Jackie Speier, House Representative Mark DeSaulnier, future rail operators Caltrain and California High-Speed Rail Authority and other transit partners in the already built trainbox at the Transit Center, to celebrate the signing of the infrastructure package by President Biden.

ED Van de Water reported that TJPA continues to work with its Federal advocates, Carpi & Clay, on advancing the Transbay Program by providing briefings to TJPA's federal delegation. The TJPA also continues to share progress updates on the DTX project along with federal funding opportunities being tracked and pursued. He highlighted Carpi & Clay's efforts in keeping the TJPA and DTX project relevant and at the forefront of the Bay Area and noted that

an opportunity to extend for a fourth and final one-year extension under TJPA's Federal advocacy contract will be considered for approval under the Consent Calendar.

In closing, ED Van de Water announced the TJPA will conduct its annual recruitment process for new Citizens Advisory Committee members and noted there are seven seats open. The notice will be posted on the TJPA website, shared via email, social media as well as ads in neighborhood newspapers, with applications being accepted until all seats are filled.

With the new State legislative session starting this month, TJPA's State advocates, Townsend Public Affairs will provide a legislative update regarding the new legislative session and funding opportunities currently being tracked, which includes Governor Newsom's budget proposal. He reported the 2021 fourth quarter PLA report has been included in the packet and that he would be glad to respond to any questions.

Niccolo De Luca and Andres Ramirez of Townsend Public Affairs (TPA), TJPA State Advocates, presented the Legislative Update.

Jen Norris, TJPA Facility Director, presented the Facility Operations update.

Director Shaw referenced the recent resignation of David Kim, California State Transportation Agency (CalSTA) Secretary and asked Mr. De Luca what his thoughts are on the issue and if he had any insight on who would be Secretary Kim's successor. Mr. De Luca stated that family-related reasons led to Secretary Kim stepping down from his position with CalSTA and noted that there is a lot of interest in the position, with Governor Newsom being open to all potential candidates.

Chair Gee emphasized the impact and influence the Board has engaging with key stakeholders and offered the Board's help to promote the DTX project and its importance to the region.

Public Comment:

Jim Patrick referenced the original design of the Transit Center, stating he understood the City's electrical service was one source of power and PG&E a second source, and asked how the Transit Center lost power when one source is supposed to provide backup power when the other becomes unavailable.

6. Citizens Advisory Committee (CAC) Update

Derrick Holt, TJPA CAC Chair, reported the CAC had a productive meeting on January 11, noting the CAC appreciated kicking off the first meeting of the new year with new TJPA ED, Adam Van de Water.

He stated CAC Members appreciated the Staff Report provided by TJPA Communications and Legislative Affairs Manager Lily Madjus Wu which included a recap of 2021 Transbay activities. CAC Members also appreciated the legislative update provided by Niccolo De Luca and Andres Ramirez of TPA, noting Members are thrilled to see the different Bay Area transportation agencies collaborating, despite competing for similar funding.

Chair Holt also reported the CAC appreciated the Facility Operations Updated provided by TJPA Facility Director Jen Norris, which included an overview of WinterFest and increased interest in renting space at the Transit Center, while continuing to adhere to COVID-19 safety protocols.

Chair Holt concluded his report by highlighting the DTX presentation provided by TJPA DTX Project Director Alfonso Rodriguez, noting the CAC appreciated the detailed explanation of the various DTX delivery options and how they are evaluated and considered.

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.

Jim Patrick suggested the Board think outside the box and consider the use of freight containers on trains.

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 December 9, 2021 meeting.

(8.2) Approving the continued use of teleconferencing technologies for meetings of the legislative bodies of the TJPA pursuant to the provisions of Assembly Bill 361.

RESOLUTION 22-001

(8.3) Authorizing the Executive Director to execute an amendment to extend the agreement for Federal Advocacy Services with Carpi & Clay, Inc. for one year at rate of up to \$166,000.

RESOLUTION 22-002

No public comment.

On the motion to approve the Consent Calendar:

ADOPTED: AYES – Borden, Forbes, John-Baptiste, Lipkin, Shaw, Mandelman and Gee

REGULAR CALENDAR

9. Approving the Fiscal Year 2022-23 Preliminary Operating Projection in the amount of \$30,611,000.

Franklin Wong, TJPA Chief Financial Officer, presented the item.

Chair Gee thanked Mr. Wong for the presentation and stated that easing the increase to major tenants like AC Transit and San Francisco Municipal Transportation Agency should be a priority and suggested that TJPA consider options to lower tenant contributions over the next several months.

Director Borden asked for clarification regarding the contingency plan if Regional Measure (RM) 3 funds are not available and how the TJPA plans to handle rent disputes with tenants. Mr. Wong stated that TJPA plans to explore potential funding sources in the coming months to mitigate the projected contributions made by primary tenants. He also stated that TJPA has reached out to the MTC asking if RM 2 funds could be extended, noting it would provide short-term relief for primary tenants. As for RM 3 funds, Mr. Wong stated that with a letter of no prejudice from MTC and litigation soon-to-be behind MTC by the next fiscal year, TJPA would be able to ask MTC for reimbursements for the additional funding source.

Director John-Baptiste asked for clarification regarding the timeline of RM 2 and RM 3 funds as well when the Naming Rights Agreement is set to be renewed. Director John-Baptiste requested that a five year or more budget projection be included in budget conversations moving forward. Regarding RM 2 funds, Mr. Wong stated that the expected timeline is Spring of 2022, noting that MTC will consider the TJPA's extension request at that time, and if approved, will be presented to the Board in the coming months. As for RM 3, Mr. Wong stated that he did not have an update to share at this time; however, he noted that reserve funds could provide short-term relief in the interim. Mr. Wong concurred with Director John-Baptiste's request. ED Van de Water clarified that RM 3 funds are expected to be resolved in the latter portion of the calendar year and stated that the Naming Rights Agreement was signed on July 24, 2017, with a commencement date of 2018 for a 25-year term.

Director Shaw asked would it be beneficial if the Board provided letters of support to the MTC to encourage the Spring 2022 RM-2 timeline. She referenced Governor Newsom's profound interest in security as it relates to public safety and asked if additional funding sources were available to help decrease these expenses. Mr. Wong thanked Director Shaw for offering support, noting any advocacy or letter of support would be helpful in the TJPA's request to MTC regarding extending RM-2 funding. Mr. Wong noted that grants and any additional funding source would be helpful and stated the TJPA plans to examine such options in the coming months.

Public Comment:

Jim Patrick referenced the security expense listed in the presentation, noting it accounts for 25 percent of the budget and suggested the Board consider bidding out the contract to the private market.

RESOLUTION 22-003

On the motion to approve:

ADOPTED: AYES – Borden, Forbes, John-Baptiste, Lipkin, Shaw, Mandelman and Gee

[Interim Secretary Pollitt called Item 10 out of order and after Item 12, per concurrence of the Chair.]

10. Adopting Board Policy No. 20, Unsolicited Proposals Policy, outlining procedures for receiving and reviewing unsolicited proposals for the purpose of considering innovative solutions offering value, cost efficiency, enhanced financing and/or funding options, technical innovation, schedule acceleration, and/or risk transfer for the Downtown Rail Extension project.

Alfonso Rodriguez, DTX Project Director, presented the item.

Public Comment:

Roland Lebrun thanked the Board for moving Item 12 before Item 10, noting that the Unsolicited Proposals Policy has the potential to bypass and eliminate a majority of the impediments discussed under Item 12. Mr. Lebrun referenced his email to the TJPA Board regarding the Unsolicited Proposals Policy and suggested the Board consider an amendment to resolve a potential conflict between Phase 2 and Phase 3 in the policy, stating it could potentially discourage unsolicited proposals.

Jim Patrick expressed concern regarding the current public comment process and suggested the Directors refine their approach to consider having Directors and/or Staff respond to public comments provided to them during live meetings. Mr. Patrick acknowledged the Unsolicited Proposals Policy as a sound item; however, he expressed concern regarding charging a fee and suggested the Board reconsider that option.

RESOLUTION 22-004

On the motion to approve:

ADOPTED: AYES – Borden, Forbes, John-Baptiste, Lipkin, Shaw, Mandelman and Gee

11. Authorizing the Executive Director to execute a second amendment to the lease agreement with Transbay Fitness, Inc. for commercial/retail space in suites 208 and 212 on the second floor of the transit center, consistent with the previously adopted Retail/Commercial Leasing Strategy to Address COVID-19 Impacts to tenancies.

Jen Norris, TJPA Facility Director, presented the item.

No public comment.

RESOLUTION 22-005

On the motion to approve:

ADOPTED: AYES – Borden, Forbes, John-Baptiste, Lipkin, Shaw, Mandelman and Gee

[Interim Secretary Pollitt called Item 12 after Item 9, per the concurrence of the Chair]

12. San Francisco Peninsula Rail Program Executive Steering Committee (ESC) Update on the Downtown Rail Extension Project Delivery Alternatives Study.

Michelle Bouchard, Acting Executive Director of Caltrain and ESC Chair, presented the item.

Director Forbes noted that the equity component of the project delivery method appears to be missing and asked for clarification regarding its value and if it would be included in the coming months as part of the solicitation process. Mr. Rodriguez stated that the project team continues to brief labor partners as the DTX project progresses, noting that the contracting methodology will be subject to the PLA to ensure the project team delivers on the promise made to the labor community.

Director Shaw echoed Director Forbes's comments and asked that the equity component of the project delivery method be highlighted in next month's ESC Update. ESC Chair Bouchard concurred affirmatively.

Director Forbes referenced Mr. Rodriguez's comment regarding the PLA and suggested the project team consider future contracting opportunities for local small businesses.

Director John-Baptiste asked for clarification regarding institutional governance options and how they are defined. She also asked how the current ESC process relates to current conversations and analyses happening throughout the region. ESC Chair Bouchard stated that regional efforts are just now being defined and noted that the process on how to deal with those issues has yet to be defined. ED Van de Water acknowledged the questions raised, noting the governance options are a substantial decision that impacts risks, ownership, delivery and cost over the course of the project. He reported that there will be many opportunities for discussion in the future, highlighting that the key takeaway from today's update is that the ESC successfully narrowed the list of recommended options from 10 down to 4, and will continue a more detailed technical discussion as well as provide routine updates to the Board before decisions are made.

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 Gee called the Closed Session to order at 11:43 a.m.

14. Roll Call

Present: Gwyneth Borden
Elaine Forbes
Alicia John-Baptiste
Boris Lipkin
Diane Shaw
Rafael Mandelman
Jeff Gee

Absent: Dina El-Tawansy
Jeffrey Tumlin

15. 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: Adam Van de Water, 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 12:12 p.m.

16. Announcement of Closed Session.

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

ADJOURN – Chair Gee adjourned the meeting at 12:13 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.

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.