

MINUTES

**TRANSBAY TRANSIT CENTER
COST REVIEW COMMITTEE MEETING**

Friday, November 18, 2016

1:30 p.m. to 3:30 p.m.

TJPA Offices
201 Mission Street, Suite 2100
San Francisco, CA

COMMITTEE MEMBERS

Ben Rosenfield, City and County of San Francisco Controller (CCSF)
Steve Heminger, Executive Director of the Metropolitan Transportation Commission (MTC)
Mark Zabaneh, Executive Director of the Transbay Joint Powers Authority (TJPA)

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.

1. Call to Order

The meeting was called to order at 1:34 p.m.

2. Roll Call

Present: Ben Rosenfield, Steve Heminger, Mark Zabaneh, Nadia Sesay, Andy Fremier, Scott Boule, Nila Gonzales, Mark O'Dell.

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

Property: Transbay 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 negotiator: Mark Zabaneh, Executive Director; Shuprotim Bhaumik, HR&A Advisors, Inc.; Joan Story, Sheppard Mullin

Negotiating parties:

- Cushman & Wakefield
- Lincoln Property Company

- Youngwoo & Associates

Under negotiation: Price and terms of payment for long-term master lease of Transbay Transit Center

ADJOURN CLOSED SESSION AND CONVENE REGULAR MEETING

Clerk Dea announced that there was no action to report.

Closed session was adjourned at 2:50 p.m.

4. Action Item:
Election of Chair

Executive Director Heminger nominated Controller Rosenfield as Chair of the Cost Review Committee, seconded by Executive Director Zabaneh.

Public Comment: None

Ben Rosenfield was elected Chair.

5. Action Item:
Approving the Minutes of the August 24, 2016 Meeting.

Public Comment: None

The minutes of the August 24, 2016 meeting were approved.

(Per concurrence from the Committee, items 9 and 10 were presented prior to item 6.)

6. Discussion Item:
Program Budget and Construction Status Update (presentation)

Dennis Turchon, TJPA Senior Construction Manager presented item 6.

Executive Director Heminger requested alternatives for schedule and financial impact. Per Mr. Turchon, the TJPA will add an unmitigated schedule table to the risk slide on the next presentation.

Chair Rosenfield commented on revenue and the status of the TIFIA agreement. Per Nadia Sesay, Director of CCSF Office of Public Finance, the TIFIA agreement amendment is almost finalized.

7. Discussion Item/Possible Action:
Professional Service Contracts and Amendments that Require CRC Review/Recommendation

Dennis Turchon, TJPA Senior Construction Manager presented item 7.

Executive Director Heminger inquired about the status of the TJPA's request for funding from the San Francisco County Transportation Authority (SFCTA). Executive Director Zabaneh stated that the SFCTA Board deferred the item and expects the TJPA to go back to the SFCTA Board in December 2016 or January 2017. Additional information has been requested from the TJPA for approval of approximately \$7 million in Proposition K funding for Phase 2. The TJPA is currently waiting for completion of 30% design in order to complete several reviews and updates, including a traffic management review to determine how best to minimize construction impacts to businesses and residents. The 30% design completion will also be needed for the TJPA to decide on which delivery method to use for Phase 2.

Chair Rosenfield inquired about funding and how quickly funds can be used to complete Phase 1 and retire obligations versus how quickly the TJPA wants to proceed with Phase 2. Phase 2 fund sources, draws and schedule may be discussed at another time.

Public Comment: None

8. Discussion Item/Possible Action:

Construction Contract Amendments and Change Orders that Require CRC Review/Recommendation

Dennis Turchon, TJPA Senior Construction Manager presented item 8. Currently, there are 5 change orders (CCOs) which exceed the \$250,000 threshold and no change orders requiring City financing at this time. The TJPA anticipates using City financing next quarter.

Chair Rosenfield questioned if any of the change orders are optional scope. Mr. Turchon stated that the change orders are for required scope. Ron Alameida, Director of Design and Construction for the Transbay Transit Center, stated that the change orders were mostly for anticipated scopes. Mr. Turchon stated that the TJPA will populate actual change order amounts next quarter. The actual amounts should be less than not-to-exceed amounts listed in the Construction Amendments and Changes Log.

Public Comment: None

9. Discussion Item:

Status Updates from Planning Department and Office of Community Investment and Infrastructure (OCII) on Projects in the Redevelopment Area/Transit Center District

Tina Chang, Planner from the Planning Department, provided a status update of projects in Zone 2 of the Transit Center District. Shane Hart, Project Manager from the OCII, provided a status update on projects in Zone 1.

Chair Rosenfield suggested that Planning and OCII add columns to the “Transbay Transit Center Community Facilities District (CFD), Status of Development” handout, to include “original completion dates” and “current forecast,” and Nadia Sesay, Director of CCSF Office of Public Finance can provide an order of magnitude estimate of CFD proceeds for the projects listed in the handout. Chair Rosenfield requested quarterly updates and stated that this agenda item will be a regular item for now.

10. Discussion item:

Update on 301 Mission Street/Millennium Tower

Dennis Turchon, TJPA Senior Construction Manager, provided a handout of the TJPA press release dated October 4, 2016 and spoke to its particulars.

11. New Business

- Agenda for Next Meeting.

For the next meeting, Chair Rosenfield requested budget updates similar to the updates provided during today’s meeting.

12. Public Comment

This item allows members of the public to comment generally on matters within the CRC’s purview that are not on the agenda.

None.

13. Adjourn – Chair Rosenfield adjourned the meeting at 3:35pm.

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.