

Memorandum

To: Cost Review Committee

From: Erin Roseman, TJPA Chief Financial Officer
Mary Pryor, TJPA Finance Advisor
Dennis Turchon, Senior Construction Manager, TJPA

Date: For the Committee Meeting of June 7, 2019

Re: Agenda Items 7 and 9

Agenda Item 7 – Review of Proposed TJPA Fiscal Year 2019 – 2020 Budget

TJPA staff presented a draft capital and operating budgets for fiscal year 2019 – 2020 to the TJPA Board on May 9, 2019. The draft capital budget was \$99,067,175, with \$79,143,383 budgeted for Phase 1 and \$19,923,792 budgeted for Phase 2. The draft operating budget was \$38,384,827.

On June 13, 2019, TJPA staff plan to present an updated proposed fiscal year 2019 – 2020 budget to the TJPA Board. After further refinements to the budgets, the capital budget has been revised to \$100,067,175, with \$80,143,383 budgeted for Phase 1 and \$19,923,792 budgeted for Phase 2. The final capital budget includes only one refinement for \$1 million in CFD revenues and expenses, due to additional needs for construction testing. All other categories remain unchanged.

The revised operating budget is \$38,719,021, assuming full operations for the fiscal year (July 1, 2018 through June 30, 2020). The final operating budget includes two refinements in revenue, totaling \$334,193. Anticipated revenue related to park maintenance decreased by \$152,130, and insurance for the transit center has increased by \$486,323. The increased cost for insurance is due to market factors unrelated to the closure of the transit center. The insurance market has issued a record number of claims associated with natural disasters across the United States, resulting in higher insurance premiums.

Specific details regarding the budgets are attached.

Program Reserves

As Phase 1 of the Transbay Program ends, there are several categories in which a transfer from Program Reserves is necessary to complete this budget. The total amount needed from the Program Reserve to complete FY18-19 and to fund FY2019-20 is \$31,267,000. The table below shows the specific amounts and needs for the Program Reserve draw. Attachment 6 provides a full analysis of Program Reserve transfers.

Program Reserve Requests Associated with Budget			Reserve Total
		Beginning Balance	56,614,553
FY18/19	(2,000,000)	PCPA-Design Services related to Non-Conforming Steel Girders	54,614,553
FY19/20	(2,300,000)	Pelli Clarke Pelli Architects	52,314,553
FY19/20	(10,500,000)	Tenant Improvements	41,814,553
FY19/20	(3,200,000)	Turner Construction Mgmt. Oversight/ Dispute Resolution	38,614,553
FY19/20	(750,000)	PMPC Extension thru 12/2019	37,864,553
FY19/20	(10,500,000)	Legal and Admin Professional Services	27,364,553
FY19/20	(2,017,000)	TJPA Admin	25,347,553
	(31,267,000)	Total Remaining Program Reserves 7/1/2019	25,347,553

Currently the balance in the Program Reserve Budget is \$56.6 million and would be reduced to \$25.3million. These draws would complete Phase 1 Project taking us to a final closeout date of December 2019.

Agenda Item 9 – Opportunity to Comment on Contracts, Change Orders and Contract Amendments that Require CRC Review

Professional Services Contract Amendments above the \$250,000 Threshold

Construction Management Oversight Services - Turner Construction Co. (Agreement No. 09-08-CMO-000):

In June 2010, following a formal Request for Proposals process, TJPA awarded a contract to Turner Construction Company, for Construction Management Oversight (CMO) services for a lump sum amount of \$38,500,000. The CMO agreement included the following services: preconstruction services for the transit center; monitoring and documenting the progress of the CM/GC; providing project communication, documentation, record keeping, cost and schedule management, technical support, environmental monitoring oversight, coordination with other agencies; administration of the CM/GC and demolition contracts; progress reporting; and quality assurance services (testing and inspection). These services are necessary for any construction project, and on a federally funded project must be performed by a contractor that is independent of the contractor performing the construction work.

Between July 2014 and February 2019, six contract amendments were issued, summarized in the table below:

<u>Date</u>	<u>Modification No.</u>	<u>Description</u>	<u>Amount</u>	<u>Cumulative Total</u>
6/10/2010	Original Contract		\$ 38,500,000	\$ 38,500,000
7/1/2014	Amendment No. 1	Revised Appendix B, Calculation of Charges	\$ 7,480,000	\$ 45,980,000
7/9/2015	Amendment No. 2	Amended Article 5, Compensation	\$ -	\$ 45,980,000
9/10/2015	Amendment No. 3	Amended Article 5, Compensation	\$ 11,200,000	\$ 57,180,000
6/9/2016	Amendment No. 4	Extended contract duration by two years thru 6/30/18, revised overhead and maximum billing rate, revised fee.	\$ 15,320,000	\$ 72,500,000
4/12/2018	Amendment No. 5	Extend contract duration by one year (thru 6/30/19)	\$ 2,500,000	\$ 75,000,000

2/14/2019	Amendment No. 6	Extend services and duration by one year (thru 6/30/2020)	\$ 3,000,000	\$ 78,000,000
TBD	Amendment No. 7	Added construction management services level of effort related to Girder Remediation, project delays, and closeout.	\$ 3,000,000	\$ 81,000,000

Staff proposes an addition of \$3,000,000 and an extension of one year for Amendment No. 7 to Turner Construction Company (“Turner”) due to: (1) the Girder Remediation effort at Fremont Street, the associated review of the girders at First Street and the review of other structural components at the Project; (2) delays to Substantial Completion and Final Completion of the Project; and (3) the recent filing of lawsuits by the Construction Manager/General Contractor (CM/GC) against the TJPA necessitating additional support by Turner. Execution of Amendment No. 7 will increase the total contract amount from \$78,000,000 to \$81,000,000 with a contract expiration date of June 30, 2020. Funding for construction management for Phase 1 will require a transfer from Program Reserves.

Program Management and Program Controls Professional Services (Agreement No. 13-02-PMPC-000):

In June 2014, following a formal procurement process, TJPA and URS (now AECOM) entered into an agreement for AECOM to continue in its role as TJPA’s Program Management/Program Controls (PMPC) consultant. PMPC services include project management, design management, budget and scheduling monitoring, risk management, stakeholder and agency coordination, document control, and program-wide quality assurance/quality control. The original contract amount of \$21,760,000 was based on services for Phase 1 through December 2017. Between February 2016 and December 2018, five contract amendments were approved, totaling \$12,990,000. The first changed key personnel only and did not affect the contract value. The other four amendments increased the original contract amount to \$34,750,000 and extended the term through December 2019. The proposed amendment intends to pay for the last 6 months of current services through the full term, with a revision to the final contract amount to \$35,500,000. Amendment No. 5 only funded PMPC services through June 2019 even though the contract term was extended to December 2019. The table below summarizes the PMPC contract and amendments.

<u>Date</u>	<u>Modification No.</u>	<u>Description</u>	<u>Amount</u>	<u>Cumulative Total</u>
6/12/2014	Original Contract		\$ 21,760,000	\$ 21,760,000
2/09/2016	Amendment No. 1	Key Personnel changes	\$ 0	\$ 21,760,000
3/9/2017	Amendment No. 2	Amended Article 5, Compensation	\$ 5,400,000	\$ 27,160,000
6/01/2018	Amendment No. 3	Extended contract duration thru 11/23/18, and amend compensation	\$ 1,100,000	\$ 28,260,000
7/12/2018	Amendment No. 4	Amended Article 5, Compensation including Phase 2 scope	\$ 5,770,000	\$ 34,030,000
12/13/2018	Amendment No. 5	Extend contract duration thru 12/31/19 and amend Article 5, Compensation	\$ 720,000	\$ 34,750,000
TBD	Amendment No. 6	Amended Article 5, Compensation	\$ 750,000	\$ 35,500,000

**STAFF REPORT FOR CALENDAR ITEM NO.: 10
FOR THE MEETING OF: May 9, 2019**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Presentation of and Public Hearing for draft Fiscal Year 2019-20 (FY 2019-20) Operating Budget in the amount of \$38,384,827 and draft FY 2019-20 Capital Budget in an amount of \$99,067,175.

SUMMARY:

The Joint Powers Agreement creating the Transbay Joint Powers Authority (TJPA), dated April 4, 2001, establishes that the fiscal year of the TJPA begins on July 1 and ends on June 30, and provides the TJPA Board with the authority to adopt a multi-year budget, or an annual budget before the beginning of each fiscal year. In accordance with TJPA's Policy No. 003: Budget Policy, adopted by the Board on June 23, 2004, staff has prepared the attached proposed budgets for review by the Board and the public.

Staff presented a budget outlook at the April 2019 Board meeting. Following this May Board presentation and public hearing on the proposed budgets, staff will seek Board approval of final FY 2019-20 budgets at the June Board meeting. As noted in April, the TJPA Budget Policy allows for the submission of the budget outlook and the draft budget to a Finance Committee of the TJPA Board. For the past several budget years and continuing for this year, staff is presenting these items to the TJPA Board as a whole in lieu of holding a separate meeting of a Finance Committee of the Board.

The staff-proposed draft operating budget totals \$38,384,827. The operating budget includes expenses and revenues for full operations at the transit center. The draft capital budget for FY 2019-20 totals \$99,067,175. The capital budget includes work for close out of Phase 1 (\$79M) and continued engineering work on Phase 2 (\$19M) of the Transbay Program and is based on overall Program budgets. Both budgets are itemized in Attachments 1 and 2 and are subject to further refinements and feedback from the Board and public before presentation of the final proposed budgets in June.

DRAFT FY 2019-20 OPERATING BUDGET:

The FY 2019-20 Operating Budget detailed below is oriented in a slightly different format from previous years. As we have a new focus on operations, the proposed draft budget looks at operations first and capital secondarily. Additionally, the revenues are presented ahead of the expenses.

FY 2019-20 Intergovernmental and Operating Revenues

The FY 2019-20 operating budget includes revenues from Regional Measure 2 (RM-2) and Regional Measure 3 (RM-3) bridge toll funds, Community Benefit District assessments, Net Tax Increment Revenues, Contributions from various transit operators, Naming Rights, retail, advertising, and sponsorship revenues from the transit center operations, cellular antennae fees, and small amounts of miscellaneous revenue. These are described further below along with the previously approved Transit Center Rental and Fee Schedule as Attachment 4.

Intergovernmental Revenue

- TJPA receives an annual allocation of RM-2 bridge toll funds for operations. The allocation for FY 2019-20 is based upon the regional plans. The budget also includes RM-3 funds. However, MTC has not yet allocated these bridge toll funds as pending lawsuits are yet to be fully resolved. This year the TJPA expects to receive \$8.2M in RM-2 and \$1.62M in RM-3.
- Regional Operator Contributions is derived from any differential between operating costs and operating revenues, per the Lease and Use Agreements. It is anticipated to be covered by the transit operators utilizing the transit center facilities. The primary tenants are AC Transit and the San Francisco Municipal Transportation Agency (SFMTA). As transit center revenues are not expected to be maximized and stabilized until at least the third year of operations, the burden on the transit operators to cover deficits could be substantial. This budget includes \$4.8M in Regional Operator Contributions, which is a decrease of approximately \$400,000 from the February 2019 preliminary projection (\$3.5M for AC Transit and \$1.2M for SFMTA).
- The East Cut Community Benefit District (CBD) was formed in 2015 (as the Greater Rincon Hill CBD) as a special assessment district to fund specified services to improve quality of life in the neighborhood surrounding the transit center, including operation and maintenance of green spaces in the district. Under the CBD Management Plan, the CBD will provide up to 79.18% of the annual budget to operate and maintain the rooftop park. For FY19-20 TJPA expects to be reimbursed for \$1.7M.
- Net tax increment revenue generated by the former State-owned parcels is pledged for debt service (\$6.5M).

Operating revenue

- Salesforce payments for naming rights received in previous years will be used to support transit center operations. This fiscal year \$4.92M will be allocated.
- Retail revenue including leases, pop-up retail, sponsorship, and events are projected at \$3.8M. The amount is based on the current retail leasing schedule which contemplates the retail space to be fully leased by the 3rd quarter of the fiscal year and fully occupied by the end of the fiscal year.
- Advertising revenue is anticipated at \$2M. This amount is based on the transit center being operational for the full year and fully occupied by the end of the fiscal year. This \$2M is a significant increase (127%) from projections last fiscal year, but a decrease of \$173,000 from the February 2019 preliminary projection.
- Boingo Wireless is installing the neutral host distributed antennae system (cellular DAS) in the transit center. The FY19-20 budget includes one new agreement and the full minimum annual revenue guarantee for a total amount of \$625,000.
- TJPA will continue to collect rent from Greyhound and Amtrak at the transit center for a total amount of \$319,500.

- TJPA will sublease its office space in the 201 Mission building after moving to offices in the transit center. The 201 Mission office lease term is through March of 2021. TJPA expects 100% cost recovery. FY 2019-20 budget assumes \$780,000.

Operating Contingency and Reserve

The TJPA Reserve Policy establishes three types of reserves: Emergency Reserve, Fiscal Reserve, and an Operations and Maintenance (O&M) Reserve. The Emergency Reserve is set at \$500,000 by the policy and would be used in extraordinary events such as a natural disaster. If needed, it would be funded with existing unrestricted fund balance. The O&M Reserve and the Fiscal Reserve have similar purposes; thus, just one line item for Operating Contingency, at 15% of the transit center operating budget line items, has been included in the proposed operating budget, and if needed would be funded with existing O&M Reserve funds.

In November 2017, the Board approved updates to the Reserve Policy that included establishing a goal to hold an amount equal to 25% of the operating budget in the O&M Reserve. This approximates three months of operating expenses and is intended to be available in the event of unanticipated revenue shortfalls and/or unavoidable expenses. However, with the adoption of the FY2018-19 budget the Board directed staff to fund the reserve at 7.5% of operating expenses versus 25% of operating expenses in consideration of the Operators. For FY 2019-20, the reserve balance at the end of FY18-19 is anticipated to be \$7.8 million or 20% of the FY19-20 budget. \$3.3 million is included in the FY19-20 budget, which would bring the reserve balance to \$4.5 million at the end of FY19-20, or 12% of the FY19-20 budget.

FY 2019-20 Operating Expenses

The TJPA FY 2019-20 draft operating budget as proposed by staff totals \$38,384,827. The proposed operating budget includes various TJPA salary, benefits, and administrative costs, as we move into operations and as Phase 1 closes out. Some of these costs were previously capitalized as part of the cost to construct the transit center; however, they are now more appropriately included in the operating budget. As Phase 1 closeout may stretch several months and because work on Phase 2 will continue to be capitalized, the operating budget includes an appropriate apportionment of the total TJPA salaries, benefits, and administrative expenses.

- TJPA staff salaries & benefits (\$1.6 million)
- TJPA administration, including office expenses and the other administrative categories included in the operations budget (\$1.4 million)
- CBD special tax assessments (\$225,000)
- A portion of legislative advocacy costs, the other portion being carried in the Phase 2 capital budget (\$138,625)
- Debt service costs for the fiscal year, fully covered by Net Tax Increment revenue. (\$6.5 million)

For costs that are allocated between operating and capital, the apportionment is generally 50% Operations, 25% Phase 1 and 25% Phase 2. There are some personnel and costs that are 100% Operations based on the job functions as noted in the following table. As a note, the allocations are subject to change based on need, function, and available funding.

<u>Position</u>	<u>Allocation</u>			
	<i>Operating</i>	<i>Phase 1</i>	<i>Phase 2</i>	<i>Total</i>
Executive Director	50%	25%	25%	100%
Chief of Staff/Board Secretary	50%	25%	25%	100%
Financial & Systems Accountant/HR Analyst	50%	25%	25%	100%
Financial Reporting Accountant	50%	25%	25%	100%
Chief Security Officer	100%	0%	0%	100%
Deputy Chief Security Officer	100%	0%	0%	100%
Facility Manager	100%	0%	0%	100%
Chief Financial Officer	50%	25%	25%	100%
Contract Compliance Officer (Vacant)	50%	25%	25%	100%
Accountant	50%	25%	25%	100%
Executive Assistant	50%	25%	25%	100%
IT Director	80%	10%	10%	100%

Salaries are based on position ranges in the pay schedule last approved by the TJPA Board in January 2017. California Code of Regulations requires all employers contracting with CalPERS to have a pay schedule that has been approved and adopted by its governing body. Staff has revised TJPA’s pay schedule to use broad ranges for classifications, instead of a narrow range for a specific title. This offers flexibility in hiring staff with various titles. Funding for positions at particular salary levels is still subject to the Board’s annual budget approval process. A resolution approving the proposed pay schedule will be presented in June, separate from the resolution approving the proposed fiscal year budget, as required by CalPERS. The proposed Pay Schedule is provided as Attachment 3. In addition to employee benefits, the Benefits line item includes amounts for workers compensation premiums, CalPERS liability payments, and an annual contribution to the OPEB trust.

The administration category includes the expenditures associated with operating the TJPA on a day-to-day basis, such as insurance premiums; communications; office supplies, equipment and furniture; professional development; meeting expenses; and human resources/payroll administration.

Transit Center Operations

The draft transit center operating budget includes estimated costs for operations and maintenance, security, and insurance as follows:

- Transit center O&M, including janitorial, maintenance, and utilities (\$7.6M)
- Transit center physical security (\$7.2M)
- Cybersecurity and IT (\$1.2M)
- Transit center marketing costs and leasing commissions (\$2.6M)
- Transit center property management staffing, administrative costs, and fee (\$1.9M)
- Rooftop park maintenance, programming and management fee (\$1.5M)
- Digital content / wayfinding systems development and maintenance (\$800K)
- Transit Center Insurance (\$1M)

Total: \$24.3 million

TJPA staff has worked with the asset manager, Lincoln Property Company (LPC), to refine the operating budget for the transit center. In many lines there have been reductions as we have identified savings. However, some items including leasing commissions have increased. Overall, the transit center operations have increased \$266K from the preliminary operating budget approved by the Board in February.

Security at the transit center includes the San Francisco Police Department (SFPD), private security guards, and ambassadors under the contract with Allied Universal. Security levels will be sufficient to secure the building, implement the public safety and security concept of operations; deter, respond to, manage and recover from all security or safety events and contingencies; and manage the Security Operations Center.

The estimate for Transit Center insurance reflects current market conditions for all-risk and terrorism coverage for basic insurance against damage and loss of use resulting from most insurable events, except for flood and earthquake.

DRAFT FY 2019-20 CAPITAL BUDGET:

Proposed FY 2019-20 Capital Funding Sources

For the purposes of the annual budget, the TJPA's funding sources are divided into two categories:

- Committed Funding Sources, which have already been allocated to the Transbay Program by one of the TJPA's funding partner agencies or represent available reimbursement funding.
- Planned Funding Sources, which are anticipated to be made available during FY 2019-20 but have not yet been received by the TJPA.

Committed Funding Sources

Committed funding sources consist of existing sources that have already been allocated or are otherwise available. These include existing allocation balances from the Federal Transit Administration (FTA), RM-2, AB 1171 Bridge Tolls, and San Francisco Proposition K (Prop K) sales tax; the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, TJPA's reimbursement from proceeds from the City's Community Facilities District (CFD) bond sales; reimbursement from other entities such as utilities and insurance; and lease and interest/investment income, in the following approximate amounts:

CFD Reimbursements: \$63.3M
Reimbursements: \$2.8M
TIFIA: \$587K
AB 1171 Bridge Tolls: \$436K
Lease, interest & investment income: \$533K

Planned Funding Sources

The CFD generates revenues from two sources: special tax assessments that the City utilizes to secure bond issuances, and impact fees paid by developers. In FY 2019-20, TJPA should receive approximately \$12 million in open space impact fees towards construction of the rooftop park and \$16 million in transportation impact fees for Phase 2. Additionally, TJPA plans to receive funds from Prop K sales tax (\$9M) and an amount from RM-3.

Proposed FY 2019-20 Capital Expenditures

The TJPA’s capital expenditure budget is organized into three categories:

- Salaries and Benefits for TJPA staff
- Administration
- Professional & Specialized Services, including construction (99% of budgeted expenditures)

Salaries and Benefits

The TJPA’s proposed capital salaries and benefits expenditure for FY 2019-20 is approximately \$1.9M. The TJPA’s strategy has been to keep its in-house staffing level small, and to use its staff to manage contractors and consultants who undertake a variety of tasks on behalf of the TJPA. The TJPA’s proposed budget is consistent with this approach for this fiscal year. However, it is anticipated that an increased level of in-house staffing will need to be implemented in FY20-21 based on recommendations from the Peer Review by the American Public Transportation Association. In the coming months, staff will present to the Board a detailed staffing plan for Phase 2. The capital budget includes staff time for Phase 1 and 2; there is also staff time in the operating budget. The positions are allocated between the budgets as follows, although the allocations are subject to change based on need, function, and available funding:

<u>Position</u>	<u>Allocation</u>			
	<i>Operating</i>	<i>Phase 1</i>	<i>Phase 2</i>	<i>Total</i>
Executive Director	50%	25%	25%	100%
Senior Program Manager (Vacant)	0%	0%	100%	100%
Senior Design & Engineering Manager (Vacant)	0%	0%	100%	100%
Senior Construction Manager	0%	100%	0%	100%
Engineering Manager	0%	80%	20%	100%
Chief of Staff/Board Secretary	50%	25%	25%	100%
Financial & Systems Accountant/HR Analyst	50%	25%	25%	100%
Financial Reporting Accountant	50%	25%	25%	100%
Chief Financial Officer	50%	25%	25%	100%
Contract Compliance Officer (Vacant)	50%	25%	25%	100%
Accountant	50%	25%	25%	100%
Executive Assistant	50%	25%	25%	100%
IT Director	80%	10%	10%	100%

Administrative Expenditures

This category includes apportioned amounts of the expenditures associated with operating the TJPA on a day-to-day basis, based on the staffing assigned to Phase 1 and Phase 2 such as professional development, meeting expenses, etc. For FY 2019-20, staff proposes to budget approximately \$400K for Administrative expenses, for Phase 1 and Phase 2. It is anticipated that these costs will require a transfer from the Program Reserves to cover Phase 1 costs.

Administrative Professional Services

The budget includes \$10.5M of expenditures for other professional services required for the continued operation of the TJPA and the advancement of the Transbay Program, including legal services, financial advisors, legislative advocates, auditing, and other services as itemized in the attached budget request. The largest line item in this section is legal services for \$9.6M

calculated at the average monthly expense. These costs included are for ongoing litigation with 301 Mission, construction claims and for routine matters. Funding legal services will require a transfer from Program Reserves.

Professional and Specialized Services

As noted above, rather than hire a large in-house staff during design and construction, the TJPA utilizes consultants and contractors to provide services in support of the Transbay Program. As a result, approximately \$86.1 million of the proposed FY 2019-20 capital budget is devoted to Professional and Specialized Services, the majority of which is allocated to construction.

The Professional and Specialized Services budget is categorized by engineering and design services, permits and fees, real estate services, construction management, construction, and planning and environmental analysis. The major professional and specialized services that will be undertaken during FY 2019-20 under each sub-category are described below.

Engineering and Design Services (\$18.3 million)

- Program Management & Program Controls (PM/PC) (\$4.5 million)
The PM/PC team's work in the first half of FY 2019-20 will focus on resolution of issues to close out. The PM/PC consultant also provides Downtown Rail Extension (DTX) project management. A Request for Proposals for PM/PC services for Phase 2/DTX is expected to be released once funding becomes available. Funding for PM/PC services for Phase 1 will require a transfer from Program Reserves.
- DTX Preliminary Engineering and Design (\$12.7 million)
Contingent upon receiving funding, the focus for Phase 2 will be continuing to advance engineering work for the DTX to a complete 30% preliminary engineering and drawings level. An RFP is expected to be released for this work once funding is available.

Permits and Fees (\$35K)

- The FY 2019-20 budget includes costs for services provided by the San Francisco Department of Building Inspection and other related fees, for closeout of the transit center.

Construction Management (\$2.2 million)

- Construction management responsibilities involve monitoring, inspection, and interface with the construction contractors; administrative tasks; claims management; and dispute resolution assistance. Budget for staffing from both the Construction Management Oversight consultant and San Francisco Public Works is included in this line item. Construction management is necessary for closeout. Funding for construction management for Phase 1 will require a transfer from Program Reserves.

Construction (\$64.4 million)

- Transit Center & Ramp (\$42 million)
Phase 1 construction is anticipated be complete September 2019 as per Webcor's schedule, with punch-list work and closeout as the focus. The fiscal year budget includes amounts for each trade package based on the current cash flow projections for the period.
- Tenant Improvements (\$22.4 million)
The current cost estimate for tenant improvements plus tenant improvement allowances is \$35.5 million, \$22.4 million of which is projected to be spent in FY 2019-20. It is assumed

that all the remaining amount will be expensed during this fiscal year. Additionally, these costs will require a request from the Program Reserves.

Real Estate Services (\$109K);

- The primary professional and specialized services related to real estate in the FY 2019-20 budget include property management of the TJPA-owned property leased out at 580 Howard Street, and potential real estate studies for Phase 2.

Planning and Environmental Analysis (\$1M)

- The budget includes \$1 million for scoping for the Pennsylvania Avenue Extension (PAX) contingent upon the Board approving inclusion of the PAX into the Transbay Program.

Program Reserves

As Phase 1 of the Transbay Program ends, there are several categories in which a transfer from Program Reserves is necessary to complete this budget. Upon finalizing the specific categories and determining the final amounts, staff will include a detailed request itemizing the costs and categories as part of the approval for the final adoption of the budgets in June.

BOARD RESOLUTION AUTHORIZATION:

The TJPA Board provides expenditure authorization to staff in several ways. For most expenditures, the Board approves a contract with a vendor that governs the duration and cost of the goods and services to be provided. However, not all expenditures are based on vendor contracts—generally administrative items such as salaries, benefits and other office expenses are not. By approving the budget request, the Board would provide expenditure authorization for those line items that are not based on contracts.

In some cases, the TJPA’s funding partners require that funding applications be approved by the TJPA Board. Others do not include this requirement. For clarification, and as in previous fiscal years, the FY 2019-20 budget resolution will include language authorizing the TJPA’s Executive Director to apply for, accept, and expend funds for Board approved expenditures in the annual budget.

BOARD BUDGET REVIEW PROCESS:

Staff will return to the Board on a quarterly basis to report on the status of “budget vs. actual” expenditures and revenues. Staff may also return to the Board for review and approval of one or more budget amendments, if changes in circumstances warrant.

ENCLOSURES:

1. FY 2019-20 Draft Operating Budget (Attachment 1)
2. FY 2019-20 Draft Capital Budget (Attachment 2)
3. Pay Schedule (Attachment 3)
4. Rental and Fee Schedule (Attachment 4)

RECOMMENDATION:

Information only; Final Budget to be presented for approval at June Board meeting.

**TRANSBAY JOINT POWERS AUTHORITY
FY2019-2020 OPERATING DRAFT BUDGET**

Description	FY18-19 Amended Operations Budget	FY19-20 Preliminary Operations Budget (February)	FY19-20 Draft Operations Budget	\$ Change from FY2019-20 Preliminary (February)	% Change from FY2019-20 Preliminary (February)
REVENUES AND SOURCES					
INTERGOVERNMENTAL REVENUES					
Regional Measure 2	8,026,000	8,202,000	8,201,958	(42)	0%
Regional Measure 3	-	1,625,600	1,625,600	0	0%
Community Benefit District Park Payments	1,157,400	1,757,900	1,757,900	0	0%
Net Tax Increment Revenue	2,090,700	-	6,538,828	6,538,828	100%
AC Transit (74%)	2,803,823	3,873,974	3,562,571	(311,403)	-8%
SF Municipal Transportation Agency (26%)	985,127	1,361,126	1,251,714	(109,412)	-8%
Subtotal, Other Regional Contributions	3,788,950	5,235,100	4,814,285	(420,815)	-8%
Subtotal, Intergovernmental Revenue	15,063,050	16,820,600	22,938,571	6,117,971	41%
OPERATING REVENUES					
Naming Rights	5,194,400	4,928,300	4,928,300	0	0%
Transit Center Retail Revenue	1,351,400	2,921,800	3,269,469	347,669	12%
Transit Center Sponsorship / Events	947,400	614,500	614,500	0	0%
Transit Center Advertising & Miscellaneous Revenue	907,800	2,237,300	2,064,623	(172,677)	-8%
Neutral Host DAS Licensing Fees	1,375,000	625,000	625,000	0	0%
Temporary Terminal Rents	347,200	-	-	0	0%
Other Operator Rents	279,600	319,500	319,500	0	0%
AC Transit (Bus Storage Facility and Bart Bridge Security)	-	281,000	325,165	44,165	16%
201 Mission Office Sublease	324,525	578,300	780,000	201,700	35%
Subtotal, Operating Revenue	10,727,325	12,505,700	12,926,557	420,857	4%
OTHER SOURCES					
Use of Fund Balance	500,000	500,000	500,000	0	0%
Use of Operating & Maintenance Reserve	6,866,675	2,019,700	2,019,700	0	0%
Subtotal, Other Sources	7,366,675	2,519,700	2,519,700	0	0%
TOTAL REVENUE AND OTHER	\$33,157,050	\$31,846,000	\$38,384,827	\$6,538,827	21%
EXPENSES AND CONTINGENCIES					
Salaries, Fringe Benefits, & Admin	2,000,950	3,889,700	3,123,511	(766,189)	-20%
Debt Service/City Financing Interest	2,090,700	-	6,538,828	6,538,828	100%
Professional Services					
Legal Counsel (City Attorney, Outside Counsel)	500,000	-	303,000	303,000	0%
Accounting Software Installation & Maintenance	-	-	30,350	30,350	0%
Audits	24,000	-	24,000	0	0%
Credit Rating Analysis	-	-	30,000	30,000	0%
Trustee Account Services	-	-	1,100	1,100	0%
Community & Public Relations	-	-	9,000	9,000	0%
Legislative Services	-	-	138,625	138,625	0%
Other Intergovernmental Agmts / Consulting Svcs	-	-	30,000	30,000	0%
Subtotal, Professional Services	524,000	-	566,075	566,075	0%
Total Administrative Budget	4,615,650	3,889,700	10,228,414	6,338,714	163%
Contingencies					
Emergency Reserve	500,000	500,000	500,000	0	0%
O&M Reserve/ Fiscal Reserve	3,635,900	3,401,400	3,334,749	(66,651)	-2%
Subtotal, Contingencies	4,135,900	3,901,400	3,834,749	(66,651)	-2%
Temporary Terminal					
Temp Terminal Facility Management, Security & Utilities	466,779	-	-	0	0%
Parking Control Officers	22,000	-	-	0	0%
Insurance	10,400	-	-	-	0%
Subtotal, Temporary Terminal	499,179	-	-	-	0%
Transit Center					
Transit Center Maintenance	2,725,200	3,080,000	2,965,049	(114,951)	-4%
Transit Center Janitorial	2,234,636	2,583,900	2,505,128	(78,772)	-3%
Transit Center Utilities	2,160,800	2,204,200	2,182,896	(21,304)	-1%
Park Maintenance & Programming	663,700	683,600	683,600	0	0%
Park Management Fee & Administration	798,000	798,000	798,000	0	0%
Digital Content Management & Wayfinding Systems	729,700	720,700	696,359	(24,341)	-3%
Wayfinding Gap Analysis	-	100,000	100,000	0	0%
Marketing & Leasing Commissions	2,794,500	1,624,900	2,623,952	999,052	61%
Cybersecurity/IT	-	1,084,100	1,293,671	209,571	19%
Bus Storage Facility and Bart Bridge Security	-	281,000	325,165	44,165	16%
Asset Management Fee & Administration	2,675,600	2,108,000	1,912,483	(195,517)	-9%
Security	7,994,300	7,586,500	7,222,585	(363,915)	-5%
Insurance	1,080,425	1,200,000	1,012,777	(187,223)	-16%
Transit Center Temporary Closure	49,460	-	-	-	0%
Subtotal, Transit Center	23,906,321	24,054,900	24,321,665	266,765	1%
TOTAL EXPENSES AND CONTINGENCIES	\$33,157,050	\$31,846,000	\$38,384,827	\$6,538,827	21%
Difference	\$0	\$0	\$0	\$0	

**TRANSBAY JOINT POWERS AUTHORITY
FY2019-2020 CAPITAL DRAFT BUDGET**

Description	FY19-20 Draft Capital Budget	Phase 1	Phase 2
REVENUES			
COMMITTED REVENUES			
Regional Measure 2	179,000	179,000	-
AB 1171 Bridge Tolls	436,000	436,000	-
Proposition K San Francisco Sales Tax	20,250	20,250	-
TIFIA	587,000	587,000	-
Mello-Roos Community Facilities District Bond Reimbursements	62,544,413	62,544,413	-
Transit Center District Impact Fees-IPIC	850,839	-	850,839
Lease Income	95,000	95,000	-
Interest Income	438,000	438,000	-
Reimbursements by Others (Utilities, Adjacent Properties)	2,799,720	2,799,720	-
	-	-	-
Subtotal, Committed Revenue	67,950,222	67,099,383	850,839
PLANNED REVENUES			
Transit Center District Impact Fees-IPIC/ RM-3	21,924,953	12,044,000	9,880,953
Proposition K San Francisco Sales Tax	9,192,000	-	9,192,000
	-	-	-
Subtotal, Planned Revenue	31,116,953	12,044,000	19,072,953
TOTAL REVENUES	99,067,175	79,143,383	19,923,792
EXPENSES			
Salaries, Fringe Benefits, & Admin	2,389,142	1,119,275	1,269,867
Professional Services			
Legal Counsel	9,672,000	9,672,000	-
Financial and Grant Management	575,000	455,000	120,000
Audits	28,000	28,000	-
Economic and Real Estate Analysis(Seifel & Concord Group)	50,000	50,000	-
Community & Public Relations	21,000	10,500	10,500
Legislative Services	138,625	-	138,625
Other Intergovernmental Agmts / Consulting Svcs	60,000	30,000	30,000
	-	-	-
Subtotal, Professional Services	10,544,625	10,245,500	299,125
Total Administrative Budget	12,933,767	11,364,775	1,568,992
Professional & Specialized Services			
<i>Engineering & Design Services</i>			
Program Management / Program Controls	4,510,000	750,000	3,760,000
Downtown Extension Preliminary Engineering & Design	12,770,000	-	12,770,000
Downtown Extension Interagency Coordination	300,000	-	300,000
Transit Center Traffic Signals	100,000	100,000	-
Transit Center Overhead Lines	50,000	50,000	-
Transit Center Commissioning Agent	60,000	60,000	-
Public Art Program	21,000	21,000	-
Other Engineering & Design Services	535,500	134,700	400,800
	-	-	-
<i>Permits and Fees</i>			
Transit Center Building & Ramps Permits & Fees	5,000	5,000	-
Other Plan Checks / Permit Fees	30,000	15,000	15,000
	-	-	-
<i>Real Estate Services</i>			
Property Management	9,000	-	9,000
Real Estate Valuation Services	100,000	-	100,000
	-	-	-
<i>Construction Management</i>			
Construction Management Oversight for Transit Center	2,000,000	2,000,000	-
Construction Dispute Resolution Services	200,000	200,000	-
	-	-	-
<i>Construction</i>			
Transit Center Building & Ramps Construction	42,000,000	42,000,000	-
Base Building Improvements / Tenant Improvements	22,442,908	22,442,908	-
	-	-	-
<i>Planning & Environmental Analysis</i>			
Economic and Real Estate Analysis	-	-	-
Phase 3 Scoping	1,000,000	-	1,000,000
	-	-	-
Subtotal, Professional & Specialized Services	86,133,408	67,778,608	18,354,800
TOTAL EXPENSES	\$ 99,067,175	\$ 79,143,383	\$ 19,923,792
	Difference (0)	(0)	(0)

Transbay Joint Powers Authority
Pay Schedule
Effective January 1, 2019

Class Titles	Hourly Pay Range (Low)	Hourly Pay Range (High)
Executive	105.00	145.00
Manager III	98.00	124.00
Manager II	75.00	103.00
Manager I	63.00	84.00
Associate IV	57.00	78.00
Associate III	47.00	63.00
Associate II	41.00	54.00
Associate I	34.00	49.00
Administrative	28.00	36.00

NON-PUBLIC RENTAL AND FEE SCHEDULE

I. Purpose

TJPA's transit center is a more than 1,250,000-square-foot public facility, spread over three city blocks, with four levels above ground and two levels below ground. The facility is designed to serve diverse purposes, including transit, recreation, commercial, and administrative purposes. More than 37,000 people are expected to visit and use the facility each week day when Phase 1 of the Transbay Program is fully operational. At completion, the Transbay Program is expected to connect eight Bay Area counties and the State of California through 11 transit systems.

The primary purpose of TJPA property is to provide a public transportation facility. TJPA expects that TJPA property will also provide an important service for passengers, neighbors, workers, and tourists, providing retail, professional services, commercial outlets, and dining; as well as leisure, recreational, and other amenities.

TJPA may choose to make limited, designated areas and limited uses of TJPA property available to individuals and entities for non-public rentals and uses.

In keeping with its proprietary function as a provider of a public transportation facility, TJPA does not intend, by accepting non-public uses, to convert TJPA property into an open public forum for public discourse, debate, or expressive activity. Rather, TJPA's fundamental purpose is to provide a public transportation facility, and TJPA accepts such non-public uses as a means of generating revenue to support its primary functions.

In furtherance of this discrete and limited objective, TJPA retains control over the nature of non-public uses of TJPA property. TJPA finds that certain restrictions on non-public uses will allow the TJPA property to fulfill its primary function as a public transportation facility; guard the health, safety, and security of the public; and promote revenue generation for the Transbay Program. Among other things, non-public uses shall be consistent with TJPA's goals to:

- (1) Prioritize the public transit purpose of TJPA property, TJPA programming designed to engage and serve the public, and public access to TJPA property over non-public uses.
- (2) In light of the public investment in TJPA property, and to minimize the need for public sources to pay for operations, ensure at least full cost-recovery from non-public uses of the facility and, where appropriate, maximize revenue from non-public uses of TJPA property.
- (3) Maintain a safe and welcoming environment for passengers using TJPA property and riding the public transportation systems that use TJPA property.
- (4) Maintain TJPA's position of neutrality on issues not directly related to the Transbay Program, and avoid the appearance of the TJPA's involvement in favoring or opposing political parties, issues, or candidates.

II. Non-Public Rentals

Non-public rentals include events sponsored by any entity other than TJPA, and which are closed to the public, invitation only, or open to the public only with purchase of a ticket or payment of an entrance fee, and where the renter has the temporary right to exclude the public from the rented space. Proposed events and activities sponsored by any entity other than TJPA but which are free and open to the public are separately regulated under TJPA's promotional platform. Spaces available for rent under TJPA's retail and pop-up leasing program are separately regulated by TJPA.

A. Spaces Available for Rent

TJPA has determined that the following areas of TJPA property may be available for non-public rent at the rental rates described herein, and subject to such other terms, conditions, and requirements as may be specified by and in the discretion of the Executive Director:

- (1) Amphitheater in Salesforce Park, and
- (2) Café Pad in Salesforce Park.

At this time, no other portions of TJPA property are available for non-public rental. TJPA may evaluate whether other portions of TJPA property are viable options for non-public rentals in the future, and TJPA reserves the right to change this determination in its sole discretion.

The specified TJPA property is generally available for non-public rental on a first-come, first-served basis, based on satisfaction/completion of all TJPA prerequisites (including contract signed and payment received). Notwithstanding the foregoing, TJPA expressly reserves the right to restrict or prohibit non-public rentals during such periods, on such days, or at such times that the Executive Director determines would conflict with TJPA's objectives to prioritize the public transit purpose of TJPA property, TJPA programming designed to engage and serve the public, and public access to TJPA property.

B. Rental Rates

TJPA has determined that the following rental rates apply to non-public rentals of TJPA property:

Amphitheater in Salesforce Park Rental Rate		
	Stage + Lawn Only*	Entire Amphitheater Area
1 – 250 attendees	\$1,200/hr	\$2,200/hr
251-500 attendees	\$2,600/hr	\$3,600/hr
501+ attendees	--	\$5,000/hr

* Enclosed with barricades/stanchions, leaving west elevator, gardens, and walking path open to public.

Café Pad in Salesforce Park Rental Rate
\$500/hr

Additional Rental Rates
1.5 times the applicable hourly rate for each hour or portion thereof outside the reserved period

TJPA reserves the right to revise the above rental rates in its sole discretion. TJPA anticipates that the TJPA Board will update the rental rates each fiscal year.

C. Fees and Expenses

The non-public rental rates specified above include basic building services but do not include labor, insurance, equipment, security, and other charges. In addition to the above rental rates, TJPA charges the following fees and expenses:

Fees and Expenses	
Processing fee to cover administrative costs per event (for events with 501+ attendees)	\$500
Connectivity fee to cover costs for standard use of building power (for events greater than 4 hours)	\$500
Late fee where either (a) materials submitted less than 2 weeks prior to event (as required) (for rental of entire amphitheater), or (b) electrical plans submitted less than 5 days prior to event (as required)	\$250
Deactivation fee to cover costs where renter causes activation of facility life system alarm	\$5,000
Waste services fee where renter does not comply with obligation to appropriately segregate waste produced by its event	\$1,000
Amplified sound fee to cover additional processing and evaluation (as requested by renter)	\$560
Branded/promotional/commercial display fee (such as corporate sponsor banners or giveaways)	\$1,500

TJPA may charge additional fees and expenses as necessary to ensure full cost recovery associated with any non-public rental as specified by and in the discretion of the Executive Director. Such fees and expenses may include, but are not limited to: damage deposit; actual time of TJPA labor at established hourly rates, which may include overtime, night, weekend, or holiday rates (e.g., facility and event managers, engineers, laborers, electricians, security staff, sound monitors, janitorial, landscaping/grounds, dock master); services provided by/incurred by TJPA associated with the event to the extent the usage exceeds standard amounts or amounts specified above (e.g., waste disposal, electricity, water, security, Wi-Fi); equipment provided by TJPA associated with the event; special requests such as specialty lighting; and repair of damages associated with event.

TJPA may also impose conditions and requirements on non-public rentals which may result in additional costs for the permittee (e.g., requirement to maintain insurance; requirement to contract with Emergency Medical Technician; requirement to secure necessary permits; requirement to hire private security).

III. Film & Photo

TJPA expressly reserves the right to restrict or prohibit film/photo shoots during such periods, on such days, or at such times that the Executive Director determines would conflict with TJPA’s objectives to prioritize the public transit purpose of TJPA property, TJPA programming designed to engage and serve the public, and public access to TJPA property.

A. Professional Photographers and Videographers

TJPA requires all professional photographers and videographers to secure a film/photo permit from TJPA and pay the following film/photo fee prior to shooting on TJPA property:

Film/Photo Fees	
Still photography -- no exclusive use of TJPA property (e.g., wedding photography, family portraits)	\$100/day
Still photography -- requesting exclusive use of TJPA property (e.g., print advertising)	negotiated based on market value and extent of interference with public use
Commercial, corporate media, videos (including music videos, web videos, and short subject), TV series, movie, pilot, web series, documentary	negotiated based on market value and extent of interference with public use

TJPA reserves the right to revise the film/photo fees in its sole discretion.

In addition to the above film/photo fees, TJPA may charge fees and expenses as necessary to ensure full cost recovery associated with any film/photo shoot as specified by and in the discretion of the Executive Director. Such fees and expenses may include, but are not limited to: actual time of TJPA labor at established hourly rates (e.g., facility manager, engineers, laborers, electricians, security staff, sound monitors, landscaping/grounds); services provided by/incurred by TJPA associated with the event (e.g., waste disposal, electricity, water, security, Wi-Fi); equipment provided by TJPA associated with the event; and repair of damages associated with event.

TJPA may also impose conditions and requirements on film/photo shoots which may result in additional costs for the permittee (e.g., requirement to maintain insurance; requirement to contract with Emergency Medical Technician; requirement to secure necessary permits; requirement to hire private security).

B. News Media, Student, Government, and Nonprofit Projects

TJPA requires all news media, student, government, and nonprofit projects to secure a film/photo permit from TJPA prior to shooting on TJPA property. As a courtesy to news media, students, government agencies, and nonprofits, TJPA will waive the film/photo fee; such entities will still be required to pay any fees/expenses as necessary to ensure TJPA's full cost recovery associated with the project and to meet TJPA's minimum conditions and requirements.

A "news media project" is defined as news reporting coverage conducted by credentialed media with issued press cards. A "student project" is defined as a class assignment that is covered under insurance coverage by a college/university; if the college/university is not able to provide the student project with the required insurance coverage, the standard film/photo fees apply. A "government project" is defined as a film/photo project created by or for a government entity and that advances specific government purposes. A "nonprofit project" is defined as a project created by or for a nonprofit corporation that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and that is directed to the general public or a significant segment of the public. Proof of nonprofit status may be required.

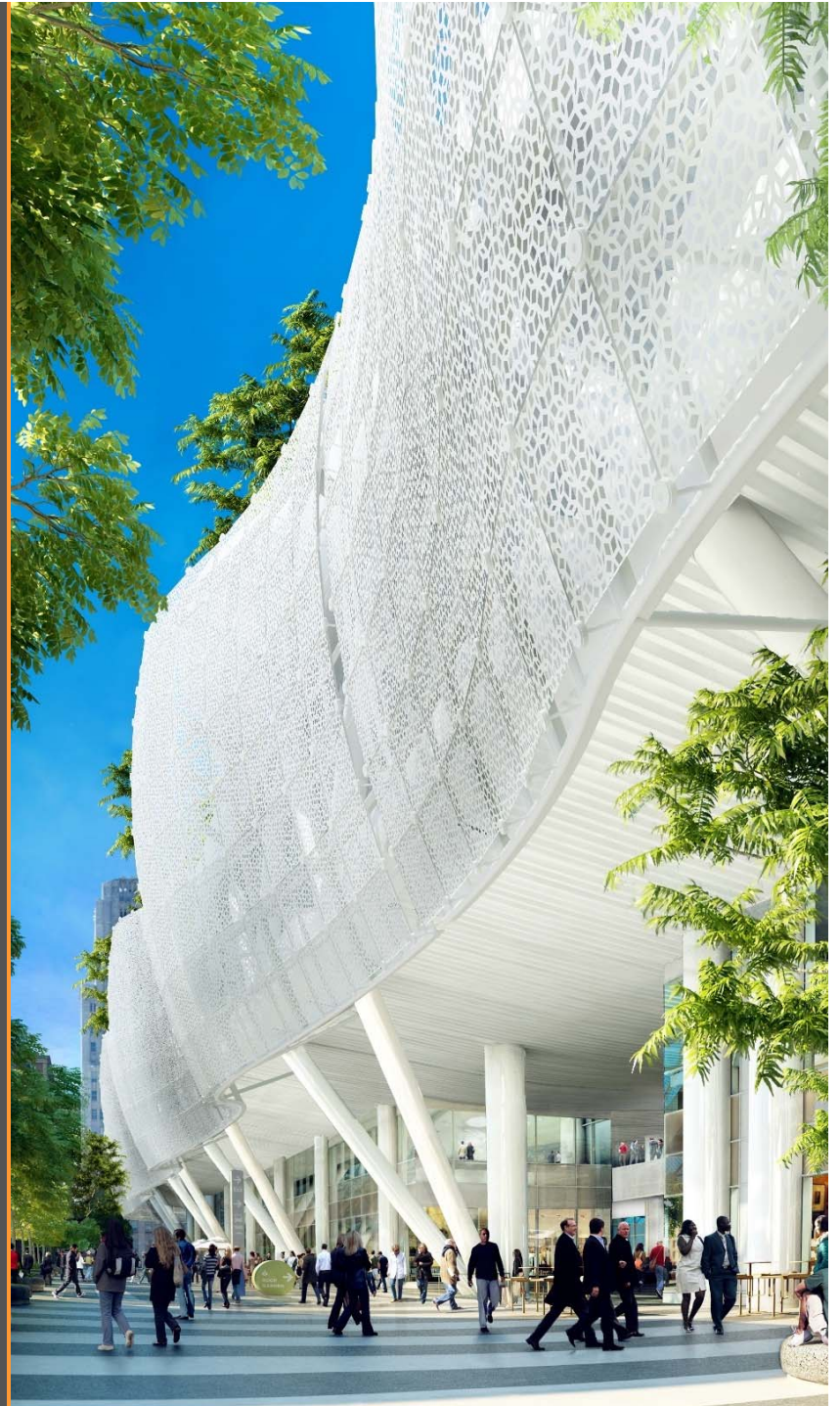
IV. Prohibited Uses of TJPA Property

TJPA property is not available for non-public rentals or film/photo shoots for the following purposes:

- (1) Safety and Security. Rentals for events or film/photo shoots that TJPA determines are reasonably likely to result in material risk to safety and security of participants, or TJPA property.
- (2) Illegal Goods or Services, or Unlawful Behavior. Rentals for events or film/photo shoots that advocate or promote the use of illegal goods or services, or unlawful conduct, or otherwise conflicts with the requirements of TJPA's funding partners, including the U.S. Department of Transportation.
- (3) Tobacco, Firearms, or Cannabis. Rentals for events or film/photo shoots that advocate or promote tobacco, firearms, or cannabis products, businesses, or services.
- (4) Adverse to TJPA or Public Agency Partners. Rentals for events or film/photo shoots that are directly adverse to the commercial or administrative interests of TJPA or its public agency partners, or that tend to disparage the quality of service provided by TJPA or its public agency partners, or that tend to disparage public transportation generally.
- (5) Political Events. Rentals for events or film/photo shoots that either (a) promote or oppose a political party; a state or local ballot measure; or the election of any candidate or group of candidates for federal, state, judicial, or local government offices; or (b) solicit, accept, or reward donors for contributions of any funds that the person or organization soliciting or accepting the funds will use, directly or indirectly, to support or oppose any of the items specified in (a).

FY 2019-20 Proposed Final Operating and Capital Budget

June 2019



FY 2019-20 Proposed Final Operating Budget

FY 2019-20 Proposed Final Operating Budget

	FY19-20 Draft Operations Budget	FY19-20 Final Operations Budget	\$ Change from FY2019-20 Draft (May)	% Change from FY2019-20 Draft (May)
<u>REVENUES</u>				
INTERGOVERNMENTAL REVENUES	22,938,571	23,272,764	334,193	2%
OPERATING REVENUES	12,926,557	12,926,557	0	0%
OTHER SOURCES	<u>2,519,700</u>	<u>2,519,700</u>	<u>0</u>	0%
TOTAL REVENUE AND OTHER	\$38,384,827	\$38,719,020	\$334,193	1%
<u>EXPENSES</u>				
ADMINISTRATION	3,689,586	3,689,586	0	0%
DEBT SERVICE	6,538,828	6,538,828	0	0%
TRANSIT CENTER	24,321,665	24,655,858	334,193	1%
CONTINGENCIES	<u>3,834,749</u>	<u>3,834,749</u>	<u>0</u>	0%
TOTAL EXPENSES AND CONTINGENCIES	\$38,384,827	38,719,021	\$334,193	1%

FY 2019-20 Proposed Final Budget Operating Revenues

Description	FY19-20 Draft Operations Budget	FY19-20 Final Operations Budget	\$ Change from FY2019-20 Draft (May)	% Change from FY2019-20 Draft (May)
Regional Measure 2	8,201,958	8,201,958	0	0%
Regional Measure 3	1,625,600	1,625,600	0	0%
Community Benefit District Park Payments	1,757,900	1,605,770	(152,130)	-9%
Net Tax Increment Revenue (Debt Service)	6,538,828	6,538,828	0	0%
AC Transit (74%)	3,562,571	3,922,450	359,879	10%
SF Municipal Transportation Agency (26%)	1,251,714	1,378,158	126,444	10%
Subtotal, Other Regional Contributions	<u>4,814,285</u>	<u>5,300,608</u>	<u>486,323</u>	<u>10%</u>
Subtotal, Intergovernmental Revenue	\$22,938,571	\$23,272,764	\$334,193	2%
Naming Rights	4,928,300	4,928,300	0	0%
Transit Center Retail Revenue	3,269,469	3,269,469	0	0%
Transit Center Sponsorship / Events	614,500	614,500	0	0%
Transit Center Advertising & Miscellaneous Revenue	2,064,623	2,064,623	0	0%
Neutral Host DAS Licensing Fees	625,000	625,000	0	0%
Temporary Terminal Rents	-	-	0	0%
Other Operator Rents	319,500	319,500	0	0%
AC Transit (Bus Storage Facility and Bart Bridge Security)	325,165	325,165	0	0%
201 Mission Office Sublease	<u>780,000</u>	<u>780,000</u>	<u>0</u>	<u>0%</u>
Subtotal, Operating Revenue	\$12,926,557	\$12,926,557	\$0	0%
Use of Fund Balance and Reserve	2,519,700	2,519,700	0	0%
TOTAL REVENUE AND OTHER SOURCES	\$38,384,827	\$38,719,020	\$334,193	1%

FY 2019-20 Proposed Final Budget Transit Center Operations

	FY19-20 Draft Operations Budget	FY19-20 Final Operations Budget	\$ Change from FY2019-20 Draft (May)	% Change from FY2019-20 Draft (May)
Transit Center Maintenance	2,965,049	2,965,049	0	0%
Transit Center Janitorial	2,505,128	2,505,128	0	0%
Transit Center Utilities	2,182,896	2,182,896	0	0%
Park Maintenance & Programming	683,600	531,470	(152,130)	-22%
Park Management Fee & Administration	798,000	798,000	0	0%
Digital Content Management & Wayfinding Systems	696,359	696,359	0	0%
Wayfinding Gap Analysis	100,000	100,000	0	0%
Marketing & Leasing Commissions	2,623,952	2,623,952	0	0%
Cybersecurity/IT	1,293,671	1,293,671	0	0%
Bus Storage Facility and Bart Bridge Security	325,165	325,165	0	0%
Asset Management Fee & Administration	1,912,483	1,912,483	0	0%
Security	7,222,585	7,222,585	0	0%
Insurance	1,012,777	1,499,100	486,323	48%
	\$24,321,665	24,655,858	\$334,193	1%

FY 2019-20 Proposed Final Capital Budget

FY 2019-20 Proposed Final Budget Capital Revenues

Description	FY19-20 Final Capital Budget	Phase 1	Phase 2
Regional Measure 2	179,000	179,000	0
AB 1171 Bridge Tolls	436,000	436,000	0
Proposition K San Francisco Sales Tax	20,250	20,250	0
TIFIA	587,000	587,000	0
Mello-Roos Community Facilities District Bond Reimbursements	63,544,413	63,544,413	0
Transit Center District Impact Fees-IPIC	850,839	0	850,839
Lease Income	95,000	95,000	0
Interest Income	438,000	438,000	0
Reimbursements by Others (Utilities, Adjacent Properties)	<u>2,799,720</u>	<u>2,799,720</u>	<u>0</u>
Subtotal, Committed Revenue	67,950,222	67,099,383	850,839
Transit Center District Impact Fees-IPIC/ RM-3	21,924,953	12,044,000	9,880,953
Proposition K San Francisco Sales Tax	<u>9,192,000</u>	<u>0</u>	<u>9,192,000</u>
Subtotal, Planned Revenue	31,116,953	12,044,000	19,072,953
TOTAL REVENUES	\$100,067,175	\$80,143,383	\$19,923,792

FY 2019-20 Proposed Final Capital Budget

	FY19-20 Final Capital Budget	Phase 1	Phase 2
<u>REVENUES</u>			
COMMITTED REVENUES	68,950,222	68,099,383	850,839
PLANNED REVENUES	<u>31,116,953</u>	<u>12,044,000</u>	<u>19,072,953</u>
TOTAL REVENUES	\$100,067,175	\$80,143,383	\$19,923,792
<u>EXPENSES</u>			
ADMINISTRATION	12,933,767	11,364,775	1,568,992
ENGINEERING AND DESIGN	18,346,500	1,115,700	17,230,800
PERMITS AND FEES	35,000	20,000	15,000
REAL ESTATE SERVICES	109,000	0	109,000
CONSTRUCTION MANAGEMENT	2,200,000	3,200,000	0
CONSTRUCTION	64,442,908	64,442,908	0
PLANNING & ENVIRONMENTAL ANALYSIS	<u>1,000,000</u>	<u>0</u>	<u>1,000,000</u>
TOTAL EXPENSES	\$100,067,175	\$80,143,383	\$19,923,792

Phase 1 and Phase 2

<u>EXPENSES</u>		
TJPA ADMINISTRATION	2,389,142	2%
ADMIN PROFESSIONAL SERVICES	10,544,625	11%
ENGINEERING AND DESIGN	18,346,500	19%
PERMITS AND FEES	35,000	0.04%
REAL ESTATE SERVICES	109,000	0.11%
CONSTRUCTION MANAGEMENT	3,200,000	2%
CONSTRUCTION (Incl. Tenant Improvements)	64,442,908	65%
PLANNING & ENVIRONMENTAL ANALYSIS	<u>1,000,000</u>	<u>1%</u>
TOTAL EXPENSES	\$100,067,175	100%

FY 2019-20 Proposed Final Capital Budget

TJPA Administration

- Salary, Benefits, Office Expense
 - Salary and Benefits (\$1.9M)
 - Office Expense (\$400K)

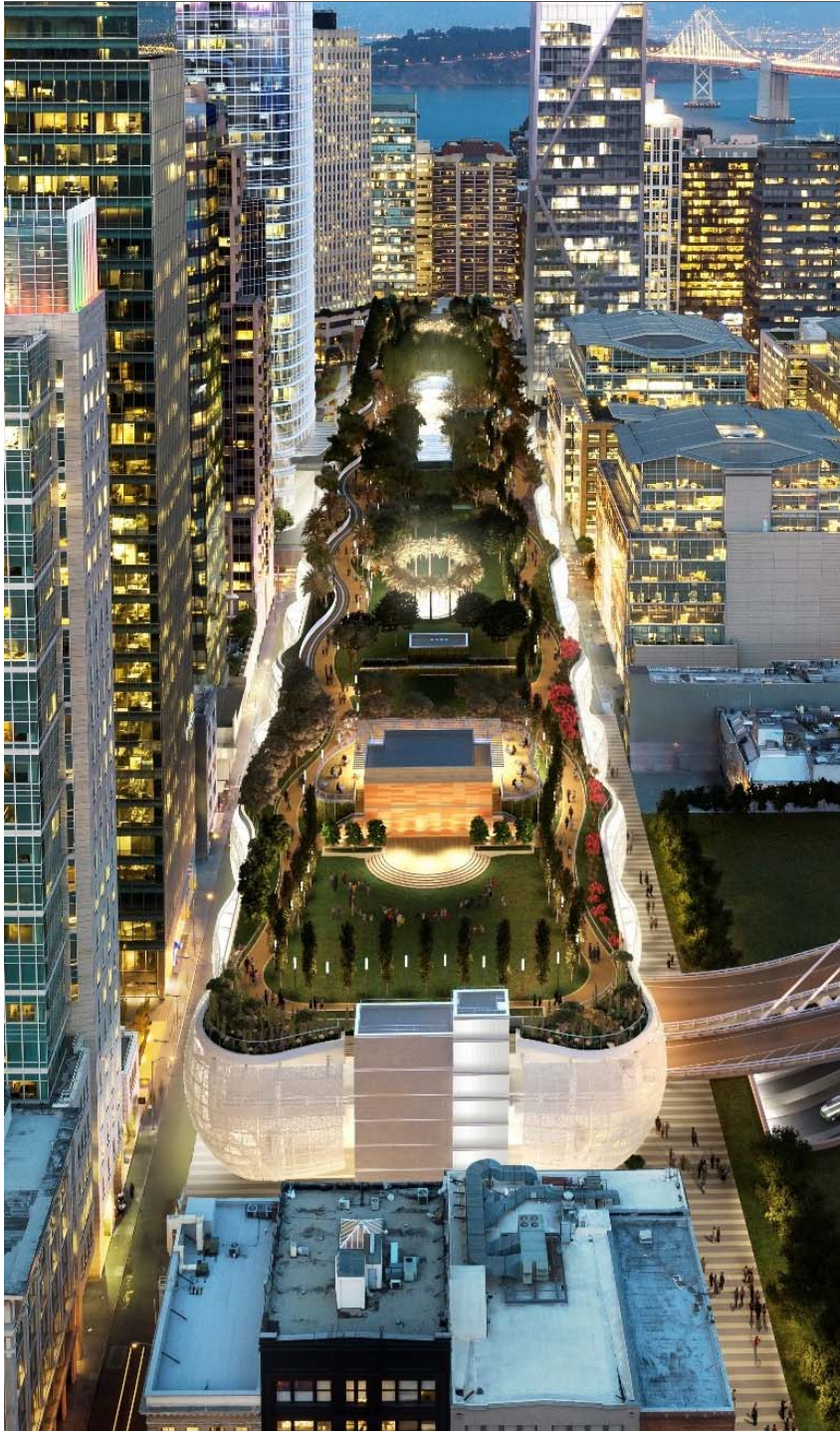
- Administrative Professional Services
 - Professional services (\$10.5M)
 - legal services,
 - financial advisors,
 - legislative advocates,
 - auditing,
 - other services

FY 2019-20 Proposed Final Capital Budget Professional and Specialized Services

- Engineering and Design Services (\$18.3M)
 - Program Management & Program Controls (PM/PC)
 - Close out of Phase 1
 - Downtown Extension (DTX) Project Management
 - Downtown Extension
 - Preliminary Engineering and Design
 - Permits and Fees
 - Closeout of the Transit Center
- Construction Management (\$3.2M)
 - Administrative tasks
 - Claims management
 - Dispute resolution assistance
- Construction (\$64.4M)
 - Transit Center & Ramp Phase 1 punch-list work and closeout
 - Tenant Improvements
- Real Estate Services (\$109K)
 - Property management
 - Real estate studies for Phase 2
- Planning and Environmental Analysis (\$1M)
 - Pennsylvania Avenue Alignment Extension (PAX)

FY 2019-20 Proposed Final Capital Budget Program Reserves

Program Reserve Requests Associated with Budget			Reserve Total
		Beginning Balance	56,614,553
FY18/19	(2,000,000)	PCPA-Design Services related to Non-Conforming Steel Girders	54,614,553
FY19/20	(2,300,000)	Pelli Clarke Pelli Architects	52,314,553
FY19/20	(10,500,000)	Tenant Improvements	41,814,553
FY19/20	(3,200,000)	Turner Construction Mgmt. Oversight/ Dispute Resolution	38,614,553
FY19/20	(750,000)	PMPC Extension thru 12/2019	37,864,553
FY19/20	(10,500,000)	Legal and Admin Professional Services	27,364,553
FY19/20	(2,017,000)	TJPA Admin	25,347,553
	(31,267,000)	Total Remaining Program Reserves 7/1/2019	25,347,553



Questions?

TJPA
TRANSBAY JOINT POWERS AUTHORITY

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