

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, February 11, 2016
1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Greg Harper, Chair
Mohammed Nuru, Vice Chair
Jeff Gee
Jane Kim
Edward Reiskin
Bijan Sartipi

Executive Director
Maria Ayerdi-Kaplan

Secretary
Nila Gonzales

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9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Harper called the meeting to order at 9:40 a.m.

2. Roll Call

Secretary Gonzales announced that Director Sartipi would not be present due to a scheduling conflict.

Present: Jeff Gee
Jane Kim
Ed Reiskin
Mohammed Nuru
Greg Harper

Absent: Bijan Sartipi

3. Communications

None.

4. Board of Director's New and Old Business

Chair Harper stated he wanted to schedule a session to discuss how to structure the routine review of officers.

5. Executive Director's Report

- Annual Program Status Report
- Construction Update
- Quarterly Project Labor Agreement (PLA) Report
- Monthly Investment Transaction Report

Executive Director Ayerdi-Kaplan introduced the item and TJPA Senior Program Manager Mark Zabaneh, TJPA Senior Construction Manager Dennis Turchon, TJPA Chief Financial Officer (CFO) Sara DeBord, and TJPA Legislative Affairs and Community Outreach Manager Scott Boule presented the item.

Director Gee congratulated the team on the tremendous progress and requested a schedule accompany the Phase 2 presentation when it is brought back.

Director Reiskin commended staff and stated the construction has been proceeding extraordinarily well. He inquired on what else was needed other than the Master Lessee and Security prior to the opening of the Transbay Transit Center (TTC). Executive Director confirmed these two components in addition to the Concept of Operations and budget for Operations and Maintenance were essential prior to opening the TTC and these items will be presented to the Board in March.

Chair Harper requested staff present a Phase 2 update no later than June 2016.

Steve Rule of Turner Construction, Construction Management Oversight (CMO), presented the Construction Update. Chair Harper requested a slide be added to the end of the presentation that lists the CMO's top concerns and that the presentation be provided with the agenda packet.

Director Gee suggested staff consider adding something to slide 6 that speaks to forecast.

Director Reiskin and Chair Harper asked Ron Alameida, City and County of San Francisco Department of Public Works, to give an update on his engagement. Mr. Alameida gave an update on his interactions since joining the TJPA project team. Chair Harper asked if an item should be added to the TJPA Board of Directors meeting agenda for Mr. Alameida to report regularly. Mr. Alameida agreed with adding an agenda item and he encouraged the Board to clarify his engagement to clear up ambiguity on roles and responsibilities.

TJPA Senior Construction Manager Dennis Turchon presented the PLA report.

TJPA CFO Sara DeBord provided the Monthly Investment Transaction Report.

Executive Director Ayerdi-Kaplan announced that Summer internship applications are available on the TJPA website for high school students and she provided information for the Penrose exterior awning unveiling event scheduled for March 7, 2016 at 10:00 a.m.

6. Citizens Advisory Committee (CAC) Update

Ted Olsson, TJPA CAC Chair, announced that the CAC is recruiting for open seats and that he will retire from his seat as Chair due to the expiration of his term. He hopes to stay involved with the committee, the Board, and the project and to be involved in writing the history of the project. He also commended staff and the construction workers on a job well done.

7. Public Comment

Jim Patrick, Patrick & Company, referred to an article in the San Francisco Examiner newspaper titled Transbay Tube Times Two and expressed concern regarding the Board's lack of position on the concept. Mr. Patrick also provided comments on another news article and inquired on policies.

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 10, 2015 meeting.

(8.2) Authorizing the Executive Director to amend the Professional Services Agreement with Sperry Capital for Financial Consulting Services, to exercise an option to extend the term of the agreement for an additional two years with no additional compensation.

RESOLUTION 16-001

No public comment

On motion to approve the Consent Calendar:

ADOPTED: AYES – Gee, Kim, Reiskin, Nuru, and Harper

REGULAR CALENDAR

9. Authorizing the Executive Director to finalize and issue the Master Lessee Request for Proposals, in accordance with the staff and peer review recommendation, to procure an entity to operate and manage the Transbay Transit Center, including its retail and other programming.

Mark O'Dell of URS/AECOM, the Program Management team, and Shuprotim Bhaumik of HR&A Advisors presented the item.

Director Gee requested a memo to the Board confirming the peer review concurrence.

Vice Chair Nuru inquired on who sets the standards on expectations to maintain the facility. Mr. Bhaumik stated a detailed operations manual with standards for the facility would be provided in the Request for Proposals (RFP) and staff indicated a copy would be provided to the Board. Vice Chair Nuru inquired about use of the lower levels of the TTC. Mr. O'Dell explained that a study was done to evaluate the cost-benefit of building out the fire/life/safety on the lower levels for retail in advance of Phase 2 and the study confirmed that the cost to build out the lower levels exceeded any revenue potential but that the respondents were not precluded from including proposals for the lower levels in their responses.

Director Reiskin commended and thanked staff for the very good and thoughtful process and stated the peer review and community outreach validates the approach and adds credibility. He suggested a numerical requirement be indicated in the RFP to ensure local business is represented in the facility. He expressed concern regarding the promotional platform and said it felt a bit like Times Square but on the inside; however, he stated he did not have an alternate proposal. Director Reiskin asked if a review panel was planned for the RFPs and suggested including some members of the peer review and participants from the outreach process. Executive Director Ayerdi-Kaplan confirmed a review panel was planned and she welcomed the Board's suggestions.

Director Kim recommended including the Small Business Commission on the review panel and, instead of suggesting, specifically prescribing a small business percentage in the RFP.

Chair Harper suggested that the Board has input on the score formation of the RFP.

Executive Director Ayerdi-Kaplan stated that the Lease and Use Agreement between TJPA and AC Transit indicates operation and maintenance costs that are not covered by the Master Lessee, retail or other sources is the responsibility of AC Transit. The TJPA will also need to look to the other transit operators utilizing the TTC for contributions in addition to increasing the current funds received for the TTC from Regional Measure 2. She also explained that Proposition H, passed by the voters in 1999, mandates that the rail shall be brought into the TTC promptly. She emphasized that it needs to be clear that if there is to be retail in the trainbox as part of Phase 1 it needs to be temporary because the rail needs to be brought in as quickly as possible.

Director Gee reiterated the Board's recommendations to strengthen and add a local business component both qualitative and objective in terms of the selection process; the selection panel should include experts, community members and members of the peer review panel; the panel have input from the Board on the selection criteria; and, the RFP, with appendices, be shared with Board.

Public comment:

Jim Patrick, Patrick & Company, stated he was concerned with the length of time for the RFP and everything being in order prior to the ribbon cutting at the end of 2017. He also stated he was unclear on how the naming rights component fit into this RFP.

RESOLUTION 16-002

On motion to approve:

ADOPTED: AYES – Gee, Kim, Reiskin, Nuru, and Harper

10. Resolution of appreciation for Marian Lee.

Executive Director Ayerdi-Kaplan presented the item.

No public comment.

RESOLUTION 16-003

On motion to approve:

ADOPTED: AYES – Gee, Kim, Reiskin, Nuru, and Harper

11. Election of Chair and Vice Chair pursuant to the TJPA Joint Powers Agreement.

Director Reiskin nominated Director Harper as Chair of the TJPA. Director Kim seconded the nomination.

No public comment.

On motion to elect Director Harper as Chair:

AYES – Gee, Kim, Reiskin, Nuru, and Harper

The motion to elect Director Harper as Chair passed.

Director Harper nominated Director Nuru as Vice Chair of the TJPA. Director Kim seconded the nomination.

No public comment.

On motion to elect Director Nuru as Vice Chair:

AYES – Gee, Kim, Reiskin, Nuru, and Harper

The motion to elect Director Nuru as Vice Chair passed.

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

12. Call to Order

Chair Harper called the closed session to order at 12:10 p.m.

13. Roll Call

Present: Jeff Gee
Ed Reiskin

Mohammed Nuru
Greg Harper

Absent: Jane Kim
Bijan Sartipi

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

Property: Portions of State Parcel F (APN 3721-015A); 75 Natoma (APN 3721-031), 546 Howard (APN 3721-016), 564 Howard (APN 3721-019), 568 Howard (APN 3721-020), and 77-79 Natoma (APN 3721-029) (“Parcel F”)

TJPA Negotiators: Maria Ayerdi-Kaplan, Executive Director, and Bill White, Shute, Mihaly & Weinberger LLP, outside counsel

Negotiating parties: Pre-qualified bidders in Parcel F procurement

Under negotiation: Price and terms of payment for sale of Parcel F

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 12:25 p.m.

15. Announcement of Closed Session.

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

ADJOURN – Chair Harper adjourned the meeting at 12:30 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.

Nila Gonzales
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.