



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, March 12, 2020

1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Jeff Gee, Vice Chair
Elaine Forbes
Matt Haney
Michael Hursh
Boris Lipkin
Nadia Sesay
Jeffrey Tumlin
Tony Tavares (*ex-officio*)

Executive Director
Mark Zabaneh

Secretary
Nila Gonzales

425 Mission Street, Suite 250
San Francisco, California 94105
415-597-4620

9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Vice Chair Gee called the meeting to order at 9:30 a.m.

2. Roll Call

Secretary Gonzales announced that Director Chang was sitting in as Director Haney's alternate.

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

Absent: Matt Haney
Tony Tavares

RECESS REGULAR MEETING AND CONVENE CLOSED SESSION

Vice Chair Gee announced that he would recuse himself from Closed Session and return for the Regular Meeting. He suggested Director Hursh preside over Closed Session in his absence and there was no objection from the Board.

There was no member of the public who indicated that they would like to comment on the items scheduled for discussion in closed session.

CLOSED SESSION

3. Call to Order

Director Hursh called the Closed Session to order at 9:33 a.m.

4. Roll Call

Present: Tilly Chang
Elaine Forbes
Michael Hursh
Boris Lipkin
Nadia Sesay
Jeffrey Tumlin

Absent: Jeff Gee
Matt Haney
Tony Tavares

5. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

Name of case: Lehman, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-16-553758

and

Name of case: Buttery, et al. v. Jeffries, et al., San Francisco County Superior Court, Case No. CGC-17-556292

and

Name of case: Chang, et al. v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-556617

and

Name of case: Millennium Tower Association v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-557830

and

Name of case: Montana, et al. v. Mission Street Development, LLC, et al., San Francisco County Superior Court, Case No. CGC-17-558649

and

Name of case: Ying, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-17-559210

and

Name of case: Maui Peaks Corp. v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-560322

and

Name of case: Turgeon, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-18-564417

and

Name of case: Shadduck, et al. v. Snyder, et al., San Francisco County Superior Court, Case No. CGC-17-562423

6. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

Name of case: Howard Historic Properties, LLC, et al. v. Transbay Joint Powers Authority, et al. San Francisco County Superior Court, Case No. CGC-19-576934

7. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (1 potential case)

RESOLUTION 20-004

On motion to approve:

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

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 10:55 a.m.

8. Announcement of Closed Session

Secretary Gonzales announced that there was no action to report.

9. Communications

None.

10. Board of Director's New and Old Business

None.

11. Executive Director's Report

- Facility Operations Update
- Quarterly Financial Reports

Executive Director Zabaneh reported on TJPA's response to the community spread of coronavirus (COVID-19) and stated that the TJPA was committed to the health and safety of the transit riders, operators, park visitors, retail tenants and customers, and all employees. Several measures have been taken to enhance the health and safety of all transit center users and employees in response to the spread of COVID-19. These efforts include coordinating with local, state and federal public health officials including emergency response and transit agencies, including the Federal Transit Administration, the Governor's office, the San Francisco Mayor's office, AC Transit and Muni, and the City's Department of Emergency Management, where TJPA is part of the emergency operation center's transportation branch and joint information center. Executive Director Zabaneh further reported that the TJPA has expanded cleaning measures and the frequency of cleaning of touchpoints such as handrails, elevator buttons, door handles and touchscreens on the digital kiosks. He reported that restroom cleaning has also been increased throughout the transit center and extensive outreach was conducted through the distribution of multilingual information via the digital kiosks and the posting of San Francisco Department of Health posters throughout the transit center. The information can be found in common areas, including restrooms and staff areas. Additionally, he reported that the TJPA is closely monitoring the rapidly changing situation and responding appropriately.

Executive Director Zabaneh also reported on the wayfinding project to enhance the current signage. He recapped that after reopening the transit center, the TJPA determined, through feedback from the public, commuters and transit agencies, that the static and digital wayfinding needed improvement; therefore, in partnership with the Metropolitan Transportation Commission (MTC) and the transit operators, a wayfinding gap analysis is being conducted. The wayfinding consulting team completed a general assessment through a complete deep dive into the existing systems, server research, public passenger interviews, pedestrian journey tracking, volunteer test journeys, and a series of interviews with everyone from the janitorial staff to transit agency personnel, transit riders, other transit center users, tenants, partners, stakeholders and neighbors. Executive Director Zabaneh stated that the wayfinding gap analysis is expected to be complete early next month, and he will keep the Board updated on its progress.

Executive Director Zabaneh additionally reported that Philz Coffee successfully opened two locations at the transit center, which include a mobile-only storefront. Philz Coffee joins Onsite Dental and Fitness SF. The new additions have added more vibrancy and provide the neighborhood with more retail options. With Verizon Wireless opening in the Spring, the transit center will have approximately 45 percent of its square footage opened to the public.

Executive Director Zabaneh also reported on the effort to finalize the memorandum of understanding (MOU) with MTC, San Francisco County Transportation Authority (SFCTA), Peninsula Corridor Joint Powers Board, California High-Speed Rail Authority (CHSRA), and the City and County of San Francisco to advance the development of the Phase 2/Downtown Rail Extension (DTX) project. The purpose of the MOU is to implement a new organizational structure with an Executive Steering Committee to support the TJPA in delivering Phase 2/DTX in the most efficient manner in full collaboration with partner agencies in the Bay Area. The goal is to advance the Phase 2/DTX project to shovel ready status in the next three years and position the project to receive full funding.

Director Chang explained to the newer Board members and the public who may not have been following over the last year that the intent of SFCTA's peer review study conducted last year was to regionalize the Phase 2/DTX project further and to promote ownership and participation among state and regional partners.

Vice Chair Gee thanked Executive Director Zabaneh for the report and the hard work happening to create the MOU. He felt it was important to show transparency to the Board and the public.

Richard Piette of Lincoln Property Company, Asset Manager for the transit center, presented the Facility Operations Update.

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

12. Construction Closeout Update

Ron Alameida of SF Public Works, Director of Design & Construction of the Transit Center, presented the item.

13. Citizens Advisory Committee (CAC) Update

Derrick Holt, CAC Chair, reported that, at the last CAC meeting, appreciation was expressed to the members whose terms expired, acknowledging them for their service, analysis and proposed solutions over the last several years. The CAC appreciates the TJPA's communications regarding COVID-19 and the safety measures put in place for the park and transit services. The CAC was pleased with updates regarding the retail tenants; however, they believe the parties responsible for the decreased momentum in ramping up retail, due to the temporary closure, should still be held accountable. The CAC valued the presentation by the CHSRA regarding the 2020 Draft Business Plan, as it focused on the Bay Area, including San Francisco and San Jose, stretching to the Central Valley; they feel it will reduce commute time and be highly beneficial. Furthermore, the CAC was pleased with the update regarding the 2020 Tax Allocation Bonds, which was detailed, focused and clear. They felt these were strategic steps to take advantage of declining federal treasury rates that will free up \$35 million for Phase 2/DTX and the CAC members fully supported the financial strategy presented. The CAC believes that the Phase 2/DTX project plays a vital role in San Francisco's Vision Zero program and the Phase 2/DTX project, previously approved by voters, is a significant piece to the transit center and the overall regional rail plan. The CAC encouraged the Board to increase efforts to support the project. The CAC was excited with the increased momentum that the Peninsula Rail Program MOU could bring to Phase 2/DTX and agreed that the engagement of additional regional players could resolve conflicts, keep TJPA involved in day-to-day activities, and support overall funding. The CAC encouraged the Board to support the bond refinancing strategies and leverage support through key regional influences to champion the Phase 2/DTX project.

Vice Chair Gee asked Chair Holt to pass along the Board's appreciation for the service and contributions of past CAC members.

14. 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, Patrick & Company, felt that the MOU, which came out of the SFCTA, has delayed the project. It was said that a new management structure would be put between the Board and operations or one level down. He felt this was a quid pro quo. The quid was to change the management structure, the quo was funding would be released. Mr. Patrick further stated that with the new COVID-19 virus, a tremendous amount of money will pour out for transportation projects and could be further delayed. He feels this has been a boondoggle.

THE FOLLOWING MATTERS BEFORE THE TRANSBAY JOINT POWERS AUTHORITY ARE RECOMMENDED FOR ACTION AS STATED BY THE EXECUTIVE DIRECTOR OR THE CHAIR.

CONSENT CALENDAR

15. 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.

(15.1) Approving the Minutes of the January 30, 2020 Special meeting.

(15.2) Approving the Minutes of the February 13, 2020 meeting.

(15.3) Authorizing the Executive Director to amend the professional services agreement for financial consulting services with Sperry Capital, to increase the Agreement by \$850,000 and extend the term through December 2020.

RESOLUTION 20-005

(15.4) Authorizing the Executive Director to execute Amendment No. 15 to Contract No. 07-04-TTC-000, Professional Design Services for the Transbay Transit Center Building and Related Structures, with Pelli Clarke Pelli Architects, Inc. to increase the contract amount by \$2,000,000 from \$160,360,000 to \$162,360,000 for services for coordination, design review, and other activities related to the development of Parcel F, located adjacent to the Salesforce Transit Center, which will be paid in full by F4 Transbay Partners, LLC (F4) under an existing escrow agreement established as part of the Purchase and Sale Agreement between the TJPA and F4.

RESOLUTION 20-006

(15.5) Authorizing the Director of Design & Construction for the Transit Center project, SF Public Works, to execute Amendment No. 9 to the Professional Services Agreement with Turner for Construction Management Oversight services to increase the amount by \$2,000,000 to cover costs of \$1,200,000, to be paid in full from Webcor/Obayashi's retention, for additional services by LPI to satisfy the MTC's Peer Review Panel inquiries and \$800,000, to be paid in full by F4, for services related to the coordination/oversight for the construction of Parcel F tower as it relates to relocation of the transit center's cooling tower vent and Parcel F bridge connection to the transit center rooftop park.

RESOLUTION 20-007

No public comment.

On motion to approve the Consent Calendar:

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

REGULAR CALENDAR

With the concurrence of the Board, Secretary Gonzales called Items 16, 17 and 18 together.

16. Approving the issuance of not to exceed \$315,000,000 of tax allocation bonds to refinance the TIFIA Loan, repay all or a portion of the City Financing (as needed), and finance additional costs associated with the construction and design of the Transbay Terminal Project, including, but not limited to, payment of judgment or settlement obligations arising from litigation or other disputes relating to past or future Transbay Terminal Project construction or design activities; declaring its official intent to use a portion of the proceeds of the tax-exempt bonds to reimburse itself for certain expenditures made prior to the issuance of such bonds; approving the execution and delivery of various documents in connection with the offering and sale of such bonds; and authorizing the taking of certain other actions related thereto.

Erin Roseman, TJPA CFO, presented the item.

No public comment.

RESOLUTION 20-008

On motion to approve:

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

17. Approving changes to Board Policy No. 017, Debt Management Policy.

Erin Roseman, TJPA CFO, presented the item.

No public comment.

RESOLUTION 20-009

On motion to approve:

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

18. Establishing a Debt Service Budget as a distinct item separate from the Operating Budget, and adopting Amendment No. 3 to the Fiscal Year 2019-20 Capital Budget and Amendment No. 2 to the Fiscal Year 2019-20 Operating Budget; establishing a Tenant Improvements Capital Budget as a distinct capital activity separate from the Phase 1 Capital Budget; approving the reimbursement of Program Reserves in the Phase 1 Capital Budget; amending Board Policy No. 012, Reserve Policy, to establish a Capital Replacement Reserve; and approving contributions to the Fiscal Reserve and Capital Replacement Reserve from anticipated Series 2020 Bonds proceeds and cash on hand.

Erin Roseman, TJPA CFO, presented the item.

No public comment.

RESOLUTION 20-010

RESOLUTION 20-011

RESOLUTION 20-012

On motion to approve:

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

19. Approving the recommended applicants to the TJPA Citizens Advisory Committee.

No public comment.

RESOLUTION 20-013

On motion to approve:

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

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

Director Tumlin nominated Director Sesay as Chair of the TJPA. Director Chang seconded the nomination.

No public comment.

On motion to elect Director Sesay as Chair:

AYES – Chang, Forbes, Gee, Hursh, Lipkin, Sesay, and Tumlin

The motion to elect Director Sesay as Chair passed.

Director Tumlin nominated Director Gee as Vice Chair of the TJPA. Director Chang seconded the nomination.

No public comment.

On motion to elect Director Gee as Vice Chair:

AYES – Chang, Forbes, Gee, Hursh, Lipkin, Sesay, and Tumlin

The motion to elect Director Gee as Vice Chair passed.

ADJOURN – Chair Sesay adjourned the meeting at 12:10 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.