

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, September 10, 2015
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
Jane Kim
Marian Lee
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

Present: Jane Kim
Marian Lee
Ed Reiskin
Bijan Sartipi
Mohammed Nuru
Greg Harper

3. Communications

None.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Construction Update
- Quarterly Financial Reports

Executive Director Ayerdi-Kaplan reported that as of July 31 the Transbay Project is now employing more than 11,000 men and women in construction across 24 states in the country and provided an updated jobs map.

Steve Rule, Turner Construction, presented the Construction Update.

Sara DeBord, TJPA Chief Financial Officer (CFO), presented the Quarterly Financial Reports.

6. Citizens Advisory Committee (CAC) Update

Ted Olsson, TJPA CAC Chair, reported the CAC was very content to hear about the progress of construction at their last meeting. He also extended gratitude to Director Kim, in her role as

Supervisor, for her advocacy of the Community Benefit District which is now approved. He commended the team for the outreach to the community regarding the steel crossing over streets with minimal disruption. He stated the CAC is impressed with the leadership TJPA has taken in regards to community outreach and that SFMTA's Central Subway team and DPW have reached out to learn more about the TJPA outreach program. He also stated the CAC will connect with Vision Zero to coordinate and make the project site a model for traffic, transit, and transport.

7. Public Comment

Jim Patrick, Patrick & Company, referenced a newspaper article where Scott Wiener suggested a second line or tunnel across the Bay Bridge and Mr. Patrick suggested that a Phase three be implemented to tunnel under the Bay because it will bring a higher value in rental and retail.

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

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

8. Call to Order

Chair Harper called the closed session to order at 10:00 a.m.

9. Roll Call

Present: Jane Kim
Marian Lee
Ed Reiskin
Bijan Sartipi
Mohammed Nuru
Greg Harper

10. 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 auction

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 10:20 a.m.

11. Announcement of Closed Session.

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

CONSENT CALENDAR

12. 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.

(12.1) Approving the Minutes of the July 9, 2015 meeting.

(12.2) Authorizing the Executive Director to execute amendments to extend Agreements for Federal Advocacy Services with Manatt, Phelps & Phillips and Chambers, Conlon & Hartwell for one year each and additional compensation of \$155,500 each.

RESOLUTION 15-031

No public comment

On motion to approve the Consent Calendar:

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

REGULAR CALENDAR

13. Presentation of Phase 1 Program Budget Update.

TJPA Senior Program Manager Mark Zabaneh and TJPA CFO Sara DeBord presented the item.

Director Reiskin inquired about the Guaranteed Maximum Price (GMP). Jes Pedersen, Webcor/Obayashi, stated he will try to develop a strategy for the GMP process and timeline but it is not normal to do mid-stream; more often it is done at the beginning or near the end of a job and probably the first quarter of next year would be a more appropriate timeline. Vice Chair

Nuru questioned if it could happen sooner since the costs are now being reviewed. Mr. Pedersen stated the risk would be analyzed on a trade-by-trade basis and because there are trades at different levels of their scope it would take some time to analyze. Vice Chair Nuru strongly encouraged Mr. Pedersen to provide an update on the GMP by the November TJPA Board meeting. Director Reiskin stated having a GMP in place before adopting a revised budget would be helpful because it would be less of a problem to solve for. Vice Chair Nuru inquired on whether there were any major design changes foreseen. Mr. Zabaneh replied that none were foreseen and requested Steve Humphreys of Webcor/Obayashi to confirm. Mr. Humphreys concurred with Mr. Zabaneh. Mr. Zabaneh further explained that he would be suggesting a joint meeting between the Metropolitan Transportation Commission (MTC) and Federal Transit Administration (FTA) to review their risk assessment methodologies and come to an agreement on the necessary level of contingencies.

Public Comment:

Roland Lebrun stated that the direction given by MTC should be followed and that the manner in which funding is sought should be approached differently. He also suggested a RIFF loan.

Jim Patrick, Patrick & Company, provided comments regarding projected income from tenants.

14. Adoption of Fiscal Year 2015-16 Capital Budget in an amount not to exceed \$354,341,200.

Sara DeBord, TJPA Chief Financial Officer, presented the item.

No public comment.

RESOLUTION 15-032

RESOLUTION 15-033

On motion to approve:

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

15. Approving an Amendment to Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to execute a Trade Work subcontract with Concrete North, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$27,677,267 for TG07.6: Topping Slabs, Bus Crash Rail and Expansion Joints, thereby increasing authorized Direct Costs by \$27,677,267, and the authorized Construction Services Fixed Fee by \$968,704.

TJPA Senior Program Manager Mark Zabaneh presented the item.

Director Reiskin inquired as to why four of the seven prequalified bidders did not bid the project. Mr. Zabaneh asked Mr. Humphreys to respond and he replied that there was extensive outreach but he could not state the reasons why four prequalified bidders did not bid but stated well prior to bid day it was known that they were not going to bid and it is not unusual for bidders to drop

out after they are prequalified. Director Kim asked Webcor to always come prepared with the information related to prequalified subcontractors not bidding.

Public Comment:

Jim Patrick, Patrick & Company, expressed his concern regarding the Project Labor Agreement and stated he believes it causes high bids.

RESOLUTION 15-034

On motion to approve:

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

16. Authorizing the Executive Director to execute Amendment 3 to the Professional Services Agreement with Turner Construction Company to provide construction management oversight services by increasing the maximum compensation from \$45,980,000 to \$57,180,000.

TJPA Senior Construction Manager Dennis Turchon presented the item.

Vice Chair Nuru and Chair Harper expressed concerns regarding the increase. Director Reiskin commented that the increase may be due to the delay in getting the design complete and the complexity of the design. Staff will provide additional information explaining the justification for the increase in future staff reports

No public comment.

RESOLUTION 15-035

On motion to approve:

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

17. Authorizing the Executive Director to sign and execute the Block 5 Easement Agreement and Declaration of Covenants and the Agreement Re Temporary License for Use of Parcel M3 in substantially the form as provided in the Block 5 Owner Participation/Disposition and Development Agreement that was entered into by the Office of Community Investment and Infrastructure and MA West LLC, the developer of the TJPA's Block 5 property.

Bill White of Shute, Mihaly & Weinberger, TJPA Counsel, presented the item.

Public Comment:

Roland Lebrun expressed his concerns regarding the agreement and suggested it be deferred.

Jim Patrick, Patrick & Company, provided comments regarding his suggestion for a Phase 3 and how it relates to this item.

RESOLUTION 15-036

On motion to approve:

ADOPTED: AYES – Lee, Reiskin, Nuru, and Harper
ABSENT – Kim

ADJOURN – Chair Harper adjourned the meeting at 12:00 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.