



SAN FRANCISCO PENINSULA RAIL PROGRAM EXECUTIVE STEERING COMMITTEE MEETING

MINUTES

Friday, April 22, 2022

11:00 a.m. to 12:00 p.m.

WATCH LIVE:

<https://transbaycenter.webex.com/transbaycenter/onstage/g.php?MTID=e1998acda1c58dceca697fe8b8d5de679>

PUBLIC COMMENT CALL-IN: 1-855-282-6330 -- Access Code: 2552 057 6917

Due to the COVID-19 health emergency, the Executive Steering Committee (ESC) will meet via teleconference. Members of the public are encouraged to participate remotely. Please see additional information on the next page for remote meeting access.

In compliance with the Assembly Bill (“AB”) 361 (Rivas, Chapter 165, Statutes of 2021) and its amendments to California Public Resources Code Section 54953(e), this meeting will be held exclusively via teleconference participation of a quorum of ESC members in locations not open to the public. This meeting is being held during a proclaimed state of emergency, and state and local officials have imposed or recommended measures to promote social distancing, while allowing the public to observe and address the ESC.

EXECUTIVE STEERING COMMITTEE

Peninsula Corridor Joint Powers Board/Caltrain, Michelle Bouchard (Chair)
San Francisco County Transportation Authority, Tilly Chang (Vice Chair)
California High Speed Rail Authority, Boris Lipkin
City and County of San Francisco, Alex Sweet
Metropolitan Transportation Commission, Andrew Fremier
Transbay Joint Powers Authority, Adam Van de Water

REMOTE MEETING ACCESS
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Providing Public Comment

Ensure you are in a quiet location – Speak Clearly – Turn off any TVs or radios around you

1. When prompted, “raise hand” to speak by pressing *3 (star, 3) to be added to the queue.
2. Callers will hear silence when waiting for their turn to speak.
3. When prompted, callers will have two minutes to provide comment.

AGENDA

1. Call to Order

Chair Bouchard called the meeting to order at 11:06 a.m.

2. Roll Call

Secretary Pollitt noted that Jesse Koehler was sitting in as Vice Chair Chang’s alternate.

Members Present: Andrew Fremier, Jesse Koehler, Boris Lipkin, Alex Sweet, Adam Van de Water and Michelle Bouchard

Members Absent: Tilly Chang

3. Communications

Secretary Pollitt provided instructions on the Public Call-in/Comment process.

- Chair’s Report

Chair Bouchard presented the Chair’s report.

Public Comment:

Roland Lebrun suggested that the Chair’s report be posted to the website at the conclusion of the meeting.

4. Action Item:

Approval of Meeting Minutes: March 18, 2022

There was no member of the public wishing to comment.

A motion to approve the minutes was made by Member Fremier and seconded by Member Lipkin. A unanimous voice vote approved the motion.

5. Action Item:
Motion to Approve the Continued Use of Teleconferencing Technologies for Meetings of the ESC pursuant to Assembly Bill 361

There was no member of the public wishing to comment.

A motion to approve the item was made by Member Van de Water and seconded by Chair Bouchard. A unanimous voice vote approved the motion.

6. Informational Item:
Presentation on the Downtown Rail Extension Project Delivery Alternatives Study: Risk Comparison of Shortlist Options

Downtown Rail Extension (DTX) Project Director Alfonso Rodriguez presented the item.

Member Van de Water framed the discussion by stating that this is an informational item and that the ESC's goal is not to select or delete an option but rather to focus the study team on investing additional resources on the most viable procurement options and not on options that do not seem viable. Member Koehler stated that the risk analysis is essential to the collective work of the project team, noting that the work presented today is focused on the risks associated with particular procurement methods and upcoming discussion with the ESC will focus on the broader project risks and mitigation strategies. He also stated that today's presentation points to several important risks, for example, the timely development of accurate design requirements and coordination and interface of contract packages, and that each delivery option has something to teach the team about those risks, noting that a public-private partnership (P3) is designed to help mitigate contract interface risks. He further stated that ESC members will need to understand and approach thoughtfully the salient risks and their mitigations. He added that the ongoing design work, risk management process, and cost estimate will help inform the ESC's understanding of project risks, noting that engagement with the private sector at this point would be appropriate to both share these findings and hear feedback.

Member Lipkin stated that he agreed with focusing on options 5, 6, and 7, as laid out on slide 4 of the presentation, is the right path forward. He asked, referring to slide 13, why public financing would not be able to meet the project's cash flow requirements. Mr. Rodriguez responded that the team is looking at public loan mechanisms and received good feedback on this topic from U.S. Department of Transportation staff in Washington D.C. during his recent visit. He stated that public financing is an option, but it has not yet been incorporated into the study, noting that mitigations to the risks on options 5 and 6 include public loans. Member Lipkin noted the slide did not show public financing as a risk mitigation for option 6 and that he would be interested in seeing it incorporated into the assessment because, in his experience, public financing can offer better terms than private financing.

Chair Bouchard thanked Member Van de Water for framing the approach to the discussion and the Integrated Program Management Team (IPMT) and the study team for focusing on the risk profile of each delivery method. She emphasized that no method is without risk and the degree to which risk is managed will lead to the “best” decision and successful delivery of the DTX. She added that in assessing the best delivery option, it is important to understand this work in the context of the DTX being an extension of an existing operating system. She again thanked the team and said she really appreciated the work and presentation.

Member Sweet asked the study team if they have what they need to complete the work. Mr. Rodriguez responded that he believes so, emphasizing that the project delivery study is an important task of the work plan and the team has spent a lot of time on it. He added that he appreciated the ESC’s guidance to focus on the risks associated with the delivery options and examine how each option would perform, given its risk profile. He emphasized that the project team needs to focus on not only identifying a viable delivery option but also developing a delivery strategy and mitigation measures to implement that strategy. He said the study team needs the ability to focus on the remaining options to deliver on schedule a strategy that is acceptable to the ESC and TJPA Board of Directors.

Member Fremier thanked the IPMT for their work; he also thanked members Koehler and Van de Water for their comments. He emphasized that the study team and ESC need to continue to focus on and discuss risk. He brought up a number of important issues, such as contractor handover to the operator, how the contract is structured, and specifications put out to bid, saying that focusing on the details is important to defining the risks. He added that the Bay Bridge project spent a lot of time with its oversight committee on specification development to define risk and advised that the ESC should be mindful of lessons-learned relative to defining where risk is kept with the owner and where it is transferred, noting that policy makers are often not clear on this point. He also commented that in his opinion, design-build seems like a form of P3, meaning that even options 5, 6, and 7 (slide 10 of the presentation) could be considered as a type of P3.

Mr. Rodriguez stated that the project delivery strategy, including an option and implementation plan, is scheduled for presentation to the ESC for recommendation in June 2022 and to the TJPA Board the following month, July 2022, for adoption. He noted the importance of adopting the strategy in July to allow the project team to finish the cost estimate and undertake the quantitative risk assessment, which, in turn, will inform the risk management process and the budget. He stated that all of these tasks need to be completed to maintain the Board-approved schedule.

Public Comment:

Roland Lebrun suggested that an analysis of risk reduction through integration of the DTX and Pennsylvania Avenue Extension projects should be done. He added that with regard to Caltrain’s responsibility for operations, maintenance, and rehabilitation (OMR), he asked who would be responsible for OMR at the Salesforce Transit Center. He mentioned that the

California High-Speed Rail Authority plans to award a new contract for a rail development partner in June. He suggested that it is likely that the contracted entity will have extensive worldwide high-speed rail experience and might offer a new perspective on some of the issues being discussed for the DTX.

Jim Patrick thanked the team for examining the risks of the different options. He commented that if there is a \$2 charge per transit through the DTX, it seems that ridership would define whether this is financially viable in the private sector. He stated that this seems like a critical element to address.

7. Public Comment

Members of the public may provide comment on matters within the ESC's purview that are not on the agenda.

There was no member of the public wishing to comment.

8. Discussion Item:

ESC Agenda items for upcoming meetings

Member Koehler reiterated the request that the project team present on the overall project risks at an upcoming meeting, given that the qualitative process is underway and the quantitative analysis is upcoming.

Member Van de Water stated that he looked forward to continuing the project delivery risk discussion so that a strategy can be presented to the TJPA Board in July. He thanked the study team along with the consultant staff involved.

9. Adjourn

Prior to adjourning the meeting, Chair Bouchard on behalf of the ESC thanked Secretary Pollitt for his service to the ESC and wished him well on his new position. Chair Bouchard adjourned the meeting at 11:57 a.m.

ACCESSIBLE MEETING POLICY

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 website: www.sfethics.org.