



**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, December 14, 2017
1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

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

Executive Director
Mark Zabaneh

Secretary
Nila Gonzales

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9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Nuru called the meeting to order at 9:35 a.m.

2. Roll Call

Present: Greg Harper
Jane Kim (*arrived during item 3*)
Ed Reiskin
Ben Tripousis
Jeff Gee
Mohammed Nuru

Absent: Bijan Sartipi

3. Communications

Chair Nuru took a moment to honor Mayor Lee due to his recent sudden passing and noted he was a champion of the Transbay project and his support to advance Phase 2.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Retail Leasing Update
- Quarterly Financial Reports

Executive Director Zabaneh expressed condolences, on behalf of the TJPA, to Mayor Lee's family and the City & County of San Francisco. He stated Mayor Lee was a great leader of San Francisco and a champion of the Transbay Program who would be deeply missed. He also welcomed newly appointed Board member Ben Tripousis. Following up on the Board's prior direction to request the Cost Review Committee (CRC) allow the use of City Financing to fund Tenant Improvements (TIs), he reported that the CRC was agreeable to using \$25 million of City Financing towards Base Building Improvements and Tenant Allowances and the CRC will consider, at their next meeting, whether to approve the use of City Financing for all or a portion of the remaining \$10 million that is needed for TIs. He then reported on the status of Community Facility District bond sales which resulted in \$149 million and completed the plan to fully fund Phase 1. He further reported that bus testing for AC Transit and Muni took place on

December 6-7, 2017 and that the Muni #5 Fulton will start service at the new Transit Center Bus Plaza on December 26, 2017. He also reported that, in preparation of opening the new Transit Center, coordination has been underway with the Department of Homelessness and Supportive Housing, San Francisco Police Department, and the East Cut Community Benefit District on developing a comprehensive plan to best manage homelessness in the Transit Center and neighborhood and a panel discussion with these entities was held at the last TJPA Citizens Advisory Committee meeting. In regard to Phase 2, he provided an update to his prior month's report on the TJPA's application for the Transit and Inner City Rail Capital Program (TIRCP). Further reporting on Phase 2, he provided the status of the Supplemental Environmental Impact Statement/Environmental Impact Report (SEIS/EIR) and stated TJPA has been working with the San Francisco Planning Department to address their concerns. Consensus has been reached on how to address their comments in the SEIS/EIR and the Final SEIS/EIR, which incorporates their comments, has been submitted to the Federal Transit Administration (FTA) for approval. He noted that if FTA approval is granted in time, the Final SEIS/EIR could be presented to the TJPA Board in January and once approved, it would best position the TJPA to receive TIRCP funding for the application that will be submitted on January 12, 2018.

Martha Velez, TJPA Facility Manager, presented the Retail Leasing Update. Director Reiskin inquired on how the information reflects how well the process is going in terms of interest and Erica Elliott, Colliers, responded that retailer interest is excellent. Vice Chair Gee concurred with Director Reiskin's comments and also noted that the project schedule states TIs starting on December 1, 2017 so it is important to track where the team is and where the team is headed so that the team is not falling behind.

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

6. Citizens Advisory Committee (CAC) Update

Bruce Agid, TJPA CAC Chair, stated the CAC is grateful for Mayor Lee's leadership; they are deeply saddened by his passing and their thoughts and prayers are with his family and friends. He provided comments regarding the Downtown Rail Extension (DTX) and the San Francisco Planning Department's Railyard Alternatives and I-280 Boulevard (RAB) study. He stated that a recommendation on the DTX alignment was anticipated by mid to late October with a decision possible by year end. He further stated that several weeks ago the RAB project team stated the decision was delayed until sometime after the first of the New Year. He noted appreciation for the communication but expressed concerns of losing momentum, ramping up/down a project team, difficulties setting expectations for timelines, milestones, and a forecast of when trains will bring passengers to the center, difficulty obtaining funding opportunities, increasing extent of future operations and maintenance funding challenges, and increasing project costs due to overall escalation over time. He expressed concerns on the presentation the CAC received regarding the potential homeless population which could be attracted to the center. He noted that protocol is developed and funded for the levels of security inside the center, but their concern is the lack of a specific protocol and funding for outside resources and the plan outside the center appears to be more reactive. The CAC will debrief on the presentation at their January meeting. He also stated the CAC was disappointed that the construction substantial completion date has been

delayed to April but they were pleased to hear that the scheduling issue could be resolved. Due to the complexity of remaining work, the level of risk is high so the CAC suggested, for the highest risk areas, an additional level of detail along with forecasted improvements resulting from implementation of mitigation measures be added in the schedule. Other items that will be presented to the CAC in the coming months are the public relations/communications plan for the opening of the center, AC Transit's cutover readiness, and retail activation.

Chair Nuru thanked Mr. Agid for his report and confirmed Executive Director Zabaneh would handle any follow up as necessary.

7. 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.

None.

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 November 9, 2017 meeting.

(8.2) Authorizing the Executive Director to execute amendments to extend the terms of the agreement with the artist Julie Olcott (Chang) to June 30, 2018, and the artists James Carpenter and Ned Kahn to September 30, 2018.

RESOLUTION 17-046

(8.3) Authorizing the Executive Director to execute an amendment to extend the Agreement for a Web-Based Labor Compliance System with Elation Systems, Inc. through June 30, 2018 for no additional compensation at this time, with an option remaining to extend the agreement for an additional six months.

RESOLUTION 17-047

No public comment.

On motion to approve the Consent Calendar:

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

REGULAR CALENDAR

9. Presentation of the audited Financial Report for the fiscal year ended June 30, 2017 and the Report to the Board of Directors.

Sara DeBord, TJPA CFO, reported that the TJPA again received an unqualified opinion which is the highest opinion that could be achieved and she introduced Ahmed Gharaibeh of Vavrinek, Trine, Day & Company who presented the item and noted that they issued a clean opinion and there are no exceptions and no weaknesses.

10. Construction Update.

Dennis Turchon, TJPA Senior Construction Manager, and Ron Alameida, Director of Design and Construction, presented the update and summoned for Jes Pedersen of Webcor/Obayashi, Construction Manager/General Contractor, to report on the schedule mitigation plan.

Director Reiskin asked Mr. Pedersen's opinion to get back to March for substantial completion and Mr. Pedersen replied that April is the earliest. Chair Nuru queried when Webcor would provide the keys to TJPA but Mr. Pedersen explained why he was unable to commit to a date. Chair Nuru advised Mr. Pedersen to do everything possible to complete the work and reiterated the Board's prior offers of assistance. Vice Chair Gee inquired on what Mr. Pedersen was doing to prevent further slippage and he replied that Webcor has added Rosendin Electric to augment the work delayed by their subcontractor Fisk. Chair Nuru stated the importance of figuring out the issues and ensuring there is no more slippage. Executive Director Zabaneh urged Mr. Pedersen to complete the work because full bus operations will begin in June.

11. Facility Readiness Update.

Martha Velez, TJPA Facility Manager, and Sidonie Sansom, TJPA Chief Security Officer, presented the item.

Director Harper stated he would talk to his counsel to move the bus deck subleases along and Director Reiskin agreed to do so as well.

Director Reiskin suggested the inside of the center should be made not to feel like a construction zone while awaiting permanent retail and Ms. Velez indicated that the park will be activated and the pop-up retail will be in place.

Director Tripousis requested clarification that it is not TJPA but the tenant driving timing as it relates to getting prospective tenants into spaces to do their TIs and Ms. Velez confirmed.

Vice Chair Gee reminded the team to not forget the importance of the customer and neighborhood experience.

12. Authorizing a transfer from Program Reserve in the amount of \$25 million to new line item for Base Building Improvements/Tenant Improvement Allowances in the Phase 1 Program Budget.

No public comment.

RESOLUTION 17-048

On motion to approve:

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

13. Authorizing the Executive Director to execute a right of entry agreement with the San Francisco Municipal Transportation Agency to conduct certain bus operations in a portion of the Bus Plaza on an interim basis.

No public comment.

RESOLUTION 17-049

On motion to approve:

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

14. Approving Amendment #4 to the Intergovernmental Agreement #2 (IGA-08-005-DPW) with the City and County of San Francisco Department of Public Works (DPW) related to DPW's construction of the Mission Street Bus Boarding Island and the Natoma Pedestrian Way Extension at an aggregate not-to-exceed cost for the two new projects of \$1,081,000, and an aggregate not-to-exceed amount of \$2,255,500 for all services under Agreement #2, and to extend the term of Agreement #2 to December 10, 2018.

No public comment.

RESOLUTION 17-050

On motion to approve:

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

ADJOURN – Chair Nuru adjourned the meeting at 11:15 a.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.