

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, May 9, 2019

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
Matt Haney
Michael Hursh
Boris Lipkin
Edward Reiskin
Nadia Sesay
Tony Tavares

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 9:30 a.m.

2. Roll Call

Secretary Gonzales announced that Director Chang was joining as Director Haney's alternate and Director Reiskin was in route.

Present: Tilly Chang
Michael Hursh
Boris Lipkin
Ed Reiskin (*arrived during item 5*)
Nadia Sesay
Jeff Gee
Mohammed Nuru

Absent: Matt Haney
Tony Tavares

3. Communications

None.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

Executive Director Zabaneh reported that the repair and reinforcement of the steel beams on Fremont and First streets are complete, shoring at both locations have been removed and the streets have been restored to their original condition. Additionally, he reported that the TJPA continues to provide information to the Metropolitan Transportation Commission (MTC) Peer Review Panel (PRP) so their efforts can be completed and the TJPA is substantially complete with recommissioning the entire facility, including an intensive quality assurance process, while completing a facility-wide life and safety reinspection. He stated that the facility manager and park management teams continue their planning to ensure a smooth reopening for transit riders and the public and TJPA staff meets regularly with transit operators so that bus operations can resume immediately after reopening. Executive Director Zabaneh thanked Director Hursh for the invitation to present the status of the repair effort to the AC Transit Board of Directors at their May meeting. He also stated that a communications plan has been developed to properly inform transit riders and the public about the reopening. In regard to the Downtown Rail Extension (DTX)/Phase 2, he reported that the Federal Transit Administration (FTA) recently

requested additional edits to the Record of Decision (ROD) for the Supplemental Environmental Impact Statement/Environmental Impact Report (SEIS/EIR); TJPA is expeditiously addressing and hopes it is the final step for approving the ROD. In regard to the San Francisco County Transportation Authority (SFCTA) peer review, the SFCTA team continues to hold workshops on the management and delivery of Phase 1 and a review of alternative oversight and governance models for the management and delivery of Phase 2. Based on their latest schedule, the SFCTA peer review effort is expected to be complete in June 2019. He indicated that the opportunity to appeal the San Francisco Superior Court dismissal of the lawsuit filed last year to block the use of Regional Measure 3 (RM3), the voter-approved toll increases on Bay Area state-owned bridges to pay for regional transportation and public transit upgrades, ends on June 24, 2019 and makes available approximately \$4.5 billion for Bay Area projects to move ahead, including \$325 million for DTX/Phase 2 which could be available as early as Fall 2019. Executive Director Zabaneh further reported that the American Public Transportation Association (APTA) peer review of Project Management and Oversight, requested by the Board, has concluded and will be presented later in the agenda. Furthermore, he provided an update on retail leasing and stated that there are nine fully executed leases, six leases in negotiations, and several Letters of Intent which are expected to move into lease negotiations shortly. Lastly, he reported that he recently attended the Caltrain Executive Directors Meeting for the Caltrain Business Plan which is expected to be presented to the Caltrain Board later this year.

6. Update on Construction and Temporary Closure of the Salesforce Transit Center

Dennis Turchon, TJPA Senior Construction Manager, and Ron Alameida of SF Public Works, Director of Design and Construction for the Transit Center, presented the item.

Director Reiskin commended the team for the progress made on repairing the beams and returning streets back to normal conditions. He inquired on whether there were any new findings and when the MTC PRP would conclude so that the transit center could reopen. Mr. Alameida stated there were no new findings or additional information requested by the MTC PRP and that the timing of reopening was dependent on the MTC PRP. Executive Director Zabaneh added that once the MTC PRP is satisfied with the review of the building a reopening date can be established and, in anticipation of the imminent reopening, the TJPA is ramping up contractor operations and security staffing.

Director Hursh stated his appreciation for the collaboration with his staff and the training needed for new AC Transit operators. He also thanked Executive Director Zabaneh for the presentation given to the AC Transit Board of Directors meeting on May 8, 2019 and said that AC Transit policymakers and staff are making progress to resume operations at the transit center.

7. Citizens Advisory Committee (CAC) Update

Derrick Holt, CAC Chair, stated the CAC was pleased with the retail leasing update which reported that several leases have been executed and six new leases are in negotiations. He also reported that the CAC appreciated the comprehensive presentation of the draft Budget, which increased their understanding of the expected revenue and expenses over the next fiscal year. He further reported that the CAC remains optimistic about the repair of the steel beams as well as the stitch back work, construction close out activities, and plans to minimize traffic interruptions

surrounding the transit center. He acknowledged that the CAC is looking forward to bus service resuming at the transit center but expressed concerns about delays on the DTX/Phase 2 project; however, the CAC is hopeful that DTX/Phase 2 work can resume when Regional Measure 3 (RM3) funding becomes available as soon as Fall 2019. He also stated the CAC appreciated SFCTA's peer review update and requested to continue to be a part of the process. The CAC looks forward to the robust feedback from the peer review panels, which will be instrumental in the successful reopening of the transit center and continued movement for DTX/Phase 2. The CAC emphasized that all costs related to the girder repairs and the park pathway are passed on to the entities responsible and not the public.

8. 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, stated that the TJPA is achieving cost savings as they employed a lean staff at the initial start of the project and, because of that approach, there are no layoffs or long-term costs which puts the agency in a better position today.

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

CONSENT CALENDAR

9. 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.

(9.1) Approving the Minutes of the April 11, 2019 meeting.

(9.2) Approving the Operating Assistance Proposal dated April 30, 2019, and an Implementing Agency Resolution for the allocation of Regional Measure 2 Funds in an amount not to exceed \$8,201,958 for the Transbay Program.

RESOLUTION 19-009

(9.3) Authorizing the Executive Director to execute an amendment to the Agreement with G4S Secure Integration for services related to the Physical Security Information Management (PSIM) system and the Emergency Communication System/Mass Notification System (ECS/MNS) to exercise the option to extend the agreement for one year, adjust the contract scope, and increase the contract budget by \$324,231.

RESOLUTION 19-010

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

REGULAR CALENDAR

10. Presentation of and Public Hearing for draft Fiscal Year 2019-20 (FY 2019-20) Operating Budget in the amount of \$38,384,827 and draft FY 2019-20 Capital Budget in an amount of \$99,067,175.

Erin Roseman, TJPA Chief Financial Officer, presented the item.

Director Reiskin thanked Ms. Roseman for the comprehensive presentation and inquired about the contingencies being allocated now instead of later if needed. Ms. Roseman stated that only a portion of the contingencies is shown in the budget with the ability to access if needed, but the TJPA will make every effort to minimize costs. Director Reiskin suggested instead of preauthorizing contingencies and holding in operating reserves, consider coming back to the Board for authorization. He suggested reducing contingency from the revenue slide which would reduce the cost to the operators; therefore, reducing the budget by \$1 million. Director Hursh concurred.

Director Lipkin agreed with Director Reiskin's suggestion to require Board approval for utilizing contingency.

Public Comment:

Jim Patrick, Patrick & Company, suggested hiring a marketing director to create excitement about the transit center to increase leasing revenue and the demand for the train to be built.

11. Approving the draft Anticipated Disadvantaged Business Enterprise (DBE) Participation Level (ADPL) for federal fiscal years 2019-20 through 2021-22, authorization of the release of the draft ADPL for a 30-day public review/30-day public comment process, and presentation of draft Small Business Enterprise participation goal.

Erin Roseman, TJPA Chief Financial Officer, presented the item.

RESOLUTION 19-011

No public comment.

On motion to approve:

ADOPTED: AYES – Chang, Hursh, Lipkin, Reiskin, Sesay, Gee and Nuru

12. American Public Transportation Association Peer Review Update.

Executive Director Zabaneh introduced the item that was presented by Jeff Hiott, APTA Assistant Vice President of Technical Services & Innovation; Erik Stoothoff, Massachusetts Bay Transportation Authority Chief Engineer; Richard Clarke, Los Angeles County Metropolitan Transportation Authority Chief Program Management Officer; and, Connie Crawford, Louis Berger Senior Vice President of Rail/Transit Global Practice Leader.

Director Lipkin thanked the peer review panel for their thorough review and suggested that the TJPA look at applying lessons learned on similarly scoped projects.

Director Chang thanked the peer review for their expertise and findings and inquired about alternative approaches of managing project delivery and if the peer review looked at different options. Mr. Stoothoff felt that the TJPA can excel as the owner/operator in project delivery and by working on a similar unifying programmatic approach as opposed to stakeholders which may only have a certain set of desires, but suggested the agencies work in unison on construction related work on the next phases. Director Chang asked what the TJPA should be looking at to strengthen the capacity of the agency and Mr. Clarke reiterated APTA's recommendation that the TJPA increase staff in order to deliver DTX/Phase 2 and collaborate with Caltrain. Ms. Crawford added to Mr. Clarke's comment and stated TJPA would remain owner but collaborate with Caltrain who would be the operator.

Director Reiskin was impressed with the peer review being completed in such a short amount of time and he thanked Vice Chair Gee for suggesting the peer review effort which proved to be fruitful. He asked how to determine the best method of project delivery, whether it be design build or design bid build and Mr. Stoothoff emphasized the need for a strong program manager who acts as a visionary with subject matter expertise to determine all the nuts and bolts and which delivery method is appropriate.

Director Hursh concurred with Director Reiskin's comments and said an analysis of operations governance on delivery of DTX/Phase 2 still needs to be done.

Vice Chair Gee thanked APTA for their work and suggested they stay engaged with TJPA so they can coordinate with the SFCTA peer review, once completed, to come to a consensus on recommendations. Vice Chair Gee inquired about suggestions on attracting and retaining talented people on long projects and minimizing turnover and Mr. Stoothoff replied that finding a good program manager is key. Vice Chair Gee asked about the ability to manage regional politics and Ms. Crawford replied that having a strong stakeholder who can act as a champion and stand up for the project through any kind of weather would be highly beneficial.

Director Sesay concurred with her fellow Directors' comments and inquired about ways of coordinating future funding for the project. Ms. Crawford stated to use the build to budget scenario and to access funds that are available to start construction in order to build momentum for the project.

Chair Nuru thanked the panel for their work and valuable input. He stated that the TJPA has a long journey ahead to get the trains to the transit center, which will be a model for the country and asked the APTA panel members to remain involved.

Public Comment:

Jim Patrick, Patrick & Company, feels that the voters who supported the project are the champion but, ultimately, TJPA is tasked with finding a champion for the project.

RECESS REGULAR MEETING AND CONVENE CLOSED SESSION

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

13. Call to Order

Chair Nuru called the Closed Session to order at 11:35 a.m.

14. Roll Call

Present: Tilly Chang
Michael Hursh
Boris Lipkin
Ed Reiskin
Nadia Sesay
Mohammed Nuru

Absent: Jeff Gee
Matt Haney
Tony Tavares

**15. 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

16. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

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

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 12:00 p.m.

17. Announcement of Closed Session.

Secretary Gonzales announced that there was nothing to report.

ADJOURN – Chair Nuru adjourned the meeting at 12:05 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.