

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, August 8, 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

201 Mission St. #2100
San Francisco, California 94105
415-597-4620
415-597-4615 fax

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 Reiskin was in transit and Director Chang was joining as Director Haney's alternate.

Present: Tilly Chang
Michael Hursh
Boris Lipkin
Ed Reiskin (*arrived during Item 3*)
Nadia Sesay
Jeff Gee
Mohammed Nuru

Absent: Matt Haney
Tony Tavares

3. Communications

Secretary Gonzales announced that, due to time constraints, Item 14 would be called ahead of the other items on the Regular Calendar and Chair Nuru stated he would be departing at 10:30 a.m.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Project Labor Agreement (PLA) Quarterly Update

Executive Director Zabaneh reported on the July 1, 2019 reopening of the transit center and stated that in preparation for the reopening, the TJPA relaunched the salesforcetransitcenter.com website, provided an Ambassador Program, and educated the public about the reopening of the center and upcoming transit operations using traditional and social media. He also reported that the rooftop park and Grand Hall were opened and food trucks on Natoma Street and other pop up retail returned on July 1, 2019. Furthermore, on July 13, 2019, bus service began at the bus plaza with Muni and Golden Gate Transit and on August 11, 2019, AC Transit and other bus service will resume on the bus deck, which will be the final milestone to fully reopen the transit center. He further stated that the TJPA continues to work closely with transit partners, neighbors, security, and operations team members to provide a smooth transition back to full

operations as the goal is to provide the public and transit riders with a world-class experience in a safe, clean and easy to navigate transit center. Additionally, interest in retail space has been robust and three new leases are on today's agenda for consideration which, if approved, would increase the percentage of square feet that has been leased to 64 percent.

In regard to the Downtown Rail Extension (DTX)/Phase 2, Executive Director Zabaneh reported that the Federal Transit Administration (FTA) issued the amended Record of Decision (ROD) for refinements to DTX/Phase 2 in July and he thanked FTA Region 9 Administrator Ray Tellis and his staff for their work completing ROD. The amended ROD completes the environmental clearance for the Transbay Program, which is a significant milestone in the advancement of DTX/Phase 2, and positions the TJPA to compete for upcoming funding opportunities such as the Transit and Intercity Rail Capital Program (TIRCP) under Senate Bill 1 which is a \$2.4 billion, five-year program that is adopted every two years. TJPA applied in January 2018 but was unsuccessful due to insufficient progress in advancing DTX/Phase 2; however, with applications for TIRCP funding due in December, the TJPA is updating its previous application for resubmittal.

Executive Director Zabaneh additionally reported that a one-cent regional sales tax measure is being contemplated for the November 2020 ballot and, if passed by Bay Area voters, would generate more than \$100 billion for transportation funding. If the measure is successful and the TJPA is able to advance the DTX to shovel ready status in the next two to three years, DTX could be the first project delivered with funding from this measure. Executive Director Zabaneh stated that the TJPA looks forward to the completion of the San Francisco County Transportation Authority's (SFCTA) peer review so that the TJPA can resume its efforts on DTX. He also said SFCTA would provide an update on their peer review later in the agenda. He then presented the specific next steps to advancing DTX to shovel ready status.

Dennis Turchon, TJPA Senior Construction Manager, presented the PLA Update.

Executive Director Zabaneh announced that Leilani Kuo, summer intern with Opportunities for All through Mayor Breed's office, has been working with TJPA for several weeks to assist with special projects and invited Ms. Kuo to introduce herself.

6. Construction Closeout Update

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.

7. Facility Operations Update

Martha Velez, TJPA Facility Manager, presented the item with assistance from Sidonie Sansom, TJPA Chief Security Officer.

Director Chang asked about feedback on wayfinding at the transit center and Ms. Velez stated that feedback has been received on static wayfinding, as digital programming was not fully operational when the transit center first opened, and the team is currently assessing how static

wayfinding interacts with digital wayfinding and rider experience. Director Chang requested the TJPA Board be kept up to date on the analysis.

Director Reiskin inquired about timeframes on the opening of new tenant businesses and Ms. Velez responded that three new tenants, Onsite Dental, Phil's Coffee, and Fitness SF, plan to open before the end of the year, and additional analysis regarding the schedules for opening of other businesses is being conducted.

8. Citizens Advisory Committee (CAC) Update

Belal Aftab, CAC Vice Chair, reported that the CAC was pleased with the smooth transition of bus operations with the reopening of the bus plaza; their excitement with the large number of visitors and activity in the park; and, their optimism that work on DTX/Phase 2 can now resume since the transit center has reopened and the increase in transit services cannot come soon enough. He stated the CAC appreciated the SFCTA peer review update and emphasized that DTX is viewed not only as a local but regional project, and a champion is needed at all levels. He thanked Director Chang for providing an overview on funding for DTX/Phase 2 and stressed that funding continues to be a major roadblock in the advancement of the project. The CAC was satisfied with the construction closeout update and, given the events surrounding the temporary closure, the CAC remains hopeful that Phase 1 can conclude under budget and the dispute resolution process will be complete by the end of the year. He stated that positive feedback was received about the rooftop park and the new pathway and, in particular, the CAC felt the large number of visitors would increase once full bus operations resume. The CAC appreciates the wayfinding initiatives taking place at the transit center and believes continued refinement will be beneficial to transit riders and the public. The CAC was fond of the "coming soon" banners placed around the transit center and felt it was a great way to spread the word on local businesses coming to the transit center. He also noted the CAC's request for a presentation from Caltrain on the railyard study and emphasized the CAC's continued support to the TJPA.

9. 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.

Roland Lebrun stated he would like more visibility on the structural health monitoring which was mentioned at the June Board meeting, and requested it be available on the website. Mr. Lebrun said that connecting DTX to BART via the new Transbay tube as mentioned in Plan Bay Area 2020 would result in collateral damage of \$2 billion between Main Street and The Embarcadero. He also stated that taking BART is faster and less expensive than other modes of travel from the East Bay or the Peninsula to San Francisco.

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

CONSENT CALENDAR

10. 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.

(10.1) Approving the Minutes of the May 29, 2019 Special meeting.

(10.2) Approving the Minutes of the June 13, 2019 meeting.

(10.3) Approving the Anticipated Disadvantaged Business Enterprise Participation Level for federal fiscal years 2019-20 through 2021-22 and an agency Small Business Enterprise goal.

RESOLUTION 19-016

(10.4) Approving Amendment No. 2 to the Cooperative Agreement with the Metropolitan Transportation Commission to extend the period of performance to December 31, 2019, with no additional compensation.

RESOLUTION 19-017

(10.5) Authorizing the Executive Director to complete negotiations and execute a lease agreement with Feve Chocolates, LLC for about 742 square feet of commercial/retail space on the ground level of the transit center (space number 119) for a 12 year term.

RESOLUTION 19-018

(10.6) Authorizing the Executive Director to complete negotiations and execute a lease agreement with Dama, LLC for about 2,073 square feet of commercial/retail space on the ground level of the transit center (spaces number 107 and 111) for a 15 year term.

RESOLUTION 19-019

(10.7) Authorizing the Executive Director to complete negotiations and execute a lease agreement with Dim Baos, Inc. for about 1,877 square feet of commercial/retail space on the ground level of the new transit center (spaces number 125 and 129) for a 10 year, 3 month term.

RESOLUTION 19-020

No public comment.

On motion to approve the Consent Calendar:

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

REGULAR CALENDAR

11. Authorizing the Executive Director to execute an amendment to the Block 4 Option Agreement by and among the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the Office of Community Investment and Infrastructure) and F4 Transbay Partners to extend the time for exercising the option and closing on the sale to allow for the completion of negotiations on a final disposition and development agreement.

Executive Director Zabaneh presented the item.

No public comment.

RESOLUTION 19-021

On motion to approve:

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

12. Authorizing the Executive Director to increase the legal services budget by \$3,000,000 to a total of \$20,000,000 for the current bench of law firms providing services in their respective practice areas on an as-needed basis and extend the term of the agreements by one-year.

Executive Director Zabaneh presented the item.

No public comment.

RESOLUTION 19-022

On motion to approve:

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

13. Authorizing the Executive Director to execute an amendment to the Professional Services Agreement for Legal Services with the Jones Day law firm to provide litigation support services in actions against the TJPA arising from the movement of 301 Mission Street, increasing the Agreement maximum compensation from \$15.7 million to \$18.1 million.

Executive Director Zabaneh presented the item.

No public comment.

RESOLUTION 19-023

On motion to approve:

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

14. Resolution of Appreciation for Edward Reiskin.

Chair Nuru thanked Director Reiskin for his insight and leadership on the Board and stated his experience and expertise has been vital to the project and to connecting transportation not just locally but for the region.

Director Hursh expressed appreciation to Director Reiskin for playing an instrumental part in getting transit operations up and running at the transit center and thanked him for his hard work and dedication.

Director Lipkin thanked Director Reiskin for his partnership in advancing High-Speed Rail and is pleased to know he will still be working nearby.

Director Chang thanked Director Reiskin for his work and leadership on the transit center as well as streetscape and pedestrian safety projects.

Director Sesay thanked Director Reiskin for his leadership and mentorship as well as his quick understanding of the intricacies of the Transbay Program.

Vice Chair Gee thanked Director Reiskin for his contribution for what he has brought to the City and the region and believes he will continue to make a difference in the industry.

Executive Director Zabaneh thanked Director Reiskin for his leadership, insight and advice which has been invaluable for the TJPA to deliver the Transbay Program and he is pleased that he decided to stay in the Bay Area because the region needs him.

Director Reiskin stated that he will continue to advocate for the Transbay Program as a San Francisco resident and public official in the East Bay as it is the most important project for the region. He valued the great experience of contributing eight years to advancing the project.

No public comment.

RESOLUTION 19-024

On motion to approve:

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

15. California High Speed Rail Authority (CHSRA) Preferred Alternative Presentation.

Director Lipkin introduced the item which was presented by James Tung, CHSRA Project Manager.

Director Chang stated that the grade separation at 16th Street is what the City is aiming to achieve with CHSRA.

Vice Chair Gee recommended milestones be presented to the TJPA Board and inquired as to when the group could come back to provide an update. Director Lipkin stated that CHSRA will come back and present environmental process milestones and their 2020 Business Plan.

Director Chang suggested that the TJPA participate in discussions of alternative scenarios.

Public Comment:

Roland Lebrun said it is unclear why the costs are \$20 billion between Merced and Bakersfield and \$11 billion for the train to travel through Pacheco Pass. He also said he felt there were violations within TIRCP and Prop 1A. Mr. Lebrun referenced correspondence he sent to the Board with proposed solutions for the rail system and referred to a section in Prop 1A which gives Caltrain an opportunity to plan and construct a system for high-speed trains that complies with Prop 1A. Mr. Lebrun said the focus should be on high-speed rail from San Francisco to Gilroy instead of San Jose to Merced.

16. San Francisco County Transportation Authority (SFCTA) Peer Review Update.

Director Chang introduced the item which was presented by John Fisher of WSP and Ignacio Barandiaran of Arup.

Director Reiskin stated that solidifying the funding plan is something that needs to be done; however, a radical restructuring of the organization could lose momentum and prove to be fatal to the program.

Director Hursh expressed concerns surrounding governance and feels discussions about the restructuring of the project are being done in the “backroom” without stakeholder participation. He suggested SFCTA engage AC Transit, SamTrans, and Caltrain in discussions on governance recommendations.

Director Lipkin agreed that the program needs a strong advocate and stated that discussions are needed with the rail operators on how the two systems at the transit center would work together.

Vice Chair Gee asked how work on DTX/Phase 2 is supposed to move forward without funding and Director Chang replied that once the governance and oversight piece of the peer review is completed, and consensus by all bodies involved is attained, the SFCTA can possibly bring funding back to the project. She also concurred with the previous suggestion of having the American Public Transportation Association peer reviewers meet with the SFCTA peer reviewers to confer on recommendations.

Public Comment:

Roland Lebrun stated that the current rail plan for the Transbay Program would provide enough room for storage at Fourth and King and he suggested the TJPA reach out to the builders of the Crossrail project in London to get advice on governance and engineering.

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

17. Call to Order

Secretary Gonzales called the Closed Session to order at 12:15 p.m.

18. Roll Call

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

Absent: Jeff Gee
Matt Haney
Mohammed Nuru
Tony Tavares

19. 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

20. 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 12:29 p.m.

21. Announcement of Closed Session.

Secretary Gonzales announced that there was nothing to report.

ADJOURN – Secretary Gonzales adjourned the meeting at 12:30 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.