



DRAFT MINUTES

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Tuesday, July 28, 2015

1. Roll Call

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

Present at Roll Call: Commissioners Avalos, Breed, Christensen, Cohen, Tang, Wiener and Yee (7)

Absent at Roll Call: Commissioners Campos, Farrell (entered during Item 7), Kim (entered during Item 3) and Mar (entered during Item 2) (4)

2. Chair's Report – INFORMATION

Chair Wiener reported that earlier in the month he joined with Commissioners Farrell and Christensen, Executive Director Tilly Chang, staff from the San Francisco Mayor's Office, as well as various state and federal transportation officials and members of the community to celebrate the opening of the new Doyle Drive. He said on July 12, the Presidio Parkway opened to traffic for the first time, marking a major milestone for the project which turned an outdated four-lane undivided highway built 77 years ago along with the Golden Gate Bridge into a modern, seismically safe and beautiful parkway that serves as a graceful new gateway to San Francisco. He that over the four day traffic closure, the contractor, Golden Link Concessionaire (GLC), undertook a complex demolition of the temporary detour structure and constructed new northbound road segments to handle the one hundred thousand vehicle trips that use the roadway each day, and that it was done safely and ahead of schedule. He said that with the Presidio Parkway, the public could enjoy incredible vistas, new vehicular access to the Presidio, and new connections to the Marina for pedestrians, cyclists, transit users and motorists alike.

Chair Wiener stated that the Transportation Authority should be proud of its involvement in this complex, multi-agency project. He said as co-sponsors of the project along with the California Department of Transportation (Caltrans), the Transportation Authority took the lead in the early stages of the community planning and environmental review. He said the Transportation Authority also invested \$65 million of its sales tax funds and strategized with the state to finalize the funding plan with regional, state, federal, and private dollars. Chair Wiener said the project required many partnerships and pushed many boundaries, from creating new parkway design standards to feature sustainable construction practices and methods, to becoming the first and only public-private-partnership, or P3, on the state highway network. He congratulated Caltrans, GLC, and the entire Presidio Parkway project team for this wonderful achievement. He also acknowledged former Executive Director, Jose Luis Moscovich, who championed this project and exhibited great personal commitment to getting the project built, as well as recently retired Deputy Director for Capital Projects, Lee Saage, who had the skill and tenacity to get the job done.

Chair Wiener said that as we celebrate the opening of the Presidio Parkway, it was worth noting that each and every one of the signature projects in the Prop K sales tax program was well underway. He said with the strong demand on the city's transit services, the need for pedestrian, bicycle, and traffic safety projects to achieve Vision Zero, and the desire for more congestion reduction measures, that it was time to plan for the next generation of major transit improvements. He recent polling on Bay Area Rapid Transit (BART) and local transportation issues conducted by the Bay Area Council covering San Francisco, Alameda, and Contra-Costa counties showed that the public was concerned about the rise in congestion and that they were willing to invest in solutions. He said the polls showed there was strong support for a multi-billion dollar BART bond to invest in the rehabilitation and replacement of the aging system, and also identified demand for better transit options in general, including more convenient and faster transit service. Chair Wiener noted that in addition to BART considering a 2016 revenue measure, Contra Costa County was moving forward with a revenue measure in 2016, and that Alameda County had already approved a \$7.8 billion sales tax measure in 2014, while the Santa Clara County Valley Transportation Authority had adopted goals and initiated outreach for a potential revenue measure next year.

Chair Wiener said it was important for San Francisco to be well positioned and know its priorities as the city participates in upcoming regional funding and investment decisions with neighboring communities. He noted that it was especially important to have local matching funds available to move priorities forward when regional, state or federal funding eventually materializes, and particularly if that funding doesn't materialize. He said that the Board was grateful to San Francisco voters for overwhelming approving Propositions A and B last year, and that these were important steps forward for the 2040 Countywide Transportation Plan as well as the San Francisco Mayor's Transportation 2030 Plan. He said both plans envision the need to continue to invest to meet the city's tremendous system maintenance and capacity expansion needs, as noted in Ms. Chang and SFMTA Director Ed Reiskin's recent op-ed in the San Francisco Chronicle. He said that this includes increasing frequency, reliability and capacity on our three major transit systems, Muni, BART and Caltrain, as well as to better manage traffic on our freeways and make our streets safer and more inviting to all users. Chair Wiener commented that there was also a great need for road resurfacing, paratransit, and many other transportation needs, and that for this reason he would like to ask the Transportation Authority staff to conduct a poll of San Francisco voters to get a better sense of what residents see as the greatest need to improve and invest in our transportation systems and how best to pay for them. He said this would help inform the city's near-term planning and shape input and coordination with the San Francisco Mayor's Office and other city departments regarding a potential 2016 BART bond as well as local revenue measures, and that he looked forward to the poll results this fall.

There was no public comment.

3. **Executive Director's Report – INFORMATION**

Tilly Chang, Executive Director, presented the Executive Director's Report.

There was no public comment.

4. **Approve the Minutes of the June 23, 2015 Meeting – ACTION**

There was no public comment.

The Minutes were approved by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Kim, Mar, Tang, Wiener and

Yee (9)

Absent: Commissioners Campos and Farrell (2)

Items from the Finance Committee

5. **Adopt Positions on State Legislation – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Kim, Mar, Tang, Wiener and Yee (9)

Absent: Commissioners Campos and Farrell (2)

6. **Award a Two-Year Contract to AECOM Technical Services, Inc. in an Amount Not to Exceed \$400,000 for Planning and Engineering Services for the San Francisco Freeway Corridor Management Study Phase 2, and Authorize the Executive Director to Negotiate Contract Payment Terms and Non-Material Contract Terms and Conditions – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Kim, Mar, Tang, Wiener and Yee (9)

Absent: Commissioners Campos and Farrell (2)

Items from the Plans and Programs Committee

Vice Chair Cohen presided over Item 7.

7. **Authorize the Executive Director to Execute a Partial Release of the Transportation Authority's Agreement for Quitclaim of Interest in Portions of 77-79 Natoma Street, 564 Howard Street, and 568 Howard Street Parcels To Be Sold as Part of Parcel F by the Transbay Joint Powers Authority – ACTION**

Chair Wiener said that he could not overstate the importance of delivering the Transbay Transit Center and Caltrain Downtown Extension project in a timely and cost effective manner. He said the Transportation Authority was a strong supporter and early funder of the project, having set aside \$270 million in Prop K sales tax funds and allocating over \$177 million to the project to date. He stated that the region had also contributed \$350 million to the \$1.9 billion cost of the project. Chair Wiener said that after approving a \$310 million increase to the budget in July 2013, the Transbay Joint Powers Authority (TJPA) Board was now being asked to increase the budget in September as TJPA staff recently reported a \$246 million funding gap, which would essentially double the original project budget. He said this necessitated the quitclaim agreement currently being considered, which would allow TJPA to sell parcels of land which were intended to fund Phase 2 of the project but were now being diverted to Phase 1.

Chair Wiener said the week prior the Metropolitan Transportation Commission (MTC) considered an equivalent item and felt the TJPA management team had not done an adequate job estimating and containing costs and keeping decision makers informed. He said MTC was not confident in the \$246 million cost increase estimate and was skeptical that the project would be finished on time and within budget. Chair Wiener said it was indicated that TJPA staff were

only thirty percent confident that with the cost increase there would be no additional increases. He said MTC approved the quitclaim but included an amendment mandating a multi-agency cost review committee, comprised of MTC, the San Francisco Controller's Office and the Transportation Authority to review the costs of both Phase 1 and 2, and to make recommendations on managing costs going forward. Chair Wiener said he would like to echo the condition that MTC imposed but also add conditions; the first being that TJPA fully cooperate in the 90 day cost review for both phases of the project, and the second that TJPA only amend the Phase 1 cost and funding plan to reflect the sale of Parcel F, to be auctioned in September, and any other grants or funding sources identified before TJPA's September Board meeting. He said this would be the case until the 90 day cost review was completed and presented to MTC. Lastly, Chair Wiener stated that the amendment would request that TJPA continue to work with its funding partners to develop a full funding plan for Phase 1 that included specific recommendations for any additional financing needed beyond its existing financial agreements.

Chair Wiener moved to amend the item to add conditions, seconded by Commissioner Christensen.

Commissioner Kim commented that she supported Chair Wiener's amendment to the item and noted that there had been several conversations about the project's cost overruns which were primarily driven by increasing construction costs over the past two years. She said the TJPA Board had expressed concerns about how to best mitigate many of the trade packages coming in high and the failure to have released bid packages earlier when they were more affordable.

Mark Zabaneh, Senior Project Manager at TJPA, stated that market conditions in San Francisco and the location of the project site had limited the availability of contractors and had limited the number of bids received. He said TJPA had implemented mitigation measures and alternative procurement methods to control costs but they were not sufficient. He said TJPA was seeking to augment the project budget by \$246.9 million in order to award the remaining packages by the September 10 TJPA Board meeting and keep construction on schedule. He said if that did not happen, then TJPA would have to award the trade packages that were most critical to the project and delay the other packages until funding became available. Mr. Zabaneh said the rooftop park was identified as one of the trade packages that could be deferred until full funding was available and that while not ideal, the rooftop park could be constructed after the Transbay Transit Center was operational.

Steve Humphreys, Vice President at Webcor/Obayashi Joint Venture, stated that the rooftop park was bid out at the end of June and was only valid for 90 days so if it was not awarded by the end of September the bid would expire. He said if that was the case they would have to rebid the scope which would extend the completion date of the rooftop park by several months and would probably drive up the cost.

Commissioner Kim said opening the rooftop park at the same time as the Transbay Transit Center was one of the commitments to the neighborhood and that delaying the rooftop park was not the best way to manage the cost overruns, and that the exterior shell of the Transbay Transit Center was possibly a better alternative. She asked if TJPA staff supported Chair Wiener's amendment to the item. Mr. Zabaneh stated that they were happy to cooperate with the first condition, but that the second would not allow them to award critical trade packages which would impact construction and cause delays. Tilly Chang, Executive Director, commented that it was her understanding that the second condition would not preclude the award of the rooftop park bid package.

Commissioner Kim asked for confirmation that there were three bid packages scheduled for award in September. Mr. Humphreys replied in the affirmative, and stated that the packages were the concrete topping slab, the rooftop park, and the exterior ceilings, glass floor assembly, and column covers. Mr. Zabaneh stated that he did not think the \$160 million minimum bid for Parcel F would be sufficient to award the trade packages and sufficiently replenish the contingency. Ms. Chang stated that the minimum bid for Parcel F was \$160 million which would leave an \$87 million funding shortfall and that there was nothing in Chair Wiener's proposed second condition that would change that.

Item 7 was continued after Item 15.

Sara Gigliotti, Chief Financial Officer at TJPA, stated that TJPA had been working closely with the City of San Francisco to come up with a full funding plan so that TJPA could award all of the trade packages in September. She said that over the past month the focus was to identify what projects in the district plan had to be completed by the time the Transbay Transit Center was completed versus what projects could be pushed out in order to evaluate what other district plan funds could be shifted to this project. She said it was TJPA's understanding that the City would participate in the cost review which could take up to 90 days and that it could result in a full funding plan not being in place by the September 10 TJPA Board meeting. Ms. Gigliotti said that TJPA did not disagree with the amendment introduced by Chair Wiener, but that if TJPA did not have a full funding plan in place by that date they would not be able to award all of the trade packages. She said that TJPA was concerned with not replenishing the contingency while concurrently awarding trade packages should any issues arise during construction.

Chair Wiener asked for clarification that a full funding plan would include other funding sources beyond the sale of Parcel F, which Ms. Gigliotti confirmed.

Chair Wiener stated that this item was not about identifying other funding sources. Ms. Gigliotti stated that identifying the other funding sources would necessitate the assistance of TJPA's funding partners, including the City, the Transportation Authority, as well as MTC. She continued that if identifying those funding sources was put on hold or delayed until the end of the cost review, then there would not be a full funding plan in place by the September 10 TJPA Board meeting.

Chair Wiener stated that the 90 day timeframe for the cost review was set by MTC and was not included in the amendment he introduced. He said there was nothing preventing the cost review from being completed prior to the 90 days and that it was preferable if it could be completed sooner. Ms. Gigliotti stated that it was TJPA's understanding as well but that TJPA would like to recognize that the cost review could take the full 90 days.

There was no public comment.

The amendment to the item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Kim, Mar, Tang, Wiener and Yee (9)

Absent: Commissioners Campos and Farrell (2)

The amended item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Kim, Mar, Tang, Wiener and Yee (9)

Absent: Commissioners Campos and Farrell (2)

8. **Appoint Jacqueline Sachs and Peter Sachs to the Citizens Advisory Committee – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Campos (1)

9. **Appoint Kevin Stull to the Geary Corridor Bus Rapid Transit Citizens Advisory Committee – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Campos (1)

10. **Allocate \$38,780,932 in Prop K funds, with Conditions, and Appropriate \$671,920 in Prop K funds, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Campos (1)

11. **Adopt the Chinatown Neighborhood Transportation Plan Final Report – ACTION**

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Campos (1)

12. **Adopt the Geneva-Harney Bus Rapid Transit Feasibility Study Final Report – ACTION**

Commissioner Cohen commented that this project would make it easier for residents to get to the BART, Caltrain and T-Line stations. She said she appreciated the study's responsiveness to community concerns by including an analysis of Beatty Avenue as an alternate route. She acknowledged Transportation Staff for their dedicated outreach as well as the Geneva Corridor Bus Rapid Transit Feasibility Study Community Advisory Committee. She noted that the Transportation Authority was able to add three additional community meetings in both English and Chinese. Commissioner Cohen said it was important to continue this level of outreach during the selection and implementation process by proactively reaching out to residents in the

neighborhood and keeping them informed every step of the way. She also thanked colleagues in Daly City for their coordination and collaboration in this effort.

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee (10)

Absent: Commissioner Campos (1)

Items for Direct Board Consideration

13. Transportation Sustainability Program Update – INFORMATION

Tilly Chang, Executive Director, introduced the item and Michael Schwartz, Senior Transportation Planner, who presented the item.

Chair Wiener commented that this was an important step forward in updating and modernizing our approach to transit impact fees and development.

There was no public comment.

Other Items

14. Introduction of New Items – INFORMATION

There was no public comment.

15. Public Comment

During public comment, Francisco DaCosta stated that the traffic congestion in San Francisco was intolerable, and that he recently rode the 38-Geary bus when it was delayed over an hour due to traffic. He said that there was a great deal of data being collected on traffic management but that the city did not have the ability to use it.

16. Adjournment

The meeting was adjourned at 12:28 p.m.