

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, February 13, 2014
1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Jane Kim, Chair
Greg Harper, Vice Chair
Art Lloyd
Gabriel Metcalf
Edward Reiskin
Bijan Sartipi

Executive Director
Maria Ayerdi-Kaplan

Secretary
Nila Gonzales

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San Francisco, California 94105
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9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Kim called the meeting to order at 9:40 a.m.

2. Roll Call

Secretary Gonzales noted that due to a scheduling conflict Director Lloyd was absent and Director Lee would be sitting in as his alternate.

Present: Marian Lee
Gabriel Metcalf
Ed Reiskin
Bijan Sartipi
Greg Harper
Jane Kim

Absent: Art Lloyd

3. Communications

None.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Construction Update

Executive Director Ayerdi-Kaplan reported that a great milestone, which was completion of excavation of the four city blocks of the Transbay Transit Center site, was accomplished on Friday, February 7, 2014. She also reported that the foundation pour work is underway and by the end of the summer we hope to start seeing the beginning of structural steel go up.

Steve Rule, Turner Construction, presented the Construction Update.

Public Comment:

Roland Lebrun provided comments on the Construction Update and stated his observation of excavation levels in Zone 4 in comparison to Zone 1. He expressed his interest of rail crossing the Bay and provided suggestions on how to do it which included immersing a tube similar to what was used to build the BART tunnel or tunnel boring.

6. Public Comment

None.

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

REGULAR CALENDAR

7. Presentation by San Francisco Planning Department on Railyard Alternatives and I-280 Boulevard Feasibility Study Request for Proposals.

John Rahaim, Planning Director, indicated the purpose of the study is to look at the combination of several transportation projects underway along with land use alternatives that would result from the transportation projects. Josh Switzky of the Planning Department stated they have worked collaboratively with TJPA and Caltrain over the years and this study is a continuation of that effort. He noted that previous collaboration resulted in the Transit Center District Plan and this study will look at the next phase to confirm work done to date, additional value, and to explore and reenvision the area. Susan Gygi of the Planning Department then presented the item.

Director Metcalf said he was pleased this was being looked at and although he was not sure the outcome would change anything, he felt this needed to be looked at in its entirety. He stressed the importance of the Planning Department understanding the needs of TJPA, Caltrain, and California High Speed Rail and that any potential options must work for all agencies, so all need to be involved. He noted that the Railyard is privately owned with an easement to Caltrain so the private owner must be engaged. He also stated that although it is not part of the study he questions how Caltrain will ultimately extend to the East Bay and hopes it is considered.

Director Lee stated a lot of work has been done to date and Caltrain and TJPA have coordinated over many years on the current alignment. She requested a presentation from TJPA staff on the different alignments and evaluation of the loop for the benefit of the Board and public to understand what has already been looked at so that the study really builds off the work that has already been done. She expressed concerns in regards to the 4th and King Railyard study because it discusses relocating Caltrain's facilities. She also stressed the importance of not delaying projects underway.

Vice Chair Harper indicated the city of San Francisco would be remiss if they did not do this. He believes high speed rail may be delayed and that looking at this holistically may replace the energy that high speed rail brought to the project.

Director Reiskin expressed his support for the study and noted it is of critical importance and a part of the necessary due diligence. He stated there is a consensus not to delay Caltrain electrification and to build the Downtown Rail Extension (DTX) but he wants to make sure the

decisions that are being made get to the best possible land use and transportation plan. He believes there has been a lot of great work done by TJPA, Caltrain, and Caltrans and urges them along with the City family to actively and constructively engage in this process.

Chair Kim stated it is important to examine all the possible scenarios as the two most important projects, Caltrain electrification and DTX, associated with this study continue to move forward. She expressed her top priorities as neighborhood response and input to the final plan and moving forward with the alignment that allows DTX and electrification to occur as fast as possible. She advised the Planning Department to connect with the individuals doing the waterfront transportation assessment to coordinate the waterfront activities underway.

Executive Director Ayerdi-Kaplan advised the Board that their help with obtaining new funding is necessary to be able to work with the Planning Department on the study because the current funding for any rail related work runs out in June 2014. Director Reiskin inquired as to whether it was something the Mayor's Budget Director was working on and Sara Gigliotti, TJPA Chief Financial Officer, replied it had not yet been discussed but would be at the next working group meeting. Director Metcalf suggested a budget and proposal be put together so that funding could be identified. Executive Director Ayerdi-Kaplan confirmed a budget and proposal would be put together but that the Board's assistance would likely be needed to secure new funding.

Director Rahaim, Planning Department, thanked everyone for their comments and stated his excitement about the opportunity for the City. He reiterated that the goal is to look at everything holistically and not delay DTX or Caltrain electrification.

8. Presentation by Caltrain on Caltrain Modernization Program.

Michelle Bouchard, Caltrain Director of Operations, presented the item.

Director Reiskin stated there is strong support in the region for Caltrain electrification with all of its many benefits; however, he questioned why some diesel service would continue. Ms. Bouchard indicated they are transitioning as efficiently as possible but due to the lifespan of certain fleet that is anticipated to last until 2030, some will continue on diesel. Director Reiskin also stated that the northern terminus for Caltrain will be the Transbay Transit Center (TTC), not Fourth and King, once DTX is built but until then Caltrain has operational needs that need to be accommodated at Fourth and King.

Vice Chair Harper asked if Caltrain had decided on whether Fourth and King would remain as a functioning station once DTX is built and the northern terminus is TTC. Ms. Bouchard advised that the concept of operations study will assess what TTC can accommodate and whether additional space is necessary at Fourth and King.

Director Metcalf expressed appreciation for the presentation and stated the TTC and DTX are being built for Caltrain to bring trains into the station. He requested to have more updates from Caltrain on their work progress and studies. He expressed concerns with diesel trains continuing once electrified and offered support to assist with phasing out the diesel trains. He stated that in regards to the Railyards, the capital costs and operating costs for deadheading to have the trains

stored somewhere else need to be understood so that a decision can be made on whether it is worth it.

Director Lee commended Ms. Bouchard and Caltrain staff for their work. She advised that it is a challenging project because it is not a greenfield project but rather is converting diesel to new technology. She extended appreciation to TJPA, the Federal Transit Administration, the Federal Railroad Administration, and the region for helping to get the funding commitment. She acknowledged comments made about San Francisco's long-term vision and the projects underway, such as electrification, and felt the questions were relevant but noted that a lot of work has been done over several years and because there are many moving parts there is more to be assessed. She confirmed Caltrain is committed to going to the TTC but whether or not Fourth and King is also necessary is still being evaluated.

Public Comment:

Ben Tripousis, California High Speed Rail Authority (CHSRA), stated high speed rail must be delivered to Transbay well in advance of the dates Director Harper identified. He indicated CHSRA has been working closely with Caltrain on the electrification project as well as positive train control and the advanced signal system in the Peninsula corridor. In addition, CHSRA has been coordinating planning efforts with TJPA as the TTC moves toward completion to ensure eventual operation of high speed trains into the TTC and along the Peninsula. He also stated CHSRA has been working with the City of San Francisco to explore their expanded planning efforts to consider future community development opportunities in and around the Caltrain station at 4th & King and along I-280. CHSRA is committed to facilitating progress on these projects while ensuring their development in no way limits or restricts the operations of high speed rail. He further stated that serving the City of San Francisco with service that matches international high speed rail service is a critical objective of CHSRA and as these other projects are developed everyone must work to ensure that operational elements, for future high speed service, are accommodated.

9. Authorizing the Executive Director to execute Amendment No. 1 to the agreement for independent auditing services with Vavrinek, Trine, Day & Co., to extend the term for an additional two years and increase the maximum compensation by the option price of \$96,000.

Sara Gigliotti, TJPA Chief Financial Officer, presented the item.

No public comment.

RESOLUTION 14-002

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

10. Approving the updated Initial Project Report dated February 13, 2014, and a Resolution of Project Compliance for the allocation of Regional Measure 2/AB 1171 Bridge Toll Funds in the Amount of \$3,500,000 for the Transbay Transit Center Program.

Sara Gigliotti, TJPA Chief Financial Officer, presented the item.

No public comment.

RESOLUTION 14-003

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

11. Approving the Minutes of the November 14, 2013 meeting.

No public comment.

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

12. Approving the Minutes of the January 9, 2014 meeting.

No public comment.

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

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 Kim called the closed session to order at 11:30 a.m.

14. Roll Call

Present: Marian Lee
Gabriel Metcalf
Ed Reiskin
Bijan Sartipi
Greg Harper
Jane Kim

Absent: Art Lloyd

15. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code section 54956.8)

Property: 81-83 Natoma Street (Block 3721, Lot 108)

TJPA Negotiators: Maria Ayerdi-Kaplan, Executive Director, and Andrew W. Schwartz and Deborah L. Miller, Shute, Mihaly & Weinberger LLP, outside counsel

Negotiating parties: TJPA; Wooden Spoon & Fork, LLC d/b/a Zebulon Cafe

Under negotiation: Price and terms of payment for TJPA's acquisition of property interest in 81-83 Natoma Street, including compensation for loss of business goodwill under California Code of Civil Procedure Section 1263.510

RESOLUTION 14-004

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

16. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code section 54956.8)
and CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION (Gov. Code
section 54956.9(a) and 54956.9(d)(1))

Property: 564 Howard Street

TJPA Negotiators: Maria Ayerdi-Kaplan, Executive Director, and Andrew W. Schwartz and Deborah L. Miller, Shute, Mihaly & Weinberger LLP, outside counsel

Negotiating parties: TJPA; 564 Howard Street, LLC; Gruen Gruen + Associates

Under negotiation: Property owner's claim for precondemnation damages

Name of case: City and County of San Francisco v. 564 Howard Street, LLC, et al., San Francisco Superior Court Case No. CGC-10-506781

RESOLUTION 14-005

On motion to approve:

ADOPTED: AYES – Lee, Metcalf, Reiskin, Harper and Kim

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 11:40 a.m.

17. Announcement of Closed Session.

Deborah Miller, TJPA Counsel, reported in regards to Item 15 that the Board unanimously authorized the Executive Director to execute an agreement with Wooden Spoon & Fork, LLC, providing compensation in the amount of \$250,000 in settlement of all claims relating to goodwill loss and in regards to Item 16 the Board unanimously authorized the Executive Director to execute a Settlement Agreement and Release of Precondemnation Claims with 564 Howard Street, LLC for the TJPA's payment of \$18,000 to the property owner in exchange for a release of all precondemnation damage claims against the City and the TJPA.

ADJOURN – Chair Kim adjourned the meeting at 11:45 a.m.

A tape 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.