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BAHA
BAY AREA HEADQUARTERS AUTHORITY

ADRIENNE J. TISSIER, CHAIR
Chair of MTC and BATA

AMY REIN WORTH, VICE CHAIR
Vice Chair of MTC and BATA

TOM BATES
Vice Chair,
BATA Oversight Committee

DAVE CORTESE
Chair,
MTC Administration Committee

BILL DODD
Chair,
BATA Oversight Committee

SCOTT WIENER
Vice Chair,
MTC Administration Committee

STEVE HEMINGER
Executive Director

ANN FLEMER
Deputy Executive Director, Policy

ANDREW B. FREMIER
Deputy Executive Director, Operations

BAY AREA HEADQUARTERS AUTHORITY (BAHA)
December 21, 2011
MINUTES

Attendance

Chair Adrienne Tissier convened the meeting at 11:52 a.m. In addition to Chair Tissier, the following Authority members were in attendance: Tom Bates, Dave Cortese, Bill Dodd, Scott Wiener and Vice Chair Amy Rein Worth.
Additional Commissioners in attendance: David Campos, Dorene Giacopini, Mark Green, Anne Halsted, Steve Kinsey, Sam Liccardo, and Bijan Sartipi.

Minutes of October 12, 2011 Meeting

Upon the motion of Commissioner Dodd and the second of Vice Chair Rein Worth the minutes of the October 12, 2011 BAHA meeting were unanimously approved.

390 Main Status Report.

Ms. Teri Green, BAHA Section Director, presented the Status report on 390 Main Street. Ms. Green noted the staff who would be working for BAHA, including Deputy Executive Director Andrew Fremier, herself, Project Manager Stephen Wolf, and an Information Technology position to be filled. Ms. Green said the building was purchased in October with one tenant,Western Laboratories (the Drug Enforcement Agency), that is leasing space on the seventh floor. BAHA has obtained business insurance through Wells Fargo for property, liability, environmental and pollution coverage. BAHA contracted with Amerimar to provide initial property management services. Staff is working on the purchase agreement with the Air District and lease agreement with the Department of General Services, who represents BCDC. Inter-agency core team meetings are taking place between MTC, Air District, and BCDC staff to develop the facility space program and discuss co-location issues. Noted renovation would be discussed later in the meeting.

Commissioner Giacopini asked if there was the possibility of reviewing the work of other architects to address accessibility, and particularly the work of the architects for the Ed Roberts Campus. Ms. Green replied that staff would do so. Vice Chair Rein Worth requested review of cost efficiencies and consolidations. Ms. Green replied that there would be room for consolidation such as the mail room, and copy production center. Commissioner Dodd asked about the time line and budget risk. Steve Heminger noted that these items would be covered under item #5 of the BAHA agenda.

BAHA Resolution No. 3 – FY 2011-12 BAHA Operating and Capital Budget.

Mr. Brian Mayhew, BAHA Staff, requested the Authority approve FY 2011-12 BAHA Operating and Capital Budget. Steve Heminger noted that the current tenant was covering the monthly operating expenses for the entire building.

Lupe Shoenberger representative from the office of Senator Mark DeSaulnier read a letter that was directed to Chair Adrienne Tissier and wanted it to be included for the record.

Bill Dodd stated that if the Committee and Staff were to do as asked by Senator DeSaulnier and wait that it would financially impact the process.

Public Speaker, Doug Buckwald, spoke and followed up on the letter read by Lupe Schoenberger written by Senator DeSaulnier, stating it is inappropriate to proceed. Mr. Buckwald questioned the use of public funds to purchase 390 Main in San Francisco.

Chair Tissier replied to Mr. Buckwald's comment regarding public funds - that the money used for assets is appropriate.

There was a motion by Tom Bates to approve BAHA Resolution No. 3. Bill Dodd seconded the motion. Motion passed unanimously.

Contract Architectural and Engineering Services: Perkins + Will
Stephen Wolf, BAHA staff, presented the recommendation to award the architecture and engineering contract to Perkins + Will. Mr. Wolf stated the Request for Qualifications (RFQ) went out for bid in November 2011. BAHA received 11 Solicitations of Qualification (SOQs), which BAHA and Air District staff reviewed and scored; six firms were shortlisted and invited in for interviews. The evaluation panel identified the top two qualified firms, which were Perkins + Will and Gensler. Mr. Wolf affirmed that all of the firms interviewed were extremely qualified for the job, but that Perkins + Will demonstrated the best portfolio of comparable completed adaptive reuse projects and ability to lead projects through challenging entitlement processes. Mr. Wolf referred the Commissioners to the last page of the presentation in the BAHA packet, Appendix B, showing examples of Perkins + Will's work.

Mr. Wolf noted that the $1 million contract authorization requested was not meant to fund the entire design contract. In the schematic phase, after selecting the final design alternative and confirming the final scope of work with Perkins + Will, a recommendation for additional budget would be submitted to BAHA.

Mr. Wolf added that the proposed method of procurement, Construction Management at Risk, would provide pre-construction services that would help minimize conflicts and risk.

Commissioner Liccardo referred back to Senator DeSaulnier's letter and the cost that would be incurred if the project were to be delayed until June or so.

Mr. Steve Heminger, BAHA Executive Director stated that the Bay Conservation and Development Commission (BCDC) lease expires and BCDC must relocate by Spring 2013 . If the BAHA allows for a delay, that would mean an extra cost for BCDC. The Air District's existing building needs substantial maintenance. Mr. Heminger stated it would be likely that calls for further delays would follow if this request was granted. The building is already purchased so we should proceed as necessary.

Commissioner Wiener stated he has had the opportunity to meet Senator DeSaulnier and respects his work and has attended the hearings in San Francisco but would have to agree with Mr. Heminger and his recommendation to proceed. Commissioner Wiener stated he knows the work of Perkins + Will very well. He recognized the selection took until the day before the BAHA meeting, but requested that in the future staff make every effort to notify BAHA of the final selection in advance of the meeting.

Commissioner Bates questioned if the initial contract would expend the entire $1 million or if it would be apportioned in stages. Mr. Wolf replied that the $1 million would cover the schematic design phase with funds remaining to allow the next phase of design to commence. Additional funds would be required to complete design.

Mr. Heminger announced that the construction method would be a topic at the next BAHA meeting. Mr. Wolf said the Construction Manager at Risk procurement could be issued in January / February 2012 and a selection would be made in March or April. Mr. Wolf introduced Ms. Cathy Simon and Mr. Andrew Wolfram from Perkins + Will. Mr. Heminger said that Perkins + Will can possibly attend a future meeting to describe the design process and be open for discussion.

Commissioner Bates said it would be great to see a work flow chart. Mr. Wolf said he would provide that information. Chair Tissier said they are using the same construction procurement method in her county, and that it was a good method for managing construction risk.

Commissioner Dodd asked about the schedule and budget risk of working with multiple government agencies, as experienced in the partnership between BATA, CTC, and Caltrans, as the TBPOC, working on the Bay Bridge. Commissioner Dodd mentioned BATA listened to plenty of public comment about the cost to retrofit the bridge, and a lot of financial and political capital was spent. Mr. Heminger said there was a lesson to be learned from the Bay Bridge regarding cost estimates. Mr. Fremier, BAHA Deputy Executive Director, stated the budget included $53 million in construction and $25 million in contingency. He said that discipline was needed by the public agency partners to protect the schedule and budget.

Vice Chair Rein Worth asked about consideration of insurance, risk, liabilities, time delay and seismic retrofit.

Mr. Heminger said a significant decision would be whether to retrofit to a life safety, non-collapse standard, or to a higher immediate occupancy standard. He noted that the budget included funds for an industry standard life safety retrofit, as had been completed on the MetroCenter, but that additional funds would be needed for immediate occupancy. BAHA would have to do an estimate and analysis to see if it would be worth it. Commissioner Bates raised the issue that it would require money that is not in the current budget.

Commissioner Cortese asked about errors and omissions insurance, and noted his concern that professional liability insurance be high enough to ensure that problems get resolved and BAHA would be protected from costs due to errors and omissions. Mr. Heminger said this is exactly why Mr. Wolf was on this project, as he was the lead on the design and construction of the San Francisco-Oakland Bay Bridge Toll Plaza building and MetroCenter retrofit.

There was a motion by Commissioner Dodd and a second by Commissioner Bates to approve the contract with Perkins + Will for design services and, should negotiations fail, to approve a contract with Gensler. Motion unanimously passed.

Contract Amendment – Property Management Services: Amerimar

Ms. Green, BAHA staff, presented the contract amendment on property management services with Amerimar Main Street Management Company, LLC in an amount not to exceed $140,000 to the Authority. Ms. Green stated that Amerimar currently provides full time property management at 390 Main Street. Services include paying all bills and overseeing maintenance of the entire building. Ms. Green requested the Authority authorize Amerimar to continue to oversee management of the building through June 2012.

There was a motion by Commissioner Dodd and a second by Commissioner Wiener to approve amending the contract by $140,000 with Amerimar Main Street Management Company, LLC for building management services through June 2012. Motion unanimously passed.

Public Comment/Other Business/Next Meeting/Adjournment

Ms. Joyce Roy said it was fortunate that the agency was able to purchase such a desirable location; this way if the State audit determines the use of bridge toll funds is not legal it will be easy for the agency to sell the building as it is in such a desirable location.

Mr. Jerry Grace stated he thought there were many people who spoke against the move and that it was agreed there wouldn't be a move. He noted there is no need to move.

Mr. Rich Hedges said he was originally not supportive but now that he has gone to 390 Main and knows the neighborhood and the many transit options and he is supportive. He noticed curb cuts in the path of travel from BART. The only request is to extend Caltrain and that would make the synergy really good. He also hoped that High Speed rail will go through someday.

Before the end of the meeting Mr. Heminger requested there be regularly scheduled meetings. Consensus was to meet the same day as the full Authority, which is the 4th Wednesday of the month. Mr. Heminger asked General Counsel Adrienne Weil to draft a resolution that would allow for the BAHA Authority to meet every 4th Wednesday. General Counsel Weil agreed. Mr. Heminger further announced that from time to time BAHA would meet at 390 Main Street in San Francisco. All Committee members agreed.

There being no further public comment or business, Chair Tisser adjourned the meeting at 12:47 p.m. The next BAHA meeting is scheduled for January 25, 2012 in Oakland, California.