

AMY REIN WORTH, CHAIR
Chair of MTC and BATA

Agenda Item 2

DAVE CORTESE, VICE CHAIR
Vice Chair of MTC and BATA

BAY AREA HEADQUARTERS AUTHORITY (BAHA)

November 19, 2014

MINUTES

TOM BATES
Vice Chair,
BATA Oversight Committee

BILL DODD
Chair,
BATA Oversight Committee

Attendance

Chair Amy Rein Worth convened the meeting at 1:34 p.m. In addition to Chair Rein Worth, the following Authority members were in attendance: Dave Cortese, Adrienne Tissier and Scott Wiener.

SCOTT WIENER
Vice Chair,
MTC Administration Committee

ADRIENNE TISSIER
Chair,
MTC Administration Committee

Additional MTC Commissioners in attendance: Alicia Aguirre, Dorene Giacopini, Ann Halsted, Scott Haggerty, Steve Kinsey, Sam Liccardo, Joe Pirzynski, Jean Quan and Bijan Sartipi.

STEVE HEMINGER
Executive Director

Quorum was confirmed

ALIX BOCKELMAN
Deputy Executive Director, Policy

Consent Calendar

Upon the motion of Commissioner Tissier and the second from Commissioner Cortese, the Authority unanimously approved the minutes of the October 8, 2014 meeting.

ANDREW B. FREMIER
Deputy Executive Director, Operations

375 Beale Street Status Report – November 2014

Stephen Wolf and Teri Green, BAHA staff, presented the November 2014 status report for the 375 Beale Street Project.

MTC Commissioner Jean Quan inquired about the target move-in date for BAHA. Mr. Wolf stated that the BAHA project schedule reflects a move-in date of December 2015 on levels 6 through 8. Ms. Quan asked about the plans for the MetroCenter after the move to 375 Beale. Steve Heminger, BAHA Executive Director, stated that the MetroCenter is currently a Condominium Association of three agencies: the Metropolitan Transportation Commission (MTC), the Association of Bay Area Governments (ABAG) and the San Francisco Bay Area Rapid Transit (BART). The terms of BAHA's agreement with ABAG for moving into 375 Beale include that ABAG will transfer ownership of its current space at the MetroCenter to MTC in exchange for its new space at 375 Beale Street. BART has the right of first refusal to the MetroCenter, and staff has had conversations with BART regarding its interest in the building. Ms. Quan asked about the status of the seismic retrofit at 375 Beale Street. Mr. Wolf explained that seismic retrofit work is completed with the exception of the southern halves of Levels 7 and 8, which will be completed after the Drug Enforcement Administration (DEA) relocates. Ms. Quan asked if the seismic retrofit is built to the highest earthquake standard. Mr. Wolf explained that the building will meet Life Safety requirements, which is the same standard as the MetroCenter building and new construction projects.

Resolution No. 13, Revised - 375 Beale Street Revised Project Budget and Funding Plan

Andrew Fremier, Deputy Executive Director, presented Resolution No. 13, Revised which would increase the budget from \$223 to \$256 million for the purchase and renovation of 375 Beale Street, subject to BATA approval of BATA Resolution No. 113 Revised.

Commissioner Pirzinski asked if the DEA was responsible for reimbursing any of the \$11.4 million overage costs associated with the delay of its pending relocation to Pleasanton. Mr. Fremier responded in the negative and stated that when 375 Beale Street was purchased, BAHA was aware the DEA's lease was scheduled to expire in June 2015. He also stated that in December 2011, BAHA staff began seeking ways with GSA to accelerate the DEA's relocation by April 2014 and were unsuccessful. Mr. Pirzinski asked if there is any opportunity to negotiate and recover any of the incurred costs. Mr. Fremier answered in the negative and stated that BAHA continues to receive monthly rental payments from the DEA during the renovation. Mr. Heminger noted that had the start of construction been delayed until DEA left, BAHA would have incurred escalation costs; however, working around the DEA has proven to be very challenging. Ms. Quan asked if the renovation costs are \$66 million, or approximately 40%, over the projected budget. Mr. Fremier replied that the costs are more than originally projected, but that some costs were related to scope that was not part of the original project, such as tenant improvements and additional work requested by the agencies that would be moving into the building. Commissioner Haggerty inquired about the reason for the DEA's delay. Mr. Heminger stated that delay was due to the DEA's decision to gut a building and rebuild rather than taking a more expeditious way, such as modifying an existing laboratory.

Upon the motion of Commissioner Tissier and the second from Commissioner Cortese, the Authority unanimously approved BAHA Resolution No. 13, Revised, subject to approval by the Bay Area Toll Authority of BATA Resolution No. 113, Revised.

Purchase Order – Computer Network Equipment: NexusIS (\$2,600,000)

Valerie Campbell, BAHA staff, presented the Purchase Order – Computer Network Equipment with NexusIS for approval for the procurement of network equipment, licensing, maintenance, and consulting services.

Chair Rein Worth expressed the importance of being mindful of the 375 Beale Street project budget and the procurement method for computer network equipment. Ms. Campbell stated that the equipment is part of the planned technology strategy that will support shared services for the regional agencies and technology for building systems. She also stated that the Cisco Systems network equipment and services will be procured through the Western State Contracting Alliance – National Association of State Procurement Officials (WSCA-NASPO) Intergovernmental Procurement Agreement, a collaborative intergovernmental procurement vehicle, which satisfies BAHA's procurement requirements.

Upon the motion of Commissioner Tissier and the second from Commissioner Cortese, the Authority unanimously authorized the Executive Director or his designee to issue a purchase order to NexusIS for the purchase of Cisco Systems network equipment, licenses, maintenance, and consulting services. The Treasurer and Auditor was directed to set aside funds in the amount of \$2,600,000 for such purchase order.

Contract Amendment – On-Call Construction Management Services: Harris & Associates (\$1,540,000 plus a contingency not to exceed \$500,000)

Stephen Wolf, BAHA Staff, presented the Contract Amendment for On-Call Construction Management Services with Harris and Associates.

Upon the motion of Commissioner Cortese and the second from Commissioner Tissier, the Authority unanimously authorized the Executive Director, or his designee, to negotiate and enter into a contract amendment with Harris & Associates for on-call construction management consultant services for the 375 Beale Street project and directed the Treasurer and Auditor to set aside fund in the amount of \$1,540,000 for the contract amendment and \$500,000 for a contract contingency, subject to the approval by BATA of BATA Resolution No. 113, Revised.

Public Comment / Other Business/Next Meeting/Adjournment

There being no further public comment or business, Chair Rein Worth adjourned the meeting at 2:26 p.m. The next BAHA meeting is scheduled for December 17, 2014 in Oakland, California at a time to be duly noted.