

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P.O. Box 12688, Oakland, CA 94604-2688

Board of Directors
Minutes of the 1,850th Meeting
October 10, 2019

A regular meeting of the Board of Directors was held on October 10, 2019, convening at 9:01 a.m. in the BART Board Room, 2040 Webster Street, Oakland, California. President Dufty presided; Patricia K. Williams, District Secretary.

Present: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty.

Absent: None.

President Dufty called for Introduction of Special Guests. Director Saltzman recognized and thanked BART Operations staff and the BART Police Department for their service during Pacific Gas & Electric's (PG&E) Public Safety Power Shutoff (PSPS). Mr. Robert Powers, General Manager, introduced and welcomed Mr. Michael Jones as the new Deputy General Manager. Mr. Powers also recognized Mr. Shane Edwards, Chief Maintenance and Engineering Officer, BART staff, and Ms. Jodi Traversaro, Manager of Emergency Preparedness, for their work with PG&E and service during the PSPS. President Dufty asked Mr. Powers to confirm the number of generators installed for the PSPS and Mr. Powers indicated that at least one dozen generators were installed. Director Simon asked Mr. Powers how long the generators last and Mr. Powers indicated that the generators could last a long time because they can be moved and refueled. Director Simon also asked Mr. Powers where the generators are refueled, and Mr. Powers indicated that the generators are large and generally refueled onsite. President Dufty thanked everyone and Mr. Edwards.

Consent Calendar items brought before the Board were:

1. Approval of Minutes of the Meeting of September 26, 2019.
2. Audit of Directors' Use of District Property for Fiscal Year 2019.
3. Revision to 2019 Organization of Committees and Special Appointments.
4. Update to District Guidelines for Disposition of Tangible and Surplus Property.
5. Award of Contract No. 54RR-170, Richmond-Concord-Hayward Dust Collectors Replacement Project.

Director Raburn made the following motions as a unit and requested that Item 2-D, Update to District Guidelines for Disposition of Tangible and Surplus Property, be removed from the Consent Calendar. Director Saltzman seconded the motions, which carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty. Noes – 0.

1. That the Minutes of the Meeting of September 26, 2019, be approved.
2. That the report of the Audit of Directors' Use of District Property for Fiscal Year 2019, be accepted.
3. That the Board of Directors ratify the proposed revision to the 2019 Organization of Committees and Special Appointments.
4. That the General Manager be authorized to award Contact No. 54RR-170, Richmond-Concord-Hayward Dust Collectors Replacement, in the amount of \$1,646,400, to iTech Solution of San Jose, California, subject to the District's Protest Procedures.

Director Raburn asked clarifying questions about Item 2-D, Update to District Guidelines for Disposition of Tangible and Surplus Property, specifically regarding the threshold for required Board approval. Mr. Jones responded to Director Raburn's questions. Director Raburn moved that the Board of Directors adopt Resolution No. 5425, In the Matter of Authorizing the Guidelines for the Disposition of Tangible and Surplus Property. President Dufty seconded the motion, which carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty. Noes – 0.

President Dufty called for Public Comment. The following individuals addressed the Board:

Clarence Fischer
Kelly Abreu
Director McPartland
Jennifer Rodrigues

Director Simon, Chairperson of the Administration Committee, brought the matter of Fiscal Year 2019 Year-End Budget Revision before the Board.

Ms. Pamela Herhold, Assistant General Manager, Performance and Budget, introduced the item and Ms. Kate Jordan-Steiner, Director of Budgets, presented the item.

Director Allen had questions regarding the Executive Decision Document (EDD), specifically pertaining to the allocation of the Fiscal Year (FY) 2019 unprogrammed favorable result and the scope of the proposed motion.

Ms. Herhold referenced staff's memorandum to the Board on October 8, 2019 (hereinafter "The Memo") to clarify staff's intention. Director Allen asked additional questions regarding the characterization of pensions in the FY 2019 budget, focusing on adjustments for Governmental Accounting Standards Board (GASB) Statement Numbers 68 and 75. Ms. Steiner, Ms. Rose Poblete, Controller-Treasurer, and Ms. Herhold responded and deferred to Mr. Christopher Gan, Assistant Controller, to provide an additional response. Director Simon requested that staff appear before the Board after comments to address the issues raised by Director Allen. Director Foley asked for confirmation of the budget shortfall projected for the next several years, and expressed concern over the forecast.

Director Foley moved approval of Resolution No. 5426, In the Matter of Amending Resolution No. 5373 regarding Fiscal Year 2019 Annual Budget, and that \$16.2 million dollars be allocated to reserves for economic uncertainty. Director Allen seconded the motion. Director Saltzman

expressed concern over the future; highlighted that there are two allocations for reserves in the FY 2019 budget; commented on staff's recommendation; and discussed funding for projects.

Director Saltzman proposed a substitute motion to approve Resolution No. 5426, In the Matter of Amending Resolution No. 5373 regarding Fiscal Year 2019 Annual Budget, and to include The Memo in the posted agenda packet and meeting minutes. Director Saltzman also requested that, in the future, clear information regarding the planned expenditure of money be provided. President Dufty seconded the substitute motion.

Director Li commented on the FY 2019 budget, staff's recommendation, and former General Manager Grace Crunican's recommendation for an ambassador program. Dr. Li encouraged staff to develop an ambassador program and provide specific dollar amounts for the allocation of quality-of-life efforts to inform the Board's decisions. Director Li noted that she supported Director Saltzman's substitute motion.

Director Raburn commented on the FY 2019 budget and asked clarifying questions regarding historic preservation requirements, allocations for station hardening/capital rehabilitation and quality-of-life items, and the cost of a faregate. Ms. Herhold and Mr. Powers responded to Director Raburn's questions. Director Simon requested that staff read the relevant excerpt of The Memo aloud. Director Raburn continued asking his question about the cost of a faregate and Mr. Powers responded to Director Raburn's question. Ms. Herhold read an excerpt of The Memo out loud. Director Ames commented on the contents of The Memo; acknowledged Director Allen's questions about the FY 2019; and expressed support for the substitute motion pending staff's responses to Director Allen's questions. Director Allen withdrew her second of Director Foley's modified motion and requested that the substitute motion be read aloud.

Mr. Matthew Burrows, General Counsel, stated that Director Saltzman's substitute motion is the staff recommendation, with the addition that The Memo be made public. Director Saltzman noted that the substitute motion should also state that The Memo should be included in the meeting minutes. President Dufty asked whether some of the narrative read and presented could be added to the motion.

Director Saltzman amended her substitute motion to include The Memo and the following:

- \$10 million to reserves for economic uncertainty, to protect the District against severe operating funding shortfalls projected for the next several years,
- \$4.7 million to fund systems hardening and modernization including fare gate improvements, cyber security investments, and communications upgrades to protect our assets and our riders, and
- \$1.5 million to fund Quality of Life efforts, including addressing fare evasion, safety and security, homelessness, cleanliness, and the pilot ambassador program.

President Dufty seconded the amended substitute motion. Director Allen noted her objection to the inclusion of a specific program, such as the ambassador pilot program, in the allocation of the FY 2019 unprogrammed favorable result, and proposed a second substitute motion for the Board of Directors to adopt Resolution No. 5426, In the Matter of Amending Resolution No. 5373 regarding Fiscal Year 2019 Annual Budget; include the information in The Memo; and strike the words "ambassador program" from the motion. Ms. Herhold read an additional excerpt from The Memo. Director Allen asked an additional question and Ms. Herhold responded. Director Saltzman

removed the language pertaining to the Summary of Proposed Year-End Allocations from her substitute motion. President Duffy commented on the progression of an ambassador program and expressed support for the proposed amended substitute motion. Upon Director Simon's request, Mr. Burrows restated the substitute motion: that the Board adopt the staff recommendation and place The Memo in the Minutes. Director Ames asked whether inclusion of The Memo in the minutes provides authorization for the Board to act on the recommendations in The Memo. Director Saltzman explained that the intention is to provide public access to the information in The Memo. Director Ames further commented on the components of the proposed motion and The Memo. Director Simon addressed the confusion surrounding The Memo and clarified that the proposed motion includes the addition of The Memo to the Minutes. Mr. Gan addressed questions regarding the characterization of pension items in the FY 2019 budget, including GASB reporting. Director Saltzman's amended substitute motion, seconded by President Duffy, carried by electronic vote. Ayes – 7: Directors Allen, Li, McPartland, Raburn, Saltzman, Simon, and Duffy. Noes – 2: Directors Ames and Foley.

Director Simon brought the matters of Resolution of Intention to Amend California Public Employees Retirement System (CalPERS) Contract to Include Cost Sharing of Employer Contribution for BART Police Officers' Association (BPOA) and BART Police Managers' Association (BPMA); and Resolution for Pension Cost Sharing under the California Public Employees Retirement System (CalPERS) for Safety Non-Represented Employees, before the Board. Ms. Diane Iwata, Manager of Human Resource Information System and Benefits, Human Resources Administration, presented the items.

Director Raburn moved adoption of Resolution No. 5427, Resolution of Intention to Approve an Amendment to Contract between the Board of Administration California Public Employees' Retirement System and the Board of Directors San Francisco Bay Area Rapid Transit District; and that the Board President be authorized to sign the resolution on behalf of the Board. President Duffy seconded the motion, which carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Duffy. Noes – 0.

Director Raburn moved adoption of Resolution No. 5428, In the Matter of the Employee Sharing Additional Cost under the California Public Employees Retirement System for Non-Represented Safety Employees. Director Foley seconded the motion, which carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Duffy. Noes – 0.

Director Foley, Chairperson of the Engineering and Operations Committee, brought the matter of Award of Request for Proposal No. 6M3440, High Pressure Wash of Station Plazas and Parking Lot Structure Stairwells Services, before the Board. Mr. Greg Lombardi, Assistant Chief Maintenance Officer, presented the item. Director Simon asked staff to explain why BART staff does not perform the service that is the subject of this item. Tamar Allen, Assistant General Manager, Operations, advised that this service is generally out-sourced, and that out-sourcing is more economically efficient. Director Raburn moved that the General Manager be authorized to award Agreement No. 6M3440 to Puma Power Wash, Inc. for High Pressure Wash of Station Plazas and Parking Structure Stairwells Services (Areas 1, 3, and 4) for a 3-year period for a total compensation of \$3,178,800 pursuant to notification to be issued by the General Manager and subject to the District's Protest Procedures; and that the General Manager be authorized to exercise one option year to Agreement No. 6M3440 for an amount of \$1,059,600, with the exercise of this option subject to the availability of funding. President Duffy seconded the motion. Director Ames inquired regarding locations that are power-washed, and the temperature of the water used for

power-washing, requested a proposal for additional power-washing inside the stations, and asked whether power-washing occurs at night when the stations are closed. President Dufty commented on the quality of Puma's work at 16th Street Mission Station. Director Allen commented on the number of bids and success with the selection of the firm. The motion brought by Director Raburn and seconded by President Dufty carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty. Noes – 0.

Director Foley brought the matter of Award of Request for Proposal No. 6M3453, Systemwide Parking Lot Sweeping Services, before the Board. Mr. Lombardi presented the item. Director Saltzman moved that the General Manager be authorized to award Agreement No. 6M3453, to provide Systemwide Parking Lot Sweeping Services (Zone 1 and Zone 2) to Universal Site Services Inc., for an amount not to exceed \$2,505,412.64 for a base term of three years; and that the General Manager be authorized to exercise up to two one-year options for Zone 1, each for \$303,940.02 and \$312,945.64, and up to two one-year options for Zone 2, each for \$572,906.12 and \$589,984.48 for a maximum term of five years, pursuant to notification to be issued by the General Manager and subject to compliance with the District's Protest Procedures. President Dufty seconded the motion. Director McPartland asked staff for clarification of the figures in the agreement. Mr. Lombardi and Director Allen assisted Director McPartland with his request. The motion brought by Director Saltzman and seconded by President Dufty carried by unanimous electronic vote. Ayes – 9: Directors Allen, Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty. Noes – 0.

Director Foley brought the matter of Update on BART Safety, Reliability, and Traffic Relief Program (Measure RR) before the Board. Ms. Allen introduced Mr. Carl Holmes, Assistant General Manager, Design and Construction, Ms. Sylvia Lamb, Group Manager, Capital Projects, Maintenance and Engineering, Mr. Joseph Towner, Manager of Program Planning and Support, Office of Civil Rights, and Ms. Rachel Factor, Principal Planner, Systems Development, who presented the item. Mr. Holmes and Ms. Lamb presented the item.

Ms. Allen recognized Ms. Alicia Trost, Director of Communications, Ms. Trost's team, and Ms. Cheryl Stalter, Communications Officer for their assistance with the time-lapse video included in the presentation. The time-lapse video was shown. Director McPartland thanked Ms. Trost for her assistance with the time-lapse video.

Director Saltzman commented on the Safe Routes to BART Program, particularly regarding the funding limitation and outreach requirements. Director Allen requested clarification on whether the information presented to Board was also presented to the Bond Oversight Committee (BOC), the abbreviation "EVM," whether the BOC is presented with detailed budget information, how the Board can receive detailed budget information for individual projects, the actions of the BOC, concerns on the expenditures of the Earthquake Safety Program, and line item project updates. Director Allen's questions were addressed by staff. Director McPartland commented on the success and status of the Earthquake Safety Program. President Dufty complimented Ms. Lamb's presentation and noted that he would send a letter of appreciation to the BOC on behalf of the Board. President Dufty also acknowledged the Inspector General, Ms. Harriet Richardson, and invited Ms. Richardson to attend a meeting of the BOC. Director Li expressed appreciation for Ms. Lamb's presentation and her interest in more detailed budget information. Director Li also asked staff to explain the frequency of future updates. Director Raburn acknowledged the Office of Civil Rights and Mr. Towner for their efforts to facilitate payments to small businesses. Director Raburn also commented on new programs to monitor Disadvantaged Business Enterprise (DBE) utilization; asked staff to clarify the goal for the Cost Performance Index and Schedule

Performance Index; and asked staff to address the progression of safe access to stations. Director Raburn's concerns were addressed by staff. Director Raburn expressed support for the Safe Routes to BART Program.

Director Ames commented on the program, information regarding projects' progression, the percentage of Measure RR work completed, and unfunded capital projects. Director Ames' comments were addressed by staff.

Director Foley commented on the RR Project Progress presentation slide and recognized staff for creating the slide and presentation, and requested that the information on the slide be posted on BART's website.

Director Raburn, Chairperson of the Planning, Public Affairs, Access, and Legislation Committee, brought the matter of Update on the Parking Program before the Board. Mr. Holmes introduced the item and Mr. Robert Franklin, Director of Customer Access, presented the item.

Director Raburn commented on the informational nature of the item and scope of the proposed Title VI study.

Kelly Abreu addressed the Board.

Director Saltzman requested information on a schedule for the rollout of the carpool program at additional stations, regular reporting of parking information, the existing parking pricing system, parking availability, access to BART stations via bus, whether the parking program proposal will affect offsite lots, and whether offsite lots, excluding the lot in Hercules, reach full capacity. Director Saltzman's questions were addressed. Director Li expressed support for the proposed parking pricing policies. Director Li also commented on parking-related costs and revenue, ridership, the proposed Title VI study, working with other transit operators, and Director Saltzman's comments. Director Li commented on and requested regular consideration of parking policy changes. Director McPartland commented on the existing parking fee maximum, Director Li's comments, pricing policies, Title VI issues, enforcement, parking information technology, communication of parking policies to the public, and enforcement. Director Allen commented on the management of the Parking Program and parking revenue and costs. Director Allen commented that parking revenue provides a subsidy to riders and asked staff whether parking revenue is allocated to customer access.

Mr. Val Menotti, Chief Planning and Development Officer responded to Director Allen's question.

Director Allen commented on the subsidy provided by parking revenue, new parking lots, transit-oriented development, communication to riders about available parking, and other topics related to the presentation. Director Ames commented on ridership, parking policy considerations, access to BART stations via bus, topics related to the presentation, and her position on the proposed parking policies.

Director Simon expressed her desire for the Title VI analysis to be performed by BART staff. and Director Simon commented on the Title VI study, access to BART stations via bus, and her use of a Transportation Network Company (TNC) vehicles.

Director Foley expressed his position on the proposed parking policies and commented on access to BART stations via bus, whether the BART application will allow customers to pay for parking

after entering the station, and various aspects of the demand for parking, and he expressed support for consultation with a parking expert. Director Foley commented on the Title VI study and parking discounts for various groups. President Dufty expressed his position on the proposed parking policies and support for the comments from Directors Saltzman and Li. President Dufty also expressed support for the comments from Directors Simon and Foley regarding access to BART stations via bus. Director Raburn commented on climate change, environmental considerations, and the implementation schedule for systemwide automation of payment and enforcement. Director Raburn expressed support for Director Allen's comment regarding the source of funding for parking capital costs. Director Raburn also commented on operating and maintenance costs for parking garages, additional modes of transportation, parking-related costs, consideration of hourly parking rates and use of license plate readers, and topics related to the presentation.

Director Raburn brought the matter of Update on BART and Valley Transportation Authority Phase I, and the Operations and Maintenance Agreement before the Board. Mr. Carl Holmes and Mr. Shane Edwards presented the item.

Kelly Abreu addressed the Board.

President Dufty called for the General Manager's Report. Mr. Powers reported on his Listening Tour; his participation in a Twitter Town Hall session; his attendance at the swearing-in ceremony for new BART Police Officers and Community Service Officers; the status of police officer vacancies in the BART Police Department; ridership statistics and information for September 2019; and Clipper utilization for October 2019. Mr. Powers also recognized staff for their communication with the Board regarding the System late opening on the previous Saturday. Ms. Allen provided a report regarding the Saturday late opening.

President Dufty announced that Items 8 and 9 would be continued until after closed session; that the Board would enter into closed session under Items 10-A (Public Employee Performance Evaluation) and 10-B (Conference with Negotiators) of the Regular Meeting agenda; and that the Board would reconvene in open session at the conclusion of the closed session.

The Board Meeting recessed at 1:14 p.m.

Director Allen exited the meeting.

The Board reconvened in closed session at 1:25 p.m.

Directors present: Directors Ames, Foley, Li, McPartland, Raburn, Saltzman, Simon, and Dufty.

Absent: Director Allen.

Director Saltzman exited the meeting.

The Board Meeting recessed at 3:30 p.m.

The Board reconvened in open session at 3:32 p.m.

Directors present: Directors Ames, Foley, Li, McPartland, Raburn, Simon and Dufty.

Absent: Directors Allen and Saltzman.

President Dufty announced that there were no announcements to be made from the closed session.

President Dufty brought the matter of Compensation and Benefits for General Counsel, Controller-Treasurer, District Secretary, and Independent Police Auditor before the Board. President Dufty moved that the base salaries of the General Counsel, Controller/Treasurer, District Secretary, and Independent Police Auditor be increased by 2.75 percent, retroactive to July 1, 2019, when other non-represented employees received the same wage increase, and that the Board President be authorized to execute on behalf of the Board any necessary changes to the Board Appointees' employment agreements to incorporate this change. Director Simon seconded the motion, which carried by unanimous electronic vote. Ayes – 7: Directors Ames, Foley, Li, McPartland, Raburn, Simon, and Dufty. Noes – 0. Absent – 2: Directors Allen and Saltzman.

President Dufty called for Board Member Reports, Roll Call for Introductions, and In Memoriam requests.

Director McPartland reported that he had attended Alameda County Board of Supervisors' meetings regarding homelessness in his geographical area, the Emergency Managers' meeting for Alameda County, Fleet Week events, and a Valley Link staff meeting, and had given a Chamber presentation.

Directors Ames and Simon exited the meeting.

Director Foley thanked Tiffany Posey, Executive Assistant, Administration and Mimi Kyi, Executive Assistant, Office of the General Manager for their assistance. Director Foley reported he had attended the Contra Costa Mayor's Conference in Antioch with Director Allen where they received a presentation from Contra Costa Transportation Authority regarding an electric vehicle readiness blueprint. Director Foley asked staff to provide information regarding BART's fleet and sustainability. Director Foley commented on recent incidents of individuals entering trackways and he requested information about plans to prevent such incidents.

Director Foley requested assistance from staff with drafting a resolution in support of the 2020 Census for the Board to consider. Director Raburn seconded Director Foley's request.

Director Li reported that she had attended the Balboa Reservoir Citizens' Advisory Committee meeting and had walked with a resident who lives near Balboa Park and helps maintain the Havelock Bridge.

Director Raburn reported that he had attended an award ceremony at the Oakland Asian Cultural Center, and FamFest at The Bridge Yard. Director Raburn discussed fare evasion and access changes at 12th Street/Oakland City Center Station.

President Dufty noted that Director McPartland had requested that the Board acknowledge and congratulate staff for activating the BART Emergency Operations Center in preparation for possible problems resulting from PG&E's PSPS.

President Dufty called for Public Comment. No comments were received.

The Meeting was adjourned at 3:39 p.m.

Patricia K. Williams
District Secretary

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: October 8, 2019

FROM: Pamela Herhold
Assistant General Manager – Performance & Budget

SUBJECT: Administration Agenda: Fiscal Year 2019 (FY19) Year End Budget Revision

The FY19 Year End Budget Revision will be heard by the Board on October 10, 2019.

The \$4.7M of the FY19 Year End positive result proposed for investment in critical systems hardening and modernization efforts, is proposed to be expended as follows:

1. \$1.6M for net.com, a critical internal train control communications system;
2. \$1.1M to fund a joint effort between Operations and Office of the Chief Information Officer, enhancing cyber security systems;
3. \$1.0M to offset FY20 overtime costs related to fare gate cinch modifications; and
4. \$1.0M to fund improved fare gate designs.

These projects were identified for funding, in the amounts above based on (a) funds availability, (b) project risk as identified during FY20 budget development, (c) ability for the project to begin work and spend-down immediately, and (d) commitment from the projects that, if the funding amounts above are not sufficient to complete a project, the funds will measurably move the project forward.

The \$1.5M proposed for Quality of Life improvements could be spent on a variety of initiatives including but not limited to fare evasion, safety/security, homelessness, cleanliness, and/or a station ambassador pilot. The FY19 Year End Budget Revision action would place these funds in a reserve account. Staff plan to return to the Board at a future meeting, tentatively November 21, 2019, to present a Quality of Life update. This update will include a proposed expenditure plan for the \$1.5M held in reserve, including additional details on options for a potential Ambassador program (following up on information provided to the Board via several memos in May and June 2019).

If you have any questions, please contact me at (510) 464-6168.

cc: General Manager
Board Appointed Officers
Executive Staff