



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Agenda

### Bay Area Headquarters Authority

*Authority Members:*

*Scott Haggerty, Chair      Alfredo Pedroza, Vice Chair*  
*Jeannie Bruins, Federal D. Glover, Libby Schaaf, Amy R. Worth*

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Wednesday, June 24, 2020

9:40 AM

Board Room - 1st Floor (REMOTE)

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The Bay Area Headquarters Authority is scheduled to meet on Wednesday, June 24, 2020 at 9:40 a.m. or immediately following the 9:35 a.m. BATA meeting, in the Bay Area Metro Center (Remotely). In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to committee, commission, or board members.

The meeting webcast will be available at  
<https://mtc.ca.gov/whats-happening/meetings/live-webcasts>.

Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

Attendee Link: <https://bayareametro.zoom.us/j/97146320867>  
Join by Telephone: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)  
Webinar ID: 971 4632 0867

Detailed instructions on participating via Zoom are available at:  
<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>.

Committee members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial "\*9". In order to get the full Zoom experience, please make sure your application is up to date.

Members of the public may participate by phone or Zoom or may submit comments by email at [info@bayareametro.gov](mailto:info@bayareametro.gov) by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

## 1. Call to Order / Roll Call / Confirm Quorum

*Quorum: A quorum of the Authority shall be a majority of its regular voting members (4).*

## 2. Consent Calendar

- 2a. [20-0573](#) Minutes of the March 25, 2020 meeting
- Action: Authority Approval
- Attachments: [2a 20-0573 03-25-2020 BAHA Draft Minutes.pdf](#)
- 2b. [20-0236](#) Bay Area Metro Center Main Electrical Service Replacement - Pacific Gas and Electric Company (PG&E). An update on the removal of the 34kV transformers and completion of the PG&E project.
- Action: Information
- Presenter: Gary Szeto
- Attachments: [2b 20-0236 BAHA Electrical Service Replacement PG&E.pdf](#)

## 3. Authority Approval

- 3a. [20-0824](#) Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc. (\$1,050,000)
- A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment in the amount of \$1,050,000 with Cushman & Wakefield of California, Inc. ("Cushman Wakefield") to implement and administer building improvements projects at 375 Beale Street, San Francisco (Bay Area Metro Center).
- Action: Authority Approval
- Presenter: Gary Szeto
- Attachments: [3a 20-0824 Cushman Wakefield ContractAmend.pdf](#)
- 3b. [20-0772](#) Contract - Webcasting, Agenda Management, and Captioning Services: Network Television Time Inc. (\$2,800,000)
- A request for Authority approval of a contract with Network Television Time Inc. (NTT) for \$2,800,000 over five years for webcasting, agenda management, and closed captioning services. This is a shared service and is reimbursed proportionately by the Bay Area Air Quality Management District (BAAQMD).
- Action: Authority Approval
- Presenter: Nick Roethel
- Attachments: [3b 20-0772 BAHA NTT Contract.pdf](#)

- 3c.**     [20-0859](#)     BAHA Resolution No. 22 - FY 2020-21 Bay Area Headquarters Authority Operating and Capital Budgets

A request for approval of BAHA Resolution No. 22, FY 2020-21 Operating and Capital Budgets.

**Action:**             Authority Approval

**Presenter:**        Brian Mayhew

**Attachments:**     [3c 20-0859 BAHA Res22 FY 2020-21 BAHA Op and Cap Budget.pdf](#)

#### **4. Public Comment / Other Business**

#### **5. Adjournment / Next Meeting:**

The next meeting of the Bay Area Headquarters Authority is scheduled to be held on Wednesday, July 22, 2020 at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA 94105.

**Public Comment:** The public is encouraged to comment on agenda items at Authority meetings by completing a request-to-speak card (available from staff) and passing it to the Authority secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

**Meeting Conduct:** If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Authority may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

**Record of Meeting:** Authority meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site ([mtc.ca.gov](http://mtc.ca.gov)) for public review for at least one year.

**Accessibility and Title VI:** MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

**可及性和法令第六章:** MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

**Acceso y el Titulo VI:** La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

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Attachments are sent to Authority members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Authority. Actions recommended by staff are subject to change by the Authority.

## Legislation Details (With Text)

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**File #:** 20-0573      **Version:** 1      **Name:**

**Type:** Minutes      **Status:** Consent

**File created:** 3/26/2020      **In control:** Bay Area Headquarters Authority

**On agenda:** 6/24/2020      **Final action:**

**Title:** Minutes of the March 25, 2020 meeting

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2a 20-0573 03-25-2020 BAHA Draft Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**  
Minutes of the March 25, 2020 meeting

**Recommended Action:**  
Authority Approval



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Minutes

### Bay Area Headquarters Authority

**Authority Members:**

**Scott Haggerty, Chair**      **Alfredo Pedroza, Vice Chair**  
**Jeannie Bruins, Federal D. Glover, Libby Schaaf, Amy R. Worth**

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Wednesday, March 25, 2020

9:35 AM

Board Room - 1st Floor (Remotely)

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#### Call Remote Meeting to Order

#### 1. Roll Call / Confirm Quorum

**Present:** 6 - Chair Haggerty, Vice Chair Pedroza, Commissioner Bruins, Commissioner Glover, Commissioner Schaaf and Commissioner Worth

Non-Voting Commissioners Present: Commissioner Giacomini, Commissioner Stracner and Commissioner Tavares

#### 2. Consent Calendar

**Upon the motion by Commissioner Worth and the second by Commissioner Bruins, the Consent Calendar was unanimously approved by the following vote:**

**Aye:** 6 - Chair Haggerty, Vice Chair Pedroza, Commissioner Bruins, Commissioner Glover, Commissioner Schaaf and Commissioner Worth

**2a.**      [20-0235](#)      Minutes of the January 22, 2020 meeting

**Action:** Authority Approval

**2b.**      [20-0371](#)      BAHA Financial Statements for Q2 FY 2019-20

**Action:** Information

**Presenter:** Raymond Woo

**2c.**      [20-0267](#)      BAHA Resolution No. 23 - Adoption of the Updated Small Business Enterprise (SBE) Program. A request to adopt BAHA Resolution No. 23, the updated Bay Area Headquarters Authority (BAHA) Small Business Enterprise (SBE) Program, which updates and combines the SBE Program for Civil Construction and the Pilot SBE Program for Professional Services.

**Action:** Authority Approval

**Presenter:** Edward Phillips

**3. Public Comment / Other Business**

**4. Adjournment / Next Meeting:**

The next meeting of the Bay Area Headquarters Authority is scheduled to be held on Wednesday, April 22, 2020 at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA 94105.

## Legislation Details (With Text)

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**File #:** 20-0236      **Version:** 1      **Name:**

**Type:** Report      **Status:** Consent

**File created:** 1/23/2020      **In control:** Bay Area Headquarters Authority

**On agenda:** 6/24/2020      **Final action:**

**Title:** Bay Area Metro Center Main Electrical Service Replacement - Pacific Gas and Electric Company (PG&E). An update on the removal of the 34kV transformers and completion of the PG&E project.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2b 20-0236 BAHA Electrical Service Replacement PG&E.pdf](#)

Date	Ver.	Action By	Action	Result
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### Subject:

Bay Area Metro Center Main Electrical Service Replacement - Pacific Gas and Electric Company (PG&E). An update on the removal of the 34kV transformers and completion of the PG&E project.

### Presenter:

Gary Szeto

### Recommended Action:

Information



# Bay Area Headquarters Authority (BAHA)

June 24, 2020

Agenda Item 2b - 20-0236

## Bay Area Metro Center Main Electrical Service Replacement – Pacific Gas and Electric Company (PG&E)

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**Subject:** Update on the removal of the 34kV transformers and completion of the PG&E project.

**Background:** On April 19, 2017, the Authority authorized the Executive Director or designee to negotiate and enter into a contract with PG&E for replacement of the main electrical service for the Bay Area Metro Center (Metro Center). At that time the Metro Center was served by two 34kV electrical feeds, such that one feed powered the building and the other served as a back-up. These feeds stepped down to 12kV in liquid-filled transformers owned by PG&E and located in a vault within the Metro Center. PG&E had sole access to this vault to service and maintain the transformers, even though it was located within BAHA's facility.

The 34kV service, which was installed by PG&E in early 2000 prior to BAHA's purchase of the building, would have been appropriate were the building used for heavy industry or as a data center, but was more power than will ever be needed for the Metro Center's current use as an office building. The existing setup carried potential safety risks that would be eliminated by replacing the redundant 34kV feeds with a single 12kV feed and removing the PG&E transformers. Removal of the transformers would also resolve the Office of State Fire Marshal's (OSFM's) requirement to provide fire sprinklers over the transformers, which PG&E will not allow.

PG&E's scope was to disconnect the 34kV feeds and bypass the PG&E transformers by connecting a new 12kV feed directly to the Metro Center's Main Switchgear (MSG). The new 12kV feed required PG&E to install a new electrical pole on the far side of Main Street, trench across Main Street, install new conduit, and pull feeders to PG&E's utility vault below the sidewalk. PG&E would also remove its transformers, and the vault would be returned to BAHA's use.

The project encountered multiple challenges between 2017 and 2019.

In July 2017, staff began electrical design coordination with PG&E, which included review of the Metro Center's existing MSG. At that time, PG&E made an additional request for the modification of the MSG, the design of which was acceptable and approved by PG&E at the time of the switchgear's original installation in early 2000. After an extensive design review and a building-wide electrical study spanning the remainder of

2017 and 2018, staff proposed modifications to the MSG that PG&E found acceptable, avoiding potential replacement of the switchgear.

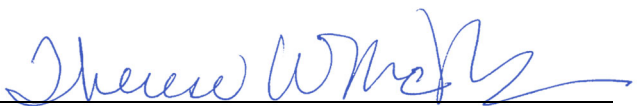
On February 23, 2019, PG&E began to install the electrical pole but encountered unmarked utilities during excavation. Upon their second attempt to excavate at an adjacent location, PG&E encountered the top of an unmarked concrete tunnel below Main Street. PG&E halted work, later returning to complete the electrical pole installation in May 2019.

On June 15, 2019, the Metro Center performed a building-wide electrical shutdown so that PG&E could install the new direct 12kV connection. During the electrical shutdown, PG&E discovered a small but unknown backfeed of power coming from our building. PG&E could not identify the source of the backfeed during the shutdown and, as a safety precaution, decided not to complete the work. PG&E and the Metro Center's electrical contractor later successfully removed the source of the backfeed from the system.

PG&E ultimately completed the 12kV cutover on October 19, 2019 and, in the early morning hours of December 31, 2019, removed their electrical transformers from the building, thus completing the remaining activity of the contract and returning the vault space to BAHA.

Staff will explore options for use of this newly returned space. The room is currently being tested for hazardous materials, such as lead and asbestos, which would need to be remediated before any renovations for an alternate use could begin.

**Recommendation:** None. This item provided as information only.

  
Therese W. McMillan

## Legislation Details (With Text)

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<b>File #:</b>	20-0824	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Contract	<b>Status:</b>		Authority Approval	
<b>File created:</b>	5/14/2020	<b>In control:</b>		Bay Area Headquarters Authority	
<b>On agenda:</b>	6/24/2020	<b>Final action:</b>			
<b>Title:</b>	Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc. (\$1,050,000)				

A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment in the amount of \$1,050,000 with Cushman & Wakefield of California, Inc. ("Cushman Wakefield") to implement and administer building improvements projects at 375 Beale Street, San Francisco (Bay Area Metro Center).

**Sponsors:****Indexes:****Code sections:****Attachments:** [3a 20-0824 Cushman Wakefield ContractAmend.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc. (\$1,050,000)

A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment in the amount of \$1,050,000 with Cushman & Wakefield of California, Inc. ("Cushman Wakefield") to implement and administer building improvements projects at 375 Beale Street, San Francisco (Bay Area Metro Center).

**Presenter:**

Gary Szeto

**Recommended Action:**

Authority Approval

# Bay Area Headquarters Authority (BAHA)

June 24, 2020

Agenda Item 3a - 20-0824

## Contract Amendment – Property Management Services: Cushman & Wakefield of California, Inc. (\$1,050,000)

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**Subject:** A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment in the amount of \$1,050,000 with Cushman & Wakefield of California, Inc. (“Cushman Wakefield”) to implement and administer building improvements projects at 375 Beale Street, San Francisco (Bay Area Metro Center).

**Background:** On January 23, 2013, after a competitive procurement, BAHA authorized a contract with Cushman Wakefield to provide property management services at 375 Beale Street for a five-year term, with the option to renew for two additional five-year terms. On December 29, 2017, BAHA authorized the first five-year renewal.

Cushman Wakefield’s responsibilities as property manager for BAHA include implementing and administering the design and construction of capital projects on behalf of both BAHA and its tenants. Upon written approval by BAHA, Cushman Wakefield acts as BAHA’s agent with respect to a given BAHA project and agrees to perform the following:

1. Place for bid with contractors, tenant improvement and/or capital improvement work required to be completed in connection with the leasing of space or renovations at the Bay Area Metro Center;
2. Coordinate with BAHA, tenants, architects, engineers, contractors and other consultants the preparation and finalization of construction drawings;
3. Oversee the administration of the construction contracts, including the construction schedule, disbursement process, lien-waiver collection and financial reporting;
4. Perform final walk-through and assist in the preparation of a final punch-list which itemizes all work which must be completed or which requires repair, if applicable;
5. Assist contractors in obtaining notices of completion, certificates of occupancy, or equivalent documents;
6. Ensure adherence with all applicable laws, codes and regulations, including but not limited to building, fire and safety codes; and
7. Additional tasks as mutually agreed upon in advance.

The proposed contract amendment would fund the following projects from the FY 2020-21 Capital Improvement Building Budget:

- Uninterrupted Power Supply (UPS) battery replacement: \$300,000;
- Back-up boiler replacement \$340,000;
- Miscellaneous building improvements, including Data Center retro-commissioning study, Data Center Emergency Power Off (EPO) system revisions, Automatic Door Operators (ADOs) at 1<sup>st</sup> floor restrooms, 8<sup>th</sup> floor terrace davit system repairs, and entrance mat replacement: \$410,000.

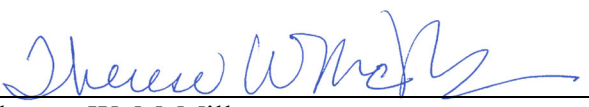
The \$1,050,000 includes Cushman Wakefield's project management fee, which ranges from 3% for projects with a value greater than \$1,000,000 to 5% for smaller projects.

Cushman Wakefield is neither a small business enterprise, nor is it a disadvantaged business enterprise.

**Issues:** None

**Recommendation:** Staff recommends that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment with Cushman Wakefield to add \$1,050,000 for a total new contract not to exceed amount of \$9,465,801.80, for implementation and administration of building improvement projects at the Bay Area Metro Center.

**Attachments:** Request for Committee Approval – Summary of Proposed Contract Amendment

  
Therese W. McMillan

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Amendment

Work Item No.: 9160, 9161, 9162, 9181

Consultant: Cushman & Wakefield of California, Inc.  
San Francisco, CA

Work Project Title: Property Management Services

Purpose of Project: Provide property management services for 375 Beale Street

Brief Scope of Work: Implement and administer building improvement projects consistent with the FY 2020-21 Budget

Project Cost Not to Exceed: This amendment: \$1,050,000  
Current contract authorization before this amendment: \$8,415,801.80  
Maximum contract authorization after this amendment: \$9,465,801.80

Funding Source: BAHA FY 2020-21 Capital Building Improvement Project Budget

Fiscal Impact: Funding subject to approval of the BAHA FY 2020-21 budget

Motion by Authority: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with Cushman & Wakefield of California, Inc. for property management services as described above and in the Bay Area Headquarters Authority Summary Sheet dated June 24, 2020, and the Treasurer and Auditor is directed to set aside funds in the amount of \$1,050,000 for such contract amendment, subject to approval of the BAHA FY 2020-21 budget.

BAHA Chair:

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Scott Haggerty

Approved:

Date: June 24, 2020

## Legislation Details (With Text)

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<b>File #:</b>	20-0772	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Contract	<b>Status:</b>		Authority Approval	
<b>File created:</b>	5/4/2020	<b>In control:</b>		Bay Area Headquarters Authority	
<b>On agenda:</b>	6/24/2020	<b>Final action:</b>			
<b>Title:</b>	Contract - Webcasting, Agenda Management, and Captioning Services: Network Television Time Inc. (\$2,800,000)				

A request for Authority approval of a contract with Network Television Time Inc. (NTT) for \$2,800,000 over five years for webcasting, agenda management, and closed captioning services. This is a shared service and is reimbursed proportionately by the Bay Area Air Quality Management District (BAAQMD).

**Sponsors:****Indexes:****Code sections:****Attachments:** [3b 20-0772 BAHA NTT Contract.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Contract - Webcasting, Agenda Management, and Captioning Services: Network Television Time Inc. (\$2,800,000)

A request for Authority approval of a contract with Network Television Time Inc. (NTT) for \$2,800,000 over five years for webcasting, agenda management, and closed captioning services. This is a shared service and is reimbursed proportionately by the Bay Area Air Quality Management District (BAAQMD).

**Presenter:**

Nick Roethel

**Recommended Action:**

Authority Approval

# Bay Area Headquarters Authority (BAHA)

June 24, 2020

Agenda Item 3b - 20-0772

## Contract – Webcasting, Agenda Management, and Captioning Services: Network Television Time Inc. (\$2,800,000)

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**Subject:** A request for Authority approval of a contract with Network Television Time Inc. (NTT) for \$2,800,000 over five years for webcasting, agenda management, and closed captioning services. This is a shared service and is reimbursed proportionately by the Bay Area Air Quality Management District (BAAQMD).

**Background:** On November 4, 2015, BAHA approved a sole source contract with NTT for a four-year term in an amount not to exceed \$1,400,000. The contract was subsequently amended to a total contract amount of \$1,900,000 to cover closed captioning, meetings of the Association of Bay Area Governments (ABAG) and the Committee to House the Bay Area (CASA), and meetings or events of any additional bodies requiring webcasting in the Bay Area Metro Center. This sole source contract expires on June 30, 2020.

Staff proposes to enter into a new contract with NTT using the U.S. General Services Administration (GSA), a collaborative intergovernmental procurement vehicle, which satisfies MTC's competitive procurement requirements. NTT is an authorized vendor under GSA. Under the proposed contract, NTT will continue to provide control room management, camera operation, basic equipment maintenance and setup, as well as audio/visual editing for meeting recordings accessible in an Internet-based portal. NTT will also provide closed captioning for the hearing impaired, which allows individuals to turn on a feature enabling the audio of a meeting to be viewed as text. Since the execution of the original agreement, there has been a steady increase in the number of meetings requested to be webcast, not only on behalf of MTC and BAAQMD, but also other public agencies.

NTT is being recommended because of its excellent performance, extensive experience in government meeting broadcasting, and its depth of personnel. NTT has proven they can serve the needs of the agencies at the Bay Area Metro Center, including responding seamlessly to special and emergency meeting scenarios. Following Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, NTT quickly transitioned to supporting remote meetings via Zoom while ensuring that webcasting, public comments, and closed captioning continued without interruption.



Under the proposed new contract, NTT would continue to flexibly support in-person, remote, and hybrid meetings.

Each agency, MTC and BAAQMD, is responsible for its share of the costs for each webcast meeting and a proportional share of the systems maintenance and managed services costs. The total shared \$2,800,000 budget includes contingency for additional meetings as needed. The anticipated cost sharing distribution, based on 2019-20 actual webcasts, is shown below.


Agency	2019-20 % of Webcasts	First Year Anticipated Costs	Total Anticipated Five-Year Costs
MTC	58%	\$308,560	\$1,624,000
BAAQMD	42%	\$223,400	\$1,176,000
Total			\$2,800,000

Neither NTT, nor its subcontractors, are small businesses or disadvantaged business enterprises. The work under this contract is required for Bay Area Metro Center agencies to comply with the Ralph M. Brown Act and is essential to ongoing webcasting of board meetings and enabling public participation.

**Issues:** No issues identified.

**Recommendation:** Staff recommends that the Authority authorize the Executive Director or designee to negotiate and enter into a five-year contract with NTT for services in an amount not to exceed \$2,800,000 to provide webcasting, agenda management, and closed captioning services, subject to the agency's budget approval process as necessary in future fiscal years.

**Attachments:** Request for Committee Approval – Summary of Proposed Contract

  
Therese W. McMillan

## REQUEST FOR AUTHORITY APPROVAL

### Summary of Proposed Contract

Work Item No.:	1161, 9110, 9120
Consultant:	Network Television Time Inc. Westlake Village, CA
Work Project Title:	Webcasting, Agenda Management and Captioning Services Services
Purpose of Project:	Webcast, Video Production, Audio Visual Maintenance, Closed Captioning
Brief Scope of Work:	Audio/Visual production services, camera operation, closed captioning, remote meetings, basic equipment maintenance and setup as well as audio/visual hosting for meeting recordings in an Internet based portal.
Project Cost Not to Exceed:	\$2,800,000
Funding Source:	BAHA operating budget, MTC funds, SSO funds, and BAAQMD funds.
Fiscal Impact:	Funding is subject to inclusion in BAHA's, MTC's, and SSO's annual operating budgets (as shown below), to be reimbursed in part by BAAQMD: <ul style="list-style-type: none"><li>• FY 2020-21: \$532,000</li><li>• FY 2021-22: \$546,000</li><li>• FY 2022-23: \$560,000</li><li>• FY 2023-24: \$574,000</li><li>• FY 2024-25: \$588,000</li></ul>
Motion by Committee:	That the Executive Director or designee is authorized to negotiate and enter into a contract with Network Television Time Inc. for webcasting, agenda management, and captioning services as described above and in the BAHA Summary Sheet dated June 24, 2020 and the Chief Financial Officer is authorized to set aside \$2,800,000 for such contract, subject to future annual budget approvals.
BAHA:	<hr/> Scott Haggerty, Chair
Approved:	June 24, 2020



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0859      **Version:** 1      **Name:**  
**Type:** Resolution      **Status:** Authority Approval  
**File created:** 5/22/2020      **In control:** Bay Area Headquarters Authority  
**On agenda:** 6/24/2020      **Final action:**  
**Title:** BAHA Resolution No. 22 - FY 2020-21 Bay Area Headquarters Authority Operating and Capital Budgets

A request for approval of BAHA Resolution No. 22, FY 2020-21 Operating and Capital Budgets.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [3c 20-0859 BAHA Res22 FY 2020-21 BAHA Op and Cap Budget.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

BAHA Resolution No. 22 - FY 2020-21 Bay Area Headquarters Authority Operating and Capital Budgets

A request for approval of BAHA Resolution No. 22, FY 2020-21 Operating and Capital Budgets.

**Presenter:**

Brian Mayhew

**Recommended Action:**

Authority Approval

# Bay Area Headquarters Authority (BAHA)

June 24, 2020

Agenda Item 3c

## BAHA Resolution No. 22 – FY 2020-21 Operating and Capital Budgets

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**Background:** Staff requests approval of BAHA Resolution No. 22 authorizing the Operating and Capital budgets for FY 2020-21.

### **Operating Budget**

The proposed budget for FY 2020-21 shows an operating surplus of \$3.9 million before transfer and depreciation. \$1 million will be transferred to BATA, \$1 million to BAHA Capital Program and \$1.9 million to the Operating Reserve.

### **Operating Revenue**

Total FY 2020-21 proposed revenue budget is \$16.6 million, an increase of \$913,000, or 6%. The increase is due to scheduled rent adjustments and a higher assessment for Condo Operations. Recurring revenue sources for BAHA include lease income, parking revenue, and assessment fees.

- Lease revenue will increase based on annual adjustments built into existing leases.
- Shared services assessment fee covers staff costs, IT services, office supplies and other expenses shared among the three condominium unit owners. In the proposed FY 2020-21 budget, the assessment fee will increase by \$62,360, or 3.1%. The proposed increase is the result of increases to service and maintenance costs related to technical services.
- The major components of the common area assessment fees are security, janitorial services, utilities, administration, repair and maintenance. In FY 2020-21, the total assessment for common area expenses will increase by \$292,226, or 8.5%. The proposed increase is mainly due to additional staffing in janitorial and security service made necessary to respond to the Covid-19 environment.

### **Operating Expense**

Total operating expenses, before depreciation, will increase by \$437,497, or 3.6% in FY 2020-21. Major operating expenses include staff costs, repair and maintenance services, utilities, and IT related services.

- Salaries, benefits, and associated overhead will decrease by \$178,250 as some of the staff time is being shifted to different operational entities.
- As property manager, Cushman & Wakefield of California, Inc. will receive approximately \$8.5 million for all building operations and \$318,984 for parking operation. The total is up \$764,257 from FY

2019-20, due mainly to the rising cost of cleaning, security services, and insurance.

### **Transfers**

Staff proposes \$3.9 million in transfers, broken down as follows:

- \$1 million is budgeted to re-pay the BATA contribution to BAHA.
- \$1 million will be transferred to the capital program where \$404,000 will go to the Building Rehab project while the remaining \$596,000 will be kept in the capital reserve for use on future capital projects.
- A transfer of \$1,896,283 to the Operating Reserve to cover future operational and tenant needs.

### **Capital Budget**

#### **Building Development**

The total building development budget is proposed to decrease by \$69,000 to account for the fact that the TFCA Grant received for the EV charging stations is coming in below the original budget estimate. Staff also proposes to transfer \$400,000 from the current budget balance to the Building Improvement Fund for improvement projects.

Staff will be closing the Building Development budget in FY 2020-21. The remaining balance will be transferred to the capital reserve for future capital projects.

#### **Commercial Development**

There is no change to the overall Commercial Development budget. Staff is proposing a transfer of \$400,000 to fund improvement projects in the Building Improvement Fund.

#### **Building Improvement**

The proposed Building Improvement Budget will increase by \$1.2 million in FY 2020-21. The funding consists of transfers in from the Building Development Budget, Commercial Development Budget and Operating surplus. The following building improvements are planned for the FY 2020-21 budget:

- Building infrastructure: replace secondary boilers serving as back-up units to provide heated air to the building;
- Agency infrastructure: replace Uninterrupted Power Supply (UPS) batteries serving the data center and reaching their end of service life;

- Level 1 Public Space modifications: provide webcasting capabilities in the Temazcal multipurpose room; and
- Miscellaneous building improvements, including a Data Center retro-commissioning study, Data Center Emergency Power Off (EPO) system revisions, Automatic Door Operators (ADOs) at 1<sup>st</sup> floor restrooms, 8<sup>th</sup> floor terrace davit system repairs, and entrance mat replacement.

**Recommendation:** Staff requests approval of BAHA Resolution No. 22 authorizing the FY 2020-21 BAHA Operating and Capital Project Budgets.

**Attachments:** BAHA Resolution No. 22, Operating and Capital Budgets for FY 2020-21



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Therese W. McMillan

Date: June 24, 2020  
W.I.: 9110, 9120, 9130

ABSTRACT

BAHA Resolution No. 22

This resolution approves the Budget for FY 2020-21 for the Bay Area Headquarters Authority (BAHA).

Discussion of this Resolution can be found in the BAHA Summary Sheet dated June 24, 2020.

Date: June 24, 2020  
W.I.: 9110, 9120, 9130

Re: Bay Area Headquarters Authority Operating and Capital Budgets for FY 2020-21

BAY AREA HEADQUARTERS AUTHORITY  
RESOLUTION No. 22

WHEREAS, the Metropolitan Transportation Commission (“MTC”) and the Bay Area Toll Authority (“BATA”) have executed a joint exercise of powers agreement dated September 28, 2011 which creates and establishes the Bay Area Headquarters Authority (“BAHA”): and

WHEREAS, the BAHA staff has prepared a proposed operating and capital budget setting forth the anticipated revenues and expenditures of BAHA for FY 2020-21 according to generally accepted accounting principles; now, therefore, be it

RESOLVED, that BAHA approves the FY 2020-21 operating and capital budgets (the “BAHA Budget”) as set forth in Attachment A to this Resolution; and, be it further

RESOLVED, that the Executive Director or designee may approve adjustments among line items in the BAHA Budget for FY 2020-21, provided that there shall be no increase in the overall BAHA Budget without prior approval of BAHA; and, be it further

RESOLVED, that the Executive Director or designee shall submit written requests to BAHA for approval of consultants, professional services, and expenditures authorized in the BAHA Budget for FY 2020-21; and be it further

RESOLVED, that the Executive Director and Treasurer and Auditor are authorized to carry over and re-budget all funds and contracts properly budgeted in the prior year for which expenditures were budgeted and encumbered and which will take place in FY 2020-21; and, be it further



RESOLVED, that the Executive Director and Chief Financial Officer are authorized to transfer \$1,000,000 to BATA in FY 2020-21 as a re-payment of the capital contribution made to BAHA; and, be it further

RESOLVED, that the Executive Director and Chief Financial Officer are authorized to transfer all excess annual operating surplus to the reserve after the annual transfer to BATA is completed. Withdrawing from the reserve will require prior approval from BAHA; and, be it further

RESOLVED, that the Executive Director and Chief Financial Officer are authorized to utilize generally available cash as an advance for project cash flow purposes provided the advance is repaid from project funds by the close of the fiscal year; and, be it further

RESOLVED, that the BAHA staff shall furnish BAHA with at minimum, at least quarterly, a financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services, and such other information and data as may be requested by BAHA.

BAY AREA HEADQUARTERS AUTHORITY

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Scott Haggerty, Chair

The above resolution was entered into by the Bay Area Headquarters Authority at a regular meeting of the Authority held in San Francisco, California and at other remote locations, on June 24, 2020.

Date: June 24, 2020  
W.I.: 9110, 9120, 9130

Attachment A  
BAHA Resolution No. 22

FY 2020-21 BAHA Budget

**BAHA Building and Commercial Operating Budget FY2020-21**

	Actual and Enc as of 12/31/2019	Adopted Budget FY2019-20	Draft Budget FY2020-21	Percent Change	Change in \$ inc (dec)
Revenue:					
Assessment fee - shared services	\$ 1,003,300	\$ 2,006,600	\$ 2,068,960	3.1%	\$ 62,360
Assessment fee - common area	1,727,636	3,455,272	3,747,498	8.5%	292,226
Lease income	4,821,088	9,645,222	10,162,288	5.4%	517,066
Expense reimbursements	122,824	181,000	181,000	0.0%	-
Other income - parking	95,049	202,200	188,720	-6.7%	(13,480)
Other income	20,793	3,819	3,935	3.0%	116
Interest income	130,779	-	-	N/A	-
Utility reimbursements	-	177,333	231,816	30.7%	54,483
Total revenue	7,921,469	15,671,446	16,584,217	5.8%	912,771
Expenses:					
Salaries and Benefits	594,435	1,339,000	1,125,660	-15.9%	(213,340)
Overhead	336,807	711,500	596,590	-16.2%	(114,910)
Temp service	59,469	-	150,000	N/A	150,000
Legal services	-	100,000	100,000	0.0%	-
Other contractual services	53,678	152,520	80,000	-47.5%	(72,520)
IT licenses, maintenance	810,969	1,076,500	1,171,510	8.8%	95,010
Audit/tax prep	126,315	140,000	138,000	-1.4%	(2,000)
Supplies	144,131	196,500	125,000	-36.4%	(71,500)
Parking operation	149,032	330,442	318,984	-3.5%	(11,458)
Catering	21,229	102,500	130,000	26.8%	27,500
Other expenses	119,559	136,000	95,000	-30.1%	(41,000)
Special Event Setups	50,000	50,000	25,000	-50.0%	(25,000)
Insurance	14,068	17,000	20,000	17.6%	3,000
Art related	36,803	75,000	75,000	0.0%	-
Contribution to Ada's	-	32,000	-	-100.0%	(32,000)
Lease commission	-	50,000	20,000	-60.0%	(30,000)
Contractual services - CW	3,816,959	7,741,475	8,517,190	10.0%	775,715
Total expense before depreciation	6,333,454	12,250,437	12,687,934	3.6%	437,497
Surplus (deficit) before transfer and depreciation	1,588,015	3,421,009	3,896,283	13.9%	475,274
Transfer in/(out):					
Transfer to BATA	(2,000,000)	(2,000,000)	(1,000,000)	-50.0%	1,000,000
Transfer to Capital	-	(45,147)	-	-100.0%	45,147
Transfer to Operating Reserve	-	-	(1,896,283)	N/A	(1,896,283)
Transfer to Capital Reserve	-	(1,375,862)	(1,000,000)	-27.3%	375,862
Total transfer	(2,000,000)	(3,421,009)	(3,896,283)	13.9%	(475,274)
Operating surplus (deficit) before depreciation	(411,985)	-	-	N/A	-
Depreciation	3,499,910	6,814,218	7,314,218	100.0%	500,000
Total operating gain (loss)	\$ (3,911,895)	\$ (6,814,218)	\$ (7,314,218)	7.3%	(500,000)

**BAHA Building and Commercial Operations Budget FY2020-21**

	Building and Commercial Operations- CW	Condo and Shared Services	BAHA Operating	Draft Budget FY2020-21	Adopted Budget FY2019-20
Revenue:					
Assessment fee - shared services	\$ -	\$ 2,068,960	\$ -	\$ 2,068,960	\$ 2,006,600
Assessment fee - common area	-	3,747,498	-	3,747,498	3,455,272
Lease income	10,162,288	-	-	10,162,288	9,645,222
Expense reimbursements	-	-	181,000	181,000	181,000
Parking	188,720	-	-	188,720	202,200
Utility reimbursements	231,816	-	-	231,816	177,333
Other revenue	3,935	-	-	3,935	3,819
Total revenue	10,586,759	5,816,458	181,000	16,584,217	15,671,446
Expenses:					
Salaries and Benefits	-	639,510	486,150	1,125,660	1,339,000
Overhead	-	338,940	257,650	596,590	711,500
Temp Service	-	-	150,000	150,000	-
Legal services	-	-	100,000	100,000	100,000
Other contractual services	-	-	80,000	80,000	152,520
IT licenses, maintenance	-	710,510	461,000	1,171,510	1,076,500
Audit/tax prep	-	63,000	75,000	138,000	140,000
Supplies	-	97,000	28,000	125,000	196,500
Parking operation	318,984	-	-	318,984	330,442
Catering	-	110,000	20,000	130,000	102,500
Other expenses	-	85,000	10,000	95,000	136,000
Special Event Setups	-	25,000	-	25,000	50,000
Insurance	-	-	20,000	20,000	17,000
Art Related	-	-	75,000	75,000	75,000
Contribution to Ada's	-	-	-	-	32,000
Lease commission	-	-	20,000	20,000	50,000
Contractual services - CW	4,769,692	3,747,498	-	8,517,190	7,741,475
Total expense w/o depreciation	5,088,676	5,816,458	1,782,800	12,687,934	12,250,437
Surplus (deficit) before transfer and depreciation	5,498,083	-	(1,601,800)	3,896,283	3,421,009
Transfer in/(out):					
Transfer to BATA	-	-	(1,000,000)	(1,000,000)	(2,000,000)
Transfer to Temazcal Op	-	-	-	-	-
Transfer to Capital	-	-	-	-	(45,147)
Transfer to Operation Reserve	-	-	(1,896,283)	(1,896,283)	-
Transfer to Capital Reserve	-	-	(1,000,000)	(1,000,000)	(1,375,862)
Total transfer	-	-	(3,896,283)	(3,896,283)	(3,421,009)
Operating surplus (deficit) before depreciation	5,498,083	-	(5,498,083)	-	-
Depreciation	1,514,218	-	5,800,000	7,314,218	6,814,218
Total operating gain (loss)	\$ 3,983,865	\$ -	\$ (11,298,083)	\$ (7,314,218)	\$ (6,814,218)

**Distribution of Condo Area Fees****FY 2020-21**

	Common Area	Shared Services	Total
BAQQMD	\$ 1,700,614	\$ 938,894	\$ 2,639,508
ABAG	171,966	187,034	359,000 *
MTC	1,874,918	943,032	2,817,950
Total	\$ 3,747,498	\$ 2,068,960	\$ 5,816,458

**FY 2019-20**

	Common Area	Shared Services	Total
BAAQMD	\$ 1,568,002	\$ 910,595	\$ 2,478,597
ABAG	168,603	181,397	350,000
MTC	1,718,667	914,608	2,633,275
Total	\$ 3,455,272	\$ 2,006,600	\$ 5,461,872

**Diff**

BAAQMD	\$ 132,612	\$ 28,299	\$ 160,911
ABAG	3,363	5,637	9,000
MTC	156,251	28,424	184,675
Total	\$ 292,226	\$ 62,360	\$ 354,586

\* Max ABAG assessment fee for FY21 is \$359,000 based on CC&R Section

	RSF	
MTC/BATA	96,257	45.58%
BAAQMD	95,834	45.38%
ABAG	19,091	9.04%
<b>375 Condo Sq. Ft</b>	<b>211,182 **</b>	<b>42.67%</b>
<b>Total CC&amp;R Sq. Ft.</b>	<b>494,956</b>	<b>57.33%</b>
** Agency Space RSF from CC&R Exhibit B and 15,600 RSF for 1st floor		

<b>Building Development Budget FY 2020-21</b>	<b>LTD Budget Thru FY2019-20</b>	<b>Total Budget FY2020-21</b>	<b>Total LTD Budget Thru FY2020-21</b>
<b>Sources</b>			
Insurance proceeds	\$ 1,817,087	\$ -	\$ 1,817,087
Transfer in from MTC	801,160	-	801,160
Transfer in from SAFE	112,910	-	112,910
Transfer in from BATA	6,906,010	-	6,906,010
Purchase from ABAG	1,600,000	-	1,600,000
Purchase from Air District	34,000,000	-	34,000,000
Reimbursement from PG&E	54,601	-	54,601
TFCA Grant	151,000	(69,000)	82,000
Grant Local Match from MTC/BATA	119,000	-	119,000
Grant Local Match from Air District	150,000	-	150,000
SPANs savings	33,000,000	-	33,000,000
Capital Contribution (BATA)	193,310,846	-	193,310,846
Transfer in from BAHA Operation	290,781	-	290,781
<b>Total Transfer In</b>	<b>272,313,395</b>	<b>(69,000)</b>	<b>272,244,395</b>
<b>Uses</b>			
Purchase Building	\$ 93,000,000	\$ -	\$ 93,000,000
Building Development	154,207,882	-	154,207,882
Insurance	573,017	-	573,017
Development Contingency	400,000	(400,000)	-
Furniture, Fixtures, Equipment	15,000,000	-	15,000,000
12V Feed	307,606	-	307,606
EV Charging Station	420,000	(69,000)	351,000
Transfer Out	-	400,000	400,000
Staff Costs	8,404,890	-	8,404,890
<b>Total Usage</b>	<b>272,313,395</b>	<b>(69,000)</b>	<b>272,244,395</b>
LTD Actual and Encumbrances as of March 2020			<b>271,029,214</b>
Remining Balance			<b>\$ 1,215,181</b>

**Commercial Development Fund Life To Date thru FY 2020-21**

Program #	Budget	LTD Budget Thru FY2019-20	FY 2020-21			Thru FY2020-21	LTD Exp & Enc As Of 3/31/2020
			Tenant Improvements	Commissions	Total		
9143	Transfer In	\$ 24,139,154	\$ -	\$ -	\$ -	\$ 24,139,154	
9140	Cubic Reimbursement for TI	100,000	-	-	-	100,000	
9141	BCDC	2,518,283	-	-	-	2,518,283	
9143	Air District	3,000,000	-	-	-	3,000,000	
		<u>\$ 29,757,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,757,437</u>	
9135	T.I. Rutherford and Chekene	\$ 1,235,930	\$ -	\$ -	\$ -	\$ 1,235,930	\$ 1,235,930
9136	Conduent (Xerox)	110,975	-	-	-	110,975	110,975
9137	T.I. Degenkolb	2,287,410	-	-	-	2,287,410	2,287,410
9138	T.I. Twilio	10,178,417	-	-	(19)	10,178,398	10,178,398
9139	Engineering/Architectural	350,000	-	-	-	350,000	350,000
9140	T.I. Ada's Café	465,454	-	-	-	465,454	465,454
9141	BCDC	7,014,940	-	-	1,796	7,016,736	7,016,736
9142	Cubic	594,000	-	-	(31,352)	562,648	562,648
9144	Retail Space	5,000,000	-	-	49,886	5,049,886	5,012,971
	Total Tenant Improvements	<u>\$ 27,237,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,311</u>	<u>\$ 27,257,437</u>	<u>\$ 27,220,522</u>
9143	Marketing	<u>\$ -</u>			<u>\$ -</u>	<u>\$ -</u>	
9143	Building Improvements	\$ -			\$ -	\$ -	
	Transfer Out - Building Improvement	\$ 2,100,000	\$ -	\$ -	\$ 400,000	\$ 2,500,000	
	Net	\$ 420,311			\$ (420,311)	\$ -	

**Building Improvement Fund Life To Date thru FY 2020-21**

Program #	Budget	LTD Budget Thru FY2019-20	FY2020-21	Thru FY2020-21	LTD Exp & Enc As Of 3/31/2020
	Transfer In	\$3,325,000	\$1,204,000	\$4,529,000	
	<b>In-House Improvement Project</b>				
9160	IT Improvement Project	\$1,015,000	-\$31,000	\$984,000	\$375,734
9161	Agency Space Modification	300,000	50,000	350,000	77,387
9162	Agency Infrastructure Improvement	250,000	70,000	320,000	23,518
9163	Level 1 Public Space Modifications	400,000	500,000	900,000	300,000
	<b>Total In-House Project</b>	<u>\$1,965,000</u>	<u>\$589,000</u>	<u>\$2,554,000</u>	<u>\$776,639</u>
	<b>CW Improvement Project</b>				
9180	AHUs1-4 Eyebrow Install	\$860,000	\$0	\$860,000	\$860,000
9181	Building Improvement	500,000	615,000	1,115,000	442,847
	<b>Total CW Project</b>	<u>\$1,360,000</u>	<u>\$615,000</u>	<u>\$1,975,000</u>	<u>\$1,302,847</u>
	<b>Total Building Improvement Budget</b>	\$3,325,000	\$1,204,000	\$4,529,000	\$2,079,486