

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

BOARD MEETING AGENDA

April 27, 2017

5:00 p.m.

A regular meeting of the Board of Directors will be held at **5:00 p.m.** on Thursday, April 27, 2017, in the BART Board Room, Kaiser Center 20th Street Mall – Third Floor, 344 – 20th Street, Oakland, California.

Members of the public may address the Board of Directors regarding any matter on this agenda. Please complete a “Request to Address the Board” form (available at the entrance to the Board Room) and hand it to the Secretary before the item is considered by the Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under Public Comment.

Any action requiring more than a majority vote for passage will be so noted.

Items placed under “consent calendar” are considered routine and will be received, enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from a Director or from a member of the audience.

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

BART provides service/accommodations upon request to persons with disabilities and individuals who are limited English proficient who wish to address BART Board matters. A request must be made within one and five days in advance of Board meetings, depending on the service requested. Please contact the Office of the District Secretary at 510-464-6083 for information.

Rules governing the participation of the public at meetings of the Board of Directors and Standing Committees are available for review on the District's website (<http://www.bart.gov/about/bod>), in the BART Board Room, and upon request, in person or via mail.

Meeting notices and agendas are available for review on the District's website (<http://www.bart.gov/about/bod/meetings.aspx>), and via email (https://public.govdelivery.com/accounts/CATRANBART/subscriber/new?topic_id=CATRANBART_1904) or via regular mail upon request submitted to the District Secretary. Complete agenda packets (in PDF format) are available for review on the District's website no later than 48 hours in advance of the meeting.

Please submit your requests to the District Secretary via email to BoardofDirectors@bart.gov; in person or U.S. mail at 300 Lakeside Drive, 23rd Floor, Oakland, CA 94612; fax 510-464-6011; or telephone 510-464-6083.

Kenneth A. Duron
District Secretary

Regular Meeting of the
BOARD OF DIRECTORS

The purpose of the Board Meeting is to consider and take such action as the Board may desire in connection with:

1. CALL TO ORDER

- A. Roll Call.
- B. Pledge of Allegiance.
- C. Introduction of Special Guests.

2. CONSENT CALENDAR

- A. Approval of Minutes of the Meeting of April 13, 2017.* Board requested to authorize.
- B. Award of Invitation for Bid No. 9028, Brush, Traction Motor.* Board requested to authorize.
- C. Employee Recruitment and Relocation for the Assistant General Manager, Planning, Development & Construction.* Board requested to authorize.

3. PUBLIC COMMENT – 15 Minutes

(An opportunity for members of the public to address the Board of Directors on matters under their jurisdiction and not on the agenda. An additional period for Public Comment is provided at the end of the Meeting.)

4. ADMINISTRATION, WORKFORCE, AND LEGISLATION ITEMS

Director McPartland, Chairperson

- A. State and Federal Legislative Update.* Board requested to authorize.

5. FINANCE, BUDGET, AND BOND OVERSIGHT ITEMS

Director Josefowitz, Chairperson

- A. Fiscal Year 2018 Budget Procedural Actions: Set Date for Public Hearing, Publish Pamphlet.* Board requested to authorize.
- B. Fiscal Year 2018 Preliminary Budget.* For information.

6. OPERATIONS AND SAFETY ITEMS

Director Keller, Chairperson

- A. Sole Source Procurement with Bombardier Transportation for Procurement of Program Stop/Identification Antenna Assemblies.* Board requested to authorize. (TWO-THIRDS VOTE REQUIRED.)
- B. Update on Fare Evasion Reduction Initiatives.* For information.

7. PLANNING ITEMS

Director Raburn, Chairperson

- A. Wholesale Electricity Portfolio Policy.* Board requested to adopt.
- B. Sustainability Policy.* Board requested to adopt.

8. GENERAL MANAGER'S REPORT

- A. Report of Activities, including Updates of Operational, Administrative, and Roll Call for Introductions Items.

9. BOARD MATTERS

- A. Board Member Reports.
(Board member reports as required by Government Code Section 53232.3(d) are available through the Office of the District Secretary. An opportunity for Board members to report on their District activities and observations since last Board Meeting.)
- B. Roll Call for Introductions.
(An opportunity for Board members to introduce a matter for consideration at a future Committee or Board Meeting or to request District staff to prepare items or reports.)
- C. In Memoriam.
(An opportunity for Board members to introduce individuals to be commemorated.)

10. PUBLIC COMMENT

(An opportunity for members of the public to address the Board of Directors on matters under their jurisdiction and not on the agenda.)

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

Board of Directors
Minutes of the 1,785th Meeting
April 13, 2017

A regular meeting of the Board of Directors was held April 13, 2017, convening at 9:02 a.m. in the Board Room, 344 20th Street, Oakland, California. President Saltzman presided; Kenneth A. Duron, District Secretary.

Directors present: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, and Saltzman.

Absent: None. Directors Raburn and Simon entered the Meeting later.

Director Raburn entered the Meeting.

Director Dufty introduced and welcomed Thomas Knoble, San Francisco Department of Public Health. Mr. Knoble gave a brief presentation to the Board.

Director Simon entered the Meeting.

Consent Calendar items brought before the Board were:

1. Approval of Minutes of the Meeting of March 23, 2017.
2. BART Accessibility Task Force Membership Appointment.

Director Blalock made the following motions as a unit. Director McPartland seconded the motions, which carried by unanimous acclamation. Ayes – 9: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, Raburn, Simon, and Saltzman. Noes - 0.

1. That the Minutes of the Meeting of March 23, 2017, be approved.
2. That the Board accept the recommendation of the BART Accessibility Task Force (BATF) and appoint the nominated candidates, Valerie Buell and Christopher Mullin, for membership to the BATF for a term beginning April 27, 2017, for one year, or until the Board makes new appointments and/or reappointments for a new term, whichever occurs later.

President Saltzman called for Public Comment. Alan Smith addressed the Board.

Director McPartland, Chairperson of the Administration, Workforce, and Legislation Committee, had no report.

Director Josefowitz, Chairperson of the Finance, Budget, and Bond Oversight Committee, brought the matter of Review of Other Post-Employment Benefits (OPEB) and Pension

Liabilities before the Board. Mr. Carter Mau, Assistant General Manager, Administration and Budgets; Mr. Robert Umbreit, Department Manager, Budget Department; and Ms. Mary Beth Redding, Vice President of Bartel Associates, presented the item. The item was discussed.

Director Josefowitz brought the matter of Fiscal Year 2018 Preliminary Budget Overview before the Board. Mr. Mau, Mr. Umbreit, Ms. Pamela Herhold, Department Manager, Financial Planning, and Mr. Dennis Markham, Division Manager, Financial Planning, presented the item.

Alan Smith addressed the Board.

The item was discussed.

President Saltzman announced that the order of agenda items would be changed.

Director Keller, Chairperson of the Operations and Safety Committee, brought the matter of Change Order to Contract No. 15QH-160, Site Improvements at Various Stations – Phase IV, with Golden Bay Construction, Inc., for Daly City Bus Canopy Replacement (C.O. No. 1), before the Board. Mr. Tim Chan, Manager of Planning, and Ms. Mary Grace Houlihan, Division Manager of Civil Engineering, Maintenance and Engineering, presented the item.

Vivien Zielin addressed the Board.

The item was discussed. President Saltzman moved that the General Manager be authorized to execute Change Order No. 1, Daly City Bus Canopy Replacement, in the amount of not to exceed \$600,000.00, and extend the Contract duration by 100 calendar days for Contract No. 15QH-160, Site Improvement at Various Stations – Phase IV. Director Raburn seconded the motion, which carried by unanimous acclamation. Ayes – 9: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, Raburn, Simon, and Saltzman. Noes – 0.

Director Raburn, Chairperson of the Planning Committee, brought the matter of Special Entrance and Elevator Agreement for 19th Street Oakland Station before the Board. Mr. Ian Griffiths, Senior Planner, presented the item.

Drew Haydel addressed the Board.

The item was discussed. Director Blalock moved that the General Manager or her designee be authorized to execute a Special Entrance Agreement with a term of 30 years, plus options to renew for two additional 10-year terms, with Zwuschen, LLC, for the operation and maintenance of a special entrance to the 19th Street Station. President Saltzman seconded the motion, which carried by unanimous acclamation. Ayes – 9: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, Raburn, Simon, and Saltzman. Noes – 0.

President Saltzman announced that the Board would enter into closed session under Item 12-A (Conference with Labor Negotiators) of the regular Meeting agenda, and that the Board would reconvene in open session upon conclusion of the closed session.

The Board Meeting recessed at 11:38 a.m.

The Board Meeting reconvened in closed session at 11:50 a.m.

Directors present: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, Raburn, Simon, and Saltzman.

Absent: None.

The Board Meeting recessed at 12:51 p.m.

The Board Meeting reconvened in open session at 12:57 p.m.

Directors present: Directors Allen, Blalock, Dufty, Josefowitz, Keller, McPartland, Raburn, Simon, and Saltzman.

Absent: None.

President Saltzman announced that the Board had concluded its closed session and that there were no announcements to be made.

Director Keller brought the matter of Aggressive Panhandling Policy Revision before the Board. Mr. Russell Bloom, Independent Police Auditor, presented the item. The item was discussed.

President Saltzman called for the Independent Police Auditor's Report. Mr. Bloom presented the report. The report was discussed.

President Saltzman called for the General Manager's Report. Mr. Robert Powers, Deputy General Manager, reported that Senate Bill 1, which would provide \$5.2 billion per year to maintain and improve California's transportation systems, had passed the legislature, and that the Warm Springs/South Fremont Station had opened for revenue service, reported on open Roll Call for Introductions items, and reminded the Board of upcoming events.

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

Director Allen reported she had toured the eBART maintenance facility and station.

Director Josefowitz reported on his experience on BART during a major service delay, and reiterated an outstanding request to provide riders with comprehensive information in the case of major delays.

Director Raburn reported he had attended the Warm Springs Extension opening, a workshop on the Operations Control Center, the Governor's press conference on Senate Bill 1, a Capitol Corridor Vision Plan meeting, and had visited the eBART site.

Director Blalock reported he had attended the Alameda County Mayors Conference.

Director Blalock requested a recommendation for a new excursion fare time limit (probably five hours). Director Keller seconded the request.

Director Simon reported she had attended a meeting with the family of Oscar Grant.

Director Simon requested the meeting be adjourned in memory of the three victims of a fire on San Pablo Avenue in West Oakland and a victim of domestic violence in Richmond.

Director Dufty requested the meeting be adjourned in memory of the 14 fatalities in the bombing of the St. Petersburg Metro system.

Director Dufty noted he intended to bring a draft resolution to encourage safe injection sites in San Francisco before the Board at a future meeting.

Director Dufty reported San Francisco had received a grant to provide services to repeat low-level drug offenders at Civic Center/UN Plaza and 16th Street Mission Stations.

Director Allen reported there would be a plaza improvement kick-off event at the Concord Station on Monday, April 17.

President Saltzman requested a review of ways to better display BART Police Department contact information (Phone, BART Watch, etc.) in stations and trains. Director Josefowitz seconded the request.

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

The Meeting was adjourned at 1:58 p.m. in memory of the victims of the West Oakland fire, domestic violence in Richmond, and the St. Petersburg bombing.

Kenneth A. Duron
District Secretary



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Robert M. Powers</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 4/11/2017		BOARD INITIATED ITEM: No		
Originator/Prepared by: Cristiano Torresi Dept: Rolling Stock and Shops <i>C. Torresi</i> Signature/Date: 4/18/17	General Counsel <i>[Signature]</i> 4/18/17 []	Controller/Treasurer <i>[Signature]</i> 4/19/17 []	District Secretary []	BARC <i>Paul [Signature]</i> 4/20/17 []

AWARD OF INVITATION FOR BID NO. 9028, BRUSHES FOR TRACTION MOTOR

PURPOSE: To request Board Authorization to Award Invitation for Bid (IFB) No. 9028 to Mersen USA BN Corp., Boonton, NJ in the amount of \$340,304.48 (includes all taxes) for the purchase of Brushes for Vehicle Traction Motors.

DISCUSSION: Each of the District's revenue rail vehicles are powered by four traction motors, each containing two brushes that conduct the current that powers the motor. These brushes have a finite life and must be periodically replaced to prevent serious motor failure and disruption of revenue service. This procurement supports the District's goal of achieving a 'State of Good Repair'. As part of the planned maintenance of the Vehicle Traction Motors, the motor brushes are replaced if they exceed specific wear limits.

IFB No. 9028 is a two (2) year estimated quantity contract. Pursuant to the terms of the District's standard estimated quantity contract, during the term of the Contract the District is required to purchase from the supplier a minimum amount of 50% of the Contract Bid price. Upon Board approval of this Contract, the General Manager will also have the authority to purchase up to 150% of the Contract Bid price, subject to availability of funding.

A Notice requesting Bids was published on March 9, 2017 and Bid requests were entered into BART's Procurement Vendor Portal to any and all registered vendors interested in this solicitation. Bids were opened March 28, 2017 and two (2) Bids were received.

AWARD OF INVITATION FOR BID NO. 9028, BRUSHES FOR TRACTION MOTOR (cont.)

Bidder	Unit Price	QTY	Total Including Tax (9.75%)
NATIONAL ELECTRICAL CARBON PRODUCTS Greenville, SC	\$6.28	48,010	\$330,899.32
MERSEN USA BN CORP. Boonton, NJ	\$6.64	48,010	\$340,304.48

Independent cost estimate by BART staff: \$376,213.56, including sales tax.

After a review, staff determined that the apparent low Bid of \$330,899.32 submitted by National Electric was not responsive to the solicitation. The product offered by National Electric did not comply with the District's technical specifications. After a further review, staff determined that the second Bid of \$340,304.48 submitted by Mersen was responsive to the solicitation. Staff has also determined that Mersen's Bid price is fair and reasonable based on staff's independent cost estimate.

The District's Non-Discrimination Program for Subcontracting is not applicable to Invitations for Bid. Accordingly, the Office of Civil Rights did not set Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) Availability Percentages for this IFB.

Pursuant to the District's Non-Federal Small Business Program, the District conducted an analysis and determined that there are no certified Small Businesses certified by the California Department of General Services available for bidding this Contract. Therefore, no Small Business Prime Preference was set for this Contract.

FISCAL IMPACT: Funding for IFB No. 9028 in the amount of \$340,304.48 will be initially funded by the General Fund, Materials & Supplies Inventory build-up account (140-010). Funding for Fiscal Year FY18 will come from Rolling Stock and Shops (RS&S) Maintenance Repair and Other account (#680-230) as parts are ordered from inventory. Expenditures for the out-year portions of this Contract will be included in future RS&S operating budgets and proposed expenditures, which are subject to future Board approval.

ALTERNATIVE: The alternative to awarding this Contract would be to reject the Bids and re-advertise the Contract. Staff does not believe that re-advertising the Contract will result in lower prices or increased competition.

RECOMMENDATION: It is recommended that the Board adopt the following motion.

MOTION: The General Manager is authorized to Award Invitation For Bid No. 9028 for Brush, Traction Motor to Mersen Industries, Inc. for an amount of \$340,304.48, pursuant to notification to be issued by the General Manager, subject to compliance with the District's Protest Procedures.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Robert M. Powers</i> 12 APRIL 2017		GENERAL MANAGER ACTION REQ'D: Board Approval and Authorization		
DATE: 3/27/2017		BOARD INITIATED ITEM: No.		
Originator/Prepared by: Patrice McElroy Dept: Human Resources Administration	General Counsel <i>[Signature]</i>	Controller/Treasurer <i>[Signature]</i>	District Secretary	BARC
Signature/Date: <i>[Signature]</i> 4/13/17	<i>[Signature]</i> 4/27/17 []	<i>[Signature]</i> 4/13/17 []	[]	<i>Powers</i> 12 APRIL 2017 []

EMPLOYEE RECRUITMENT AND RELOCATION FOR THE ASSISTANT GENERAL MANAGER, PLANNING DEVELOPMENT & CONSTRUCTION

PURPOSE:

To obtain Board authorization for a national recruitment and relocation agreement to assist the District with filling the Assistant General Manager, Planning, Development and Construction position.

DISCUSSION:

On March 11, 1993, the Board adopted Resolution 4487, requiring Board approval prior to any recruiting activity to employ a person who is not a current District employee with an annual salary of \$50,000 or more. The resolution also states that the District should confine its recruiting to the State of California, consistent with provisions of the law, and that no relocation or moving expenses would be offered to new employees without prior Board approval.

The Assistant General Manager, Planning, Development & Construction is a senior management position that requires specialized skills derived from unique managerial/technical experience and education, which is critical to the progress of the District's planning, development and construction area. Specifically, the Assistant General Manager, Planning, Development and Construction is responsible for overseeing multiple system development projects, including Station Modernization, Transit-Oriented Development, and Train Control Modernization Program for the District.

The expertise of a recruiting firm that has a deep familiarity with transportation recruiting

EMPLOYEE RECRUITMENT AND RELOCATION FOR THE ASSISTANT GENERAL MANAGER, PLANNING DEVELOPMENT & CONSTRUCTION

sources and prospects will constitute a resource beyond that which is available internally. Likewise, the ability to offer relocation assistance in the event that one or more successful candidates are not from the immediate area will enhance the District's competitive posture in this search.

By adopting this motion, the Board will authorize staff to use an executive search firm for the recruitment. The objective in using a search firm is to increase the candidate pool and identify highly qualified applicants.

Staff's intent is to enter into a search agreement for the position. Proposals will be solicited from firms that have: 1) expertise in transit and/or public sector recruitment for management positions with a focus on transportation as well as public sector expertise; 2) an ability to provide timely customized searches on a national scale; 3) acceptable business references; 4) the ability to meet the terms of agreement; and 5) price and fee structure. Interested firms will be required to provide a search plan summary document outlining search tasks, a proposed fee structure and estimated time of completion.

The Board's action will allow for executing a relocation agreement within the parameters of current District practice as provided in Management Procedure 70. This procedure sets a maximum reimbursement for relocation at \$18,000 and it does not allow for reimbursement for loss on sale of residence.

FISCAL IMPACT:

The costs, including search firm fees and any subsequent relocation agreement, will come from the FY'17 Operating Budget of the Planning, Development and Construction Department.

ALTERNATIVES:

Fill the position using in-house District recruitment resources.

RECOMMENDATION:

Adopt the following motion:

MOTION:

That the General Manager or her designee is authorized, in conformance with established District procedures governing the procurement of professional services, to obtain executive search services to identify suitable candidates both inside and outside of California for the Assistant General Manager, Planning, Development and Construction position. In addition, the General Manager is authorized to enter into a relocation agreement, if necessary, in an amount not to exceed \$18,000 for the position, in accordance with Management Procedure Number 70, New Employee Relocation Expense Reimbursement.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: April 21, 2017

FROM: General Manager

SUBJECT: State and Federal Legislation

At the April 27 Board of Director meeting, staff will present state and federal legislation for your consideration.

Attached are bill analyses and recommendations for ten state bills and one federal bill. The legislation has a nexus to BART and aligns with the 2017 State and Federal Program Goals adopted by the Board of Directors in December 2016.

SUPPORT (9)

ACA 4 (Aguiar-Curry)	Local Government Financing: Affordable Housing and Public Infrastructure: Voter Approval
AB 179 (Cervantes)	California Transportation Commission
AB 1089 (Mullin)	Local Elective Offices: Contribution Limitations
AB 1113 (Bloom)	State Transit Assistance Program
AB 1640 (E. Garcia)	Priority Funding for Transportation in Low-Income Communities
SB 150 (B. Allen)	Regional Transportation Plans
SB 166 (Skinner)	Residential Density and Affordability
SB 614 (Hertzberg)	Public Transportation Agencies: Administrative Penalties
H.R. 1664 (DeFazio)	Investing in America: A Penny for Progress Act

OPPOSE (1)

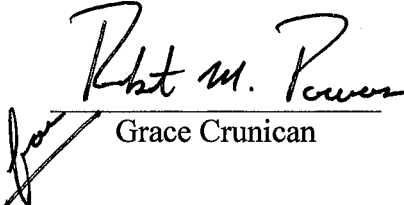
AB 1509 (Baker)	BART, Redirecting Existing Funds
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WATCH (1)

AB 758 (Eggman/Baker)	Transportation: Tri-Valley-San Joaquin Valley Regional Rail Authority
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Following the staff presentation, a request will be made of the Board to consider passing the draft motion shown below.

If you have any questions, please contact Rodd Lee, Department Manager, Government and Community Relations at 510-464-6235.


Grace Crunican

Attachments

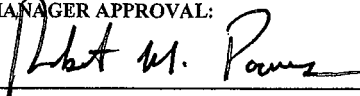
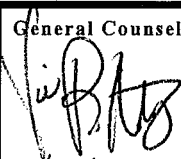
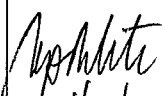
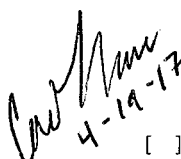
cc: Deputy General Manager
Board Appointed Officers
Executive Staff

DRAFT MOTION:

That the Board of Directors supports ACA 4, AB 179, AB 1089, AB 1113, AB 1640, SB 150, SB 166, SB 614, and H.R. 1664; opposes AB 1509; watches AB 758.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Place on the April 27, 2017 Board of Directors Agenda		
DATE: 3/27/2017		BOARD INITIATED ITEM: No		
Originator/Prepared by: Robert Umbreit Dept: Budget Department	General Counsel 	Controller/Treasurer 	District Secretary	BARC 
Signature/Date: Robert S. Umbreit 4/19/17	4/20/17 []	4/20/17 []	[]	4-19-17 []

Fiscal Year 2018 Preliminary Budget Procedural Actions

PURPOSE:

1. To formally direct staff to publish a pamphlet containing a copy of the Fiscal Year 2018 Preliminary Budget.
2. To set a public hearing on the Fiscal Year 2018 Preliminary Budget.

DISCUSSION:

The rules of the Board of Directors provide that the Board direct a Preliminary Budget Pamphlet to be prepared no later than the first day of June (Rule 5-1.2). Staff's schedule calls for this pamphlet to be available by May 1, 2017. The rules of the Board of Directors also provide that a public hearing on the budget be held on or before June 20 (Rule 5-1.3). Staff proposes that this hearing be held on May 25, 2017.

The budget was presented and discussed at the joint Environmental Justice Advisory/Limited English Proficiency Committee meeting on April 11, and will be presented to the BART Accessibility Task Force meeting April 27, 2017.

Throughout April, in-station outreach events and community meetings (10 planned) will be hosted as part of the Title VI outreach process for the CPI-based fare increase planned for January 1, 2018 and the fare increase proposals included in the FY18 Preliminary Budget.

In addition to the public hearing, BART will hold a Twitter Town Hall meeting to take comments and answer questions from the public about the proposed budget in May during the week of the public hearing.

FISCAL IMPACT:

According to Board Rules, the Fiscal Year 2018 Budget must be adopted on or before June

30, 2017.

ALTERNATIVES:

Under Board Rules 5-1.2 and 5-1.3, publishing a budget pamphlet and holding a public hearing are required steps to adopt the Fiscal Year 2018 annual budget. The Board could suspend rules 5-1.2 and 5-1.3 or postpone the hearing to another date prior to June 20.

RECOMMENDATION:

That the Board adopt the following motions:

Motions:

1. That the staff be directed to publish a Budget Pamphlet for Fiscal Year 2018 to be available for distribution no later than May 1, 2017.
2. That a public hearing on the Fiscal Year 2018 Preliminary Budget be set for Thursday, May 25, 2017 in the Board Room.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: April 21, 2017

FROM: General Manager

SUBJECT: Fiscal Year 2018 Preliminary Budget

The Fiscal Year 2018 Preliminary Budget will be discussed as an informational item at the Board of Director meeting of April 27, 2017. At the meeting, staff will provide responses to questions asked at the April 13 Board of Directors meeting. The following are questions and comments received at that meeting:

- The cost of extending the youth discount to ages 13-18 at 62.5% (vs. the 50% planned in the budget.)

The estimated cost of extending the youth discount to ages 13-18 at 50% is estimated to cost \$1.5M for half of FY18, or \$3.0M on an annual basis. Extending the discount to age 13-18 but keeping it at 62.5% is estimated to cost \$2.5M for half of FY18 or \$5.0M on an ongoing basis. Using the 62.5% discount rate would increase the FY18 operating shortfall by \$1.0M.

- Additional information on the details and impacts of the position cuts proposed in the budget.

A total of 39.5 positions are proposed to be cut for FY 18 (please see attached worksheet for additional detail). This total includes both eliminated positions, and positions converted to capital. A position converted from operating to capital means a staff member moves to a capitally-funded project, and no longer performs day-to-day operating work.

The position reductions will impact BART daily operations and other strategic efforts, but these impacts can be managed with some effort. Reduced staffing may result in slower response to mainline incidents during the swing shift, increase the backlog of corrective maintenance work, delays in analysis of system performance, and longer intervals of cash collection. While not ideal, we will manage the budgeted resources to minimize impacts on the provision of safe, reliable train service and the service to BART's customers. The reductions may also result in delayed response to requests for new information, policy review, and financial analyses.

- Additional information on Low Carbon Fuel Standards program revenues and policy for use of the revenues.

Staff expects to bring a draft policy for use of Low Carbon Fuel Standard Program funds to the Planning subcommittee in the next 2-3 months, and then to the Board for adoption.

- Information on the cost of adding another BART police coverage for eastern Contra Costa, including information on eBART, and police response time/scheduled coverage by line.

The Police Department is compiling the information and the response is forthcoming.

- Information on the possibility of growing additional revenue options.

The District is proposing to perform medium and long term revenue assessments for its telecommunications, parking, advertising, and real estate programs. The assessments will discuss opportunities to increase revenues for these programs and any associated impacts. The assessments will be performed over the next 6-9 months and brought back to the Finance, Budget and Bond oversight committee for discussion.

- Potential modifications to the parking programs and associated revenues.

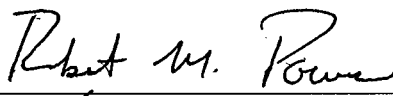
Although the proposed preliminary budget does not include modifications to the District's paid parking programs, staff has previously analyzed revenue impacts of changes to the District's adopted parking policies. For example, if the District were to modify the percentage of spaces dedicated for reserved parking beyond 40%, each additional 1% could generate approximately \$150,000 annually. Additionally, if we were to create a demand-based fee for permit (reserved) parking, we could generate additional revenue within the current allocation of permits. We also explored opportunities to charge different rates at select stations. For example, a different parking fee policy in the West Bay, would generate approximately \$1 million annually. These estimates do not include additional expenses that may be necessary to implement the programs.


As noted, the District will be developing medium and long term revenue assessments for the paid parking program. Staff will look at potential modifications to the parking fees in conjunction with the recently adopted station access policy, and bring a report back to the Finance, Budget and Bond Oversight committee for more discussion.

- Information regarding the BART Transit Information Center, including total costs and costs per call.

The total annual operating cost of the call center is \$1.95M. \$1.1M is paid for by BART, \$0.85M is paid for by Capital Corridor. Approximately 204,000 calls were received in 2016, with the average cost per call of \$9.56. Currently are 14 FTE in the Transit Information Center, with 1 supervisor and 13 call center operators.

If you have any additional questions, please contact Carter Mau at 510-464-6194.



 Grace Crunican

Attachments

cc: Board Appointed Officers
Deputy General Manager
Executive Staff

FY17 Preliminary Budget

Proposed Operating Position Reductions

Position Cuts

Department	Cost Center	Position	Union	FTE
Office of Civil Rights	Civil Rights	Sr. Admin Analyst	Non-Rep	1.0
	Civil Rights	Sr. Civil Rights Officer	Non-Rep	1.0
Finance	Cash Handling	Cash Handler ⁽¹⁾	SEIU	3.0
	Accounts Payable	Accountant ⁽¹⁾	SEIU	1.0
District Secretary	District Secretary	Administrative Secretary	SEIU	1.0
Customer Service	Internal/External Customer Services	Customer Services Rep	SEIU	1.0
	Transit Information Center	Transit Information Clerk	SEIU	1.0
Operations Planning	Fleet & Capacity Planning	Reliability Engineer	Non-Rep	2.0
Real Estate	Real Estate & Property Development	Real Estate Tech	SEIU	1.0
Systems Development	Strategic & Policy Planning	Principal Planner	AFSCME	2.0
Procurement	Inventory & Stores Logistics	Material Control Analyst	SEIU	1.0
Total				15.0

⁽¹⁾ Two Cash Handlers and the Accountant transfer to new SVBX positions.

Conversion to Capital Funding

Department	Cost Center	Position	Union	FTE
Maintenance & Eng.	Traction Power	Electrician	SEIU	4.0
	Traction Power	Electrical Foreworker	SEIU	1.0
	Systems Engineering	Mgr of Elect & Comm Eng.	Non-Rep	1.0
	Track/Wayside/Grounds/Structures	Structures Worker	SEIU	2.0
	Track/Wayside/Grounds/Structures	Structures Equip. Operator	SEIU	1.0
	Track/Wayside/Grounds/Structures	Structures Foreworker	SEIU	1.0
	Civil Engineering & Safety Monitors	Mgr of Maint Engineering	Non-Rep	1.0
	Financial Administration	Mgr of Maint Administration	Non-Rep	1.0
Rolling Stock & Shops	Hayward Shop	Transit Vehicle Mechanic	SEIU	9.0
	Hayward Shop	Transit Vehicle Electrical Tech	SEIU	2.0
	Hayward Shop	Quality Team Leader	SEIU	1.0
Financial Planning	Financial Planning	Manager of Financial Planning	Non-Rep	0.5
Total				24.5



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Robert M. Pawan</i>		GENERAL MANAGER ACTION REQ'D: Forward to Board of Directors		
DATE: 11/7/2016		BOARD INITIATED ITEM: No		
Originator/Prepared by: <i>Edwin Qui</i> Dept: Maintenance and Engineering	General Counsel	Controller/Treasurer	District Secretary	BARC
Signatures/Dates: <i>[Signature]</i> 4/17/17	<i>[Signature]</i> 4/19/17 []	<i>[Signature]</i> 4/19/17 []	[]	<i>[Signature]</i> 4/28/17

SOLE PURCHASE AND DELIVERY OF PROGRAM STOP/IDENTIFICATION (PS/ID) ANTENNA ASSEMBLIES

(Two-Thirds Vote Required)

PURPOSE:

To request Board authorization, in accordance with Public Contract Code Section 20227, for the General Manager to negotiate and award a Sole Source Contract to Bombardier Transportation for the purchase and delivery of Program Stop/Identification (PS/ID) Antenna cable and related hardware for the estimated amount not to exceed \$1,003,650.

DISCUSSION:

The procurement consists of the production and delivery of replacement PS/ID Antenna Assemblies and related hardware which are an integral piece in BART's operating train control system. These antennas are installed on the third rail coverboards at station platforms to ensure revenue vehicles stop at the correct position on the platform. The procured materials will be used to replace the antenna assemblies at 23 station platforms that are in need of replacement due to age or have multiple splices due to damage and have now deteriorated to the point where the Automatic Train Operation at the station platforms are affected.

Westinghouse/Bombardier was the original equipment manufacturer for this system and owns the antenna proprietary design. As such, replacement materials must be sole sourced from Bombardier Transportation to maintain proper system operations.

Pursuant to Public Contract Code Section 20227, the Board may direct the purchase of any supply, equipment or material without observance of competitive bidding upon the finding by two-thirds of all members of the Board that there is only a single source of procurement and that the purchase is for the sole purpose of replacing equipment currently in use.

In addition, FTA Circular 4220.1F, Chapter VI, Subparagraph 3.i(1)(b) provides that a recipient may make a sole source award under certain circumstances, including where not utilizing that sole source would result in either “Unacceptable Delay” or “Substantial Duplication Costs.”

Since the antennas from Bombardier are the only available product that is compatible with the District's units, and this procurement is for the duplication and replacement of existing wayside antennas, this Contract would constitute a sole source procurement under Section 20227. Additionally, since no other manufacturer makes these antennas, not going forward with this procurement would lead to unacceptable delay and substantial duplication costs, this sole source procurement is permissible under FTA Circular 4220.1F.

The District's Disadvantaged Business Enterprise (“DBE”) Program is not applicable to Sole Source Contracts. Accordingly, the Office of Civil Rights did not set a DBE goal for this Contract.

The Procurement Department will review the contract to confirm compliance with the District's procurement standards.

The Office of the General Counsel will approve the contract as to form.

FISCAL IMPACT:

Funding of \$1,003,650 for the award of this Procurement is included in the total project budget for 20LK001 Wayside Coverboard Antenna Replacement. The Office of the Controller/Treasurer certifies that funds are currently available to meet this obligation. The following table depicts funding assigned to the referenced project, and is included in its totality to track funding history against spending authority. Funds needed to meet this request will be expended from the sources listed.

SOLE PURCHASE AND DELIVERY OF PROGRAM STOP/IDENTIFICATION (PS/ID) ANTENNA ASSEMBLIES
(cont.)

As of March 24, 2017 funding available for this project are from the following fund sources:

Funding Group	Amount
FEDERAL	\$1,228,366
BART	\$307,092
STATE	\$500,000
Total	\$2,035,458

BART has expended \$492,425 and committed \$0 to date for other actions. This action will commit an additional \$1,003,650 leaving an uncommitted balance of \$539,383 in this project. There is no fiscal impact on available un-programmed District Reserves.

ALTERNATIVES:

The alternative is not to authorize the purchase. However, as the PS/ID antenna currently employed by BART is a proprietary design by Bombardier Transportation, there is no feasible alternative for procuring them. Developing an in-house alternative to the Bombardier design would require extensive engineering effort which would be both costly and time consuming.

RECOMMENDATION:

It is recommended that the Board adopt the following motion.

MOTION:

The Board finds, pursuant to Public Contract Code Section 20227, that Bombardier Transportation is the sole source for the procurement of PS/ID Antenna and related hardware for the BART system. The General Manager is authorized to enter into direct negotiations with Bombardier Transportation for the procurement of PS/ID Antenna and related hardware for an amount not to exceed \$1,003,650.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Joan Arias</i>		GENERAL MANAGER ACTION REQ'D: no		
DATE: 4/3/2017		BOARD INITIATED ITEM: No		
Originator/Prepared by: Holly Gordon Dept: Sustainability Signature/Date: <i>Holly Gordon</i> 4/7/17	General Counsel <i>[Signature]</i> 4/7/17 []	Controller/Treasurer <i>Chris Gan</i> 4/7/17 []	District Secretary []	BARC <i>[Signature]</i> 4.7.17 []
Status: Approved		Date Created: 4/3/2017		

Wholesale Electricity Portfolio Policy Adoption

PURPOSE:

To request that the Board of Directors adopt the attached Wholesale Electricity Portfolio Policy.

DISCUSSION:

The Board is being asked to adopt a Wholesale Electricity Portfolio Policy to guide its electricity purchases. By adopting this policy and committing to clean energy goals, BART will be aligned with other local governments and agencies throughout the State of California that have also adopted similar policies. Under California law (Public Utility Code Section 399.11), Investor Owned Utilities, Publicly Owned Utilities, and other electricity providers are currently required to achieve a portfolio of 50% renewable energy by 2030. Additionally, even more stringent clean energy goals have been introduced in the current 2017-2018 session of the California State Legislature. By adopting this Wholesale Electricity Portfolio Policy, BART will join other local California governments, including San Francisco, Los Angeles and Palo Alto, that have also independently set aggressive clean energy objectives.

Under California law (Public Utilities Code Section 701.8), BART has wide latitude in designing its wholesale electricity portfolio. While BART is not legally required to comply with the State of California renewable energy standards indicated above, as a public agency providing critical transit services to the Bay Area, BART also has an opportunity to manage its electricity purchases to advance sustainability goals while supporting low and stable

operating costs. Given that renewable energy supply costs have fallen significantly in recent years and have approached cost parity with other supply sources, BART has an opportunity to set clean energy goals that are both ambitious and realistic, while ensuring energy cost stability and maintaining BART's role as a transit leader.

FISCAL IMPACT:

BART staff do not anticipate a fiscal impact associated with this Wholesale Electricity Portfolio Policy. The policy expressly identifies maintaining energy costs within existing Short-Range Transit Plan projections as a performance measure.

ALTERNATIVES:

Do not adopt the Wholesale Electricity Portfolio Policy as currently presented. BART would not have an adopted, strategic, long-term policy in place to guide wholesale electricity portfolio design and implementation.

RECOMMENDATION:

It is recommended that the Board adopt the Wholesale Electricity Portfolio Policy.

MOTION:

The BART Board of Directors hereby adopts the attached Wholesale Electricity Portfolio Policy.

BART Wholesale Electricity Portfolio Policy

Vision:

The San Francisco Bay Area Rapid Transit District (BART) plays a critical role in affecting the environmental footprint of the Bay Area's overall transportation sector, by providing an alternative to driving that is affordable, accessible, convenient and environmentally-friendly. BART has wide latitude in designing its wholesale electricity portfolio, and has a responsibility to manage its electricity purchases to advance sustainability goals while supporting low and stable operating costs. This BART Wholesale Electricity Portfolio Policy is designed to guide BART's electric portfolio design activities to support these goals and maintain BART's role as a transit leader.

Goals:

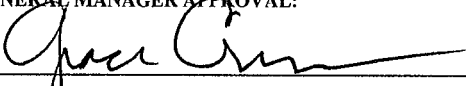
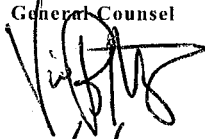
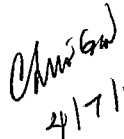
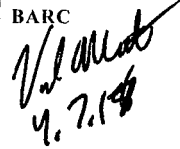
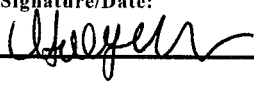
1. Support low and stable BART operating costs:
 - Actively and continually seek cost-competitive supply opportunities.
 - Strategically balance short-term, medium-term and long-term contracting arrangements to support stable and predictable energy costs.
 - Prioritize a supply portfolio that closely aligns with BART's electricity demand profile.
 - Prioritize a long-term predictable electricity cost structure that encourages transportation mode-switching.
2. Maximize the use of low-carbon, zero-carbon and renewable electricity supply:
 - Support state climate policies by prioritizing purchases from supply sources with very low or zero greenhouse gas ("GHG") emissions factors.
 - Support state renewable policies by prioritizing purchases from sources that qualify as renewable under criteria set by state law ("Eligible Renewable").

Performance Measures:

1. Maintain a long-term cost advantage compared to rates that BART would otherwise pay as a bundled utility customer; and
2. Maintain per unit energy costs within BART's Short Range Transit Plan (SRTP) projections; and
3. Achieve a portfolio that is:
 - From at least 50% Eligible Renewable sources and from at least 90% low and zero carbon sources by 2025.
 - 100% from zero carbon sources by 2035.
 - 100% from Eligible Renewable sources by 2045.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: No		
DATE: 4/3/2017		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Holly Gordon Dept: Sustainability	General Counsel  4/7/17 []	Controller/Treasurer  4/7/17 []	District Secretary []	BARC  4.7.17 []
Signature/Date:  4/7/17				
Status: Approved		Date Created: 4/3/2017		

Sustainability Policy Adoption

PURPOSE:

To request that the Board of Directors adopt the attached Sustainability Policy.

DISCUSSION:

The Board is being asked to adopt an updated Sustainability Policy to guide its sustainability activities District-wide. The current Sustainability Policy was adopted in 2003. This update is focused on several key aspects:

1. Becoming more comprehensive. The American Public Transportation Association (APTA) through its Sustainability Commitment sets out six sustainability categories appropriate to public transit agencies. BART was a founding Signatory and achieved the Silver Level of Commitment in 2016. The update expands the scope of the Policy to cover APTA's six categories:
 - a. Resource Conservation
 - b. Emissions and Pollution Control
 - c. Extreme Weather Adaptation and Resilience
 - d. Materials and Construction Operations Optimization
 - e. Smart Land Use and Livable Neighborhoods
 - f. Patron Experience

The 2003 version of the policy focuses on station area land uses and access (e

above), sustainable materials and procurement (a and d above), and regional leadership. Extreme weather and resilience was a less prominent issue in 2003 than it is in 2017; now it is a crucial issue for BART to address and is also recognized nationally via the APTA categories. Additionally, the updated Sustainability Policy takes a more inclusive approach to resource conservation by calling out energy, water, and other resources and providing approaches tailored to those strategies.

In addition, the updated policy continues the model set by the 2003 policy to specifically call out leadership.

2. Becoming more specific. The updated Sustainability Policy includes bullets under each Goal explaining how the Goal is intended to be met. For example, the updated policy includes three ways emissions and waste generation could be reduced, including materials, wastewater, greenhouse gas emissions, and criteria air pollutants.
3. Aiming higher. The updated Sustainability Policy includes a goal of achieving 100% renewable electricity supply, while the 2003 version does not specifically reference electricity supply.
4. Guiding implementation. The updated Sustainability Policy includes a more comprehensive list of Strategies, including one identifying development of a Sustainability Action Plan. That plan is currently underway. It also more specifically calls out the need to engage BART staff and riders in achieving the updated policy Goals.

In addition to these key aspects, the attached Sustainability Policy responds to comments from the Sustainability Policy Committee, which reviewed a draft of the policy on August 18, 2016.

FISCAL IMPACT:

The fiscal impact associated with adoption of the Sustainability Policy is unknown at this time. As the Sustainability Policy was in draft format when the four-year workplans were being prepared, where needed, updated workplans will be able to better reflect incorporation of the Goals in the Sustainability Policy. They will be incorporated into the annual budget development and review process.

ALTERNATIVES:

Do not adopt the Sustainability Policy as currently presented. Continue operating under the 2003 Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board adopt the Sustainability Policy.

MOTION:

The BART Board of Directors hereby adopts the attached Sustainability Policy, which shall supersede the current BART Sustainability Policy adopted in 2003.

BART Sustainability Policy

Vision:

The San Francisco Bay Area Rapid Transit District (BART) is committed to advancing regional sustainability by providing safe, affordable, equitable, and environmentally-friendly transit to move people to jobs, recreation and services. BART incorporates cost-effective sustainability through fulfillment of the following goals:

Goals:

1. Advance smart land use, livable neighborhoods and sustainable access to transit by implementing:
 - the District's Station Access policy.
 - the District's Transit-Oriented Development policy.
2. Choose sustainable materials, construction methods, and operations practices by:
 - Adopting standards, designing projects, and purchasing products and services to minimize ongoing maintenance and reduce waste.
 - Considering net embodied energy; incorporating efficient construction, deconstruction, and recycling practices; and including local businesses.
3. Use energy, water, and other resources efficiently by:
 - Achieving 100% renewable electricity supply through on- and off-site sources.
 - Reducing energy use, water use, and consumption of other resources at all BART facilities and in non-revenue vehicles, through resource-efficient equipment, systems, and practices.
 - Designing new facilities to be resource efficient.
4. Reduce harmful emissions and waste generation by:
 - Powering non-electric facilities and vehicles with sources generating the lowest feasible greenhouse gas emissions and criteria air pollutants.
 - Reducing, reusing, and recycling materials, including hazardous and non-hazardous materials.
 - Managing wastewater and stormwater comprehensively, including strategies to re-use water safely.
5. Respond to risks from extreme weather, earthquakes, and other potential disruptions by:

April 19, 2017

- Assessing and addressing resilience in projects and operations to ensure BART is prepared for disturbances most likely to happen in the future, including impacts from climate change.
 - Implementing hazard mitigation strategies that contribute to community safety.
6. Improve patron and employee health and experience by:
- Choosing the safest possible materials and design strategies for trains, facilities, and systems.
 - Controlling noise to improve rider experience and reduce impacts on nearby residents and businesses.
 - Providing clean and comfortable stations and trains that are easy to navigate, while functioning smoothly.
 - Implementing programs for BART employees to decrease their environmental impact.
7. Serve as a leader in sustainability for transit agencies and the communities that BART serves by reducing BART's environmental footprint and encouraging other organizations and institutions to act similarly.

Strategies:

Commitment: Participate in the American Public Transportation Association (APTA) Sustainability Commitment or equivalent programs, and strive to achieve the highest level of recognition.

Action and Updates: Develop a Sustainability Action Plan to implement this policy, including specific actions, implementation strategies, decision making, and metrics. Review both the Plan and Policy at least every five years.

Standards: Identify the best available sustainable practices and standards and incorporate them into the BART Facilities Standards (BFS).

Partnerships: Develop partnerships with federal, state, regional and local agencies, community organizations and others to implement this Policy.

Engagement: Engage staff and riders in achieving the goals set out in this Policy. Listen to ideas and share information about progress with District staff and the public. Partner with community organizations and consider input from community members when identifying sustainability actions.

Environmental and Sustainability Management System (ESMS): BART is committed to continual improvement of an ESMS to enhance environmental performance, protect the environment, and fulfill applicable legal and other requirements.

Innovation: Take advantage of emerging technologies that support sustainable practices.