

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

BOARD MEETING AGENDA

January 26, 2012

9:00 a.m.

A regular meeting of the Board of Directors will be held at 9:00 a.m. on Thursday, January 26, 2012, 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 General Discussion and 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 or via regular mail upon request. 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. Those interested in being on the mailing list for meeting notices (email or regular mail) can do so by providing the District Secretary with the appropriate address.

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.
Gary Pforr, Post Commander, AMVETS Post 26

2. CONSENT CALENDAR

- A. Approval of Minutes of the Meeting of January 12, 2012.* Board requested to authorize.
- B. Fiscal Year 2012 First Quarter Financial Report.* Board requested to accept.
- C. Appointment to Oversight Board to Successor Agency of the San Francisco Redevelopment Agency.* Board requested to ratify.

3. ADMINISTRATION ITEMS

Director Sweet, Chairperson

NO ITEMS.

4. ENGINEERING AND OPERATIONS ITEMS

Director Fang, Chairperson

- A. (CONTINUED from January 12, 2012, Board Meeting)
Award of Contract No. 09AU-110, Transbay Tube Internal Retrofit.*
Board requested to authorize.
- B. Change Order to Contract No. 15IF-110, Powell Street Station – Station Modernization, with West Bay Builders, Inc., for Station Concourse Ceiling Asbestos Abatement (C.O. No. 1).* Board requested to authorize.
- C. Warm Springs Extension Project Semi-Annual Report.* For information.

5. PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION ITEMS

Director Blalock, Chairperson

NO ITEMS.

6. GENERAL MANAGER'S REPORT

NO REPORT.

7. BOARD MATTERS

- A. Report of the BART Police Department Review Special Committee. For information.
- B. Board Member Reports. For information.
- C. 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.)

8. GENERAL DISCUSSION AND PUBLIC COMMENT

9. CLOSED SESSION (Room 303, Board Conference Room)

- A. CONFERENCE WITH LABOR NEGOTIATORS; PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Agency Negotiators: Directors McPartland, Radulovich, and Sweet
Titles: General Manager, General Counsel, Controller-Treasurer,
District Secretary, and Independent Police Auditor
Gov't. Code Sections: 54957 and 54957.6.

10. OPEN SESSION

- A. Compensation and Benefits for General Counsel, Controller-Treasurer, and District Secretary. Board requested to authorize.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: January 20, 2012

FROM: General Manager

SUBJECT: **FY12 First Quarter Financial Report**

The FY12 First Quarter Financial Report (July - September 2011) is attached. The net operating result was favorable to budget by \$8.3M for the quarter due to better than budget operating sources. Operating expenses were also slightly favorable to budget.

Operating Sources

Ridership continued its strong pace of growth in the first quarter of FY12. Core system average weekday trips grew 6% and SFO Extension trips grew 9%, compared to one year earlier. Slight gains in employment, as well as continued higher gas prices, contributed to the growth. Other potential reasons for the increase include long-term response to higher tolls on the Bay Bridge and increased attendance at sporting events.

Sales Tax revenue also shows continued improvement. After falling nearly 20% (\$36M) over two years (FY09 and FY10), there have now been six straight quarters of growth. First quarter FY12 grew 6% from one year earlier and was \$1.9M over budget. Higher gas prices, as well as general pent-up consumer demand after the recession, have been drivers in sales tax growth.

Operating Uses

Expenses were favorable to budget by \$0.6M (0.4%) this quarter. Labor was slightly favorable (\$0.7M) and non labor very close to budget. This year, much like last year, the expense budget is projected to be very tight. As always, we will seek to control expenses as much as is possible without impacting safety and reliability.

The Quarterly Performance Report for the first quarter is normally produced in November. However, this year the monthly general ledger closings were initially delayed due to issues related to implementation of the new system, which have been resolved. Accounting plans to accelerate the closing periods to expedite the closing process during the remainder of the fiscal year.



Grace Crunican

cc: Board Appointed Officers
Deputy General Manager
Executive Staff

Quarterly Financial Report
First Quarter
Fiscal Year - 2012

	Current Quarter			(\$ Millions)	Year to Date		
	Budget	Actuals	Var		Budget	Actuals	Var
Revenue							
●Avg weekday trips for the quarter were 363,539, 6.3% over budget. Ridership growth remained strong, with core trips up 5.9% and SFO trips up 9.5% compared to 1QFY11. Net passenger revenue was 5.7% over budget due to trip growth.							
	88.1	93.2	5.7%	Revenue	88.1	93.2	5.7%
	3.7	3.6	-0.6%	Net Passenger Revenue	88.1	93.2	5.7%
	4.6	4.5	-2.4%	Parking Revenue	3.7	3.6	-0.6%
	96.4	101.3	5.1%	Other Operating Revenue	4.6	4.5	-2.4%
				Total Net Operating Revenue	96.4	101.3	5.1%
Expense							
●Labor and benefits were favorable this quarter by \$1.8M (1.9%) primarily due to higher than budgeted vacancies, which were partially offset by higher than budgeted overtime (\$4.1M).				Expense			
●OPEB unfunded liability is shown as an expense and offset, no bottom line impact.	94.4	92.6	1.9%	Net Labor	94.4	92.6	1.9%
●Other Non Labor was slightly higher than budget due to timing of budget vs. actual expenditures	.4	1.5	-281.9%	OPEB Unfunded Liability	.4	1.5	-281.9%
●Although favorable to date, the expense budget is very tight and could run over budget by the end of the year.	9.1	9.2	-1.4%	Electric Power	9.1	9.2	-1.4%
	3.9	3.8	2.2%	Purchased Transportation	3.9	3.8	2.2%
	21.6	21.7	-0.5%	Other Non Labor	21.6	21.7	-0.5%
	129.4	128.9	0.4%	Total Operating Expense	129.4	128.9	0.4%
Operating Deficit				Operating Surplus (Deficit)			
●The operating deficit (revenue minus expense) was \$5.5M favorable for the quarter, mainly due to the favorable passenger revenue variance.	(33.1)	(27.6)	16.6%		(33.1)	(27.6)	16.6%
				Tax, Assistance and Allocations			
Tax, Assistance and Allocations	45.0	46.9	4.2%	Sales Tax	45.0	46.9	4.2%
●Sales Tax for the quarter grew 6.3% over 1QFY11, bringing the quarter \$1.9M over budget.	1.7	1.6	-5.6%	Property Tax, Other Assistance	1.7	1.6	-5.6%
●Property Tax, Debt Service, and Allocations all nearly on budget for the quarter.	-	-	-	State Transit Assistance	-	-	-
●STA not budgeted for 1QFY12, but MTC has indicated it could be about \$4.5M under budget by year-end.	(18.7)	(18.7)	0.0%	Debt Service	(18.7)	(18.7)	0.0%
	(13.5)	(13.6)	0.5%	Capital and Other Allocations	(13.5)	(13.6)	0.5%
	.4	1.5	281.9%	OPEB Unfunded Liability Offset	.4	1.5	281.9%
	14.9	17.8	19.0%	Net Financial Assistance	14.9	17.8	19.0%
Net Operating Result				Net Operating Result			
●The net operating result for the quarter (\$9.8M loss versus budgeted \$18.1M loss) reflects better than budget passenger revenue and sales tax, combined with favorable expenses.	(18.1)	(9.8)			(18.1)	(9.8)	
●Operating ratio (revenue divided by expense) and rail cost per passenger mile also are both favorable for the quarter due to better than budget trips and passenger revenue combined with favorable expenses.	74.5%	78.6%	4.1%	System Operating Ratio	74.5%	78.6%	4.1%
	0.34 ¢	0.32 ¢	4.4%	Rail Cost / Passenger Mile	0.34 ¢	0.32 ¢	4.4%

* Totals may not add due to rounding to the nearest million.

- No Problem
- Caution: Potential Problem/Problem Being Addressed
- Significant Problem

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors **DATE:** January 19, 2012
FROM: District Secretary
SUBJECT: Appointment to Oversight Board to Successor Agency of the San Francisco
Redevelopment Agency

Board Rule 3-3.2 requires the ratification by a majority vote of all members of the Board any appointment of any Committee member by the Board President. The Rule includes a provision that such appointments shall be submitted directly to the Board.

In accordance with Board Rule 3-3.2, President McPartland is bringing the matter of appointing a member to the Oversight Board to the agency succeeding the San Francisco Redevelopment Agency.

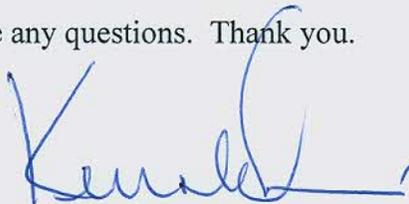
President McPartland proposes that Director Sweet be appointed to the Oversight Board as primary and that Vice President Radulovich be appointed as the alternate.

MOTION:

That the Board of Directors ratifies the appointment of the District's representatives to the Oversight Board to the successor agency of the San Francisco Redevelopment Agency:

Director Sweet, Primary
Director Radulovich, Alternate.

Please contact President McPartland or me if you have any questions. Thank you.



Kenneth A. Duron

cc: Board Appointed Officers
Deputy General Manager
Executive Staff



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Marcia Selbinder</i>		GENERAL MANAGER ACTION REQ'D: Approve and Forward to Board of Directors		
DATE: c <i>1/4/12</i>		BOARD INITIATED ITEM: <i>No</i>		
Originator/Prepared by: Anthony Hitchings Dept: TSD <i>AH</i>	General Counsel <i>Andrew Rappas</i>	Controller/Treasurer <i>[Signature]</i>	District Secretary <i>[Signature]</i>	BARC <i>Paul [Signature]</i>
Signature/Date: <i>12/28/11</i>	<i>12/28/11</i> []	<i>12/29/11</i> []	[]	<i>1/3/12</i> []

Award of Contract 09AU-110, BART Earthquake Safety Program, Transbay Tube Internal Retrofit

NARRATIVE:

PURPOSE:

To obtain Board authorization for the General Manager to award Contract No. 09AU-110, BART Earthquake Safety Program, Transbay Tube Internal Retrofit, to California Engineering Contractors, Inc.

DISCUSSION:

The BART Earthquake Safety Program has determined that the Transbay Tube requires seismic strengthening in the vicinity of Berth 34, Port of Oakland. Contract No. 09AU-110 will provide a partial retrofit for the Transbay Tube. The work consists primarily of bolting a 2.5" thick steel plates to the outboard concrete wall of track M1. The work also includes installing a temporary electrical infrastructure for the Contractor's construction power, providing two hi-rail vehicles, and a plate handling system to place the steel plates in position before they are bolted to the trackway wall and welded end-to-end.

The Contract was advertised in three local publications. A total of 26 firms purchased copies of the Contract Documents. An outreach meeting was held on June 17, 2011. A mandatory pre-Bid meeting was conducted on August 31, 2011 with 12 prospective Bidders attending. Mandatory site tours were conducted on September 6, 2011. A pre-Bid Matchmaking Session was held on October 19, 2011. Four Bids were received and publicly opened on November 22, 2011.

Review of the Bids by District staff revealed no arithmetical errors. Tabulation of the Bids, including the Engineer's Estimate, is as follows:

- | | |
|-------------------------------------------------------------|-----------------|
| 1. California Engineering Contractors, Inc., Pleasanton, CA | \$7,735,000.00 |
| 2. Shimmick Construction Company, Inc., Oakland, CA | \$7,917,000.00 |
| 3. Proven Management, Inc., San Francisco, CA | \$10,895,800.00 |
| 4. L.H. Woods & Sons, Inc., Vista, CA | \$18,888,888.00 |

Engineer's Estimate: \$14,300,000.00

After review by District staff, the apparent low Bidder, California Engineering Contractors, Inc., was determined to be fair and reasonable and was deemed to be responsive to the solicitation.

Examination of California Engineering Contractors, Inc's business experience and financial capabilities has resulted in a determination that this Bidder is responsible.

Pursuant to the District's Non-Discrimination in Subcontracting Program, the availability percentages for this contract are 23% for MBEs and 12% for WBEs. The bidder will not be subcontracting any work and will do all work with its own forces. Therefore, the District's Non-Discrimination in Subcontracting Program does not apply.

FISCAL IMPACT:

Funding of \$7,735,000 for the award of Contract No. 09AU-110 is included in the total project budget for FMS #09AU000 – TBT Retrofit #1 (Underwater). The Office of the Controller/Treasurer certifies that funds are currently available to meet this obligation.

As of December 13, 2011, \$21,690,000 is available for this project from the following sources:

Fund Number	Fund Description	Funded Amount
801F	ESP - G.O. Bond	\$ 1,690,000
801J	ESP - Unissued G.O. Bond	\$20,000,000
Total		\$21,690,000

BART has expended \$3,963.40, committed \$145,523, and reserved \$10,265,000 to date for other actions. This action will commit \$7,735,000 leaving an available fund balance of \$3,540,514 in this project.

There is no fiscal impact on available unprogrammed District Reserves.

ALTERNATIVE:

The Board may decline to authorize award of the Contract and rebid it which would delay the retrofit at this location and add cost to the Program. Staff believes that readvertisement of the Contract is unlikely to yield lower bids, and therefore it is in the best interest of the District to award the Contract to California Engineering Contractors, Inc., the lowest responsive Bidder.

RECOMMENDATION:

It is recommended that the Board adopt the following motion:

MOTION:

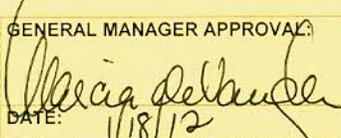
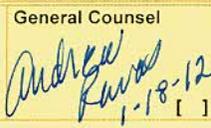
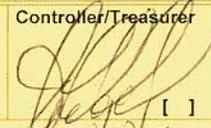
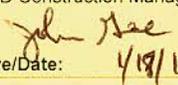
The General Manager is authorized to award Contract No. 09AU-110, BART Earthquake Safety Program, Transbay Tube Internal Retrofit, to California Engineering Contractors, Inc. for the Bid price of \$7,735,000, pursuant to notification to be issued by the General Manager and subject to the District's protest procedures.

FUNDING SUMMARY - EARTHQUAKE SAFETY PROGRAM

PROJECT ELEMENT	Baseline Budget	Current Forecast as of 12/28/11	REMARKS
ENVIRONMENTAL, ENGINEERING, AND CONSTRUCTION MANAGEMENT			
GEC (Bechtel Team)	\$105,000,000	\$248,200,000	
Other GEC	\$81,478,000	\$0	
Subtotal GEC	\$186,478,000	\$248,200,000	
CM	\$61,498,000	\$81,000,000	
Environmental	\$1,042,796	\$2,198,237	
TOTAL E, E & CM	\$249,018,796	\$331,398,237	
CONSTRUCTION			
Transbay Tube			
Oakland Ventilation Structure	\$1,033,000	\$1,153,096	
Oakland Landside	\$17,970,000	\$10,699,433	
San Francisco Ferry Plaza			
SFTS (including Tube liner)	\$73,037,000	\$5,655,414	
Marine Vibro Demo	\$101,285,000	\$0	
Stitching	\$82,962,000	\$0	
Additional TBT Retrofits	\$0	\$55,892,057	
Aerial Guideways			
West Oakland/North Oakland	\$112,923,000	\$68,700,000	
Fremont	\$178,224,000	\$43,700,000	
Concord	\$36,500,000	\$11,700,000	
Richmond	\$80,155,000	\$34,200,000	
San Francisco/Daly City	\$36,590,000	\$9,600,000	
Stations (18)	\$126,961,000	\$75,100,000	
Other Structures			
LMA	\$5,529,000	\$12,100,000	
Yds & Shops	\$12,436,000	\$20,300,000	
Parking Structures	\$14,437,000	\$14,600,000	
At Grade Trackway	\$22,361,000	\$0	
34.5kV Replacement		\$42,000,000	
Systems	\$7,066,000	\$18,000,000	
TOTAL CONSTRUCTION	\$909,469,000	\$423,400,000	
PROGRAM COSTS			
Program Costs (Hazmat, ROW, Consult, Staff)	\$159,894,204	\$230,419,872	
Contingency	\$32,104,000	\$268,122,048	
TOTAL PROGRAM COSTS	\$191,998,204	\$498,541,920	
BASELINE FUNDING	\$1,350,486,000		
REVISED FUNDING		\$1,253,340,157	
		\$1,221,275,376	Adopted Funding
		\$32,064,781	Outside Adopted Funding



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Approve and Forward to the January 26, 2012 E & O Committee Meeting	
DATE: 1/18/12		BOARD INITIATED ITEM: No	
Originator/Prepared by: John Gee Dept: TSD Construction Management	General Counsel  1-18-12 []	Controller/Treasurer  1/18/12 []	District Secretary BARS  1/18/12 []
Signature/Date:  1/19/12		Date Created: 11/16/2011	
Status: Routed		TITLE:	

Execute Change Order No.1 to Contract No. 15IF-110 Powell Street Station, Station Modernization

NARRATIVE:

PURPOSE: To obtain Board Authorization for the General Manager to execute Change Order No.1 to Contract No. 15IF-110 Powell Street Station, Station Modernization for station concourse ceiling asbestos abatement.

DISCUSSION: The Powell Street Station was built in 1970 with asbestos containing fireproofing material. The use of asbestos as fireproofing material was acceptable and commonly used during that period. Asbestos is now considered a hazardous material and is no longer acceptable. One of the scope items in Contract No. 15IF-110 is to remove the existing asbestos fireproofing material and replace it with non asbestos containing fireproofing material. The station "as built" drawings, included as part of the contract documents, show the fireproofing limited to only the structural beams with some possible small amount of overspray to the ceiling. During removal of the concourse ceiling tiles, it was discovered that asbestos containing fireproofing material was applied to the entire station concourse ceiling, not just the structural beams. As a result, additional asbestos removal is required.

Pursuant to Board Rule 5-2.4, Change Orders involving expenditures greater than \$200,000 require Board approval.

The Contractor submitted a proposal in the amount of \$966,012 to perform the work. The Engineers Estimate is \$733,309. The final cost to perform the work was negotiated to a total amount of \$762,222. Staff therefore requests that the General Manager be given authority to execute Change Order No.1 to Contract No. 15IF-110 in the agreed amount of \$762,222.

The Office of the General Counsel will approve Change Order No.1 to Contract No. 15IF-110 as to form prior to its execution. The Procurement Department will review this Change Order prior to execution for compliance with procurement guidelines.

FISCAL IMPACT: Funding of \$762,222 for the execution of Change Order No.1 for Contract No. 15IF-110 is included in the total project budget for Financial Management System (FMS) No. 15IF000 – Powell Street Station Modernization. The Office of the Controller/Treasurer

certifies that funds are currently available to meet this obligation.

As of December 20, 2011, \$10,702,433 is available for this project from the following sources:

Fund Number	Fund Description	Funded Amount
535S	Prop 1B State PTMISEA (FY07-08)	5,061,712.00
535X	Prop 1B State PTMISEA (FY08-09)	5,640,721.00
Total		10,702,433.00

BART has expended \$3,192,949, committed \$4,929,542, and reserved \$0 to date for other actions. This action will commit \$762,222 leaving an available fund balance of \$1,817,720 in this project budget.

There is no fiscal impact on available unprogrammed District Reserves.

ALTERNATIVES: The alternative of not issuing the work as a change order and issuing a separate contract for asbestos removal of the entire station ceiling would likely result in delays to completion of the existing contract, claims for inefficiencies and changed site conditions, as well as additional time and cost in development and award of a separate contract.

RECOMMENDATION: Adoption of the following motion.

MOTION: The General Manager is authorized to execute Change Order No.1 to Contract No. 15IF-110 Powell Street Station, Station Modernization to West Bay Builders, Inc. in an amount not to exceed \$762,222 for station concourse ceiling asbestos abatement.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Memorandum

TO: Board of Directors
DATE: January 20, 2011

FROM: General Manager

SUBJECT: Engineering & Operations Item 4.C: Warm Springs Extension Project Semi-Annual Report (For Information)

The attached presentation for the January 26, 2012 Board meeting provides an update on the Warm Springs Extension Project (WSX). Future project updates for WSX will be provided on a semi-annual basis.

If you have any questions about this presentation, please contact Chris Quinn, Chief Extensions Officer at (510) 464-7539.


Grace Crunican

Attachment

cc: Board Appointed Officers
Deputy General Manager
Executive Staff