



Memorandum

Date: March 4, 2019
To: Transportation Authority Board
From: Eric Cordoba – Deputy Director for Capital Projects
Subject: 03/12/19 Board Meeting: Update on Transbay Transit Center Girder Fracture and the Study of Governance, Management, Oversight and Delivery of the Downtown Extension

<p>RECOMMENDATION <input checked="" type="checkbox"/> Information <input type="checkbox"/> Action</p> <p>None. This is an information item.</p> <p>SUMMARY</p> <p>The purpose of this memo is to update the Board on two concurrent efforts related to the Transbay Joint Powers Authority (TJPA): The review of the girder fractures at the Transbay Transit Center and the study of governance, management, oversight and delivery of the Downtown Extension (DTX) requested by the Transportation Authority Board.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input checked="" type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other:</p>
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DISCUSSION

Transit Center Fractured Girders.

On the morning of September 25, 2018, workers installing ceiling panels discovered a fissure on the flange of a steel girder in the ceiling of the third-level bus deck of the Transbay Transit Center over Fremont Street. The TJPA closed the transit center and Fremont Street between Mission and Howard streets, and the TJPA immediately inspected a parallel beam in the same location. A second, smaller fissure was discovered on the flange of this second beam. Further inspections and advance testing and monitoring of similarly designed and constructed beams within the building began, starting with identical transfer girders that span over First Street. To date, additional fissures have not been found.

At the request of Mayors Breed and Schaaf, the Metropolitan Transportation Commission (MTC) convened a Peer Review panel to work with TJPA to assess the situation and make recommendations. Over the last few months the panel has reviewed the condition, held multiple meetings and workshop, and recommended and reviewed the results of metallurgical analyses. Currently, analysis and remediation of the fractured girders continues. Finite Element Analysis has been completed, the fix for the girders has been accepted by the peer review panel, and fabrication of the steel members is underway. The materials are expected to arrive on-site this month, at which time remediation work will begin. Completion of repairs is anticipated by June. Meanwhile, the project team efforts are focusing on a full-building structural health check by means of building-wide document and field reviews.

The framework for the ongoing facility-wide validation is intended to:

- Reaffirm the structural integrity of the building
 - Complete engineering findings and reports
 - Finalize fracture-related investigations
- Revalidate full fire and life-safety systems
 - Establish parameters for Fire & Life Safety Systems Recertification
 - Restore localized interruptions created by girder work
- Review of previously completed tests and inspection records
 - Concrete placement inspection and compression test reports
 - Field condition reports
 - Quality compliance reports
- Building management systems commissioning
 - Establish the commissioning process
 - Address normal operations
- Re-Occupancy Readiness Strategy
 - Secure occupancy clearance by zones/floors
 - Establish re-activation sequence
 - Develop re-occupancy schedule

The TJPA expects to have the facility's re-occupancy schedule available later this month.

DTX Governance, Management, Oversight, Finance, and Project Delivery Review.

At the direction of the Board, Transportation Authority staff is conducting a review and evaluation of current and alternative governance, management, oversight, finance and project delivery of the DTX project. The effort will consist of research, expert interviews, and a series of workshops with key stakeholders (Caltrain, California High-Speed Rail Authority, TJPA, MTC, and the City and County of San Francisco), and experts. To that effect, staff issued an Informal Request for Proposals 18/19-07 in December 2018 seeking consultant support services for this effort, drawing from our bench of on-call engineering consultants. Staff has selected specific experts from four consultant firm teams, namely, WSP USA Inc./McKinsey, IDS California/ARUP, SENER/Smith, Watts, Hartman/Nossaman, and TY Lin International, to serve as experts in their respective fields. Five of the experts will form the core team for the panel, and an additional nine will participate on an as-needed basis based on their areas of expertise.

Expert Panel Members:

- John Porcari, WSP
- Eugene Skorowposki, TYLIN
- Francisco Fernandez, SENER
- Ignacio Barandiaran, IDS/ARUP
- Lou Thompson, Thompson Consulting

Additional Experts:

- Alvaro Relano, SENER
- Joseph Giulietti, TYLIN
- Howard Permut, José Luis Moscovich, IDS

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- John Fisher, Roy Kienitz, Christian Roberts, WSP
- Geoff Yarema, IDS/Nossaman
- Karen Frick, UC Berkeley

In leading this effort, staff will be assisted by McKinsey & Company, an American worldwide management consulting firm that conducts **qualitative** and quantitative analysis to evaluate management decisions across public and private sectors. Considered one of the most prestigious management consultancies, McKinsey's clientele includes 80% of the world's largest corporations and an extensive list of governments and non-profit organizations. The work is divided into five main tasks:

Task 1--Study Kick-Off Meeting and Stakeholder Interviews: Staff will conduct a kick-off meeting with all major project stakeholders and consultant experts. The meeting will include a presentation of the approach, schedule, and expectations for the effort, as well as a presentation of the DTX project's current scope, schedule, and budget status. This meeting is tentatively scheduled for the week of March 18. In a separate effort, McKinsey & Company will conduct confidential interviews of all major project stakeholders and others to better understand their views, desired outcomes, overall existing conditions, and challenges and opportunities, including initial input of best practices for governance, oversight and project delivery.

Key Agency Stakeholders include the California High Speed Rail Authority, Caltrain, MTC, San Francisco Municipal Transportation Agency, San Francisco Controller's Office, and the TJPA. Additional Stakeholders include BART, Capital Corridor, San Francisco Planning, San Francisco Public Works, and SPUR.

Task 2--International/Domestic Rail Project Best Practices Review: As a starting point, the study participants will review and discuss summary case studies for five transportation megaprojects. A preliminary list of projects includes: London Crossrail Program, Gateway Project in New York/New Jersey, San Francisco Oakland Bay Bridge Program, California High Speed Rail Program, and Atocha-Chamartin High Speed Rail tunnel and station in Madrid.

Other projects may be added (and others deleted) at the recommendation of the expert panelists. In developing these case studies, the team will rely upon recent public audits conducted for these programs, input from national and international sources, major stakeholders and the consultant panel of experts. The focus will be on determining what worked or not in the areas subject of this study as well as lessons learned. The case studies will serve to inform subsequent workshops and recommendations.

Task 3--Project Delivery and Finance Strategy Review: Two expert-panel workshops will be held to address alternative financing and delivery strategies that have been effective in similar projects and circumstances, building upon the best practices and lessons learned from the case studies, as well as the experience of the expert panelists and other national and international experience. One sub-panel will focus on project delivery issues such as value engineering, right of way preservation and right of way impact minimization, utility relocations and most importantly, the exploration of contracting strategies and alternative delivery mechanisms that can most effectively deliver the DTX program. The second sub-panel will focus on financing strategies, opportunities for expanding the program's funding options, and exploring the necessary implementation requirements and procurement mechanisms for new financing strategies.

Task 4--Governance and Oversight Review: The team will review current TJPA governance and oversight composition, policies, and processes, and identify alternative structures and protocols to

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enhance or strengthen them as appropriate. Under this task, the panel will address alternative government structures, new organizational and governance structures, legislative authority, and oversight structures and approaches for TJPA based on best practices, lessons learned, and current TJPA strengths and opportunities, resulting in a set of recommendations.

Task 5--Testing the Recommendations and Final Report: Following a summary of all work derived from new research and the workshop summary minutes and recommendations, a “Testing the Recommendations” session will be scheduled with the participation of all expert panelists and major stakeholders. As the title implies, this session will allow panelist and stakeholder to discuss and test a narrowed set of findings and recommendations, inclusive of case study results for best practices and lessons learned, with proposed solutions and potential barriers to their implementation. Should this session reveal major points of disagreement, additional meetings with selected stakeholders and/or selected expert panelists will be scheduled.

Following the Testing the Recommendations session, a draft final report will be prepared, incorporating all findings and recommendations for presentation to the Transportation Authority Citizens Advisory Committee and Board, as well as the TJPA Citizens Advisory Committee and Board.

The Draft Final Report is anticipated for May 2019. The Final Report is planned for June 2019.

FINANCIAL IMPACT

None. This is an information item.

CAC POSITION

The CAC will be briefed on this item at its March 27, 2019 meeting.

SUPPLEMENTAL MATERIALS

None