



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
AD HOC BUILDING OVERSIGHT COMMITTEE MEETING

COMMITTEE MEMBERS

NATE MILEY – CHAIR
ERIC MAR
SCOTT HAGGERTY

CAROLE GROOM – VICE-CHAIR
ASH KALRA
JAMES SPERING

MONDAY
DECEMBER 15, 2014
11:00 A.M.

7th FLOOR BOARD ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

1. **CALL TO ORDER – ROLL CALL**

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. **PUBLIC COMMENT ON NON-AGENDA MATTERS** (*Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3*) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at Air District headquarters, 939 Ellis Street, San Francisco, CA, and at the Air District's website www.baaqmd.gov at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

3. **APPROVAL OF THE MINUTES OF JUNE 18, 2014**

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Ad Hoc Building Oversight Committee meeting of June 18, 2014.

4. **REGIONAL AGENCY HEADQUARTERS AT 375 BEALE STREET – PROJECT STATUS REPORT – DECEMBER, 2014**

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive a status report on the Regional Agency Headquarters project at 375 Beale Street.

5. **CONSTRUCTION, FURNITURE AND NETWORK REDESIGN COSTS**

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will consider recommending that the Board of Directors authorize the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority an additional \$500,000 for building redesign and construction; furniture; network redesign and consulting work associated with the Air District's tenant improvements and shared services costs at 375 Beale Street. Increase the Fiscal Year Ending (FYE) 2015, Program 702, budget by a corresponding \$500,000, to be transferred from the Air District's Building and Facilities reserve.

6. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2).

7. **TIME AND PLACE OF NEXT MEETING:** *At the Call of the Chairperson.*

8. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
939 ELLIS STREET, SAN FRANCISCO, CA 94109
mmartinez@baaqmd.gov

(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Ad Hoc Building Oversight Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Clerk’s Office should be given in a timely manner, so that arrangements can be made accordingly.

Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District’s offices at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

DECEMBER 2014

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	15	9:30 a.m.	Board Room
Board of Directors Personnel Committee <i>(Meets At the Call of the Chair)</i>	Monday	15	9:30 a.m.	Board Room
Board of Directors Ad Hoc Building Committee <i>(At the Call of the Chair)</i>	Monday	15	11:00 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	18	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month) - CANCELLED</i>	Wednesday	24	9:30 a.m.	Board Room

JANUARY 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	Board Room
Advisory Council Special Meeting/Retreat <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	14	9:00 a.m.	Board Room
Board of Directors Climate Protection Committee – <i>(Meets 3rd Thursday every other Month)</i>	Thursday	15	9:30 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	19	9:30 a.m.	Board Room
Board of Directors Special Meeting/Retreat <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	21	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	22	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	Board Room

FEBRUARY 2015

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
Advisory Council Mtg. <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	11	9:00 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	Board Room

HL – 12/8/14 (9:40 a.m.)

P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Nate Miley and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: December 1, 2014

Re: Approval of the Minutes of June 18, 2014

RECOMMENDED ACTION

Approve attached draft minutes of the Ad Hoc Building Oversight Committee (Committee) meeting of June 18, 2014.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting on June 18, 2014.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Committee Meeting of June 18, 2014

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Ad Hoc Building Oversight Committee Meeting
Wednesday, June 18, 2014

1. Call to Order – Roll Call

Vice-Chairperson Carole Groom called the meeting to order at 9:05 a.m.

Present: Chairperson Nate Miley; Vice-Chairperson Carole Groom; and Directors Eric Mar and Jim Sperring.

Absent: Directors Scott Haggerty and Ash Kalra.

Also Present: None.

2. Public Comment Period: No requests received.

3. Approval of the Minutes of April 16, 2014

Ad Hoc Building Oversight Committee (Committee) Comments: None.

Public Comments: No requests received.

Committee Action:

Director Sperring made a motion, seconded by Director Groom, to approve the Minutes of April 16, 2014; and the motion carried by the following vote of the Committee:

AYES: Groom, Mar, Miley and Sperring.

NOES: None.

ABSTAIN: None.

ABSENT: Haggerty and Kalra.

4. Regional Agency Headquarters (RAHQ) Status Report – June 2014

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced the topic and Mary Ann Okpalaugo, Strategic Facilities Planning Manager of Administrative Services,

who gave the staff presentation *RAHQ Status Report 375 Beale Street*, including a construction project update; status of shared services delivery assessment; and furniture procurement update.

The Committee screened a video provided by the Bay Area Headquarters Authority summarizing construction progress to date.

Committee Comments:

The Committee and staff discussed the furniture procurement vendor; shared services progress; the date the U.S. Drug Enforcement Administration (DEA) is expected to move out of 375 Beale Street, the possibility of an earlier departure and the state of negotiations; the possibility of a later move date than initially expected for the Air District and the financial implications of the same; how the Air District's move schedule came to vary so greatly from the DEA's; and the commitments made by and obligations of the Metropolitan Transportation Commission (MTC).

Public Comments: No requests received.

Committee Action: None; receive and file.

- 5. Authorize the Executive Officer/APCO to Enter into a Contract for Project/Construction Management Services to Assist in Oversight of Improvements to Air District Space in 375 Beale Street in an Amount not to Exceed \$300,000; Further Recommend that the Board of Directors (Board) Increase the Fiscal Year Ending (FYE) 2015, Program 104 Budget by a Corresponding \$300,000.00, to be Drawn from the Air District's Undesignated Reserves**

Mr. Broadbent gave the staff presentation *Contract with Project/Construction Manager*, including project/construction manager role and recommendations.

Committee Comments:

The Committee and staff discussed the wisdom of this modest investment; the possibility of more work being required than anticipated; the history of change orders to date; the proposed vendor's level of expertise specific to 375 Beale Street; whether this item should or must go out to bid and the sole source determination; whether anything out of the ordinary has emerged yet, the likelihood of it happening in the future and communication with MTC on this topic; and the wisdom of properly conducting one, well-done renovation rather than a series of poor ones.

Public Comments: No requests received.

Committee Action:

Director Spring made a motion, seconded by Director Groom, to recommend the Board authorize the Executive Officer/APCO to enter into a contract with a Project/Construction Manager to assist staff with oversight of the development and construction of the improvements for the Air District's space in 375 Beale Street, in an amount not to exceed \$300,000.00; and further recommend that the Board increase the FYE 2015, Program 104 budget by a

corresponding \$300,000.00, to be drawn from the Air District’s undesignated reserves; and the motion carried by the following vote of the Committee:

AYES: Groom, Mar, Miley and Spering.

NOES: None.

ABSTAIN: None.

ABSENT: Haggerty and Kalra.

6. **Committee Member Comments/Other Business:** None.
7. **Time and Place of Next Meeting:** At the call of the Chairperson.
8. **Adjournment:** The meeting adjourned at 9:33 a.m.

Sean Gallagher
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 2, 2014

Re: Regional Agency Headquarters at 375 Beale Street – Project Status Report –
December, 2014

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently scheduled to relocate its operations to the new Regional Agency Headquarters (RAHQ) located at 375 Beale Street in December, 2015.

The vision for the RAHQ includes the sharing of business operations and technology solutions among the agencies at move in. The 375 Beale Committee is reviewing options for jointly shared functions along with the governance, legal, personnel and financial changes required to implement shared services. The 375 Beale Committee is comprised of the Executive Directors/Officer from the Air District, MTC, and ABAG. The Committee was formed to be able to make binding decisions in advance of creating the 375 Beale Street Condominium Corporation to establish a written record of agreements made.

Construction at 375 Beale Street began in January, 2013, with excavation, foundation strengthening, and demolition of the interior of the building including the atrium demolition that concluded in January, 2014. The framing of offices and installation of utilities work began in July, 2014 and is continuing on Levels 1, 2, and 6.

DISCUSSION

The Ad Hoc Building Oversight Committee will receive a status report on the RAHQ project at its December 15, 2014, meeting. The items to be covered will include an update on construction; the project master schedule; furniture procurement, and selection of a move coordinator. A copy of recent construction photos is included as Attachment A.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Reviewed by: Damian Breen



Figure 1: On Level 6, installation of framing, utilities and plumbing overhead.



Figure 2: View across atrium of framing on Level 6

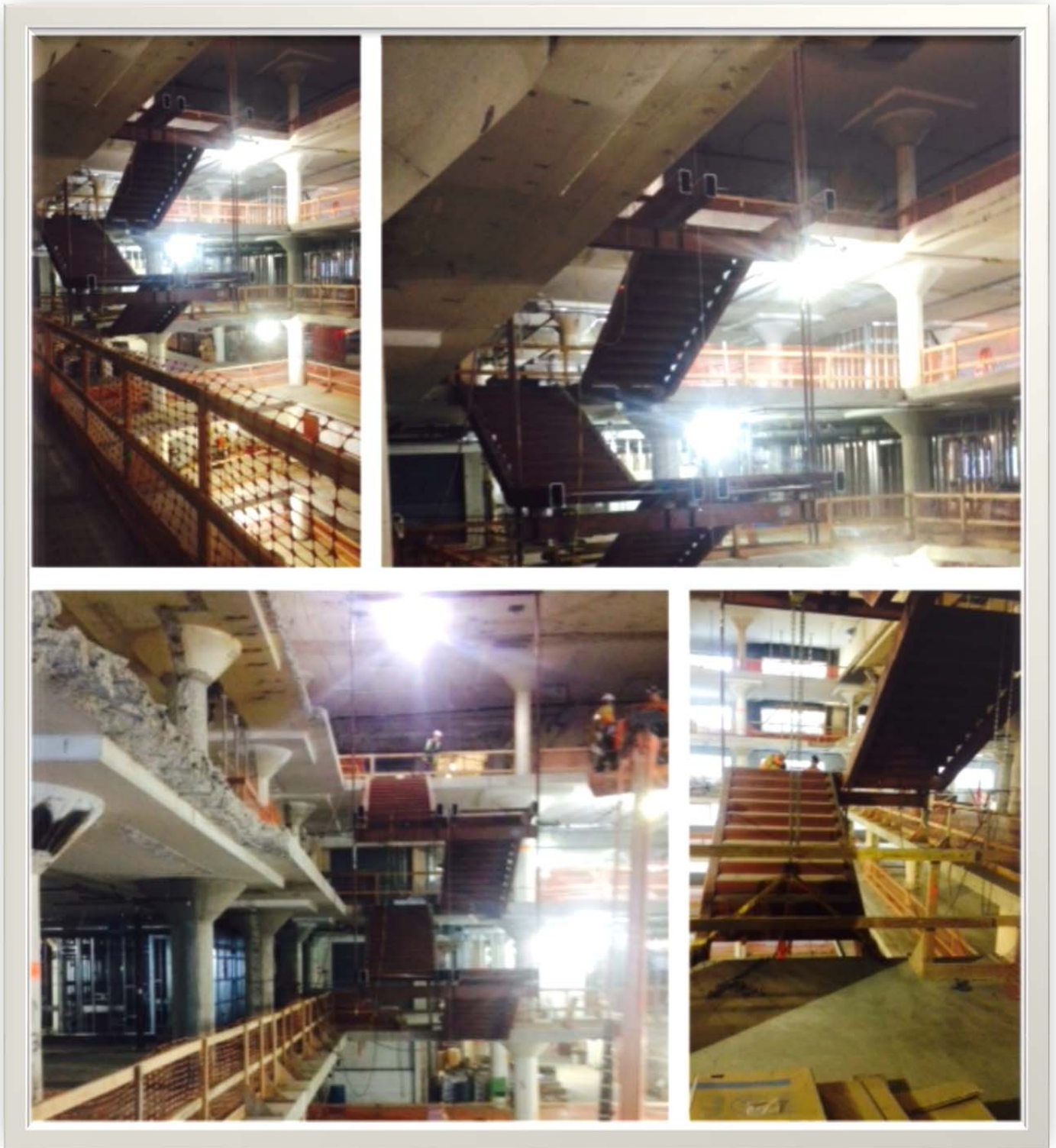


Figure 3: Installation of stair 5 in the atrium, connecting Levels 6, 7, and 8 of the agency floors.



Figure 4: Mock atrium glass enclosure on Level 6 & 7.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Nate Miley and Members
of the Ad Hoc Building Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 8, 2014

Re: Construction, Furniture and Network Redesign Costs

RECOMMENDED ACTION

Recommend Board of Directors:

- Authorize the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority an additional \$500,000 for building redesign and construction; furniture; network redesign and consulting work associated with the Air District's tenant improvements and shared services costs at 375 Beale Street.
- Increase the Fiscal Year Ending (FYE) 2015, Program 702, budget by a corresponding \$500,000, to be transferred from the Air District's Building and Facilities reserve.

BACKGROUND

On May 21, 2014, the Board of Directors (Board) authorized the Executive Officer/APCO to reimburse the Bay Area Headquarters Authority (BAHA) for change orders and third party services in the development of the Air District's space at the new Regional Agency Headquarters (RAHQ) in an amount not to exceed \$500,000 dollars. In order to develop a complete picture of these costs, on June 18, 2014, the Board further authorized the Executive Officer/APCO to enter into a \$300,000 contract with a professional construction manager (consultants Cassidy Turley) to assist staff with review of construction and any change orders required at 375 Beale Street. The combination of these allocations (\$800,000) represents the current budget for changes and consulting work for the RAHQ project.

Since June 18, 2014, the Air District has taken a number of significant steps to clarify the scope of its operational requirements and of shared services at 375 Beale St. These steps include: approving the final working and construction drawings for its space at the new RAHQ; selecting furniture for Air District staff; and assigning staff office and workstation spaces in the new building. As part of this process and in an effort to design shared computer network, staff has identified a number of additional changes that it believes necessary for successful operations in the new building. These changes will result in additional design work, construction, furniture, network redesign and consulting costs that will exceed the current \$800,000 budget by approximately \$500,000 (for a total of \$1.3 million). As part of this agenda item, staff will

outline these costs and will request an increase in the fiscal year ending (FYE) 2015 Air District budget to cover the cost.

DISCUSSION

Based on review of construction drawings and final space plans, staff has concluded that it will require additional construction for certain spaces on the sixth, seventh and eighth floor. These changes are due to customizations that are necessary for Air District operations, for example: uninterruptible power for the laboratory and radio room, additional wiring for an Information Technology (IT) operations center, door locks with card readers for the Air District’s finance files, etc. Additionally, the Air District has added a number of positions to its overall headcount since it originally approved space plans for RAHQ in February 2013. These additions require additional furniture in terms of workstations and offices on the sixth floor not originally programmed.

The Air District has also been working with its agency partners (the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG)) on sharing services at the new facility. As part of this effort, over 30 separate businesses and IT functions are being examined for sharing at the RAHQ. In order to set up the sharing arrangements, a number of “shared costs” are being proposed. These include costs for a shared services technology consultant (Accenture) and some limited network redesign. For shared costs, an allocation formula has been agreed upon by the agency Executives based on the square footage of agency space each organization owns at 375 Beale Street. Table 1, below shows the square footage of agency space for the Air District, MTC and ABAG at RAHQ and the percentage of “shared costs” each agency is expected to assume based on that square footage.

Table 1- Percentage of Shared Costs Allocation based on Agency Square Footage

	Air District	ABAG	MTC	Total
Square feet owned	67,000	15,000	61,000	143,000
% of Shared Costs	47%	10%	43%	100%

Based on this formula, the total additional construction and shared costs (including those for MTC and ABAG) for the project to date are as follows:

Table 2 – Air District Shared and Construction Costs for RAHQ

Shared Costs				
Description	Air District	ABAG	MTC	Total
Accenture Consulting	\$ 325,000	\$ 69,149	\$ 297,340	\$ 691,489
Network Redesign	\$ 126,000*	\$104,895	\$ 426,573	\$ 657,468
Subtotal:	\$ 451,000	\$ 174,044	\$ 723,913	\$ 1,348,957
Construction Costs				
Architecture Costs	\$ 100,000			
Construction Changes	\$ 269,000			
Furniture	\$ 180,000			
Subtotal:	\$549,000			
Construction Consulting				
Cassidy Turley**	\$300,000			
Total	\$1,300,000			

*Air District costs limited to redesign elements due to lease requirement for BAHA to provide network at move in

**Funds to be expended over the course of a contract from June 2014 and move in in January 2016.

BUDGET CONSIDERATION/FINANCIAL IMPACT

If approved, this action will increase the FYE 2015, Program 702 budget by \$500,000, to be transferred from the Air District’s General Fund Building and Facilities reserve.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Okpalaugo
Reviewed by: Damian Breen