

Potrero Yard Neighborhood Working Group Meeting #48 Minutes

February 11, 2025, 5:30 p.m. to 6:45p.m.

In-person Virtual & Hybrid Meeting via Microsoft Teams

Note – The meeting minutes capture the overall tone of the group’s discussion and is not meant to be an exact transcription.

Members Present:	PNC Staff:	City Staff:
Amy Beinart	Chris Jauregui	Bonnie Jean von Krogh (SFMTA)
Christian Howes	Jennifer Trotter	Caroline Cabral (SFMTA)
Christian Vega	Jim Tomaszewski (Webcor)	Chris Lazaro (SFMTA)
Claudia DeLarios Morán	Kelsey Frost	Kerstin Margary (SFMTA)
Erick Arguello	Michelle Feng	
Heather Dunbar	Myrna Ortiz	Members Not Present:
J.R. Eppler	Natalie Jenkins	Jolene Yee
James Bryant	Rachel Johnson (Webcor)	Jorge Elias, Jr.
Karolina (youth member)	Seth Furman	Manuel (Dino) Santamaria
Magda Freitas	Sharla Sullivan (Webcor)	Peter Belden
Mary Travis-Allen		Raven McCroey
Scott Feeney		Roberto Hernandez
		Shellena Eskridge

Members of the Public:
Alpha Buie
Claytis Norman
Denica Cruz
Donte Westbrook
Dulce Morales
Fabiola Nava
Morgan Maufatti
Orandé Sterling
Oscar James
Reverend Ron Chism

Purpose of the meeting

The purpose of the meeting was to share Agency updates, project updates, and introduce the Working Group Members to the selected Prime Contractor, Webcor.

Item 1. Welcome

Bonnie Jean von Krogh: (Slides 1-2) Welcomed the Working Group and presented the meeting agenda.

Item 2. Member and SFMTA Announcements

Bonnie Jean von Krogh: (Slide 3) Introduced Member and SFMTA Announcements.

Caroline Cabral: (Slide 4) Announced that Julie Kirschbaum is the new Acting Director of Transportation. Acting Director Kirschbaum is the first female Director of Transportation and has been working at the SFMTA since 2007.

- Caroline Cabral: (Slide 5) The Presidio Yard Modernization Project was awarded the RAISE Grant of \$9.227 million on January 10, 2025. This funding will provide support for the project as it is in need of revitalization, similarly to the Potrero Yard. The SFMTA is currently analyzing the potential for the Presidio Yard to become a mixed-use development.

Bonnie Jean von Krogh: (Slide 6) The agency is currently facing a budget shortfall based on the city's general plan. There is a potential cut across Muni services as a result of needing an additional \$50 million in funding. The SFMTA asks the public to participate in a digital survey so the public's needs and interests can be taken into consideration as cuts are made. This survey and engagement period will take place for approximately one month and the findings will be analyzed and presented to the Board of Directors on March 18, 2025. Please consider taking the survey at [SFMTA.com/MuniCuts](https://www.sfmta.com/MuniCuts).

Bonnie Jean von Krogh: (Slide 7) The SFMTA's Muni Funding Working Group was assembled to review detailed options and make recommendations for where budget cuts can be made to reduce the \$320M funding gap. Categories under consideration include: efficiency improvements, service cuts, revenue enhancements, and service enhancements. There have been five Muni Funding Working Group meeting sessions.

Bonnie Jean von Krogh: (Slide 8) Opened the meeting for Working Group Member announcements.

- J.R. Eppler: There is a Jackson Playground event in celebration of the new art installation taking place on the basketball court this Friday, February 14 at 2:00 p.m. Join us to celebrate the start of NBA All Stars Weekend with refreshments, basketball, and meet Mayor Lurie.

Item 3. Working Group Updates

Caroline Cabral: (Slides 9 - 10) We are currently accepting applicants for the Youth Serving Organization and Senior Serving Organization seat vacancies.

Q: Do you have the link for that? (Orandé Sterling)

A: Yes, it is located on the Working Group page at [SFMTA.com/PotreroYard](https://www.sfmta.com/PotreroYard) (Caroline Cabral)

Item 4. Project Procurement Updates

Chris Jauregui: (Slides 11 - 12) Presented the procurement milestones achieved to date.

Activity	Date
RFQ for Prime Contractor released to Respondents	July 5, 2023
Deadline for submission of SOQs	September 1, 2023 at 2:00 PM PT
Interviews of Prime Contractors	September 2023 – December 2023
Selection of Shortlisted Prime Contractors	January 2024
Select LD LBE Liaison	January 2024
Release RFP for Prime Contractor	July 2024
Preferred Prime Contractor selection	January 2025
SBE / DBE Contractor Outreach Event	Feb 7, 2025
Project Agreement Approval (including Design-Build Agreement)	Spring 2025
Construction Start	Late 2025

Chris Jauregui: (Slide 13) As part of the Public Private Partnership (P3) agreement, PNC completed a competitive procurement process to select a Prime Contractor for the construction of the Potrero Yard Bus Yard Infrastructure Facility. Four Prime Contractors from the original short list moved forward and submitted a Request for Proposal but two were unlikely to accept the terms of the agreement. After careful consideration, PNC selected Webcor as the Selected Prime Contractor and will work with Webcor to finalize pricing and schedule to meet the SFMTA's operational needs.

The Prime Contractor Procurement process will officially conclude once the fixed price and fixed schedule are finalized.

The Design Build Finance Operate Maintain (DBOFM) Project Agreement currently has Preliminary Approvals from both the MTA and San Francisco Board of Supervisors and the team anticipates receiving Final Approvals later this year. There are a number of requirements and goals to illustrate how Webcor (Selected Prime Contractor) and Arcadis (Lead Designer) will uphold the SBE/DBE plan. This includes set asides, reporting, and other ways to ensure delivery and engagement utilizing disadvantaged and small local businesses. Webcor representatives are here tonight to meet the Working Group members.

Jim Tomaszewski: (Slide 14) Jim Tomaszewski introduced himself. His project portfolio with Webcor is all located within 2 miles of the Potrero Yard. Rachel Johnson is a Webcor Project manager of 7 years and recently finished the Mission Rock development project. Sharla Sullivan is the Outreach Partnerships Manager and is responsible for the Local Workforce Development Program.

Sharla Sullivan: (Slide 15) Presented the Webcor values: bold, innovate, community, trust, and craft. Webcor strives to build better solutions and better lives, prioritizing community needs.

Rachel Johnson: (Slide 16) Presented the California offices across San Francisco, San Jose, Los Angeles and San Diego.

Jim Tomaszewski: (Slide 17) Webcor was founded in 1971 in San Francisco. Their EMR safety record is .81 with the industry standard being 1.0. Webcor has 600 salaried employees, 550 union labor workers, and is a subsidiary of Obayashi which increases their bond capacity.

Jim Tomaszewski: (Slide 18) Some of Webcor's most prominent San Francisco projects include: Salesforce Transit Center, the San Francisco General Hospital, SFO Terminal B and the roof deck of the Academy of Sciences. They also partnered with Plenary for the University of California, Merced project.

Q: What impacts can tariffs have on the project going forward. Does Webcor source aluminum and steel from domestic or foreign suppliers? (Mary Travis-Allen)

A: Each project includes detailed breakdowns of material sourcing. However, I can't specify the exact origins of items without referring to the project details. We adhere to the sourcing outlined in each project's plan including Buy America provisions where applicable, which varies project to project and depends on the trade. (Sharla Sullivan)

Q: Are there any learnings from the Salesforce Transit Center project that apply to this project? (Christian Vega)

A: From the scale of the project, we learned the importance of early pre-planning. This enabled the project to progress smoothly and efficiently. (Jim Tomaszewski)

Q: How do you plan to mitigate the demolition impacts on the neighborhood? (Claudia DeLarios Morán)

A: We will have mitigation protocols for both noise and dust to make sure that the jobsite is contained with minimal disruption. We intend to do outreach with the neighbors to give proper notice for when louder activities will take place (Jim Tomaszewski).

A: Before Webcor joined the project, there was already a scope for environmental mitigation efforts, including demolition, noise control, and other pre-permitting requirements. PNC initiated this process and Webcor will be responsible for its implementation. Compliance will be enforced by PNC and environmental planning. Webcor will participate in future Working Group meetings to provide updates. (Chris Jauregui)

Q: What is your parking plan for the construction and job site workers? (Claudia DeLarios Morán)

A: This is an important topic that Webcor is discussing at great lengths. We are considering nearby parking lots, as to not take away street parking from neighbors and residents. (Jim Tomaszewski)

Q: Is there a plan to prioritize community contractors? We want to ensure a grassroots approach is incorporated into the contracts. (Claytis Norman)

A: Webcor is focusing first on local businesses within the community as Local Business Enterprises (LBEs) are also considered as Small Business Enterprises (SBE), and then within the region and beyond. We want to make sure local businesses are involved in the procurement process and are actively included in opportunities (Sharla Sullivan).

Comment: SBEs and DBEs have distinct criteria and different thresholds. We want to ensure this distinction is clear, especially in relation to the building trades (Claytis Norman).

Response: We hear you and are committed to upholding the SBE/DBE Bus Yard Infrastructure Facility Plan (Sharla Sullivan).

Comment: Thank you for your question – we encourage folks to bring community questions to the public comment section of the meeting since we typically address them at the end. (Bonnie Jean von Krogh)

Item 5. Community Engagement Update

Chris Jauregui: (Slides 19 - 20) Introduced recent community engagement activities. PNC hosted a successful SBE/DBE Meet the Primes event on Friday, February 7 at the Verdi Club, across from the Potrero Yard. The event was a networking opportunity for small businesses to meet with prospective tier 1 trade partners, Webcor, Arcadis, and PNC. A short presentation was given to share the SBE/DBE Plan and the project team's commitment to the small business community.

Chris Jauregui: (Slide 21) Shared images from the event. Over 100 people attended and the Department of General Services was present to answer questions about SBE certification and recertification.

Item 6. Next Steps

Bonnie Jean von Krogh: (Slides 22 - 23) Introduced next steps. Upcoming outreach includes hosting federal and state delegation staffers at the Yard to present and discuss the project benefits for San Francisco's transit and electrification goals. After securing a federal grant for the Presidio Yard project, preparations are underway to apply for federal funding for this project. Yard tours will reinforce the importance of these investments in transit and service improvements. Upcoming events include:

- Potrero Yard tours for federal and state delegation staff: February
- Potrero Yard public tours: Feb & March
- Inreach Meeting with Yard staff: Spring 2025
- Next Working Group meeting: April 8, 2025 (location TBD)

Bonnie Jean von Krogh: (Slide 24) Opened Public Comment.

Q: In my experience, we [local micro businesses] are often the last to know when projects hit the streets. What system does PNC have in place to ensure Webcor is engaging with local micro-contractors? If they fail to do so, what are the repercussions? (Orandé Sterling)

A: The SBE/DBE Plan is an obligation covering design and construction, with specific percentage goals at each stage. Due to federal funding, it is not an LBE requirement, as federal guidelines broaden the scope to SBEs and DBEs. The construction obligations are clearly defined, and Webcor is responsible for making best faith efforts to meet SBE/DBE participation goals. If Webcor follows the 12 required steps—including advertising, community engagement, meetings, and reporting—but is unable to reach the 15% goal, that still counts as fulfilling the requirement (Chris Jauregui).

Comment: In my experience, "best faith efforts" often amount to just an email notification, which is not enough. To ensure meaningful outreach, there needs to be more interaction and collaboration with LBE companies, including feedback on pricing and proposal submissions (Orandé Sterling).

Comment: A streamlined and authentic process is essential for Prime Contractors, including communicating project goals, engage community contractors, and providing opportunities for micro LBEs to bid on first- and second-tier subcontracting opportunities. (Claytis Norman)

Response: We have discussed with Webcor the obligations and sequence of events they must follow, with repercussions if not met. A fixed-price has not yet been identified and efforts are ongoing with Webcor to find cost efficiencies while pricing with SBE/DBE input. This work will continue through spring 2025, with a long term subcontracting obligation extending beyond that. Engagement will cover both design and construction. Your feedback is appreciated and will help shape the future contracting plan (Chris Jauregui).

Response: In the past week, Webcor's commitment was demonstrated by bringing in Tier 1 prospective bidders to meet directly with small businesses. Webcor may not issue every bid directly—it could come from a larger trade partner for example. To ensure the SBE/DBE Plan is fulfilled, PNC's liaisons (Rosales Business Partners, Yerba Buena Associates) are actively involved in the process so that local micro businesses are informed early. We at PNC are expecting this level of engagement to continue through the D&C period. (Jennifer Trotter)

Response: The ongoing estimate process involves multiple rounds to determine qualifications, develop performance plans, and facilitate discussion between the prime and subs. The Design-Build process promotes broader business engagement and award advertisement transparency. We use Builders Connected [online platform] to post opportunities. Local micro businesses interested in subcontracting opportunities are encouraged to apply to become prequalified. Webcor also provides direct technical assistance, including open office hours to help navigate the prequalification application process. Our goal is to work together to ensure all requirements are met, as a single missing document can often delay approval. (Sharla Sullivan)

Q: If we feel we're not receiving the necessary information, is there a formal process in place to address this? (Donte Westbrook)

A: You're welcome to call Webcor, and if we miss your call, we will be sure to return it.
(Sharla Sullivan)

Q: What has been your approach in the past with local businesses? How does Webcor plan to involve contractors that are rooted in local communities and families? There have been instances where large corporations take advantage of the good faith efforts approach, so I'm curious about your commitment to providing meaningful opportunities for our local workers.
(Reverend Ron Chism)

A: Webcor has a strong reputation within the community and among local, underrepresented businesses because of our close involvement in the procurement process. Our goal is to engage the community early and make sure that small businesses are prequalified to place a bid. There is a balance between risk assessment, inclusion, and contract size that subcontractors can handle. We are open to conversations and eager to learn what we don't know. Our approach is to ask the community about the work they can do and the project sizes they can handle, and then incorporate that into the scope and procurement plan. We aim to ensure meaningful efforts, not just good faith, by building solid processes to integrate these opportunities.
(Sharla Sullivan)

Q: Is that data accessible? (Reverend Ron Chism)

A: Yes, you can call the Contractor Monitoring Division (CMD) and request the records
(Sharla Sullivan)

A: The SBE/DBE Plan outlines the best faith efforts that Webcor is responsible for, including providing advance notice, holding pre-bid meetings, involving the compliance office, following up with interested bidders, conducting outreach throughout the process, maintaining records, and documenting everything. This Plan was presented to the Board of Supervisors before Webcor's involvement and is already in motion. The Plan can be found on the SFMTA project webpage. We acknowledge your concerns about best faith efforts, which is why we intentionally defined them in the plan. (Chris Jauregui)

Comment: The true measure is in the people on the ground who are actually receiving the contracts. As you know, language alone doesn't always reflect that. How often have you worked with contractors in the city in the past? (Reverend Ron Chism)

Response: Often. How many of you [referring to local contractor meeting attendees] have had contracts with Webcor? (Sharla Sullivan)

Comment: Yes, I participated in a project and it went well. (Claytis Norman)

Comment: I haven't worked with Webcor before, but I'm excited about the opportunity. I remember on the Transbay project, Webcor worked with over 10 electrical companies, and I'm

curious to see how this project will be structured. As a San Francisco native, it's important to me that this project offers job training and opportunities for young people in the community. Providing union jobs will help make the city safer. While business is business, we need to collaborate as a community. This has been a positive meeting, and I look forward to building good faith and working together. We take pride in our work and are committed to delivering the highest quality. Given the chance, I believe this will benefit everyone. (Donte Westbrook)

Response: Feedback on why you didn't get the job is crucial. I respect your expertise in electrical work, and I rely on experts like you to gather the necessary information to collaborate with other trades and partners. (Jim Tomaszewski)

Q: In the December 2024 Working Group meeting, I asked about the outlook for federal grants. How do you feel about the current likelihood of receiving federal grants? (Scott Fenney)

A: The outlook isn't great, but we are still pursuing federal grants. The federal administration has put a hold on funding and is evaluating things, such as low/no emissions grants. We expect changes from last year's process and will see how it evolves. This project is long term, with funding spanning 30 years and milestone payments over time, beyond a single administration. We're taking the long view and will see where federal grants lead us. When they do come out, this project, including electrification, can be positioned in different ways depending on the administration's priorities. (Bonnie Jean von Krogh)

Comment: I keep hearing that funding is being pulled, and the new DOT head mentioned they wouldn't fund sanctuary cities such as San Francisco. (Scott Fenney)

Response: We know the executive order has mentioned certain restrictions, but we'll have to wait and see how it plays out in the funding notices and whether it's a complete ban or just a weighted rating. We've received grant funding under the previous administration, so we'll apply and see what happens. We understand that San Francisco may not be at the top of their list. (Bonnie Jean von Krogh)

Comment: I want to thank the San Francisco local building trades union for joining us tonight. The folks here are eager to contribute to the project and are ready to deliver excellent work for the Bus Yard. (James Bryant)

- Response: Thank you again for attending last week's SBE/DBE Meet the Primes event and tonight's Working Group meeting. It was encouraging to see such strong interest, and it remains crucial to continue these discussions in the Working Group as well. (Bonnie Jean von Krogh)

Bonnie Jean von Krogh concluded the meeting at 6:45PM.

Comments from Chat: None