

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 13-240

WHEREAS, On February 19, 2013, the Board of Directors approved Resolution No. 13-023, which authorized the Director of Transportation to execute a two-year lease for the use of 1731-1741 Powell St. (the Pagoda Palace site) in North Beach as a retrieval site for the tunnel boring machines (TBMs) to facilitate Central Subway Project (Project) tunnel construction in an amount not to exceed \$9,150,000, including total lease costs not to exceed \$3,150,000 and demolition, design, construction and related costs not to exceed \$6,000,000; and,

WHEREAS, Circumstances that were not anticipated in February, 2013 have led staff to now expect that total expenditures for development and construction of the Pagoda Palace site may increase by \$550,000, for items such as outreach to the Small Business Enterprise (SBE) community for the Pagoda Palace demolition contract (which was set aside exclusively for bids by SBE contractors); Mayor's Office of Economic and Workforce Development (MOEWD) business assistance to neighboring businesses; higher-than-budgeted demolition bids; and, during demolition, the discovery that the Property's basement and foundation were constructed on top of an existing complete building foundation destroyed during the 1906 earthquake, which required additional removal, excavation and backfill costs; and

WHEREAS, Any such cost increases will be funded from SFMTA reserves, fund balances and operating savings; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves an increase in authorized expenditures of \$550,000 to use the site at 1731-1741 Powell Street to facilitate tunneling for the Central Subway Project, for total expenditures in an amount not to exceed \$9,700,000, including total lease costs not to exceed \$3,150,000 and total real estate, development and construction costs not to exceed \$6,550,000.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of November 5, 2013.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency