



SFMTA

Central Subway Contract Modification No. 122

SFMTA Board of Directors Meeting

September 17, 2019

Summary of Proposed Contract Modification

- Contract Time is extended 730 calendar days
 - Substantial completion date is extended to June 29, 2020
 - Revenue service estimated to begin Summer 2021 (9-12 months testing)
- SFMTA pays Tutor Perini \$31,240,000 in delay damages
- Tutor Perini waives further delay claims through September 3, 2019
- SFMTA will review Contractor substantive costs claims and certified subcontractor claims – agreement to negotiate valid claims, but not a promise to pay
- Tutor Perini will provide SFMTA train control and radio systems vendors scheduled access to tunnels and stations to perform their work

Reasons SFMTA Staff Recommends Approval of Contract Modification No. 122

- Resolves delay claims through September 3, 2019
- Establishes an Agreed Substantial Completion Date of June 29, 2020
- Radio and train control vendors will be provided scheduled access to tunnels and stations, which may avoid further delay and may reduce system testing time
- Sets realistic dates for Project construction completion and revenue service. *Contractor has agreed to penalties (liquidated damages) if construction is not complete by June 29, 2020.*

Project Completion Dates

Substantial Completion Date (as awarded)	February 10, 2018
Current Substantial Completion Date	June 30, 2018
Proposed Substantial Completion Date	June 29, 2020 (730 Days extension)
Proposed Final Completion	September 27, 2020 (90 Days from SC)
Systems and Vehicle Testing:	9-12 months (begins 6/29/20)
Estimated Revenue Service:	Summer 2021

Contract Value

Contract Amount at Award	\$839,676,400
Net Value of approved deductive and additive amendments to date	\$ 8,004,142
Current Contract value	\$847,680,542
Contract Modification 122:	
Delay Damages (781 Days x \$40K)	\$ 31,240,000
Proposed Amended Contract Value:	\$878,920,542

Note: Proposed modification = ~3.7% current contract value

Contract Costs Summary

Amount Certified at NTP	\$846,676,400
Amounts Paid to Tutor (as of 7/31/2019)	\$730,177,620
Remaining Amount Contract Funds Certified	\$123,479,937
<u>Remaining Contingency Funds</u>	<u>\$ 46,321,337</u>
Value of Remaining Work to be Performed	\$108,656,772
<u>Contract Modification No. 122 (3.7% of Certified Total)</u>	<u>\$ 31,240,000</u>
<u>Remaining Contingency Funds</u>	<u>\$ 15,081,337</u>

Potential Funding Options for Settlement of Remaining Claims above Contingency*

- *Redirect flexible funds from other funded capital projects that are delayed, and seek to backfill at a later date.*
The determination as to which projects the funds would be redirected from would be made at the time the funds are needed based on the information available at that time.
- *Use new revenue bonds to cover claims, depending on amount required and amount of revenue bond capacity available—this is currently under review. This would increase our debt service demands on our operating budget and limit our flexibility to use revenue bond proceeds for other needy projects.*
- *Appropriate available SFMTA fund balance. The opportunity cost is that this fund balance is our ultimate reserve for contingencies that will help us maintain service during an economic downturn.*

*Note: Not required at this time

Some combination of these may be required in the future to finish the job



SFMTA

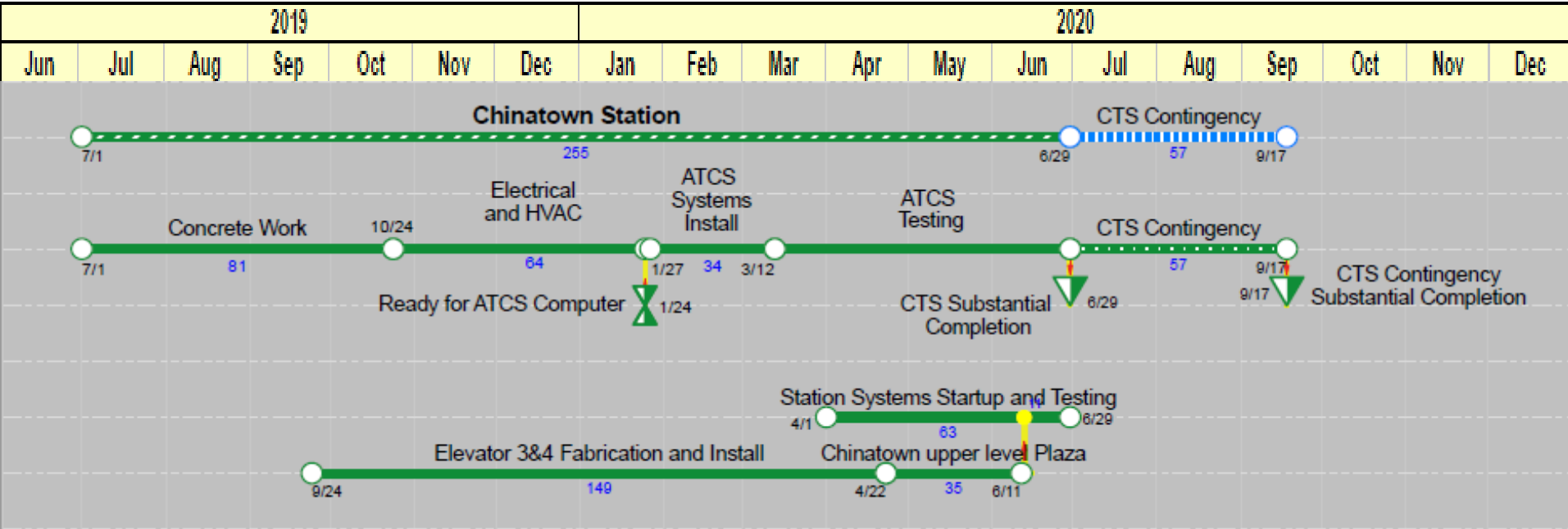
Central Subway Contract Substantial Completion SFMTA Revenue Service Date Recommendations/Status Report

SFMTA Board of Directors Meeting

September 17, 2019

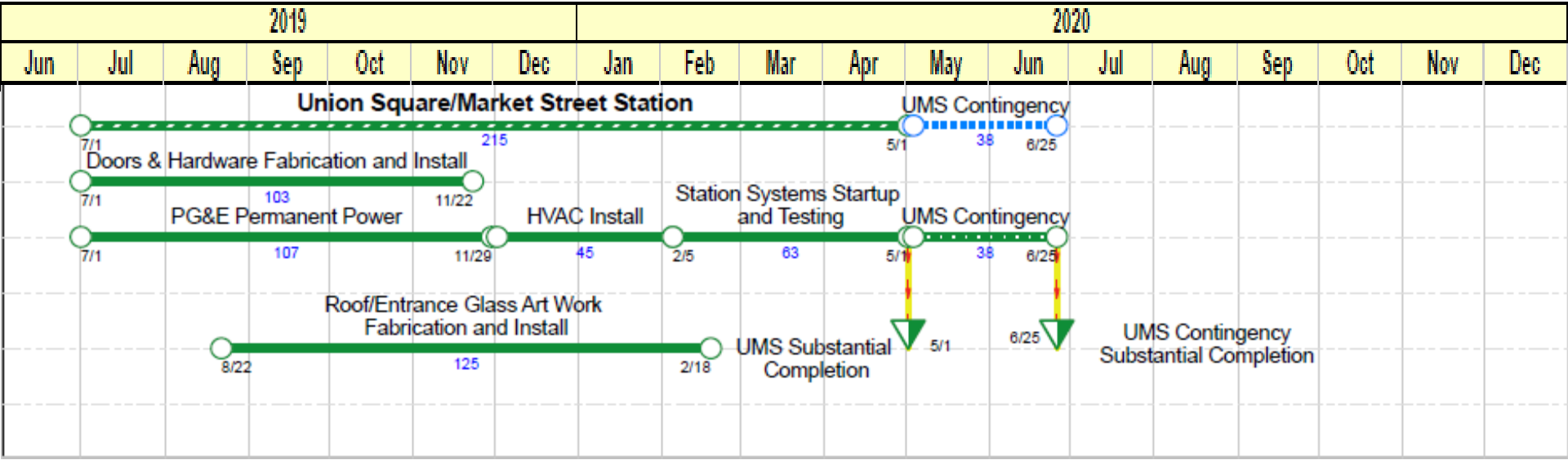
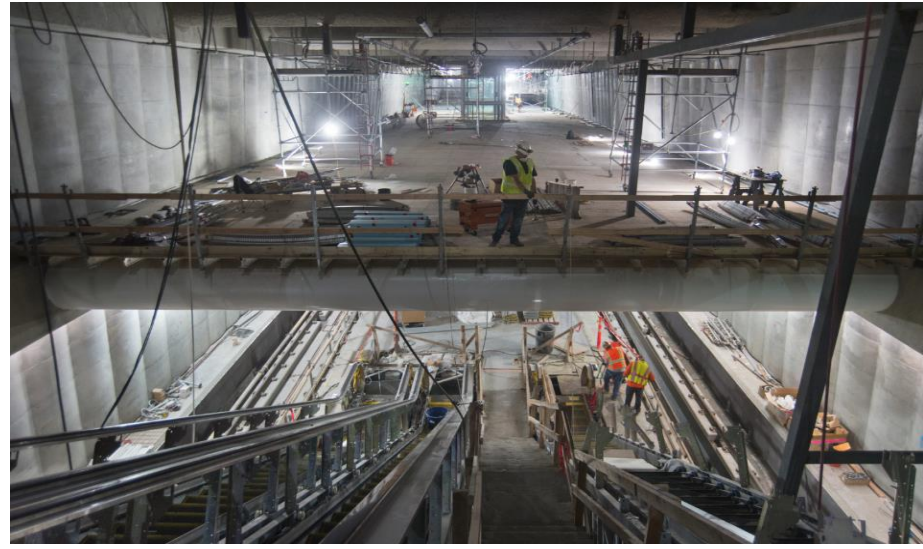
CTS Station – Remaining Key Tasks

1. Concrete Work
2. Electrical and HVAC
3. ATCS Systems Install
4. ATCS Testing
5. Elevator 3&4 Fabrication and Install
6. Chinatown upper level Plaza
7. Station Systems Startup and Testing



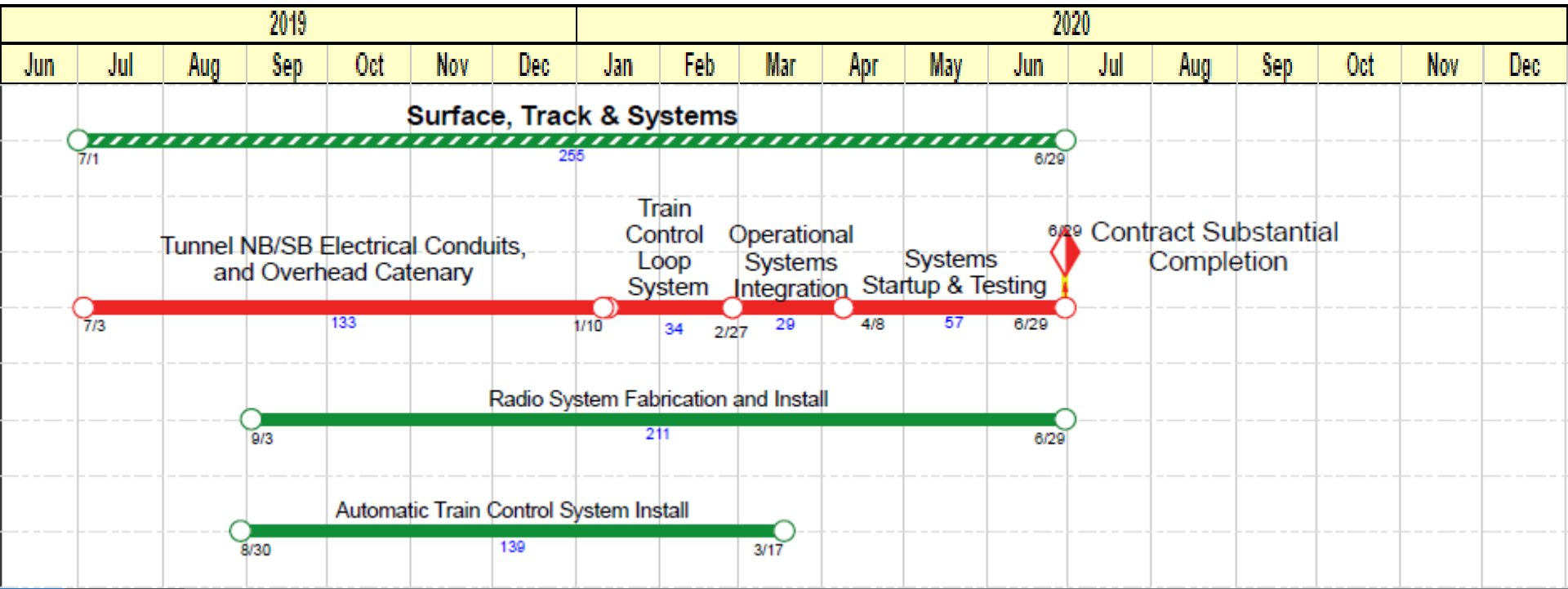
UMS Station – Remaining Key Tasks

1. Doors and Hardware Procurement and Install
2. HVAC System Install
3. PG&E Permanent Power
4. Luminous Ceiling
5. Roof/Entrance Art Work
6. Station Systems Startup and Testing



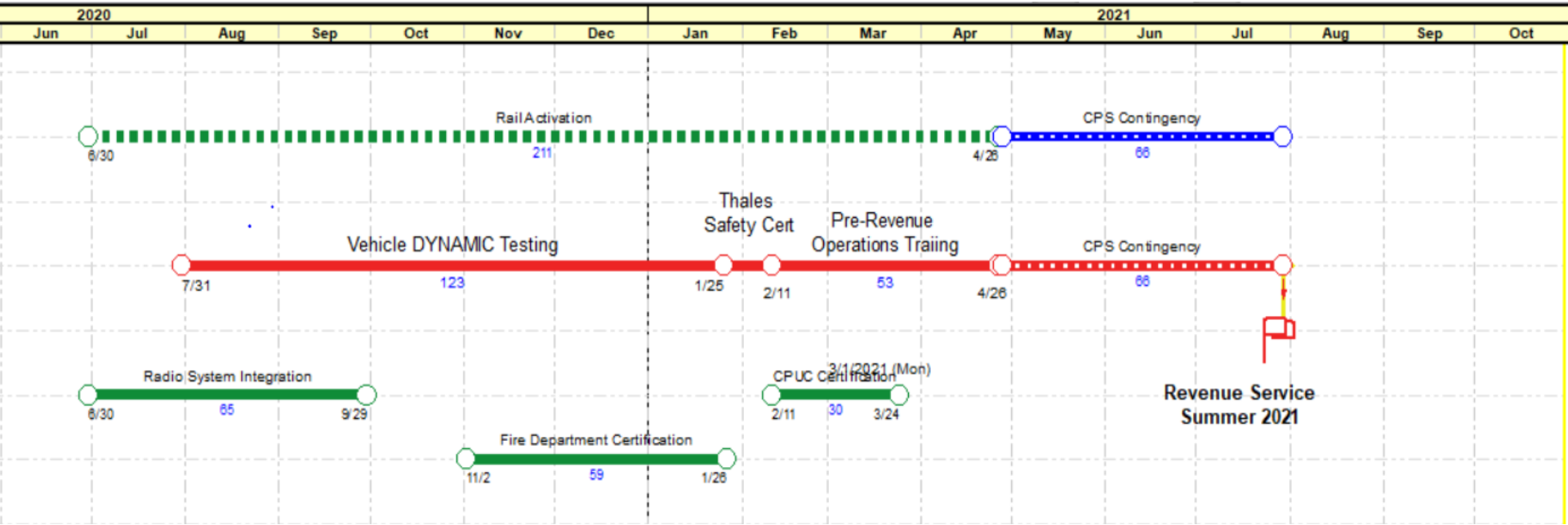
Surface and Tunnels Systems – Remaining Key Tasks

1. Tunnel Electrical Conduits, and Overhead Catenary
2. Radio System Install
3. Automatic Train Control System Install
4. Operational Systems Integration
5. Systems Startup & Testing
6. Contract Substantial Completion



SFMTA Startup and Testing for RSD – Remaining Key Tasks

1. Vehicle Dynamic Testing
2. Radio System Integration
3. Fire Department Certification
4. ATCS Safety Certification
5. CPUC Certification
6. Pre-Revenue Operations Training
7. Revenue Service Date



Project Revenue Service Date (RSD)

- Contract Substantial Completion June 2020
- SFMTA Revenue Service Date Summer 2021

Note: This schedule includes a 3 month schedule contingency for FTA Risk Assessment Buffer Float