

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION NO. 191219-023

WHEREAS, Design and construction of the 1.75-mile Central Subway (Central Subway Project) is Phase 2 of the Third Street Light Rail Transit Project; and,

WHEREAS, On May 21, 2013, the SFMTA Board of Directors awarded Contract No. 1300 (Contract 1300) to Tutor Perini Corporation (TPC) to construct one street-level and three subway stations, trackways, and systems for the Central Subway Project, in an amount not to exceed \$839,676,400, and for a term of 1700 days to substantial completion; and,

WHEREAS, Operation of trains in the Central Subway will require an Advanced Train Control System (ATCS) that is interoperable with the ATCS currently in the Muni Metro; and,

WHEREAS, The ATCS for the Muni Metro is a proprietary system that is available only from Thales Transport & Security, Inc. (Thales); and,

WHEREAS, On December 3, 2013, the SFMTA Board of Directors awarded Contract 1266-1 to Thales for procurement and provision of proprietary equipment for an ATCS, for a total amount not-to-exceed \$3,425,424 and a term not-to-exceed 1000 calendar days; and,

WHEREAS, On December 3, 2013, the SFMTA Board of Directors adopted Resolution No. 13-260 awarding Contract 1266-2 to Thales for proprietary software and systems integration, systems testing, and system safety certification support, system warranty, and related professional services necessary to implement the Central Subway ATCS, for a total amount not-to-exceed \$21,363,292 and a term not-to-exceed 1700 calendar days; and,

WHEREAS, Under Special Provision No. 36 of Contract 1300, Contracts 1266-1 and 1266-2 (ATCS Contracts) were assigned from the SFMTA to TPC, thereby making the ATCS Contracts subcontracts to Contract 1300 and Thales a subcontractor to TPC; and,

WHEREAS, To achieve Substantial Completion, both TPC and Thales are to cooperate their efforts to build a fully integrated ATCS; and,

WHEREAS, The SFMTA issued Modification No. 73 unilaterally to establish separate emergency stop pushbuttons for trains operating in the Central Subway tunnels, which increased Contract 1300 amount by \$96,516; and,

WHEREAS, Contract Modification Nos. 1 through 92 addressed unexpected site conditions and changes in the Project design, and increased the amount of Contract 1300 by \$15,218,064.28, and extended Contract 1300 duration by 140 days; and,

WHEREAS, Disputes regarding schedule, design, and coordination responsibilities have impeded an effective subcontract relationship between TPC and Thales, which has delayed completion of ATCS designs and threatens to delay Substantial Completion of the Project and Revenue Service; and,

WHEREAS, The SFMTA issues Unilateral Contract Modification No. 93, exercising the Agency's authority under San Francisco Administrative Code Section 6.22(l) and Contract 1300, General Provisions Sections 6 (Unilateral Contract Modification) and 14.03 (Termination for Convenience), to partially terminate Contract 1300 for the Agency's convenience, and amending

Contract 1300 to delete certain ATCS design, equipment procurement, system configuration, and startup and testing, and effecting an early re-assignment of the ATCS Contracts from TPC back to the SFMTA; and,

WHEREAS, The SFMTA Board of Directors finds that such partial termination of Contract 1300 is intended to mitigate and avoid further delay to the Project, and therefore is in the best interests of the City; and,

WHEREAS, Following reassignment of the ATCS Contracts back to the SFMTA, Thales will under those reassigned contracts perform the ATCS design, proprietary equipment procurement, system configuration, and testing work that is hereby deleted from Contract 1300, and the SFMTA will be responsible for providing that equipment and work to the Project; and,

WHEREAS, Modification No. 93 deletes Payment Item AL-14 from Contract 1300, which reduces the contract amount by \$17,945,922, and reduces the amount of Modification No. 73 by \$90,787, for a total reduction in the contract amount of \$18,036,709; and,

WHEREAS, SFMTA's Contract Compliance Office has determined that TPC is in compliance with the Small Business Enterprise requirements of Contract 1300: and,

WHEREAS, The Central Subway Final Supplemental Environmental Impact Statement/Supplemental Environmental Impact Report (Central Subway SEIS/SEIR) evaluated the environmental impacts of the Central Subway Project, including construction of the subway stations; on August 7, 2008, the San Francisco Planning Commission certified the Final SEIR (Case No. 1996.281E); on August 19, 2008, the SFMTA Board of Directors approved Resolution 08-150 adopting Central Subway Project Alternative 3B as the Locally Preferred Alternative, the CEQA Findings, Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Plan; and,

WHEREAS, The modification to Contract 1300 described herein comes within the scope of the Central Subway SEIS/SEIR; and,

WHEREAS, The Central Subway SEIS/SEIR is on file with the SFMTA Board of Directors and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference; therefore, be it

RESOLVED, That the SFMTA Board has reviewed and considered the Central Subway SEIS/SEIR and record as a whole, and finds that the Central Subway SEIS/SEIR is adequate for the Board's use as the decision-making body for the actions taken herein relative to construction of the Project, and incorporates the CEQA findings by this reference as though set forth in this Resolution; and be it

FURTHER RESOLVED, The SFMTA Board of Directors authorizes the Director of Transportation to approve Modification No. 93 to Contract No. 1300, Third Street Light Rail Program Phase 2 - Central Subway Stations, Surface, Track and Systems (Contract 1300) with Tutor Perini Corporation (TPC), to exercise the SFMTA's right to partially terminate Contract 1300 to: (1) delete certain elements of the Advanced Train Control System (ATCS) work from Contract 1300; (2) effect an early reassignment of Contracts 1266-1 and 1266-2 with Thales Transport and Security from TPC back to the SFMTA for ATCS design, equipment procurement, and operations start-up and testing; (3) amend the definition of Substantial Completion for Contract 1300 to relieve TPC of responsibility for ATCS operations start-up and testing; and, (4) reduce the amount of Contract 1300 by \$18,036,709, for a modified Contract Amount of \$839,708,081.28; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors authorizes the Director or Transportation, in consultation with the City Attorney, to take such action as the Director deems necessary to effect the intent and purposes of this Resolution.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 19, 2019.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency