

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.7**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Capital Programs and Construction

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation to execute Modification No. 2 to Contract No. 1292 (33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2) with Balfour Beatty Infrastructure, Inc., to extend the contract duration by 724 days through substantial completion and 30 days for final completion, and to compensate the Contractor for costs associated with schedule delay, increasing the Contract amount by \$773,068.45, for a total Contract amount not to exceed \$6,447,977.18.

**SUMMARY:**

- On October 4, 2016, the SFMTA Board of Directors adopted Resolution No. 16-137 awarding Contract No. 1292, 33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2 (Contract), in the amount of \$5,254,455.42, and for a Contract term of 270 days.
- The Contract has been amended once, increasing the Contract amount by \$420,453.31, for a current Contract amount of \$5,674,908.73.
- The SFMTA issues this Contract Modification to compensate the Contractor \$773,068.45 for additional work and increased costs for delay caused primarily by PG&E's delayed response to SFMTA's request for service drops on PG&E's utility poles.
- Additionally, this Contract Modification extends the duration for Contractor to achieve substantial completion by 724 days, for a new substantial completion date of August 25, 2019. The duration to achieve final completion is extended by 30 days for a final completion date of December 23, 2019.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Contract Modification No. 2
3. Project Budget and Finance Plan

**APPROVALS:**

DIRECTOR   
SECRETARY

**DATE**

July 15, 2020

July 14, 2020

**ASSIGNED SFMTAB CALENDAR DATE:** July 21, 2020

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## **PURPOSE**

The purpose of this calendar item is to authorize the Director of Transportation to execute Modification No. 2 to Contract No. 1292,33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2, with Balfour Beatty Infrastructure, Inc., to extend the contract duration by 724 days through substantial completion and 30 days for final completion, and to compensate the Contractor for costs associated with schedule delay, increasing the Contract amount by \$773,068.45, for a total Contract amount not to exceed \$6,447,977.18.

## **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

This action supports the following goals and objectives in the SFMTA's Strategic Plan and Transit First Policy Principles:

Strategic Plan Goals and Objectives:

Goal 1: Create a safer transportation experience for everyone.

Objective 1.3: Improve the safety of the transportation system.

Goal 2: Make transit and other sustainable modes of transportation the most attractive and preferred means of travel.

Objective 2.1: Improve transit service.

Objective 2.2: Enhance and expand use of the city's sustainable modes of transportation and land use principles.

The work performed under Contract No. 1292 supports the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.

## **DESCRIPTION**

### **Background**

On October 4, 2016, the SFMTA Board of Directors adopted Resolution No. 16-137 awarding Contract No. 1292,33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2, (Contract) in the amount of \$5,254,455.42, and for a Contract term of 270 days.

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Work performed under the Contract included the following:

- Remove the old overhead catenary/contact system (OCS) and install new overhead contact system poles and overhead wires along 18<sup>th</sup> Street between Castro Street. and Mission Street, and at the intersection of Market Street and Castro Street.
- Remove and install streetlights at various locations along 18<sup>th</sup> Street.
- Construct new concrete curb ramps with detectable surface tile at various locations along 18<sup>th</sup> Street.
- Remove the old system and install a new overhead-fed traction power system between Market Street and Church Street on 18<sup>th</sup> Street.
- Provide as-builts throughout the course of the Contract.

### **Prior Contract Modifications**

On July 24, 2019, the Director of Transportation approved Contract Modification No. 1 for \$420,453.31 to compensate the Contractor for the following additional work: (a) structural support repairs for the Lapidge Women’s Building Basement; (b) acceleration of feeder work during non-revenue service window(s); and (c) replacement of Pole 4686 and removal of the temporary pole.

### **Current Status**

The Contactor achieved substantial completion of all work on August 25, 2019 followed by Final Completion on December 23, 2019. The Agency is preparing final acceptance documentation for this project.

### **Current Modification**

In the area of the Work, the SFMTA shared pole infrastructure with three utilities providing services to its own customers: PG&E, AT&T and cable provider(s). Upon notification of a conflict in the location of its utilities impacting pole replacement work for the 33 Stanyan, both AT&T and the cable provider(s) responded quickly to relocate their cables. PG&E failed to timely respond, delaying the Work for the 33 Stanyan project.

In electric power distribution, a service “drop” is where the utility provides overhead electrical power to a customer’s building or other premises. Contract Modification No. 2 increases the Contract amount by \$773,068.45 to compensate the Contractor for excess costs incurred due to PG&E’s 618-day delay in providing “drop service” on its utility poles to its customers. The Period 1 delay started July 16, 2017 and ended on March 26, 2019 (Period 1). Under the SFMTA’s General Provisions, this period of delay is compensable as it is outside the control of the contractor and not concurrent with any contractor-caused delay. (GP 7.02.H.2.)

During the Period 1 delay, the Contractor had successfully bid another project for the SFMTA, Contract No. 1305–UCSF Platform and Track Improvements. The special trackwork and OCS work

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performed by the Contractor for the two contracts was the type requiring specialized labor and detailed project management. At the time the Contractor planned its baseline schedule for the 33 Stanyan project, it did not anticipate having to share resources with another “in progress” SFMTA project. Also, when bidding on the UCSF Platform project, Contractor had no way of predicting when PG&E would finally complete this project utility work; thus, the Contractor was unable to plan in advance for coordinating how it handled the work for both projects.

Period 2 relates to a 106-day delay to the critical path that occurred following the end of the Period 1, which started on March 26, 2019, and continued through August 25, 2019.

On March 6, 2019, PG&E notified the SFMTA and the Contractor that it would finally perform the delayed service drops and submitted a schedule of activities. The Contractor described the circumstances as being “good news/bad news”—good news because long-delayed work could finally get restarted, and bad news because the Contractor was deeply engaged in work under its separate SFMTA project for the UCSF Platform, including a planned shutdown to start on March 19, 2019, and conclude on April 26, 2019. Planned shutdowns require complex and time-consuming planning by SFMTA Operations.

The delay impacting the 33 Stanyan project critical path reflects competing demands of this project and the UCSF project on the Contractor. The UCSF Platform project could not be suspended for all resources to be applied to the 33 Stanyan project based on the impending opening of the new Warriors stadium. And the SFMTA wanted the 33 Stanyan project finished in accordance with the baseline schedule.

The SFMTA benefited from the Contractor making their best efforts to work on both projects at the same time and acknowledges that the Contractor made their best efforts to pull qualified specialty staff from across the country to work on the 33 Stanyan project and minimize further delay impacts.

The constraint on Contractor’s resources precipitated by the PG&E delay is the primary cause of the Contractor exceeding its baseline duration for remaining work. This period of delay is non-compensable unavoidable delay.

The SFMTA agrees to compensate the Contractor for additional work associated with demobilizing and remobilizing and for increased costs incurred to complete the base contract work following the end of the 618-day PG&E delay. These costs include escalation for all direct costs for base work and field office costs.

This Contract Modification additionally authorizes a 30-day extension to the 90-day period provided to achieve final completion following substantial completion. There is no cost impact associated with this time extension. The date of final completion was December 23, 2019.

This Contract Modification extends the duration for Contractor to achieve substantial completion by 724 days (618 days for Period 1 and 106 days for Period 2), for a new substantial completion date of

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August 25, 2019, due to the unavoidable delay caused by PG&E. Because of additional time and effort needed by both the SFMTA and the Contractor to assemble and review back-up documents for the PG&E delay claim as part of the contract closeout process, the duration to achieve final completion is extended by 30 days, for a final completion date of December 23, 2019.

The City Attorney's Office has filed a claim in the Bankruptcy Court for costs related to the delay of this Project by PG&E.

The SFMTA Contract Compliance Office has reviewed this Contract Modification No. 2 and has determined that the Contractor is in compliance with Small Business Enterprise (SBE) goal of 15%.

### **CONTRACTOR SAFETY RECORD**

There were no "serious" or "willful" California Division of Occupational Safety and Health (Cal/OSHA) recordable violations during the construction of this project.

### **TRANSIT IMPACT**

Upon completion of the project, transit users along 18<sup>th</sup> Street between Castro Street and Mission Street and the intersection of Market Street and Castro Street will experience more reliable service, with less unscheduled maintenance of the overhead contact system. The traction-fed power system will also be more reliable. Finally, improvements will be made to street lighting and curb ramps to improve both safety and accessibility. There was no impact to transit service due to the schedule delay or other work covered in Contract Modification No. 2.

### **STAKEHOLDER ENGAGEMENT**

Prior to the award of this Contract, local residents and businesses were contacted and have been kept informed about construction progress throughout the duration of this project. SFMTA staff reviewed transit impacts with Transit Service and Maintenance-of-Way. There was no additional outreach done for this Contract Modification.

### **ALTERNATIVES CONSIDERED**

The contract time extension and additional work associated with demobilizing and remobilizing to complete base contract work after the cessation of the PG&E-caused delay was unavoidable. There was no alternative to maintaining a level of readiness to complete the work that was delayed by PG&E. Moreover, the delay caused by PG&E was unavoidable, and at no fault of the Contractor.

### **FUNDING IMPACT**

This contract is funded with FTA formula grants, the SFMTA Revenue Bond and local ½ cent sales tax (Proposition K) funds. Contract Modification No. 2 will be funded with available project

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contingency. No additional project funding is required.

**ENVIRONMENTAL REVIEW**

The proposed 33 Stanyan Pole Replacement and Overhead Reconstruction Project is subject to the California Environmental Quality Act (CEQA). CEQA provides a categorical exemption from environmental review for existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, as defined in Title 14 of the California Code of Regulations Section 15301 Class 1 (c).

On January 17, 2014, the SFMTA, under authority delegated by the Planning Department, determined (Case Number 2014-0598E) that the proposed 33 Stanyan Pole Replacement and Overhead Reconstruction Project is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301. The proposed action is the Approval Action as defined by the S. F. Administrative Code Chapter 31.

A copy of the CEQA determination is on file with the Secretary to 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.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney's Office has reviewed the calendar item. No other approvals are required.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to execute Modification No. 2 to Contract No. 1292, 33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2, with Balfour Beatty Infrastructure, Inc., to extend the contract duration by 724 days through substantial completion and 30 days for final completion, and to compensate the Contractor for costs associated with schedule delay, increasing the Contract amount by \$773,068.45, for a total Contract amount not to exceed \$6,447,977.18.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, On October 4, 2016, the SFMTA Board of Directors adopted Resolution No. 16-137, awarding Contract No. 1292 (33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2) to Balfour Beatty Infrastructure, Inc. (Contractor) to remove and install the overhead contact system poles and overhead wires and traction-fed power system along 18<sup>th</sup> Street between Castro St. and Mission St, and at the intersection of Market St and Castro St, along with streetlight and curb ramp improvements in the amount of \$5,254,455.42, and for a Contract term of 270 days; and,

WHEREAS, On July 24, 2019, the Director of Transportation approved Contract Modification No. 1 for structural support repairs for the Lapidge Women’s Building Basement, acceleration of feeder work during non-revenue service window(s), and replacement of Pole 4686 and removal of the temporary pole, in the amount of \$420,453.31, for a new Contract amount not to exceed \$5,674,908.73; and,

WHEREAS, Due to delays by PG&E, the Contractor was unable to timely complete final phase of work to run power to its Overhead Catenary System power improvements; and,

WHEREAS, The proposed Modification No. 2 will extend the Contract duration by 724 days through substantial completion and 30 days for final completion, and compensate the Contractor for costs associated with schedule delay, increasing the Contract amount by \$773,068.45, for a total Contract amount not to exceed \$6,447,977.18; and,

WHEREAS, The SFMTA Contract Compliance Office has affirmed the Contractor’s compliance with SBE requirements; and,

WHEREAS, The proposed 33 Stanyan Pole Replacement and Overhead Reconstruction Project is subject to the California Environmental Quality Act (CEQA). CEQA provides a categorical exemption from environmental review for existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, as defined in Title 14 of the California Code of Regulations Section 15301 Class 1 (c); and,

WHEREAS, On January 17, 2014, the SFMTA, under authority delegated by the Planning Department, determined (Case Number 2014-0598E) that the 33 Stanyan Pole Replacement and Overhead Reconstruction Project is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, The proposed Contract Modification is within the scope of this environmental review; and,

WHEREAS, A copy of the CEQA determinations are on file with the Secretary to 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; now, therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorize the Director of Transportation to execute Modification No. 2 to Contract No. 1292,33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2,with Balfour Beatty Infrastructure, Inc. to extend the contract duration by 724 days through substantial completion and 30 days for final completion, and to compensate the Contractor for costs associated with schedule delay, increasing the Contract amount by \$773,068.45, for a total Contract amount not to exceed \$6,447,977.18.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 21, 2020.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency



## ENCLOSURE 2

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### CONTRACT MODIFICATION NO. 2

SFMTA Contract No. - 1292  
33 Stanyan Pole Replacement and  
Overhead Reconstruction Project Phase 2

Contractor: Balfour Beatty Infrastructure, Inc.  
999 Peachtree St NE Ste 900  
Atlanta, GA 30309

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This Contract Modification resolves time and cost impacts associated with delays over the course of the Project.

1. Modifications to Special Provisions
  - a. Paragraphs B and C of SP-4 are modified to read as follows:
    - B. Substantial Completion (reference Section 9.17 of the General Provisions): The Contractor shall bring the Work to Substantial Completion, including the completion of all testing required under this Contract, within

**994 Days**

from and including the official date for commencement of the Work as designated by the San Francisco Municipal Transportation Agency (SFMTA) in accordance with Section 7.01A of the General Provisions, "Commencement of Work," also referred herein as Notice to Proceed (NTP).
    - C. Final Completion (reference Section 9.18 of the General Provisions): Contractor shall complete all remaining Work required under the Contract within **120 Days** from the date of Substantial Completion.

Contractor shall be responsible for maintenance and protection of the Work until the SFMTA issues a notice of Final Completion to Contractor and the SFMTA has assumed occupancy of the Site or otherwise has Beneficial Use of the completed Work.
  - b. The 994 Days to Substantial Completion represent an extension of 724 Days to Substantial Completion. Of those 724 Days, 618 Days (July 16, 2017 to March 26, 2019) are due to PG&E's failure to timely implement a required service drop and are compensable; 106 days to resume the suspended work are non-compensable.
  - c. The duration to achieve Final Completion after Substantial Completion is increased from 90 Days to 120 Days for associated impacts from the PG&E delay.

2. Add the following New Contract Pay Items:

CM - 2	PGE Delay (724 Days to Substantial Completion and 30 Days to Final Completion)	Lump Sum	\$773,068.45
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Total Amount of this Contract Modification:	Increase	\$773,068.45
	Previous Total of Contract:	\$5,674,908.73
	New Revised Total of Contract:	\$6,447,977.18

Total Contract Time added by this Contract Modification:	724 Days
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Previous Contract Substantial Completion Date:	08/31/2017
Current Contract Substantial Completion Date:	08/25/2019

- This Modification is made in accordance with Article 6 and 7 of the Contract General Provisions.
- Except as provided herein, all previous terms and conditions of the Contract remain unchanged.
- The compensation (time and cost) set forth in this Modification comprises the total of all compensation due to Contractor, all Subcontractors and all Suppliers, as a result of the events giving rise to the Modification and for the Work described in this Modification, including any impact on unchanged Work. The execution of this Modification constitutes an accord and satisfaction of any claim for additional compensation or time for the Work and other circumstances described in this Modification, and Contractor on behalf of itself, and all Subcontractors and Suppliers, specifically waives and releases any and all claims rights or interest, including but not limited to legal and equitable claims for direct, indirect, and overhead costs, delay, impact, disruption, loss of efficiency or other extraordinary or consequential costs arising from or related to the Work and other circumstances described in the Modification, without exception or reservation of any kind.

In Witness Whereof, the parties have executed this Modification in San Francisco, California, as of this date: \_\_\_\_\_.

**BALFOUR BEATTY INFRASTRUCTURE, INC.**

**CITY AND COUNTY OF SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

By: \_\_\_\_\_  
*Signature*  
Roger D. Wilson  
V.P., Rail – US Civils

By: \_\_\_\_\_  
*Signature*  
Jeffrey P. Tumlin  
Director of Transportation

**Authorized By:**

**MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS**

Resolution No. \_\_\_\_\_

Adopted: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Secretary  
Municipal Transportation Agency

**APPROVED AS TO FORM:**

Dennis J. Herrera, City Attorney

By: \_\_\_\_\_  
*Signature*  
Robin M. Reitzes  
Deputy City Attorney

### ENCLOSURE 3

33 Stanyan Pole Replacement and Overhead Reconstruction Project Phase 2

San Francisco Municipal Transportation Agency, Contract No. 1292

#### Project Budget and Financial Plan

<b>Cost</b>	<b>Amount</b>
Detail Design Phase Staff Support (SFMTA and Other City Services)	\$ 603,248
Construction Phase Construction Contract, Contingency, and Staff Support	\$9,036,602
<b>Total</b>	<b>\$ 9,639,850</b>

<b>Funding</b>	<b>Amount</b>
SFCTA Sales Tax (Prop K) EP22M	\$1,365,500
SFMTA Rev Bond Series 2013	\$152,216
MTC AB664 Bridge Tolls	\$2,090,000
FTA	\$6,032,134
<b>Total</b>	<b>\$ 9,639,850</b>