



SFMTA

Central Subway Project SFMTA Board Briefing December 15, 2020

By

Tom Maguire &
Nadeem Tahir

Agenda

- History of CMOD 134, also known as Omnibus #1
- How Settlement Negotiations Were Conducted
- CMOD 134 Cost Summary
- Conclusion & Recommendation

History of CMOD 134 Omnibus #1

1. CMOD 134 resolves 671 Proposed Change Orders (PCOs) and Contractor Change Order Requests (CORs) for additional and/or changed work issued from November 2013 – December 2019.
2. The Change Orders represent the cost of differing site conditions and design changes directed by SFMTA. These change orders were necessary to complete the work.
3. In 2019 the total cost of all 671 Change Order had not been calculated by Tutor because the scope of changes was not final. Tutor estimated the value at \$34,131,494 and SFMTA's estimated the value at \$18,995,027.
4. In February 2020 SFMTA issued Unilateral Contract Modification 125 and paid \$18,995,027. SFMTA and Tutor agreed to negotiate the remainder cost of the 671 Change Orders as part of Omnibus #1.

How Settlement Negotiations Were Conducted

1. In 2019 the SFMTA conferred with the Federal Transit Administration (FTA) regarding its process and rationale for combining 671 change orders into a single Contract Modification. The FTA provided written confirmation of their concurrence with the settlement strategy.
2. The SFMTA engaged Edgar Lopez, former City Architect for Public Works as a consultant to negotiate Tutor's claims for the Change Order work. Mr. Lopez worked closely with Daniel Kass, PE. from McMillen Jacobs Associates to meet with the subcontractors, Tutor and SFMTA staff to evaluate the cost of change orders.

CMOD 134 Cost Summary

1. As outlined below the final settlement amount for CMOD 134 is \$29,848,737.
2. The initial amount paid in February 2020 under Unilateral CMOD125 was \$18,995,028
3. The total cost of all 671 Change Orders is \$48,843,764. This represents the sum of CMOD125 + CMOD 134.

UCMOD 125/134	Original Cost Submitted by TPC UCMOD 125	Final Cost Submitted by TPC prior to Negotiations	Final Reconciled Amount in CMOD 134 Settlement	Initial Payment by SFMTA in UCMOD 125	Final Settlement CMOD 134 Amount
Totals	\$34,131,494	\$54,944,721	\$48,843,764	\$18,995,028	\$29,848,737

4. 497 of the 671 Change Orders were negotiated at or less than \$50k each

Conclusion and Recommendation

- (1) CMOD134 resolves 671 Change Orders that were issued from Nov. 2013 through Sept. 2019
- (2) Approval of CMOD134 will allow SFMTA to pay for change orders and work completed
- (3) SFMTA and its consultants are currently negotiating the cost Omnibus #2, a collection of 350 change orders issued from October 2019 – October 2020
- (4) SFMTA expects to have another set of change orders – Omnibus #3 for the remainder of change orders issued between November 2020 – through final project completion.