

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 12-135

WHEREAS, The Final Environmental Impact Statement/Environment Impact Report (Final EIS/EIR) for the two-phase Third Street Light Rail Project (the "Project") was completed in November 1998; and,

WHEREAS, The former Public Transportation Commission approved Resolution No. 99-009 on January 19, 1999, which adopted the environmental findings pursuant to the California Environmental Quality Act (CEQA) for the Project, including mitigation measures as set forth in the Project's Final Environmental Impact Report and Mitigation Monitoring Report; and,

WHEREAS, Design and construction of the 1.7-mile Central Subway is Phase 2 of the Third Street Light Rail Transit Project; and,

WHEREAS, The SFMTA Board of Directors adopted Resolution No. 12-017 on February 7, 2012 authorizing the Director of Transportation or his designee to execute Contract No. CS-163-1, Insurance Brokerage Services for an Owner Controlled Insurance Program to provide Excess Liability Insurance for the Central Subway Project with Aon Risk Insurance Services West, Inc. (Broker) and to bind each layer of excess insurance coverage for the Central Subway Project for a total amount not to exceed \$9,808,750 and for a term of eight years; and,

WHEREAS, The SFMTA obtained \$150 million liability coverage in excess of \$200 million insurance coverage provided by the contractors for the tunnel and stations contracts; and,

WHEREAS, The SFMTA has consolidated the construction of the three stations, surface work, track and systems for the Central Subway into a single construction contract; and

WHEREAS, The SFMTA desires to restructure the insurance program for the construction of the Central Subway's three stations to reduce the required contractor primary coverage to \$50,000,000 and supplement the existing \$150,000,000 excess liability insurance coverage with an additional \$150,000,000 excess coverage for the stations contract to be acquired through a traditional construction contractor insurance procurement; and,

WHEREAS, The SFMTA desires to authorize Aon Risk Insurance Service West, Inc., to obtain the additional excess liability insurance; and,

WHEREAS, The funding for services under this Contract is from federal, state and local sources; and,

WHEREAS, Civil Service Commission approval for contracts resulting from Request of Proposal Contract No. CS-163-1 was obtained by the SFMTA on June 20, 2010 under Civil Service Approval No. 4117-10/11; and,

WHEREAS, Contract No. CS-163-1 will assist SFMTA in meeting the Strategic Plan Objective No. 3.3 Allocate capital resources effectively; and

WHEREAS, Execution of this Amendment is contingent upon approval of the Board of Supervisors; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation or his designee to execute Amendment No. 2 to Contract No. CS-163-1, Insurance Brokerage Services for an Owner Controlled Insurance Program (OCIP) to provide Excess Liability Insurance for the Central Subway Project with Aon Risk Insurance Services West, Inc. and to bind each layer of additional excess insurance coverage for the Central Subway Project for a total amount not to exceed \$8,280,000 for the additional insurance; for a total contract amount not to exceed \$18,088,750; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors requests the Board of Supervisors to approve this Amendment No. 2 to Contract No. CS-163-1 in the amount and for the reasons stated herein.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of November 6, 2012.

R. Pomeroy

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency