

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 13-260

WHEREAS, Design and construction of the 1.5-mile Central Subway ("Central Subway Program") is Phase 2 of the Third Street Light Rail Transit Project; and,

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

WHEREAS, The ATCS for the Muni Metro was designed and manufactured by Alcatel Transport Automation (U.S.), which was acquired by Thales Transport & Security, Inc. (Thales); and

WHEREAS, The SFMTA has in past ten years made significant upgrades and improvements to the ATCS to improve the Muni Metro's reliability and operations safety; and

WHEREAS, The SFMTA's total investment in the current ATCS now exceeds \$70 million; and

WHEREAS, The ATCS is a safety critical system proprietary to Thales that cannot practicably be integrated with any other train control system from another manufacturer; and

WHEREAS, Implementing a train control system in the Central Subway that is not interoperable with the existing ATCS in the Muni Metro would require either segregating a fleet of vehicles to be used only in the Central Subway or installation of two different systems on all vehicles, both of which would be extremely costly and likely impair transit service; and

WHEREAS, Based on the above findings, the Director of Transportation issued a Memorandum dated February 16, 2012 authorizing a sole source procurement; and

WHEREAS, Following the authorization for sole source procurement, SFMTA requested Thales to provide a proposal for ATCS equipment, design review, system integration, safety certification consulting, and other goods and services necessary to implement an ATCS for the Central Subway; and

WHEREAS, Staff negotiated the final scope of services and price for the ATCS, based on the proposal and the independent cost estimates developed by the Agency and engineering consultants with expertise in ATCS design; and

WHEREAS, On February 15, 2013 SFMTA received a proposal from Thales for the required scope of services and equipment with a price of \$32,017,518; and

WHEREAS, Staff engaged in the lengthy negotiations with Thales which reduced the total price to \$24,788,716 with a term not to exceed 1700 calendar days, and clarified the scope of the project; and

WHEREAS, The Engineer's Estimate for Contract No. 1266 ranged between \$28 Million to \$35 Million; and,

WHEREAS, The negotiated contract amount of \$24,788,716 was less than the Engineer's Estimate; and

WHEREAS, Contract Nos. 1266-1 and 1266-2 will be assigned to Tutor Perini Corporation (Tutor), the contractor responsible for the construction of the Central Subway stations, trackways, control systems and system integration, with the result that Thales will become a subcontractor to Tutor, and Tutor will be ultimately responsible for the successful installation and operation of the train control system; and

WHEREAS, Thales will provide proprietary equipment required for the ATCS under Contract 1266-1, which equipment will be installed by Tutor, with installation oversight and testing provided by Thales; and

WHEREAS, Thales will provide proprietary software and systems integration assistance, system testing, and system safety certification support for the ATCS under Contract 1266-2; and

WHEREAS, Execution of both Contract Nos. 1266-1 and 1266-2 is contingent upon an approval by the Civil Service Commission; and

WHEREAS, Execution of Contract No. 1266-2 is contingent upon approval of the Board of Supervisors; and,

WHEREAS, The funding for work under Contracts Nos. 1266-1 and 1266-2 is to be furnished from federal, state and local sources; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors awards Contract No. 1266-1, Third Street Light Rail Program, Phase 2 Central Subway –Train Control System to Thales Transport & Security, Inc. for procurement and provision of proprietary equipment for an Advanced Train Control System for a total amount not to exceed \$3,425,424 and a term not to exceed 1000 calendar days, and be it

FURTHER RESOLVED, That the SFMTA Board of Directors awards Contract No. 1266-2, Third Street Light Rail Program, Phase 2 Central Subway –Train Control System to Thales Transport & Security, Inc. for proprietary software and systems integration assistance, system testing, and system safety certification support, system warranty, and related professional services necessary to implement an Advanced Train Control System for a total amount not to exceed \$21,363,292 and a term not to exceed 1700 days; and be it

FURTHER RESOLVED, That the Board of Directors authorizes the Director of Transportation to make such clarifications to and modifications of the contracts here presented (including without limitation, the exhibits) that the Director of Transportation determines, in consultation with the City Attorney, are in the best interests of the City, do not increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Agreement or this Resolution, and are in compliance with all applicable laws, including the City's Charter; and be it

FURTHER RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors requests that the Board of Supervisors approve Contract No. 1266-2, Third Street Light Rail Program, Phase 2 Central Subway –Advanced Train Control System to Thales Transport & Security, Inc. as a sole source contract for Advanced Train Control System for proprietary software and systems integration assistance, system testing, and system safety certification support, system warranty, and related professional services necessary to implement an Advanced Train Control System for a total amount not to exceed \$21,363,292 and a term not to exceed 1700 days;.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 3, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency