| 1 | Purchases.] |
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| 3 | Resolution approving Municipal Transportation Agency Contract No. 1226, Advanced |
| 4 | Train Control System Improvement Services and Equipment Purchases, with Thales |
| 5 | Transport & Security, Inc., for an amount not to exceed \$30,000,000 for a term not to |
| 6 | exceed five years with an option to extend the term an additional three years. |
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| 8 | WHEREAS, On June 9, 1992, the Public Utilities Commission approved execution of |
| 9 | Municipal Railway Contract MR-1034R with Alcatel Canada, Inc. ("Alcatel") for Procurement |
| 10 | and Installation of an Advanced Train Control System ("ATCS"); and, |
| 11 | WHEREAS, Alcatel was acquired by Thales Transport & Security, Inc. ("Thales") in |
| 12 | 2007, and Thales assumed Alcatel's obligations under Contract No. MR-1034R; and |
| 13 | WHEREAS, The ATCS has been in revenue service since 1998; and, |
| 14 | WHEREAS, In March 2009, Thales completed the final closeout scope of work under |
| 15 | MR-1034R, with all hardware and software installed and in service, delivery of all required |
| 16 | system documentation delivered, successful completion of a four-week performance test, a |
| 17 | Software Escrow Agreement and a Software and Maintenance Support Services Agreement |
| 18 | approved by the SFMTA Board of Directors and executed; and, |
| 19 | WHEREAS, The Municipal Transportation Agency Board of Directors by Resolution |
| 20 | No. 09-063 dated April 21, 2009, accepted the work performed under SFMTA Contract No. |
| 21 | MR-1034R; and, |
| 22 | WHEREAS, The ATCS is a specialized proprietary system that is critical to the |
| 23 | functioning, control and safety of the City's subway system; the ATCS automatically controls |
| 24 | vehicle headway, speed and braking in the subway, and is critical to transit system operations |
| 25 | and safety; and, |

| WHEREAS, The ATCS has allowed the SFMTA to increase by 230 percent the number |
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| of trains running in the subway, allowed greater flexibility in train scheduling in both surface |
| and subway operations, and provided the capacity necessary to bring the T-Third Line into the |
| subway; and, |
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WHEREAS, The ATCS has greatly improved transit system safety by vastly reducing or eliminating red signal violations, train collisions in the subway, train door and step malfunctions, and operation of vehicles with the signaling system turned off; and,

WHEREAS, The ATCS has provided the SFMTA the means to provide train-arrival predictions to subway platforms and train location data to the NextMuni system while the trains are in the subway; and,

WHEREAS, To maintain the safe operation of the subway system and to ensure that the ATCS operates within specifications for its remaining design life (estimated to be another 20 years), the ATCS requires system upgrades and improvements, including but not limited to upgrades to its software operating system and system interface modernization, signal loop cable replacements, on-board vehicle computer and equipment upgrades, adaptation of new rail vehicles, wayside signaling equipment upgrades and replacement of remaining legacy signaling system components; and,

WHEREAS, Due to the proprietary nature of the ATCS, no vendor other than Thales can supply the necessary maintenance services to the SFMTA, and this Agreement is necessarily therefore a sole source contract; and,

WHEREAS, SFMTA Contract No. 1226 is a framework purchase order contract that will allow the SFTMA to negotiate purchase orders to obtain necessary ATCS upgrades and improvements under agreed legal terms as project funding is allocated, for a period of five years, with an option to extend said agreement for an additional term not to exceed three years; and,

| 1 | WHEREAS, The SFMTA Board of Directors approved SFMTA Contract No. 1226 by |
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| 2 | Resolution No. 09-062, dated April 21, 2009; and, |
| 3 | WHEREAS, The Civil Service Commission approved SFMTA Contract No. 1226 by |
| 4 | Personal Services Contract No. 4135-08/09, dated May 4, 2009; now therefore be it |
| 5 | RESOLVED, That the Board of Supervisors approves San Francisco Municipal |
| 6 | Transportation Agency Contract No. 1226 with Thales Transport & Security, Inc. in an amount |
| 7 | not to exceed \$30,000,000 for a term not to exceed five years with an option to extend the |
| 8 | term an additional three years. |
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