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Edward D. Reiskin, Director of Transportation

June 1, 2018

The Honorable Members of the Board of Supervisors  
City and County of San Francisco  
1 Dr. Carlton Goodlett Place, Room 244  
San Francisco, CA 94102

**Subject: Request for Approval – Amendments No. 1 and 4 to Contract CS-155-2 with Central Subway Design Group to increase the contract amounts**

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors approve Amendment No. 1 retroactively and approve Amendment No. 4 to Contract CS 155-2 with Central Subway Design Group. The purpose of these Amendments is to increase the contract amount by \$1,010,600 for Amendment No. 1 for designs to lower the Chinatown Station, and \$6,323,936 for Amendment No. 4 for additional work necessary to provide engineering services through completion of Central Subway Project stations construction, for a total amended contract amount not to exceed \$47,900,606.

**Background**

On December 1, 2009, the SFMTA Board of Directors awarded Contract CS-155-2 (Contract) to Central Subway Design Group (CSDG) a joint venture between Parsons Brinkerhoff, Inc. (now called WSP), Michael Willis Architecture, Inc., and Kwan Henmi Architecture, Inc. (now called DLR Group), to design three underground stations for the Central Subway Project, for an amount not to exceed \$39,949,959, for a ten-year base term, and an option to extend the term an additional two years. On March 2, 2010, the Board of Supervisors approved the SFMTA's award of the Contract to CSDG.

Under the Contract, CSDG provides the following services:

1. Validate preliminary (conceptual) designs and complete final designs for the Yerba Buena/Moscone Station, Union Square/Market Street Station, and Chinatown Station.
2. Prepare bid documents (construction designs and specifications) and provide bid support services including conforming contract drawings and specifications
3. Coordinate utility work
4. Verify construction costs and schedules
5. Review contract change order requests
6. Review and respond to contractor submittals, requests for information (RFIs), requests for substitution, and contract claims
7. Conduct site visits and observations to verify design compliance and/or assist in resolving issues
8. Update design drawings and specifications as needed to memorialize approved project changes

9. Witness and approve factory testing of manufactured equipment and materials
10. Provide on-going geotechnical investigation and engineering services
11. Provide on-going engineering and quality assurance services for the mining at Chinatown Station
12. Provide site surveying
13. Perform (and review others') cost estimates and scheduling.

Items 1-3, described above, have been completed. CSDG will continue to provide the engineering services described in Items 4-13, through the completion of the Central Subway Project's stations construction. In addition, CSDG will assemble operations and maintenance manuals, and will prepare as-built contract specifications and design documents when construction is complete.

**Charter Section 9.118 and Retroactive Approval of Amendment No. 1**

Board of Supervisors' approval is required for both Amendments No. 1 and No. 4 under Charter section 9.118(b), because the value of the Contract exceeds \$10,000,000, and the value of each contract amendment is greater than \$500,000.

Amendment No. 1 was not presented to the SFMTA Board nor the Board of Supervisors due to staff misunderstanding, which the City Attorney also did not discover until reviewing Amendment No. 4. We regret the oversight, and have taken steps to prevent it from occurring again.

**Alternatives Considered**

Disapproval of Amendment No. 1 would render that amendment void, which would likely negatively impact CSDG's willingness to continue to provide construction support engineering services to the Central Subway Project, which are necessary for the successful completion of the Project.

Disapproval of Amendment No. 4 will preclude CSDG's participation in reviewing the remaining construction work for the Central Subway Project. It is important that CSDG, as the designer of record for the stations, continue to be retained to provide design services during construction. Loss of CSDG's services would likely cause significant delays to the completion of the Central Subway Project, as the SFMTA would not otherwise have the expertise to respond to contractor inquiries as to stations designs and specifications.

**Funding Impact/Budget**

The total cost of the Central Subway project is \$1.578 billion. Contract CS-155-2 Amendment No. 4 will not increase the total project budget. Existing funds will be used to pay for the additional cost.

<b>Total Project Cost Summary</b>	<b>Cost</b>
Base Contract Amount, including Options	\$39,949,948*
Amendment No. 1 Amount	\$1,010,600
Amendment No. 2 Amount, including Options	\$484,053
Amendment No. 3 Amount	\$132,069
Amendment No. 4 Amount	\$6,323,936
<b>Total Project Cost Amount</b>	<b>\$47,900,606</b>

\* Contract amount; awarded amount was \$39,949,959

**Funding Sources**

The Central Subway project is funded with Federal Transit Administration (FTA) New Starts, Federal Congestion Management & Air Quality (CMAQ), State Transportation Bond Proposition 1A and 1B, State Regional Improvement Program, State Transportation Congestion Relief Program (TCRP), and Prop K Half-Cent Local Sales Tax funds. The breakdown of the funding sources and their amounts is as follows:

<b>Source</b>	<b>Total</b>
5309 New Starts	\$942,200,000
CMAQ3	\$41,025,000
Prop 1A High Speed Rail Connectivity	\$61,308,000
Prop 1B-MTC	\$87,895,815
Prop 1B-SFMTA	\$219,896,185
RIP-SF/ Other	\$74,248,000
TCRP	\$14,000,000
Prop K	\$137,727,000
	\$1,578,300,000

**SFMTA Board Action**

On June 5, 2018, the SFMTA Board of Directors approved Resolution No. \_\_\_\_\_ authorizing the Director of Transportation to execute Amendments No. 1 and 4, subject to approval by the Board of Supervisors (see attached).

**Recommendation**

The SFMTA recommends that the San Francisco Board of Supervisors adopt the Resolution approving Amendment No. 1 retroactively and approving Amendment No. 4 to Contract CS-155-2 with CSDG.

Thank you for your consideration of this proposed amendment. Should you have any questions or require more information, please do not hesitate to contact me at any time.

Sincerely,



Edward D. Reiskin  
Director of Transportation