

CONTRACT MODIFICATION No. 04

**SFMTA Contract No. 1266-2,
ATCS Implementation**

Contractor: Hitachi Rail GTS USA Inc.
99 Park Avenue, Suite 1120
New York, NY 10016

Contract Modification No. 04

Summary:

As described below, this Contract Modification No. 4 (Fourth Amendment) to SFMTA Contract No. 1266-2, acknowledges the contractor's name change and increases the Contract Amount \$2,095,084.82 for a modified total Contract Amount of \$29,825,385.22. The increase to the Contract Amount: (1) compensates Hitachi Rail GTS USA Inc. (Contractor or HRGTSUSA) \$392,992.43 for Additional Work it performed arising from SFMTA's changes to Central Subway Advanced Train Control System (ATCS) designs and specifications; (2) compensates Contractor \$996,684.59 for costs incurred in mitigating 136 Days of delay to its Work due to delays in Central Subway construction work; (3) adds \$705,407.80 to the Contract Amount to replenish funds paid Contractor from this Agreement to resolve Contractor's claim for payment of retention under Central Subway Contract 1300; and, (4) modifies the Substantial Completion date to August 30, 2022, and extends the warranty period for the Central Subway ATCS to August 30, 2025.

The Contract is modified as follows:

1. Name Change

The SFMTA acknowledges that Contractor has changed its name from Thales Transport & Security, Inc., to Hitachi Rail GTS USA Inc., in two transactions. On April 11, 2022, Thales Transport & Security Inc, changed its name to Ground Transportation Systems USA Inc., and on June 3, 2024, Ground Transportation Systems USA Inc. changed its name to Hitachi Rail GTS USA Inc. Although Contractor has changed its name and changed its address, the Tax ID for the company has not changed and there has been no other change to the legal identity or status of the company. For all purposes concerning this Contract, Hitachi Rail GTS USA Inc. is the same entity as Thales Transport & Security, Inc., which entity remains in privity with and obligated to perform the Contract. The Contract is amended to replace every instance of "Thales Transport & Security, Inc." and "Thales" with "Hitachi Rail GTS USA Inc."

2. Additional Work

Appendix H, Item J, ATCS Functional Requirements (Construction Contract Specifications Section 34 42 25 - 2.19 Non-Communicating Train Tracking functionality) of the Contract is amended to add the following Additional Work:

- e. Destination block shall not be included in the conditions to set a route for a non-communicating train. Non-communicating trains are allowed to depart if the

downstream platform block is occupied, provided all interstation blocks are unoccupied.

3. Compensation for Delays

a. Delays to Field Testing. The Parties agree that Contractor was delayed 34 Days from August 9 to September 13, 2021, due to the SFMTA's delay of Contractor's field testing due to construction delays in August 2021. Contract Appendix 1 - Schedule of Price is amended to add \$600,000 to the Contract Amount to compensate Contractor for its additional costs arising from that delay.

b. Delays Due to Fire at YBM Station Traction Power Substation. The Parties agree that Contractor's work was delayed 14 Days from July 6 to July 20, 2022 due to a fire at the Yerba Buena Station traction power substation. SFMTA and HRGTSUSA negotiated a settlement. Contract Appendix 1 - Schedule of Price is amended to add \$255,563.95 to the Contract Amount to compensate Contractor for its additional costs arising from that delay.

c. Delays Due to Work Zone Violation. The Parties agree that Contractor's work was delayed 88 Days from August 7 to November 3, 2023 due to a work safety zone violation in the Central Subway during testing and SFMTA's re-evaluation of ATCS test procedures, which delayed Contractor's release and testing of changes to the Central Subway ATCS software. Contract Appendix 1 - Schedule of Price is amended to add \$141,120.64 to the Contract Amount to compensate Contractor for its additional costs arising from that delay.

4. Replenishment of Monies Paid as Retention to Contract 1300.

The SFMTA paid Contractor \$705,407.80 on or about August 12, 2022, which is an amount equal to the funds that Tutor Perini Corporation (TPC), the Central Subway Project construction contractor, had withheld from Contractor when Contractor had been a subcontractor to TPC under Contract 1300 (the contract to construct the Central Subway stations, trackways, and system. That payment reduced funds available for this Contract by that amount. This Fourth Amendment recognizes the SFMTA's payment of \$705,407.80 to Contractor to resolve all disputes concerning the payment of funds owed as retention to Contractor under Contract 1300. The Contract Amount is increased \$705,407.80 to replenish available funds for this Agreement, and Contractor acknowledges that it is not owed any further compensation for Work it performed while this Agreement was assigned to TPC under Contract 1300.

5. Compensation for Additional Work and Delays

Contract Appendix 1 - Schedule of Price is amended to increase the Contract Amount \$2,095,084.82 to compensate Contractor for the Additional Work, delays, and replenishment described above, as follows:

CM4	Replenishment (for payment of retention owed under Central Subway Project Contract 1300)	\$ 705,407.80
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CM4	Additional Work - NCT Train Tracking	\$ 392,992.43
CM4	Delay – Construction Delay	\$ 600,000.00
CM4	Delay – YBM Substation	\$ 255,563.95
CM4	Delay – Work Zone Violation	\$ 141,120.64
	Subtotal for Fourth Amendment	\$ 2,095,084.82
	CN 1266-2 Contract Amount as modified by the First, Second and Third Amendments	\$27,730,300.40
	Modified CN 1226-2, including this Fourth Amendment	\$29,825,385.22

6. Warranty Period.

The following Section 5.4 is added to the Agreement to clarify ATCS Substantial Completion and the Term of the Agreement:

5.4 Substantial Completion. ATCS Substantial Completion for the Central Subway was achieved on August 30, 2022, when Contractor completed Revenue Service Release testing of Build 4.0 Revenue Release (PCC006.4, Item A1200) on August 30, 2022. The Central Subway ATCS was capable of being used in Revenue Service as of that date. In accordance with Section 10.a of the Agreement, the three-year Warranty Period therefore commenced on August 30, 2022, and will expire on August 30, 2025.

7. Summary of Changes to Contract Amount and Term

a. Contract Term.

First Amendment – Contract Reassignment	1840 Days
First Amendment	0 Days added
Second Amendment	0 Days added
Third Amendment	670 Days added
Fourth Amendment	123 Days added
Amended Contract Term	2633 Total Days (Expiring August 30, 2025)

b. Contract Amount

Contract 1266-2 (Under CN-1300)	\$21,454,079.00
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Payments by SFMTA to CN1300 and remitted to Hitachi	(\$7,054,078.00)
First Amendment - Contract Reassignment of remaining contract amount	\$14,400,001.00
Second Amendment	\$498,555.80
Third Amendment	\$12,831,743.60
Fourth Amendment	\$ 2,095,084.82
Amended Contract Amount	\$29,825,385.22

8. Changes Limited and Express. This Contract Modification is made in accordance with Section 14.36 of the Contract. Except as specifically stated in this Contract Modification, all other terms and conditions of the Contract remain unchanged and are in full force and effect. Any modification of the Contract must be express and in conformance with the General Provisions and Special Provisions of the Contract.

9. Effective Date. The Effective Date of this Fourth Amendment shall be January 25, 2024, conditioned upon the approval of this Fourth Amendment by the SFMTA Board of Directors and the San Francisco Board of Supervisors.

10. Claims Release. The compensation set forth in this Contract Modification comprises the total compensation due to Contractor for all costs for the Additional Work described in this Contract Modification No. 4. The execution of this Contract Modification constitutes an accord and satisfaction of any and all claims for the Additional Work described in this Contract Modification No. 4. The Delay Compensation stated in Section 2, above, is full satisfaction and accord for all claims that Contractor has brought or may ever bring concerning interference with Contractor’s performance of ATCS Services (Delay Claims), known and unknown, that arise up to and including the Effective Date of this Contract Modification No. 4, and Contractor waives all such Delay Claims. The Delay Compensation fully compensates Contractor for all costs and damages that it has incurred or may incur, including but not limited to all escalation costs for labor, materials, equipment storage costs, costs related to extension of warranties and licenses, labor inefficiencies, schedule impacts, overhead, and all other costs and impacts of every kind that directly or indirectly arise from or are related to delay to or interference with Contractor’s performance up to and including the Effective Date of this Contract Modification No. 4.

End of Fourth Amendment. Signatures are on following page.

IN WITNESS WHEREOF, SFMTA and Contractor have executed this Fourth Amendments of the date first referenced above.

<p>Approved:</p> <p>San Francisco Municipal Transportation Agency</p> <hr/> <p>Jeffrey P. Tumlin Director of Transportation</p> <p>Authorized By:</p> <p>Municipal Transportation Agency Board of Directors Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Secretary, Board of Directors</p> <p>Board of Supervisors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Clerk of the Board</p> <p>Approved as to Form: David Chiu City Attorney By:</p> <hr/> <p>David F. Innis Deputy City Attorney</p>	<p>Approved:</p> <p>Hitachi Rail GTS USA Inc.</p> <hr/> <p>Ziad Rizk President and CEO</p> <p>City vendor number: 0000009815</p>
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