

**STAFF REPORT FOR CALENDAR ITEM NO.: 9.2
FOR THE MEETING OF: February 14, 2019**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approve Amendment 1 to the Cooperative Agreement between the Transbay Joint Powers Authority (TJPA) and the Metropolitan Transportation Commission (MTC) to reimburse MTC for certain fees related to the established panel of technical experts independently reviewing matters related to the fissures in girders in the transit center, increasing the maximum reimbursement of fees from \$510,000 to \$1,010,000, extending the period of performance to April 30, 2019, and authorizing the transfer of \$500,000 from Program Reserve to cover the increased peer review effort.

EXPLANATION:

On September 25, 2018, workers discovered a fissure in the bottom flange of a steel girder in the ceiling of the bus deck level of the transit center near Fremont Street. Further inspections revealed a second fissure through half of the lower flange on a separate girder parallel to the first near the same location at Fremont Street.

As a result of the fissures, project contractors have implemented a shoring system at Fremont Street as well as at First Street (which has a similar design and loading conditions as Fremont Street but is structurally sound with no fissures present) (“Temporary Shoring System”); and structural engineers have designed a permanent reinforcement to fix Fremont Street and reinforce First Street (“Permanent Reinforcement Fix”).

On October 4, 2018, the Mayors of the City and County of San Francisco and the City of Oakland urged MTC to facilitate an independent peer review panel. MTC was willing to engage such a panel in lieu of the TJPA.

On November 8, 2018, the TJPA Board of Directors authorized the Executive Director to execute a Cooperative Agreement with MTC for reimbursement of the peer review panel’s fees for an amount not to exceed \$510,000 and a term through April 1, 2019.

The Cooperative Agreement assumed a 12-week review of the cause of fracture and repair, including one week to perform additional reviews as necessary. Since the execution of the Cooperative Agreement, based on the further-developed understanding of the cause and effect of the fissures, stakeholders, including the TJPA Board of Directors, have requested additional but related analyses and investigations that the peer review panel will review. The scope and duration of the peer review panel’s work has expanded accordingly. MTC has requested an additional \$500,000 to account for changes to the scope as follows:

- The duration of active peer review is now expected to last 24 weeks.
- The peer review panel is participating in more interim check-ins and reports than originally anticipated. This is to help expedite reaching concurrence and conclusion of the review.

- The peer review panel is conducting additional reviews and more extensive reviews than originally considered, including reviews of search for other areas susceptible to brittle fracture, hanger analysis, and fatigue.
- MTC added technical support from Edison Welding Institute (EWI) for finite element model (FEM) review to insure credibility of sophisticated analysis done by Lucius Pitkin Incorporated (LPI) labs.
- MTC added technical support from Ruby & Associates to assist in the overview of the search for other areas susceptible to brittle fracture.

MTC is providing TJPA with monthly cost reports for the peer review panel. Costs incurred through November 2018, the most recent report, total \$151,525.88. TJPA staff anticipates that these costs ultimately will be paid by the party or parties found responsible for the fissure. Thus, the TJPA expects to seek reimbursement of these costs from that party or parties.

TJPA staff proposes an additional transfer of \$500,000 of Program Reserves to fund the effort. This work will be funded with unrestricted assets.

RECOMMENDATION:

Staff recommends that the TJPA Board authorize the Executive Director to execute an amendment to the Cooperative Agreement with MTC to increase the maximum reimbursement of fees to \$1,010,000 and extend the period of performance to April 30, 2019, and authorize the transfer of \$500,000 from Program Reserve to cover the increased peer review effort.

ATTACHMENTS:

1. Amendment to Cooperative Agreement
2. Resolution

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, On September 25, 2018, workers discovered a fissure in the bottom flange of a steel girder in the ceiling of the bus deck level of the transit center near Fremont Street. Further inspections revealed a second fissure through half of the lower flange on a separate girder parallel to the first near the same location at Fremont Street; and

WHEREAS, On October 4, 2018, the Mayors of the City and County of San Francisco and the City of Oakland urged the Metropolitan Transportation Commission (MTC) to facilitate an independent peer review panel; and

WHEREAS, MTC was willing to engage such an independent peer review panel in lieu of the TJPA, and MTC has already started to facilitate the independent peer review panel; the panel's work is on-going; and

WHEREAS, MTC has requested that the TJPA reimburse MTC for certain fees related to the peer review panel; and

WHEREAS, On November 8, 2018, the TJPA Board of Directors authorized the Executive Director to execute a Cooperative Agreement with MTC for reimbursement of the peer review panel's fees for an amount not to exceed \$510,000 and a term through April 1, 2019; and

WHEREAS, the further-developed understanding of the cause and effect of the fissures has led stakeholders, including the TJPA Board of Directors, to request additional but related analyses and investigations that the peer review panel will review; and

WHEREAS, MTC has requested a \$500,000 increase in the maximum compensation, from \$510,000 to \$1,010,000, and an extension of the period of performance to April 30, 2019; and

WHEREAS, Transferring \$500,000 from Program Reserve will provide funds to cover the additional costs for the peer review effort; and

WHEREAS, The TJPA expects to seek reimbursement of the costs related to the peer review panel incurred under the Cooperative Agreement by the party or parties responsible for the fissures; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to execute an amendment to the Cooperative Agreement between the TJPA and MTC increasing the authorized reimbursement of fees to \$1,010,000 and extending the period of performance to April 30, 2019; and, be it

FURTHER RESOLVED, That the TJPA Board of Directors authorizes staff to transfer \$500,000 from the Program Reserve for the peer review effort; and, be it

FURTHER RESOLVED, That the TJPA Board authorizes the Executive Director to take all actions and execute all documents as he deems reasonably necessary to implement and effectuate the above approval.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of February 14, 2019.

Secretary, Transbay Joint Powers Authority

**AMENDMENT NO. 1 TO
COOPERATIVE AGREEMENT
Between METROPOLITAN TRANSPORTATION COMMISSION
And TRANSBAY JOINT POWERS AUTHORITY
For TRANSBAY TRANSIT CENTER PEER REVIEW PROJECT**

THIS AMENDMENT, effective February 14, 2019, is Amendment No. 1 to the Cooperative Agreement (“Agreement”), entered into on October 12, 2018, between the TRANSBAY JOINT POWERS AUTHORITY, referred to herein as “TJPA,” and the METROPOLITAN TRANSPORTATION COMMISSION, referred to herein as “MTC.”

RECITALS

WHEREAS, TJPA is a joint exercise of powers authority created by the City and County of San Francisco, the Alameda-Contra Costa Transit District, the Peninsula Corridor Joint Powers Board, the California High Speed Rail Authority, and Caltrans, and TJPA has primary jurisdiction with respect to all matters concerning the financing, design, development, construction, and operation of the new transit center in downtown San Francisco; and

WHEREAS, On September 25, 2018, workers discovered a fissure in the bottom flange of a steel girder in the ceiling of the bus deck level of the transit center near Fremont Street. Further inspections revealed a second fissure through half of the lower flange on a separate girder parallel to the first near the same location at Fremont Street; and

WHEREAS, As a result of the fissures, project contractors have implemented a shoring system at Fremont Street as well as at First Street (which has a similar design as Fremont Street) (“Temporary Shoring System”); and structural engineers are designing a proposed permanent reinforcement fix for Fremont Street and First Street (“Permanent Reinforcement Fix”); and

WHEREAS, TJPA and MTC have agreed MTC will facilitate a panel of technical experts to participate in an independent review of the Temporary Shoring System and the Permanent Reinforcement Fix, TJPA’s findings with respect to the cause of the fissures, and such other related matters as appropriate; and

WHEREAS, MTC has started to facilitate the independent peer review panel, and the panel’s work is on-going; and

WHEREAS, the further-developed understanding of the cause and effect of the fissures has led to additional but related analyses and investigations that the peer review panel will review; and

WHEREAS, TJPA and MTC now wish to enter into Amendment No. 1 to the Agreement to increase funding by five hundred thousand dollars (\$500,000) for a revised total project cost not to exceed one million ten thousand dollars (\$1,010,000) and to extend the period of performance to April 30, 2019.

NOW, THEREFORE, the parties hereby agree as follows:

1. Article I.B. is revised as follows:

B. The budget for the PROJECT is described in Attachment B, Budget (revised). The maximum amount payable to MTC for PROJECT, including (as applicable) labor, supervision, applicable surcharges such as taxes, insurance, and fringe benefits, indirect costs, overhead, profit, subcontractors costs (including mark-up), travel, equipment, materials and supplies, and expenses, and excluding any indemnification and defense obligations of TJPA under Section II.C., below, shall not exceed one million ten thousand dollars (\$1,010,000) (“Maximum Payment”).

2. Article III.B is revised as follows:

B. The term of the Agreement shall begin on the Effective Date and conclude on April 30, 2019, unless either party terminates this agreement earlier as provided below except for obligations of the parties that by their nature would extend beyond such term.

3. Attachment B is deleted and replaced with Attachment B (revised), attached hereto and incorporated herein by this reference.

4. Retention of Contract Provisions. Except as provided herein, all other terms and conditions of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective on the date first mentioned above.

TRANSBAY JOINT POWERS AUTHORITY

METROPOLITAN TRANSPORTATION
COMMISSION

By: _____
Mark Zabaneh, Executive Director

By: _____
Steve Heminger, Executive Director

Approved as to form:

Attorney
TJPA

Transbay Joint Powers Authority
Board of Directors

Resolution No. _____

Adopted: _____

Attest:

Secretary, TJPA Board

ATTACHMENT B (revised)

BUDGET

Actual expenses for individual tasks and line items may vary from the totals shown below as long as the cumulative total for all tasks and line items remains at or below the Estimated Total shown below.

	People*	Unit	Weeks	Avg. Total Hours / Week	Avg. Rate	Total
Labor						
Task 1: Review and comment on Temporary Shoring System						
Review by panelists	4*	Panelists	3	68	\$325	\$66,000
Task 2: Review and comment on proposed sample & testing plan						
Review by panelists	4*	Panelists	5	68	\$325	\$110,000
Task 3: Review and comment on the cause of the fissures at two girders						
Review by panelists	4*	Panelists	6	68	\$325	\$132,000
Task 4: Review and comment on the Permanent Reinforcement Fix						
Review by panelists	4*	Panelists	6	68	\$325	\$132,000
Task 5: Other reviews as needed and determined						
Review by panelists	4*	Panelists	4	68	\$325	\$88,000
Tasks 3 consultant assistance						
Edison Welding Institute	1	Consultant	12	16	\$375	\$72,000
Tasks 5 consultant assistance						
Ruby & Associates	Var.	Consultant	8	40	\$325	\$104,000
Tasks 1-5: Consultant assistance, as needed						
Consultant assistance to provide additional technical expertise or staff	Var.	Consultants	12	36	\$250	\$108,000
Direct Costs**						
Travel out-of-state (5 people, 6 trips ea: flights, hotels, and per diem)	30	person trips	total over 24 weeks		\$2,200	\$66,000
Travel in-state (1 person, 6 trips ea: travel and per diem)	6	person trips	total over 24 weeks		\$500	\$3,000
Reprographics	1	lum sum			\$10,000	\$10,000
Meals (hosted events external to MTC and panel)	75	lunch/breakfast			\$25	\$1,875
MTC Travel (2 people, 4 trips ea, flights hotels, and per diem)	8	person trips			\$2,200	\$17,600
Subtotal						\$910,475
Contingency	10%					\$91,048
Estimated Total - All Tasks and Line Items						\$1,001,523

* There are a total of 5 panelists; however, there is no charge for the panelist from FHWA

** Travel-related expenses (e.g., airfare, automobile rental, taxicab fares, parking, meals) must adhere to the "TJPA Travel Policy for Consultants and Subconsultants."