

**STAFF REPORT FOR CALENDAR ITEM NO.: 20  
FOR THE MEETING OF: September 13, 2018**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Authorizing the Executive Director to execute an amendment to Agreement No. 03-02-DTX ENGR-002, Engineering Design Services for Caltrain Downtown Extension Project Term 3 (2017–2019) with Parsons Transportation Group (Parsons) (Term 3 Agreement) to extend the Term 3 Agreement to December 31, 2019; increase the contract amount by \$14,820,000 for a total not-to-exceed contract amount of \$22,300,000 to allow Parsons to continue engineering services to complete the 30% design; and amend the Key Personnel.

**EXPLANATION:**

**Background**

Phase 2 of the Transbay Program (Program), which comprises mainly the Downtown Rail Extension (DTX) project, requires a multi-disciplinary engineering design team to provide engineering services on behalf of the TJPA; assist in planning, engineering/designing, managing, and implementing this large and complex public infrastructure project; and provide other related professional services.

In 2004, the TJPA selected Parsons Transportation Group through a competitive procurement process as the highest ranked team to provide engineering and design services for the DTX. The TJPA contracted with Parsons in 2005, anticipating three tranches of contracts. The contract tranches have been amended during their terms. The Term 1 and Term 2 Agreements have been closed out; the Term 3 Agreement is open. Through June 30, 2018, the contract status is summarized in the table below:

<b>Contract</b>	<b>Term *</b>	<b>Total Contract Amount *</b>	<b>Total Expended</b>	<b>Remaining Amount</b>	<b>Notes</b>
Term 1	2005-2008	\$23,035,142	\$13,811,557	\$0	Closed; Contractor completed Conceptual Engineering
Term 2	2008-2011	\$11,910,000	\$11,161,792	\$0	Closed; Contractor completed PE on the 2004 Final EIS/EIR elements
Term 3	2011-2019	\$7,480,000	\$6,638,022	\$841,978	Open

\* As amended

**Contract History of the Term 3 Agreement**

On June 9, 2011, the TJPA Board authorized the Executive Director to enter the Term 3 agreement for a three-year term (2011–2014) and a maximum compensation of \$4,200,000 for ongoing engineering support including coordination with the transit center design team,

structural engineering studies in support of Phase 2 property acquisition, and provisions for the Central Subway light rail crossing of the DTX at Fourth Street.

On June 12, 2014, the TJPA Board authorized Amendment No. 1 to the Term 3 Agreement, extending the term by an additional three years (2014-2017) with no increase to the contract dollar amount.

On May 12, 2015, the Executive Director authorized Amendment No. 2 to the Term 3 Agreement, incorporating a change to the Key Personnel listed in the Term 3 Agreement.

On May 11, 2017, after receiving a portion of the sought after funding from the San Francisco County Transportation Authority (SFCTA), the TJPA Board authorized Amendment No. 03 to the Term 3 Agreement, extending the term by an additional two years (2017–2019), increasing the contract amount by \$2.6 million, for a total contract amount of \$6.8 million, and updating the assigned Key Personnel.

On July 27, 2018, the Executive Director authorized Amendment No. 04 to the Term 3 Agreement, which increased the contract amount by \$680,000, for a total contract amount of \$7.48 million.

Through June 30, 2018, \$6,638,022 has been expended on the following work: updated design of DTX tunnel elements north of Townsend Street to the 30% design level, a study of opportunities to reduce surface impacts due to Phase 2 construction, support of the SFCTA's rail operations peer review effort, ongoing coordination with the Rail Alignment and Benefits (RAB) Study and other outside agencies, progress drawing sets for coordination with the rail operators, a refinement study and a mezzanine sizing study for the Fourth and Townsend Street Station, conceptual sketches for the tunnel stub, an update to the East Bay connection technical memorandum to reflect the train box extension, cost estimating, and support for the development of the Supplemental Environmental Impact Statement/ Environmental Impact Report (SEIS/EIR).

### **Progress of Development of the DTX and Need for Continued Engineering Services**

Since completion of 30% Preliminary Engineering (PE) in 2010, several elements of the DTX have been refined or are proposed for refinement to accommodate high-speed train requirements and update the design to current standards. These and other proposed Phase 2 refinements, are evaluated in the SEIS/EIR.

In June 2016, the TJPA Board directed the Executive Director to proceed with bringing the Phase 2 design, as originally described in the draft SEIS/EIR, to the 30% level of completion. Staff submitted a funding request to the SFCTA for the funding necessary to undertake this effort. Concurrent with its review of the funding request, the SFCTA Board of Commissioners requested that the scope of the design work be reduced to only those elements of the Phase 2 project that would not be impacted by the results of the RAB Study, which was then underway. The SFCTA also requested that TJPA study options to reduce impacts to city streets as result of Phase 2 cut-and-cover construction. Therefore, the original funding request was modified, and a

second funding request for a tunneling study was submitted to the SFCTA in January 2017. The SFCTA Board approved both funding requests at its April 11, 2017 meeting.

Amendment No. 03 to the Term 3 Agreement incorporated the scope of engineering work agreed to with SFCTA, i.e., DTX tunnel elements north of the intersection of Second and Townsend streets and the study of tunneling options. At that time, staff indicated that additional design and engineering scope items beyond that covered in the amendment would be presented to the Board for its consideration at the appropriate time. The Amendment No. 03 work was completed in May 2018.

Findings from the tunnel options study indicate that there are feasible options for reducing cut-and-cover construction along the DTX alignment, which would reduce surface impacts but require location-specific planning and design studies. Additionally, preliminary findings from the City's recently completed RAB Study indicate that the City's preferred rail alignment, which was presented to the TJPA Board in June 2018, is consistent with the proposed refinement to the DTX, as described in the SEIS/EIR. An SFCTA Peer Review of various rail operations analyses performed for DTX also concluded that a three-track configuration was necessary for the project.

The TJPA plans to update the Project design to include the results of the recently completed studies and continue 30% design work on the balance of the Phase 2 elements in the SEIS/EIR to bring all Phase 2 elements to a 30% design level. This work will include continued study to a 30% design level of a new design for the mined tunnel portion of the DTX using a combination of a tunnel boring machine and sequential excavation method mining, a design for a mined crossing of Howard Street to further reduce surface construction impacts within the extent of the throat structure, and design work to examine the impacts of an additional platform at the Fourth and Townsend Street Station. In addition to the 30% design scope, the design consultant will coordinate with the transit center design team, the rail operators, City agencies, and the program management team to support development of documentation for the federal New Starts funding program. The design consultant will also prepare design and bid documents for an advance utility relocation construction contract package.

The TJPA received funding from the SFCTA on July 24, 2018, and issued Amendment No. 04 to the Term 3 Agreement, to allow the design consultant to begin work on draft submittals for the 30% design effort, as agreed-to by the SFCTA. It is anticipated that the balance of the funds required to complete the 30% design studies and the advance utility relocation construction contract package will be funded by Regional Measure 3 (RM 3), which received voter approval on June 5, 2018. The Metropolitan Transportation Commission (MTC) has indicated its support for funding this work, and a request for funds will be submitted to MTC once the RM 3 funding application guidelines are released.

Staff believes that it would be inefficient and not cost effective to engage in a new competitive procurement process to select a consultant to provide these continuing engineering services. The services will require a detailed understanding of the design work completed to date, and the detailed and particular requirements of and agreements reached with the TJPA's partners, including the City, SFCTA, Caltrain, and California High-Speed Rail Authority. The time investment that would be required for a new engineering firm to review all the necessary

materials and information prepared to date would more than exceed the TJPA's available budget for the services, and would significantly slow the TJPA's ability to timely receive the services, which could jeopardize the TJPA's ability to move the DTX project forward as efficiently as possible.

Next summer (2019), staff intends to release a request for proposals to select one or more design firms to provide Phase 2 engineering and design services for the necessary support to advance the development of Phase 2 from the 30% PE level and complete the construction documents.

#### **Amendment No. 05**

Amendment No. 05 would extend the Term 3 Agreement for an additional six months (June 30, 2019–December 31, 2019) and increase the maximum authorized compensation under the Term 3 Agreement by \$14.82 million, for a total Term 3 amount of \$22.3 million. As of June 30, 2018, \$841,978 remains in the Term 3 authorized budget, and staff anticipates that the remainder as well as the \$14.82 million being requested will be expended in completing the Phase 2 Preliminary Engineering. The Amendment No. 05 scope of work would be funded by the SFCTA, as approved by the SFCTA Board, and RM 3.

The scope of services to be performed under Amendment No. 05 will continue to be authorized by the TJPA on an as-needed and as-funded basis via written NTPs; staff will continue to negotiate with Parsons regarding specific scopes of work, cost, and fee for each NTP with terms that are agreeable to the TJPA. Staff expects the 30% design effort and advance package preparation to be complete in December 2019.

#### **Key Personnel**

Amendment No. 05 amends Section 5.d. of the Agreement by replacing Civil Design Manager Theresa Larson with Alexander Geyer.

#### **RECOMMENDATION:**

Staff recommends that the TJPA Board authorize the Executive Director to execute Amendment No. 05 to Agreement No. 03-02-DTX ENGR-002, Engineering Design Services for Caltrain Downtown Extension Project Term 3 (2017–2019), with Parsons to extend the term to December 31, 2019, increase the contract amount by \$14,820,000 for a total not-to-exceed contract amount of \$22,300,000 to allow Parsons to perform needed continuing engineering services, and amend the Key Personnel. The increase to the Term 3 Agreement would be funded by SFCTA, as approved by the SFCTA Board of Commissioners on July 24, 2018, and by RM 3.

#### **ENCLOSURES:**

1. Resolution
2. Amendment No. 05

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**Resolution No. \_\_\_\_\_**

WHEREAS, On December 16, 2004, the Transbay Joint Powers Authority (TJPA) Board of Directors (TJPA Board) unanimously resolved to authorize the Executive Director to execute a Professional Services Agreement (Agreement) for Engineering Design Services for the Caltrain Downtown Extension (the Downtown Rail Extension or DTX) project with Parsons Transportation Group, Inc. (Parsons) for an initial three-year term (2005–2008) (Term 1) and a maximum compensation under Term 1 of \$23,035,142, of which \$13,811,557 was expended under an amended Term 1 Agreement; and

WHEREAS, In 2008, the TJPA Board authorized the Executive Director to execute a renewed agreement with Parsons for engineering design services for a term of three years (2008-2011) (Term 2), with a maximum compensation of \$11,910,000, of which \$11,161,792 was expended under an amended Term 2 Agreement; and

WHEREAS, In 2011, the TJPA Board authorized the Executive Director to execute a renewed agreement with Parsons for engineering design services for a term of three years (2011-2014) (Term 3), with a maximum compensation of \$4,200,000; and

WHEREAS, The Term 3 Agreement has been subsequently amended to, among other things, extend the term through June 2019 and increase the maximum compensation to \$7,480,000; and

WHEREAS, The TJPA wishes Parsons to provide design services for 30% Preliminary Engineering for the Phase 2 elements modified or added in the Supplemental Environmental Impact Statement/ Environmental Impact Report, including engineering drawings that were outside the scope of the amendments to the Agreement; provide engineering design work to examine the impacts of adding an additional platform at the Fourth and Townsend Street Station, continue providing technical support to the TJPA in interfacing with and reviewing documents produced by the City and County of San Francisco, Caltrain, the California High-Speed Rail Authority, and the Federal Railroad Administration; conduct due diligence investigation of alternative delivery methods and other potential funding mechanisms for Phase 2; provide design services for a feasibility study to review opportunities to reduce surface impacts due to Phase 2 construction; provide engineering design work and bid documents for an advance utility construction package; and support the TJPA in preparing New Starts Program documentation; and

WHEREAS, The TJPA has determined that Parsons is well qualified to continue to perform the scope of services in a cost-effective manner; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to execute Amendment No. 05 to the Term 3 Agreement to extend the term for an additional six months (June 30, 2019–December 31, 2019); increase the contract amount by \$14,820,000 for a total not-to-exceed contract amount of \$22,300,000 to allow Parsons to continue engineering services to complete the 30% design, as described in the amendment; and amend the Key Personnel.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of September 13, 2018.

\_\_\_\_\_  
Secretary, Transbay Joint Powers Authority

**Amendment No. 05**  
**Agreement No. 03-02-DTX ENGR-002 between**  
**the Transbay Joint Powers Authority and**  
**Parsons Transportation Group, Inc.**

THIS AMENDMENT to AGREEMENT is entered into as of the 13<sup>th</sup> day of September 2018 by and between the TRANSBAY JOINT POWERS AUTHORITY (“TJPA”) and Parsons Transportation Group, Inc. (the “Contractor”).

By this Amendment No. 05 the TJPA and the Contractor hereby modify Agreement No. 03-02-DTX ENGR-002, Engineering Design Services for Caltrain Downtown Extension Project Term 3, dated June 9, 2011, as amended by Amendment No. 01, dated June 12, 2014, Amendment No. 02, dated May 12, 2015, Amendment No. 03, dated May 11, 2017, and Amendment No. 04, dated July 27, 2018, (“the Agreement”), only to the extent expressly provided in this Amendment No. 05. All other terms and conditions of the Agreement shall remain in full force and effect.

**Recitals**

- A. On December 16, 2004, the TJPA Board of Directors authorized an agreement (Agreement No. 03-02-DTX ENGR-000) with Contractor for professional engineering design services for the Caltrain Downtown Extension Project (the “Project”). The Agreement included a term of three years (2005–2008) (“Term 1”) with an option for a second six-year term; the Term 1 agreement was subsequently amended.
- B. On June 20, 2008, the TJPA Board of Directors authorized an agreement (Agreement No. 03-02-DTX ENGR-001) exercising the TJPA’s option to have the Contractor continue professional engineering design services for the Project for a second term of three (3) years (2008–2011) (“Term 2”); the Term 2 agreement was subsequently amended.
- C. On June 9, 2011, the TJPA Board of Directors authorized the Agreement (Agreement No. 03-02-DTX ENGR-002) exercising the TJPA’s option to have the Contractor continue professional engineering design services for the Project for a third term of three (3) years (2011–2014) (“Term 3”) at a cost not to exceed \$4,200,000.
- D. On June 12, 2014, the TJPA Board authorized Amendment No. 01 to the Agreement, continuing professional engineering design services for the Project for three (3) years (2014–2017) with no increase to the contract maximum.
- E. On May 12, 2015, the TJPA Executive Director authorized Amendment No. 02 to the Agreement, replacing the Key Personnel Project Manager.
- F. On May 11, 2017, the TJPA Board authorized Amendment No. 03 to the Agreement, extending the term of the Contractor’s professional engineering design services for the Project for two (2) years (2017–2019) at a cost not to exceed \$6,800,000.
- G. On July 27, 2018, the TJPA Executive Director authorized Amendment No. 04 to the Agreement, continuing professional engineering design services for the Project at a cost not to exceed \$7,480,000.
- H. To date, the Contractor has not expended all of the authorized funds under the Agreement.
- I. By this Amendment No. 05 to the Agreement, the TJPA authorizes a six-month extension of Term 3, from June 30, 2019, to December 31, 2019, for a cost not-to-exceed \$22,300,000.
- J. The Contractor represents and warrants that it is well qualified to perform the services required by the TJPA as set forth under the Agreement and this Amendment No. 05.

Now, THEREFORE, the parties agree as follows:

## **Terms and Conditions**

### **General**

The Contractor shall provide technical support as needed and as authorized through Notices to Proceed (“NTPs”) by the TJPA that describe period of performance, corresponding fee, and authorized scope, which may include, but is not limited to, the following:

- a. Perform engineering design work and prepare engineering drawings on elements modified or added in the Supplemental Environmental Impact Statement/Environmental Impact Report. This work includes continued study to a 30% design level of a new design for the mined tunnel portion of the DTX using a combination of a tunnel boring machine and sequential excavation method mining, a design for a mined crossing of Howard Street, and design work to examine an additional platform at the Fourth and Townsend Street Station;
- b. Preparation of design and bid documents for an advance utility relocation construction package;
- c. Continue providing technical support to the TJPA in interfacing with and reviewing documents produced by the Transit Center design team, Caltrain, the California High-Speed Rail Authority, and the Federal Railroad Administration;
- d. Review and respond to City planning proposals relating to the railyard and other items;
- e. Conduct due diligence investigation of alternative delivery methods and funding mechanisms for Phase 2; and
- f. Support for the TJPA in preparation of New Starts Program documentation.

### **Responsibilities and Liabilities**

The Contractor shall remain responsible in accordance with the terms of the Agreement as modified by this Amendment No. 05 for all services described under the Agreement. Nothing in this Amendment No. 05 shall modify or abrogate the rights and responsibilities under the Agreement, including all indemnification and insurance coverage requirements.

### **Term**

This Amendment No. 05 extends services for an additional six (6) months from June 30, 2019, to December 31, 2019.

### **Fee Structure**

This Amendment No. 05 increases the not-to-exceed amount under the Agreement by \$14,820,000 to \$22,300,000.

The TJPA shall compensate the Contractor as provided for in the Agreement. Under no circumstances shall the TJPA be responsible for compensation under Amendment No. 05 that would cause the Agreement to exceed the amount of \$22,300,000.

### **Key Personnel**

Section 5.d. of the Agreement, Key Personnel, is hereby amended by replacing Civil Design Manager Theresa Larson with Alexander Geyer.

All other provisions of the Agreement shall remain in full force and effect.

**TRANSBAY JOINT POWERS  
AUTHORITY**

**CONTRACTOR  
Parsons Transportation Group, Inc.**

\_\_\_\_\_  
Mark Zabaneh  
Executive Director

\_\_\_\_\_  
Signature

Transbay Joint Powers Authority  
Board of Directors  
Resolution No. \_\_\_\_\_

\_\_\_\_\_  
Printed Name

Adopted: \_\_\_\_\_

\_\_\_\_\_  
Tax Identification Number

Attest:

\_\_\_\_\_  
Secretary, TJPA Board

**Approved as to Form by:**

\_\_\_\_\_  
TJPA Legal Counsel