

MONTHLY MONITORING REPORT
August 2016

Central Subway Project
San Francisco Municipal Transportation Agency (SFMTA)
San Francisco, CA

Draft Report delivered to FTA on September 15, 2016
Final Report delivered to FTA on September 20, 2016

PMOC Contract No.: DTFT6014D00010
Task Order No. 5
Project No.: FTA-13-0294

Work Order Number: 002
OPs Referenced: 01 and 25
CLIN 0002B

David Evans and Associates, Inc.
Bill Byrne, Task Order Manager
Voice – (303) 828-8626; Email – bbyrne@deainc.com
Time on project: 2 years

EXECUTIVE SUMMARY

Project Description

The Central Subway Project (CSP) is constructing a 1.7-mile extension of Muni's T Third Line along 4th Street and Stockton Street in downtown San Francisco. The CSP is Phase 2 of the San Francisco Municipal Transportation Agency's (SFMTA) T Third Light Rail Transit (LRT) Project. Phase 1 of the project constructed a 5.1-mile light rail line along the densely populated 3rd Street corridor. Revenue service commenced on the T Third Line in April 2007. The CSP will extend the T Third Line from the 4th Street Caltrain Station to Chinatown, providing a direct, rapid transit link from the Bayshore and Mission Bay areas to South of Market (SoMa), Union Square, and downtown.

Four new stations are being constructed as part of the project—an at-grade station at 4th and Brannan streets and three underground stations at Yerba Buena/Moscone Center (YBM), Union Square/Market Street (UMS), and Chinatown (CTS). Four light rail vehicles (LRVs) are included in the budget for the CSP as part of a larger procurement that will replace the entire LRV fleet. Average weekday boardings are projected to be 43,521 in 2030.

Project Status

The Full Funding Grant Agreement (FFGA) was signed on October 11, 2012. Design is complete, and the project has been under construction since February 2010. *At the end of July 2016, the project was 61.05% complete based on expenditures.* There was one active construction contract: 1300 Stations and Systems/Trackwork. The 1252 Contract for construction of the twin subway tunnels achieved final completion on May 15, 2015. Determination of the final contract cost and financial close out of the 1252 Contract is nearing completion. The contractor needs to repair a number of leaks in the tunnel and cross passages prior to contract close out. This work is expected to be completed in early 2017 when progress on the stations and trackwork will reach a point where access to the tunnels by the tunnel contractor will be possible. The final contract price for the tunnel contract is likely to be close to the current contract amount.

*The 1300 Contract was 46.42% complete on the basis of incurred cost at the end of July 2016. Substantial completion was originally scheduled for February 2018, but the latest master program schedule update forecasts substantial completion on February 11, 2019, a delay of 367 days. The contractor's recent schedule updates have been rejected, and the master schedule information for the project is based on SFMTA's latest update of the construction schedule, which was completed in July 2016. SFMTA's version of the schedule indicates a forecast Revenue Service Date (RSD) of July 25, 2019, which is 146 days later than the required RSD in the FFGA. **The Project Management Oversight Contractor (PMOC) remains concerned that construction continues to fall further behind schedule as time is passing, with SFMTA reporting a schedule slippage of 12 days during the month of July. SFMTA noted that the contractor did not fall further behind schedule during the month of August, which will need to be confirmed when the August monthly progress report is published.***

The entire schedule contingency in the program master schedule has now been consumed by the delays to the station construction, and the project schedule has negative float. SFMTA and the contractor have established updated goals for completion of construction milestones for each of the work packages. Some of these milestones have been achieved and others have been missed, resulting in no appreciable improvement in the overall schedule. Additionally, the PMOC’s evaluation of the program schedule indicates that there are four lines (sequences) of work that are driving the RSD. Time savings will need to be identified for all four lines of work to bring the RSD earlier, and thus far the schedule performance milestones have not covered all four of the critical lines of work. The specific lines of work and possible schedule compression strategies are documented in the PMOC’s spot report for the schedule workshops held in late June. *SFMTA is working to determine how to advance work on each of these near critical lines of work.* **In the opinion of the PMOC, setting of milestone targets has yet to result in recovery of previous schedule delays, and setting of such milestones alone will not be sufficient to prevent further delays or to recover the delays that have already occurred. Attention should be given by SFMTA to planning the sequences of work that will allow building systems and transit systems testing to start, and SFMTA should review the detailed testing and commissioning tasks to determine if it is possible to partially recover the accumulated delays to the project. The testing and commissioning will require support from SFMTA’s Transit Division, which should be engaged in the planning for this work as soon as possible.** SFMTA has started the process of planning and scheduling the testing and commissioning work *and has delivered a draft Rail Activation Plan (RAP) to the PMOC. The PMOC will review this plan during the month of September.*

In the opinion of the PMOC, additional delays to ongoing work will make it very difficult to improve on the current forecast for the RSD and, as a result, the PMOC will continue to focus its oversight efforts on the status of ongoing construction as well as SFMTA’s efforts to make changes in the work sequence to save time for work scheduled to occur toward the end of the project.

Table 1 - Core Accountability Items

Project Status: (as of July 31, 2016)		Original at FFGA:	Current Estimate:
Cost	Cost Estimate	\$1,578,300,000	\$1,578,300,000
Contingency	Unallocated Contingency	\$74,722,000	\$24,749,524
	Total Contingency (Allocated Plus Unallocated, Including Approved Contract Changes)	\$185,500,000	\$79,555,773 (reduced slightly from June 2016)

Project Status: <i>(as of July 31, 2016)</i>		Original at FFGA:	Current Estimate:
Schedule	Revenue Service Date	12/26/2018	07/25/2019 (forecast)
Total Project Percent Complete			
Based on Expenditures		61.05%	
Based on Earned Value		61.00%	
Major Issues	Status	Comments/Planned Action	
Schedule Contingency	Based on the latest program master schedule, there is negative schedule float of <i>more than 6 months</i> .	The minimum schedule contingency agreed to at this stage of the project is 6.0 months. The PMOC convened a schedule recovery workshop in June. Several potential schedule recovery strategies were identified and are under evaluation by SFMTA.	
Cost Contingency	The current Total Contingency is \$79.6 million. The FTA recommends a minimum contingency level of \$60 million.	The availability of excess cost contingency may make it possible to implement strategies to accelerate the construction work at increased project cost, while maintaining the overall program budget.	
Technical Capacity and Capability	All management positions in the organization are filled.	SFMTA reports that it is planning to hire an additional experienced forensic scheduler to expedite the development of the as-built schedule and the evaluation of the responsibilities for accumulated delays.	
Date of Next Quarterly Meeting:		November 3, 2016	

Earned Value (EV): \$963,873,116, an increase of \$8.93 million from June.

Planned Value (PV): \$1,236,846,676, an increase of \$11.96 million from June.

Actual Cost: \$963,514,541, an increase of \$8.42 million from June.

Cost Performance Index (CPI): 1.00. A value greater than 1 means that value of the work completed is more than the cost of the work (under budget) and less than 1 means that the value of the work is less than the cost of the work (over budget).

Schedule Performance Index (SPI): 0.78. SPI greater than 1 is ahead of schedule and less than 1 is behind schedule. SFMTA has identified the minimum acceptable SPI to be 0.90; the current SPI indicates unacceptable schedule performance.

Contingency

Cost Contingency

The total available contingency (approved contingency less approved contract changes) is \$79,555,773, which is above the minimum required contingency of \$60 million and *down about \$82,000 from June due to the execution of a few small contract modifications*. Unallocated contingency remains at \$24.7 million, unchanged from *June*. **In the opinion of the PMOC, the overall available cost contingency is sufficient to provide reasonable assurance of on-budget completion of the project. However, the accumulated delays to the construction raise the potential for contractor time impact claims and associated extra costs or increased costs associated with efforts to accelerate the work to recover delays.** SFMTA is developing an as-built schedule from the inception of the 1300 Contract work, which will be used to analyze the causes of delays and the potential responsibilities for the delays. *SFMTA has committed to finish this effort by the end of November 2016.*

Schedule Contingency

The program master schedule for the CSP now shows negative buffer float and a forecast RSD more than six months later than required. The agreed level of schedule contingency after demobilization of the tunnel work is 6.0 months. **In the opinion of the PMOC, there is a risk that the RSD will be missed by a few months.**

PMOC Observations, Opinions, and Concerns

The current program master schedule indicates that the RSD will be more than six months later than planned unless the duration of future activities can be reduced or more work can be accomplished concurrently. The PMOC is concerned that the 1300 contractor has not delivered an acceptable schedule update for the project in several months, which may hinder effective collaboration on implementation of schedule recovery strategies.

The PMOC facilitated a schedule recovery workshop for the project to assist SFMTA in identifying the most promising strategies for reducing the duration of the remaining construction and testing, commissioning and training work and to assess how much of the accumulated delays can be expected to be recovered. In addition, the time savings impacts of the most recent short term schedule performance milestones were assessed. The projected impact to the RSD of the milestones was very limited, and it appears that the key milestone for CTS, which is on the project critical path, will be missed by *about 10 weeks*. In the opinion of the PMOC, although setting and working toward the short term milestones may be encouraging cooperation and collaboration between Tutor Perini Corporation (TPC) and SFMTA in advancing the current work, this practice has not, and most likely will not, result in overall time savings or any improvement in the RSD for the project. *SFMTA reported that the limitations on excavation for the Sequential Excavation Method (SEM) work at CTS are being relaxed due to the favorable results of the ongoing excavation. The relaxed limitations are expected to result in time savings*

for the excavation of the station platform caverns. In the opinion of the PMOC, the savings in excavation time should begin to be realized in October or November 2016.

While SFMTA has been focusing on the schedule for work at CTS, which is on the current critical path, recovering nearly six months of delay will require that time savings be identified for all of the lines of work that are driving the RSD, including Surface, Track and Systems (STS) work in the tunnels and work at UMS. A more comprehensive view of the lines of work that are driving the RSD must be taken by SFMTA, and efforts must be made to improve the work sequence and advance elements of the building systems and transit systems testing and commissioning activities near the end of the project in order to improve the RSD. SFMTA should engage its Transit Division in planning for the testing and commissioning work as soon as possible. *SFMTA has initiated its planning for testing and commissioning by preparing a draft RAP.*

Several strategies for saving time on work in each of the critical lines near the end of the project were identified during the *schedule review* workshop. In the opinion of the PMOC, SFMTA should evaluate these strategies and begin working with the contractor to implement those that appear feasible. Even if these strategies are determined to be feasible, it is unlikely that the project can achieve sufficient time savings to recover from all of the accumulated delays and meet the required RSD of December 2018. It was agreed that SFMTA would provide Federal Transit Administration (FTA) with a range of possible RSD outcomes based on its evaluation of the schedule recovery strategies.

In the opinion of the PMOC, additional delays to ongoing work will make it very difficult to improve on the current forecast for the RSD and, as a result, the PMOC will continue to focus its oversight efforts on the status of ongoing construction as well as SFMTA's efforts to make changes in the work sequence to save time for work scheduled to occur toward the end of the project.

Based on the latest information from the SFMTA's contract change and trend reports, the total cost contingency, including unallocated contingency and less identified trends, of 10.4% of the potential remaining spending is sufficient to provide reasonable confidence of on-budget completion of the project. The available contingency is well above the recommended minimum of \$60 million. However, if efforts to recover the accumulated schedule delays are unsuccessful, there is a potential for increased project cost. SFMTA is conducting an evaluation of the causes of and responsibilities for delays to the 1300 Contract.

In the opinion of the PMOC, unallocated contingency will likely need to be transferred to the 1300 Contract before work is complete. *The approved and identified potential changes for the contract in the Trend Summary dated September 7, 2016 total almost \$23.2 million, which is substantially higher than the \$19.925 million allocated contingency for the contract.* Note that this value is different than the amount reported in Tables 2 and 3, which is based on the SFMTA July 2016 CSP Progress Report. There is an additional \$8.1 million cost exposure from

contractor claims/notices of planned claims as well as a potential for additional claims for denied change order requests.

TABLE OF CONTENTS

A. PROJECT STATUS 1

B. PROJECT MANAGEMENT PLAN AND SUB-PLAN IMPLEMENTATION.....5

C. PROJECT MANAGEMENT CAPABILITY AND CAPACITY6

D. PROJECT COST STATUS6

E. PROJECT SCHEDULE STATUS12

F. QUALITY ASSURANCE AND QUALITY CONTROL18

G. SAFETY AND SECURITY19

H. PROJECT RISK, RISK MANAGEMENT, AND RISK MITIGATION.....20

I. ACTION ITEMS.....22

TABLE OF TABLES

TABLE 1 - CORE ACCOUNTABILITY ITEMS ii

TABLE 2 - CONTRACT, BUDGET, AND TRENDS FOR ACTIVE CONSTRUCTION PROJECTS¹7

TABLE 3 - BUDGET AND CONTINGENCY STATUS FOR CENTRAL SUBWAY PROJECT.....9

TABLE 4 - PROJECT FUNDING12

TABLE 5 - INTERIM MILESTONES FOR CTS CONSTRUCTION PROGRESS⁴14

TABLE 6 - SCHEDULE MILESTONES15

TABLE 7 - CONSTRUCTION SAFETY DATA20

TABLE 8 - SFMTA ACTION ITEMS FOR CENTRAL SUBWAY PROJECT23

APPENDICES

APPENDIX A. LIST OF ACRONYMSA-1

APPENDIX B. SAFETY AND SECURITY CHECKLISTB-1

APPENDIX C. PROJECT MAP AND OVERVIEW.....C-1

APPENDIX D. TOP PROJECT RISKS.....D-1

APPENDIX E. ROADMAP TO REVENUE OPERATIONSE-1

APPENDIX F. LESSONS LEARNED F-1

APPENDIX G. CONTRACT STATUS G-1

A. PROJECT STATUS

Full Funding Grant Agreement (FFGA)

The FFGA was signed on October 11, 2012.

Design

Design is complete.

Construction

Contract 1250 (UR #1). This completed contract relocated utilities within the footprint of the proposed YBM Station. All cost claims by the contractor have been settled.

Contract 1251 (UR #2). This completed contract included the relocation of utility lines within the footprint of the proposed Union Square/Market Street (UMS) Station and temporarily rerouted existing trolley coach lines around the construction zone. There is an outstanding cost claim by the contractor for this contract.

Contract 1252 Tunnel. This completed contract included the construction of 1.5 miles of twin tunnels excavated by tunnel boring machines and construction of the tunnel portal and retrieval shaft. Final completion has been achieved, and financial close out is nearing completion. The contractor needs to repair leaks in the tunnel and some of the cross passages before the contract can be closed out. Coordination of access to the tunnel for this work with ongoing station construction has been challenging, and this work is scheduled to be completed once the contractor regains access to the tunnel locations.

SFMTA expects that the final cost of the tunnel contract will be within approximately \$2 million of the original contract value, representing a cost increase of less than one percent, discounting extra scope that is not part of the federal project. **In the opinion of the PMOC, the cost and schedule performance of the tunnel contract has been exceptionally good.**

Contract 1300 (Combination of UMS, CTS, YBM, and STS). This contract includes the construction of three underground stations, one surface station, all surface works required for the installation of LRT between 4th and King streets and the tunnel portal, and all LRT track and systems components.

As of the end of July 2016, the construction of the Stations and Surface, Track, and Systems contract was 46.4% complete on the basis of cost and 47.6% complete based on the value of completed construction.

Union Square/Market Street Station (UMS): The current schedule performance goal for UMS is to install the concourse level (the first level below ground) struts and walers in the station box by September 1, 2016. SFMTA *did not report on the status of achieving this milestone, but the look-ahead schedule indicates that the installation will extend through September.* The triangle formed by Market Street, the westbound lane of Ellis Street, and the western end of the Ellis Street Annex remained uncovered pending repair of the seismic joint between the new UMS

structure and the old Bay Area Rapid Transit (BART) station entrance structure, *which is not scheduled to occur in September*. This issue is not impacting the overall progress of work at UMS.

Preparations are underway beneath the roof deck of the Ellis Street Annex to pour the invert slab, *which was scheduled to occur on August 19, 2016, but is now expected to be done in two stages on September 13 and September 29*. Under the south concourse deck, work on a slot in the wall to accommodate an escalator is underway. Compensation grout pipes have been installed and preconditioning will be ongoing through September. At the station box, compensation grout preconditioning is scheduled to be complete on September 9, 2016. All roof deck sections, with the exception of openings for construction support, have been completed. Installation of struts for the concourse level is proceeding from the south end of the station box to the north end. Installation of struts is indicated to continue through at least September 23, and pre-stressing of the struts also is planned to be ongoing through the month. At the north concourse, utilities are being installed above the completed deck. At Union Square Garage, the plaza level deck is forecast to be complete on September 16 and foundation work continues at the Geary Street wall of the garage. Work continues on the elevator and escalator pits for the vertical circulation equipment at the north station entrance.

Chinatown Station (CTS): The established schedule performance goal for CTS was to complete the cross-cut cavern by July 12, 2016. *That milestone was missed, and work on the cross-cut cavern is now forecast to extend through September*. The contractor's slow production caused a slip of 18 days on the critical path in July. The contractor will be constructing a connecting tunnel from the north access shaft to the station platforms during September.

Yerba Buena/Moscone Station (YBM): The latest schedule performance milestone for this work package was to place the invert slab of the station box by September 15, 2016. This target was set aside in order to maintain access through the station to support construction of the tunnel invert slab and drainage systems to the north of YBM. Advancing this work now will facilitate tunnel trackwork and systems installation in the future. Work to remove the tunnel liner segments is now expected to begin no later than September 12, as the completion of the tunnel invert slab between UMS and YBM was achieved in early September. Since YBM work is not on or near the project critical path, the delay in completion of the invert slab will not impact the overall project schedule. A new performance milestone for YBM has not been identified.

Traffic remains shifted away from the east curb of 4th Street to allow installation of new utilities that will feed the expansion of the Moscone Convention Center. Connections to the new 20-inch water line remain to be completed by the San Francisco Water Department. Excavation of the headhouse was completed and struts were placed in July. The contractor is working on a vent shaft in the headhouse in September. In the station box, the contractor is planning to complete stairs 1 and 4 from the mezzanine level to the roof level. The contractor is placing 12-inch shotcrete exterior walls at the concourse level in three stages during September.

Surface, Track, and Systems (STS): Two updated schedule performance targets were established for this work package: a) complete all utility work by the end of 2016 and b) start work on

special trackwork at Bluxome Street in October 2016 (pushed back from September due to delayed delivery of special trackwork). It appears that the target date for special trackwork at Bluxome Street may be missed due to delays in completion of utility work in the area, including slip lining of the old 78-inch sewer. Numerous utility conflicts continue to be identified along 4th Street as new utility installation work is proceeding, many with private communication lines and Pacific Gas & Electric (PG&E) electrical lines. *These conflicts will make it difficult to complete all utility relocation work by the end of 2016.* Muni Traction Power duct bank (MRY), alternative water supply system (AWSS), street lighting, traffic signal, and sewer work continued. Overhead Contact System (OCS) pole foundations were being installed for the future LRT line along 4th Street. *Preparations for installing the new lining inside the 78-inch sewer, including removal of irregularities in the interior of the old sewer started in late August and were scheduled to be completed September 7. The slip-lining work was scheduled for the following week, followed by grouting of the space between the old and new pipes by the end of September.* Work on lateral connections to this portion of the main sewer line *will be completed once the slip lining is finished.* **In the opinion of the PMOC, progress is being made to resolve the numerous utility conflicts that must be addressed before the trackway construction in the at-grade section of the project can proceed. The Resident Engineer (RE) for STS demonstrates a clear understanding of the work to be completed, the required sequence, and the third party coordination that must be undertaken to complete the work. The placement of tunnel invert slab sections between UMS and YBM was completed in early September. Work south of YBM will be supplied from the tunnel portal, freeing up YBM for removal of the tunnel liner segments within the station.**

Despite the focused attention of the CSP's senior management team on achievement of the short term performance milestones, the critical milestone at CTS will not be achieved, and there has been no evidence of recovery of the construction schedule from accumulated delays. In fact, there was a further 40 days of schedule slippage on the critical path during June and July. **As discussed in the Schedule section of this report, time savings must be identified for all four lines of work that are driving the current RSD in order to improve on the current forecast RSD of July 2019.**

Third Party Agreements Including Utilities, Railroads, Other Agencies, Etc.

Bay Area Rapid Transit

The close out of Contract 1252 depends on the removal of monitoring equipment from BART facilities. Work plans have been approved by BART, and safety training for the staff members who will do the work is required. Safety training of the workers has been scheduled and will be followed by scheduling of the necessary track access to complete the work. Completion is now expected in September or October of this year.

Caltrans

An Encroachment Permit is needed to install traffic signal equipment at the I-280 off ramp. SFMTA is working to obtain the permit for the work, which is not on the critical path.

CPUC

The California Public Utilities Commission (CPUC) is participating in the various safety meetings, including the Safety and Security Certification Review Committee (SSCRC) and Fire and Life Safety Committee (FLSC) meetings. Representatives of the CPUC also regularly attend the SFMTA/Federal Transit Administration (FTA) Quarterly Progress Review Meetings (QPRMs). The FLSC has begun to address the certifiable items list for the Stations Contract. Rail crossing permits from CPUC are required for the at-grade portion of the project alignment. CPUC has provided the permits but they will need to be extended as the permits call for the crossings to be in operation before the scheduled completion of the CSP project.

San Francisco Public Utilities Commission (SFPUC)

Coordination is ongoing for the installation of new water and sewer facilities along 4th Street.

San Francisco Department of Public Works (SFPDW)

No updates to report.

San Francisco Parks and Recreation Department

No updates to report.

Private Property Owners

All real estate acquisitions have been completed. There will be a need to extend the duration of some of the licenses for compensation grouting. A number of private property owners and businesses have issued claims for damage associated with the project construction. These claims should be handled by the contractors' builder's insurance policies, but slow response from the insurance companies has led to the need for City of San Francisco legal staff to become engaged in the effort to resolve the claims. This will impact the project in the form of higher administrative labor costs.

Status of Vehicle Design, Procurement, Testing, and Integration

Vehicle design and fabrication is underway by Siemens Corporation for 4 LRVs for the Central Subway, 20 LRVs for near-term fleet expansion, and 151 LRVs for fleet replacement. Options for up to 85 additional vehicles are available for fleet expansion. The vehicle design and assembly process is reported to be on schedule, with the first cars due to be delivered to SFMTA in 2016, well ahead of the CSP opening date. The first *brakes* have been completed and passed *their* first article inspection. *Production of the first four cars is underway; the first vehicle is in final assembly being prepared for testing, the second car structure is complete and is in finishing, and the third and fourth car structures are being completed.*

Real Estate

All project right-of-way has been acquired, and all commercial and residential relocations are complete.

Labor Relations and Policies

Appendix G of the Project Monthly Report details the Small Business Enterprise (SBE) goals and actual participation on each contract as of June 30, 2016. SFMTA contract goals range from 6 percent to 30 percent on each of the contracts. The majority of the contracts have met these goals to date.

Compliance with Applicable Statutes, Regulations, Guidance, and FTA Agreements

No updates to report.

B. PROJECT MANAGEMENT PLAN AND SUB-PLAN IMPLEMENTATION

Project Management Plan (PMP)

The latest update of the PMP was received by the PMOC in early April 2016. The PMOC conducted a review of the revised PMP, focusing on the quality program and the organizational reporting structure for the quality functions. The PMOC concluded that SFMTA had addressed its comments relative to the independence of the quality function from the project management team. However, one section of the PMP text contained a minor inconsistency regarding the reporting hierarchy for the SFMTA Quality Manager. This discrepancy was shown to SFMTA and it was agreed that the issue would be addressed in the next update of the PMP. Another minor discrepancy in the position title for one of the project staff members was identified, and it was also agreed that this issue would be addressed in the subsequent update of the PMP due in 2017.

Environmental Assessment/Mitigation Plan/Archaeological Plans

The PMOC received the Fourth Quarter 2015 Mitigation Monitoring Reporting Program (MMRP) update from SFMTA on March 29, 2016. **The PMOC reviewed this report during May 2016 and concluded that SFMTA continues to conduct monitoring activities adequate to confirm that mitigation efforts meet the requirements of the Environmental Impact Statement for the project.**

Real Estate Acquisition Management Plan (RAMP)

The RAMP Revision 5, dated September 26, 2013, was submitted to FTA on November 19, 2013. All required real estate for the project has been acquired in accordance with the RAMP and the last real estate payment has been made.

Quality Assurance/Quality Control (QA/QC) Program Plan

See section F.

Safety and Security Management Plan (SSMP)

See section G.

Risk and Contingency Management Plan (RCMP)

See section H.

C. PROJECT MANAGEMENT CAPABILITY AND CAPACITY

The latest version of the PMP is dated April 1, 2016. The PMOC's review of the PMP identified minor clarifications in team reporting structure to be included in the 2017 update.

Agency Staff

Total project staff levels are close to the planned values. Several CSP project staff members are focused on development of an as-built record of the construction for the 1300 Contract, *and SFMTA is attempting to hire another experienced scheduler to work on this effort.* **The PMOC notes that resolution and execution of contract change orders on the 1300 Contract appears to be taking an inordinate amount of time.** Negotiations with the contractor have been difficult and SFMTA is considering hiring a staff member that would be assigned full time to negotiating change orders.

Contractor Staff

There have been no significant changes in contractor project management staff.

D. PROJECT COST STATUS

Project Cost Control Systems

SFMTA continued to maintain the Trend Log and logs of Change Order Requests (CORs) and Proposed Contract Changes (PCCs) for Contract 1300 using CM13. The Trend Log includes all potential changes in contract value, including items that, in the opinion of the CSP staff, are not merited and new items for which merit has not been determined. The companion contract change management log includes items that have been determined to have merit and are progressing through negotiations toward a contract modification (CMod). SFMTA is working to improve the timeliness of processing determinations of merit as well as the progression of pending contract changes and completion of CMods by creating summary tables of the numbers of items that are in the various stages of processing. The PMOC has not observed any improvement in the progress of contract change processing as a result of the monitoring reports. CSP senior managers review the status of pending changes with RE staff members for each work package every other week in an attempt to encourage the REs to progress the processing of changes.

A total of 34 contract modifications had been executed for the 1300 Contract as of September 7, 2016, with six new CMods executed since early August. The total value of executed CMods is

\$4,020,839. Note that tables 2 and 3 reflect the project status as of the end of July 2016 and show lower values for approved contract changes.

Project Cost (as of July 31, 2016)

Cost estimate: \$1.5783 billion.

Total contingency: \$79.55 million (minimum contingency is \$60 million), *reduced slightly from June.*

Total net incurred costs: \$963,514,541, *an increase of \$8.42 million from June (61.05% of the total project budget).*

Current funding level: \$1,179,794,000 (74.8% of the total project budget).

Earned Value (EV): \$963,873,116, *an increase of \$8.93 million from June.*

Planned Value (PV): \$1,236,846,676, *an increase of \$11.96 million from June.*

Cost Performance Index (CPI): 1.00.

CPI is a measure of cost efficiency on a project. It is the ratio of EV to actual cost value. A CPI equal to or greater than 1 indicates a cost under run and a value of less than 1 indicates a cost overrun. A value of 0.9 or greater is considered acceptable, considering the margin of error in estimating the value of completed work.

An outstanding claim by the 1251 contractor of \$3.8 million is still pending resolution. SFMTA is of the opinion that the claim on the 1251 Contract has less merit than the previously settled claim on the 1250 Contract. Potential costs for the 1251 Contract claim are not being carried in the project Trend Log.

Project Cost Trends

SFMTA tracks potential changes in project cost, calling these potential changes “trends.” Trends include all potential changes in the contract value. As the status of an identified trend changes, it may become a contract modification, it may become an item that is paid on a force account basis, or it may be denied/closed with no impact to the project cost. Extra cost items identified by the 1300 contractor that CSP management concludes have no merit are carried in the total trend amount at 50% of the contractor’s estimate of extra costs. Table 2 summarizes the trends for the two construction contracts that have not attained financial close out.

Table 2 - Contract, Budget, and Trends for Active Construction Projects¹

	1252 – Tunnel	1300 Stations, STS
Original Contract	233,584,015	839,676,400
Approved Contingency	2,329,485	19,925,000
Extra Budget for Non-Project Costs	6,173,508	
Approved Budget	235,913,500	859,601,400
Approved Changes	1,814,428	3,357,419

	1252 – Tunnel	1300 Stations, STS
Current Contract (1252 does not include non-project costs)	235,398,443	843,033,819
Remaining Contingency	515,057	16,567,582
Potential Changes (Trends)	170,654	21,337,392
Estimate at Completion	235,569,097	864,371,211
Contingency Less Trends	344,403	(4,769,811)
Spent to Date	233,793,900	399,017,997
Potential Left to Spend	1,775,197	465,353,214
Contingency Less Trends as % of Potential Cost to Complete	19.4%	-1.0%

¹ As reported in the July 2016 Central Subway Project Monthly Progress Report – SFMTA.

The remaining contingency, less identified trends, represents about 19% of the potential left to spend for Contract 1252. After potential changes are accounted for, there is no contingency remaining for Contract 1300. **In the opinion of the PMOC, the 1300 Contract contingency will need to be increased by transferring unallocated contingency to this contract.** *The combined allocated contingency for all construction work less identified trends is -\$3,265,408, up from June by about \$1.45 million.* **In the opinion of the PMOC, the allocated contingency for the 1252 Contract is probably greater than the amount required to assure final close out of the contract within the budget. The allocated contingency for the 1300 Contract appears insufficient to complete the contract, and the overall contingency allocated to construction is inadequate for the percentage completion level of construction. However, there appears to be sufficient unallocated contingency and excess allocated contingency from other program components for successful completion of the program.**

Table 3 shows the overall budget, trends, and contingency status for the entire Central Subway program. **As shown, the total contingency, including unallocated contingency and less identified trends, represents 10.4% of the potential remaining spending, which, in the opinion of the PMOC, is sufficient to provide reasonable confidence in an on-budget completion of the project.**

Standard Cost Category (SCC)	Description	Budget Authority (FFGA) \$	Approved Current Budget	Contingency	TOTAL Approved Budget	Expenditures		Remaining FFGA Budget	Committed			Estimate to Complete	Estimate at Completion	FFGA Budget Forecast Variance
						\$	% of FFGA		Contract Amt.	Change Orders	Trends/risks			
10	GUIDEWAY & TRACK ELEMENTS	\$ 315,926,081		\$ -	\$ 285,712,152	\$ 197,821,302	63%	\$ 118,104,779		\$ -		\$ -	\$ -	\$ -
10.02	Guideway: At Grade, Semi-exclusive	\$ 2,395,143		\$ -	\$ 2,860,000	\$ 145,000	6%	\$ 2,250,143		\$ -				
10.06	Guideway: Underground cut and cover	\$ 74,407,195		\$ -	\$ 70,833,126	\$ 61,165,677	82%	\$ 13,241,518		\$ -				
10.07	Guideway: Underground tunnel	\$ 224,933,257			\$ 200,808,300	\$ 131,255,154	58%	\$ 93,678,103						
10.09	Track: Direct fixation	\$ 7,293,157			\$ 6,761,089	\$ 2,636,871	36%	\$ 4,656,286						
10.10	Track: Embedded	\$ 1,601,763			\$ -	\$ -	0%	\$ 1,601,763						
10.12	Track: Special	\$ 5,295,566			\$ 4,449,637	\$ 2,618,600	49%	\$ 2,676,966						
20	STATIONS, STOPS, TERMINALS,	\$ 432,698,735		\$ -	\$ 573,714,346	\$ 290,004,808	67%	\$ 142,693,927		\$ -		\$ -	\$ -	\$ -
20.01	At-grade station	\$ 774,913		\$ -	\$ 6,673,138	\$ 1,516,775	196%	\$ (741,862)		\$ -				
20.02	Aerial station, stop, shelter, mall, terminal, platform	\$ -			\$ 3,536,045	\$ -	#DIV/0!	\$ -						
20.03	Underground station	\$ 412,084,888			\$ 541,803,326	\$ 285,054,825	69%	\$ 127,030,063						
20.07	Elevators, escalators	\$ 19,838,934			\$ 21,701,837	\$ 3,433,208	17%	\$ 16,405,726						
40	SITWORK & SPECIAL CONDITIONS	\$ 232,551,627		\$ -	\$ 206,115,907	\$ 186,129,634	80%	\$ 46,421,993		\$ -		\$ -	\$ -	\$ -
40.01	Demolition, clearing, earthwork	\$ 8,887,028			\$ 11,228,751	\$ 10,631,470	120%	\$ (1,744,442)		\$ -				
40.02	Site utilities, utility relocation	\$ 29,562,587			\$ 56,812,678	\$ 58,542,684	198%	\$ (28,980,097)		\$ -				
40.03	Haz. Material, contam'd soli removal, ground water	\$ 2,957,442			\$ 7,301,393	\$ 4,017,897	136%	\$ (1,060,455)						
40.04	Environmental mitigation	\$ 3,146,216			\$ 1,020,165	\$ 625,842	20%	\$ 2,520,374						
40.05	Site structures, including retaining walls, sound walls	\$ 2,894,074			\$ 2,706,431	\$ 2,706,431	94%	\$ 187,643						
40.06	Pedestrian and bike access and accommodation,	\$ 14,393,910			\$ 9,755,506	\$ 2,214,754	15%	\$ 12,179,156						
40.07	Automobile, van, bus accessways, including roads	\$ 11,919,550			\$ 6,967,874	\$ 2,145,265	18%	\$ 9,774,285						
40.08	Temporary facilities and other construction indirect	\$ 158,790,820			\$ 110,323,109	\$ 105,245,291	66%	\$ 53,545,529						
50	SYSTEMS	\$ 108,429,774		\$ -	\$ 95,371,098	\$ 18,912,798	17%	\$ 89,516,976		\$ -	\$ -	\$ -	\$ -	\$ -
50.01	Train control and signals	\$ 37,447,116			\$ 28,031,423	\$ 6,082,403	16%	\$ 31,364,713						
50.02	Traffic signals and crossing protection	\$ 3,013,232			\$ 12,584,529	\$ 7,501,730	249%	\$ (4,488,498)		\$ -				
50.03	Traction power supply	\$ 20,379,634			\$ 21,487,073	\$ 4,055,853	20%	\$ 16,323,781						
50.04	Traction power distribution	\$ 16,239,951			\$ 12,441,113	\$ 1,203,808	7%	\$ 15,036,143						
50.05	Communications	\$ 28,545,305			\$ 12,062,374	\$ 69,003	0%	\$ 28,476,302		\$ -				
50.06	Fare collection system and equipment	\$ 2,804,536			\$ 6,100,000	\$ -	0%	\$ 2,804,536		\$ -				
50.07	Central Control	\$ -			\$ 2,664,586	\$ 1	#DIV/0!	\$ (1)						
Construction Subtotal (10-50)		\$ 1,089,606,217	\$ 1,142,075,792	\$ 18,837,711	\$ 1,160,913,503	\$ 692,868,542	64%	\$ 396,737,675	\$ 1,130,842,776	\$ 11,828,090	\$ 21,508,046	\$ 471,310,370	\$ 1,164,178,912	\$ (74,572,695)
60	ROW, LAND, EXISTING IMPROVEMENTS	\$ 37,398,029	\$ 32,246,321	\$ 5,265,478	\$ 37,511,799	\$ 30,723,923	82%	\$ 6,674,106	\$ 36,511,799	\$ (4,036,559)	\$ -	\$ 1,522,398	\$ 32,246,321	\$ 5,151,708
60.01	Purchase or lease of real estate	\$ 33,798,029	\$ 30,065,810	\$ 5,265,478	\$ 35,331,288	\$ 28,314,493	84%	\$ 5,483,536	\$ 34,331,288	\$ (4,265,478)	\$ -	\$ 1,522,398	\$ 29,836,891	\$ 3,961,138
60.02	Relocation of existing households and	\$ 3,600,000	\$ 2,180,511	\$ -	\$ 2,180,511	\$ 2,409,430	67%	\$ 1,190,570	\$ 2,180,511	\$ 228,919	\$ -	\$ 2,409,430	\$ 1,190,570	
70	VEHICLES	\$ 26,385,653	\$ 13,309,000	\$ 13,076,653	\$ 26,385,653	\$ 2,147,824	8%	\$ 24,237,829	\$ 13,309,000	\$ -	\$ -	\$ 11,161,176	\$ 13,309,000	\$ 13,076,653
70.01	Light Rail Vehicles	\$ 26,385,653	\$ 13,309,000	\$ 13,076,653	\$ 26,385,653	\$ 2,147,824	8%	\$ 24,237,829	\$ 13,309,000	\$ -	\$ -	\$ 11,161,176	\$ 13,309,000	\$ 13,076,653
80	PROFESSIONAL SERVICES	\$ 361,568,360	\$ 310,518,041	\$ 18,221,079	\$ 328,739,120	\$ 237,774,253	66%	\$ 123,794,107	\$ 328,739,120	\$ -	\$ -	\$ 73,002,397	\$ 310,518,041	\$ 51,050,319
80.01	Preliminary Engineering	\$ 46,317,094	\$ 46,202,674	\$ -	\$ 46,202,674	\$ 46,202,675	100%	\$ 114,419	\$ 46,202,674	\$ -	\$ -	\$ 46,202,674	\$ 114,420	
80.02	Final Design	\$ 86,053,240	\$ 61,318,331	\$ -	\$ 61,318,331	\$ 61,576,939	72%	\$ 24,476,301	\$ 61,318,331	\$ -	\$ -	\$ 61,318,331	\$ 24,734,909	
80.03	Project Management for Design and Construction	\$ 191,025,800	\$ 89,021,634	\$ 13,905,845	\$ 102,927,479	\$ 62,271,022	33%	\$ 128,754,778	\$ 102,927,479	\$ -	\$ -	\$ 26,750,612	\$ 89,021,634	\$ 102,004,166
80.04	Construction Administration & Management	\$ 15,495,521	\$ 91,037,791	\$ 2,956,812	\$ 93,994,603	\$ 55,223,559	356%	\$ (39,728,038)	\$ 93,994,603	\$ -	\$ -	\$ 35,814,232	\$ 91,037,791	\$ (75,542,270)
80.05	Professional Liability and other Non- Construction	\$ 6,800,000	\$ 6,800,000	\$ -	\$ 6,800,000	\$ 6,340,196	93%	\$ 459,804	\$ 6,800,000	\$ -	\$ -	\$ 459,804	\$ 6,800,000	\$ -
80.06	Legal; Permits; Review Fees by other agencies, cities,	\$ 7,242,340	\$ 8,262,604	\$ -	\$ 8,262,604	\$ 4,767,487	66%	\$ 2,474,853	\$ 8,262,604	\$ -	\$ -	\$ 3,495,117	\$ 8,262,604	\$ (1,020,264)
80.07	Surveys, Testing, Investigation, Inspection	\$ 234,036	\$ 883,100	\$ -	\$ 883,100	\$ 13,831	6%	\$ 220,205	\$ 883,100	\$ -	\$ -	\$ 869,269	\$ 883,100	\$ (649,064)
80.08	Start up	\$ 8,400,329	\$ 6,991,907	\$ 1,358,422	\$ 8,350,329	\$ 1,378,544	16%	\$ 7,021,785	\$ 8,350,329	\$ -	\$ -	\$ 5,613,363	\$ 6,991,907	\$ 1,408,422
Subtotal (10-80)		\$ 1,514,958,259	\$ 1,498,149,154	\$ 55,400,921	\$ 1,553,550,075	\$ 963,514,542	64%	\$ 551,443,717	\$ 1,509,402,695	\$ 7,791,531	\$ 21,508,046	\$ 556,996,341	\$ 1,520,252,274	\$ (5,294,015)
90	UNALLOCATED CONTINGENCY	\$ 63,341,742		\$ 24,749,926	\$ 24,749,926	\$ -	0%	\$ 63,341,742	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal (10-90)		\$ 1,578,300,001	\$ 1,498,149,154	\$ 80,150,847	\$ 1,578,300,001	\$ 963,514,542	61%	\$ 614,785,459	\$ 1,509,402,695	\$ 7,791,531	\$ 21,508,046	\$ 556,996,341	\$ 1,520,252,274	\$ 58,047,728
100	FINANCE CHARGES	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL PROJECT COST (10-100)		\$ 1,578,300,001	\$ 1,498,149,154	\$ 80,150,847	\$ 1,578,300,001	\$ 963,514,542	61%	\$ 614,785,459	\$ 1,509,402,695	\$ 7,791,531	\$ 21,508,046	\$ 556,996,341	\$ 1,520,252,274	\$ 58,047,728

SCC Breakdown of Forecast Construction Costs Not Available

Table 3 - Budget and Contingency Status for Central Subway Project

²As reported in the July 2016 Central Subway Project Monthly Progress Report – SFMTA.

Change Order Control

SFMTA continues to estimate that additional CMods with a net increase in contract value of \$170,654 will be executed as part of contract close out for the 1252 Contract. Based on the expected final contract value, change orders for the base work are forecast to represent less than one percent of the original contract amount, which represents exceptionally good change order control.

SFMTA is maintaining its management tools for tracking potential contract changes for the 1300 Contract. *The latest summary report is titled “CN1300 Trend Summary” and is dated September 7, 2016. This report shows that 34 contract modifications have been approved (six additional CMods since August) for a net increase in the contract value of \$4,020,839, representing an increase of \$663,420 since August 3, 2016. Change Order Requests (generated by the contractor) that have been determined to have merit and Proposed Contract Changes (generated by SFMTA) have a combined expected value of \$19,762,958 in increased contract value, a decrease of \$3.82 million since August 3. An additional 399 items are being tracked in the Trend Log with a net value of \$19.76 million in possible contract value increases. Of these, 199 have been judged by SFMTA to be without merit, but are being carried at a reduced value in the trend to address potential future claims. A further 170 items have been voided and are carried at no cost. There are 7 certified claims and 7 notices of potential claims by the contractor (\$8.1 million total exposure), and 15 items are “open” or “new” and awaiting a determination of merit.*

SFMTA reported that one of the challenges for executing CMods is TPC’s reluctance to sign off on changes for which negotiations have been completed due to a desire to change the scope description or other aspects of the language of the modifications.

The most recent version of the complete Trend Statistics Summary for the 1300 Contract dated September 7, 2016 shows a total potential increase in contract cost of \$43,612,417, including the \$4.02 million in contract cost increases executed thus far. The total estimated cost impact of the identified trends increased by about \$720,000 from August to September. The following trend items with potential cost increases in excess of \$250,000 are identified in the Trend Log:

1. Changes to traffic signals and street lights - \$298,307
2. Change to grade 50 steel from specified grade 70 steel (due to availability and Buy America issues) - \$572,884
3. Extra trucking costs for contaminated soil at CTS - \$2,274,225
4. Harder rock than anticipated for CTS slurry wall excavation - \$2,820,600
5. Delays to installation of tangent piles at UMS - \$1,082,380
6. UMS Garage underpinning requirements - \$732,157
7. Utility conflicts with 12-inch water line at UMS - \$335,468
8. Utility conflicts with sewer line installation at UMS - \$744,465

9. Changes in construction sequence for UMS Garage - \$500,000
10. Changes in installation requirements for art glass at UMS - \$681,978
11. *Obstructions to jet grout placement at UMS - \$1,945,520 (increased from \$1,880,520)*
12. Change to Irwin brand switch machines - \$391,909
13. Additional instrumentation for detection of ground movement - \$429,777
14. Time impacts due to power pole conflict during demolition at CTS - \$3,516,164
15. Removal of temporary facilities from 1252 Contract in tunnel - \$431,423
16. Additional traffic control requirements at 4th and King - \$675,001
17. Incomplete design details for conduits between UMS and CTS - \$300,001
18. Additional traffic control requirements for STS work package - \$1,032,302
19. Cost of changes to the design of Chinatown Station to accommodate the plaza requested by the community - \$4,500,001 (costs will be paid by funds outside the program)
20. Changes to utility design at YBM - \$627,854
21. Contractor-claimed delay costs due to re-sequencing of work at CTS - \$250,001
22. Missing conduit between manholes at UMS - \$250,001
23. Additional quantities for CMod 19 at CTS - \$300,001
24. Change in vent for emergency generator at all stations - \$500,001
25. Contractor-claimed change in contract requirements for pre-loading permanent struts at UMS - \$1,853,352
26. Slip lining of 78-inch sewer in 4th Street - \$966,687
27. Change to soil nails and shotcrete from sheet piles at Union Square Garage - \$606,583
28. Contractor claim that wayside signals are extra - \$1,512,373
29. Change to grout details and drainage piping at UMS - \$250,001
30. Additional costs for change orders at UMS - \$1,105,697
31. *Change in fire suppression agent - \$447,320 (new)*

In addition to these large potential cost increases, the Trend Log includes the following major cost savings:

1. Deletion of compensation grouting bid items at YBM - (\$1,833,869)
2. Deletion of the Air Replenishment System (ARS) - (\$4,689,000)

Funding and Expenditures

Federal, state, and local project funding and expenditures are shown in Table 4 and are unchanged from the previous reporting period.

Table 4 - Project Funding

Source	Committed (\$1,000)	Awarded (\$1,000)
Federal		
New Starts	942,200	619,196
Congestion Mitigation	41,025	41,025
<i>Federal Subtotal</i>	983,225	660,221
State		
TCRP	14,000	14,000
State RIP	88,000	12,498
Prop. 1B / PTMISEA	307,792	307,792
Prop. 1A / HSR	61,308	61,308
<i>State Subtotal</i>	471,100	395,598
Local		
Prop. K Sales Tax	123,975	123,975
<i>Local Subtotal</i>	123,975	123,975
Project Total:	1,578,300	1,179,794

E. PROJECT SCHEDULE STATUS

SFMTA prepared a master program schedule update in August representing progress on the project through July 2016. SFMTA reported that it had again rejected the contractor's schedule submittal for June 2016 due to logic problems. **The PMOC remains concerned that TPC has been unwilling or unable to produce its own acceptable schedule update, but notes that progress is being made toward an acceptable contractor schedule. A proper schedule from the contractor should facilitate the evaluation and agreement on schedule recovery strategies and help to resolve disputes regarding the responsibility for past schedule delays.**

The July 2016 master program schedule update indicates that the construction work is 12 months behind schedule. The critical path for the construction work continues to flow through the construction of CTS, but analysis by the PMOC indicates that there are a total of four lines of work that are influencing the RSD for the project. The projected RSD forecast is now July 25, 2019, more than six months later than planned and 18 days later than forecast in June due to continuing lower than expected production rates for the cross-cut cavern excavation. There is negative float on the project critical path, and time savings must be identified for the remaining work if the project is to be completed on time.

The PMOC facilitated a Schedule Workshop with SFMTA project management and project controls staff on November 18 and 19, 2015. As a result of the workshop, an initial proposed

action plan for developing the necessary tools from the current TPC schedule includes the following steps:

1. SFMTA makes adjustments to schedule logic in TPC schedule.
2. SFMTA evaluates the resulting schedule and finalizes the recommended logic changes.
3. SFMTA reviews the resulting schedule tool with TPC.
4. SFMTA and TPC agree on refinements.
5. Final schedule refinements made by TPC or SFMTA, and revised schedule accepted for ongoing use.
6. Routine schedule updates continue with the revised schedule. SFMTA continues to make its own updates based on three-week look-ahead schedules and actual progress as a check on TPC schedules. Monthly meetings held to resolve any differences.
7. SFMTA (and TPC) evaluate changes to work sequence, options for acceleration, and other strategies for schedule recovery. Mutually agreed recovery strategies implemented in revised schedule.

If TPC and SFMTA cannot agree on the schedule refinements (step 4), SFMTA develops its own schedule forecasting tool in parallel with TPC and continues to work with TPC to accept the revisions through monthly schedule reconciliation meetings.

*As of the July 2016 SFMTA Progress Report for CSP, SFMTA had completed items 1 through 6, but the contractor had yet to accept SFMTA's recommended schedule improvements and had not submitted a schedule update incorporating all of the improvements. SFMTA reported that the contractor understands and generally accepts the schedule requirements. SFMTA had expected the contractor to include the required modifications to the schedule to bring it into compliance with contract requirements in the contractor's April schedule update. However, SFMTA rejected the contractor's April, May, June, and July schedule submittals due to continuing problems with the schedule logic. SFMTA reported that the contractor continues to be very focused on the project schedule and has been working in an attempt to achieve the schedule performance milestones identified for each work package. **The PMOC notes, however, that none of the most recent schedule achievement milestones was met.** The contractor has been working Saturdays and Sundays at CTS and has advanced some work that was indicated to be successor work to the ongoing excavation of the cross-cut cavern. Despite these efforts by the contractor, the RSD has been slipping each of the past few months, with the slippage in June and July exceeding six weeks of calendar time.*

As a means of encouraging better collaboration among the project participants, SFMTA and TPC have been identifying interim progress milestones to track the completion of construction work. To date, the record of meeting the milestone target dates has been *poor* and no schedule recovery has been achieved. *SFMTA stated in early September that it was pleased that the contractor seemed to have arrested the increasing delay, but this will remain to be proven over the coming weeks of construction.* Table 5 shows the latest milestones and the current status for each.

Table 5 - Interim Milestones for CTS Construction Progress⁴

Milestone	Target Date	Status
Complete cross-cut cavern at CTS	July 12, 2016	Completion at end of September, about 10 weeks behind target
Install concourse level struts and walers at UMS	September 1, 2016	3 to 4 weeks behind target
Complete invert slab for station box at YBM	September 15, 2016	Milestone eliminated to maintain access for tunnel invert slab placement north of YBM
Complete all utility work	End of 2016	Reported as being a challenge to achieve
Start special trackwork at Bluxome	October 2016	Revised from September target and reported to be likely to be missed due to utility conflicts

⁴ SFMTA Management Meeting, 9/6/2016

The PMOC convened a second schedule workshop for the project on June 22 and 23, 2016. The PMOC's analysis of the schedule indicates that four lines of work are driving the RSD:

- CTS work leading to tunnel electrical power and Advanced Train Control System (ATCS) testing;
- STS work (Radiax, Train Control & Software) leading to ATCS testing;
- CTS work leading to building startup and testing; and
- UMS work leading to building startup and testing.

Improvements must be made in the overall durations of each of these lines of work in order to move the RSD earlier than the current projection. The workshop identified several strategies for improving the schedule for each line of work. These strategies are now under review by SFMTA. Additionally, the SFMTA scheduling team and the PMOC's scheduling experts reviewed the schedule benefits of the current schedule performance milestones. Due to the fact that multiple lines of work are driving the RSD, the impact of achieving the milestones would be limited. Combined with the fact the many of the milestones have not been achieved, the PMOC's conclusion is that the practice of setting short term schedule performance targets has not been effective in achieving schedule recovery.

In the opinion of the PMOC, although setting and working toward the short term milestones may be encouraging cooperation and collaboration between TPC and SFMTA in advancing the current work, this practice has not, and most likely will not, result in overall time savings or any improvement in the RSD for the project. A more comprehensive view of the lines of work that are driving the RSD must be taken by SFMTA and efforts must be made to improve the work sequence and advance elements of the testing and commissioning activities near the end of the project in order to improve the RSD. SFMTA should engage its Transit Division in planning the testing and commissioning work as soon as possible, since Transit Division staff will have key roles in these activities.

SFMTA agreed to several new action items that will lead to an updated schedule and projection of likely RSD outcomes (see Table 8). The PMOC notes that SFMTA has produced an initial draft of the RAP, which is a good first step in planning for testing, commissioning, acceptance, and other start-up activities.

Project Schedule Data

Earned Value (EV): \$963,873,116, an increase of \$8.93 million from June.

Planned Value (PV): \$1,236,846,676, an increase of \$11.96 million from June.

Schedule Performance Index (SPI): 0.78. SPI greater than 1 is ahead of schedule and less than 1 is behind schedule. SFMTA has identified the minimum acceptable SPI to be 0.90; the current SPI indicates unacceptable schedule performance. The SPI is unchanged from the previous reporting period, indicating no recovery of accumulated delays.

SPI is a measure of schedule efficiency on a project. It is the ratio of earned value to planned value. An SPI equal to or greater than 1 indicates more work was completed than planned and a value of less than 1 indicates less work was completed than planned. A value of equal to or greater than 0.9 reflects satisfactory performance, considering the margin of error in estimating both earned value and planned value. The current value of 0.78 indicates that the project is significantly behind schedule.

Table 6 shows the status of the schedule milestones established for the project.

Table 6 - Schedule Milestones

(P = Planned Date, A = Actual Date, F = Forecast Date)	
Preliminary Engineering (PE):	Authorized in July 2002 (A)
Record of Decision:	Issued November 26, 2008 (A)
Final Design (FD):	Authorized in January 2010 (A)
FFGA Request:	Submitted September 2011 (A)
FFGA Executed:	October 11, 2012 (A)
Ground Breaking: (Utility Relocation Contract)	February 9, 2010 (A)
Tunnel excavation complete (hole through):	June 2, 2014 (SB); June 11, 2014 (NB) (A)
Cross passages complete:	December 20, 2014 (P); April 15, 2015 (A)
Tunneling substantial completion:	April 15, 2015 (A)
Station construction Notice to Proceed (NTP):	June 17, 2013 (A)
Station construction substantial completion:	February 24, 2018 (P); February 27, 2019 (F)
RSD:	December 26, 2018 (P); July 25, 2019 (F)

The current master schedule incorporating the approved 1300 Contract baseline schedule and updated actual progress through July 2016 reflects negative buffer float and late completion of the project.

Schedule Contingency Management criteria were developed from the FTA Risk Assessment prior to entry into Final Design (FD). Minimum schedule contingency levels at various project milestones or “Hold Points” were agreed to with SFMTA at Risk Workshop #4, held on February 24 through 27, 2009. The FTA recommended schedule contingency for the current stage of the project is 6.0 months. As noted above, the current schedule reflects more than six months of negative buffer float.

Critical Path Summary (*Baseline Schedule*)

CTS Install Guidewalls, Slurry Walls, and Install Surface Deck (complete)
CTS Excavate Headhouse and Bracing (complete)
CTS Sequential Excavation Method and Install Supports (*underway*)
CTS Headhouse Structural Concrete/Remove Bracing
CTS Install Mechanical, Electrical, and Plumbing (M/E/P) Equipment
CTS Start Up and Testing
CTS P-1254R Commissioning of Station
Safety and Security Certification/Pre-Revenue Activities
RSD on December 26, 2018 (*currently forecast July 25, 2019*)

Three Month Look-ahead

The following activities are planned over the next three months:

1300 Contract

UMS

Complete waterproofing the interface between the Powell Station and the Ellis Street Annex and complete the backfill and paving of Ellis Street

Complete Union Square Garage remaining demolition, roof deck installation, mini-pile installation, and shear wall installation for permanent structural support for north concourse entrance

Complete excavation for fan plant to be located under the garage

Start erection of structural steel at north station entrance

Install permanent struts and walers for concourse level of station box

Begin construction of access shaft at O’Farrell Street

Install bracing in the tunnels

Continue compensation grout operations

Restore Stockton Street curb, gutter, sidewalks, and pavement

Install drainage pipes from the roof level to the concourse level in the north concourse

Start installation of station electric power equipment

CTS

Complete excavation of the cross-cut cavern from the headhouse to the station

Start excavation of the northbound and southbound station platform caverns

Complete excavation to level 6 of the headhouse *and installation of the level 6 struts and walers*

Complete construction of tunnel connecting north access shaft to platform cavern

Provide compensation grouting as needed

YBM

Excavate to level 6 and install temporary struts and walers in headhouse

Break-in and remove tunnel liner segments

Excavate station box to the platform (*invert*) level

Begin installation of ducts and other sub-invert facilities

Complete utilities in 4th Street above the station box and restore street pavement

Continue placement of shotcrete interior walls and construction of rooms and equipment platforms on the mezzanine and concourse levels

STS

Sewer installation and repair

Waterline installation

AWSS installation

Muni ductbank installation

Installation of fiber optic cable by AT&T

Start installation of tunnel lighting

Installation of overhead contact system support poles

Start placement of tunnel drainage and invert slab south of YBM

Placement of tunnel walkways

The PMOC expects to attend the following meetings:

- Weekly Management (*October 11, October 31, and December 6*)
- Weekly Contract 1300 Construction Progress Meetings (*second Tuesday and Wednesday of October and first Tuesday and Wednesday of November and December*)
- Weekly Configuration Management Board (CMB) (*second Wednesday of October and first Wednesday of November and December*)
- Monthly CSP Risk Management Meetings (*first Thursday of November and December*)

- CSP month-end meetings on *October 11, November 1, and December 6*
- FTA/QPRM scheduled for November 3, 2016

F. QUALITY ASSURANCE AND QUALITY CONTROL

QA/QC Plan Implementation

Contractor QC, as detailed in the Contract Technical Specification, is the means by which the contractor ensures that construction complies with the requirements of the contract. The contractor conducts at least three phases of control (Preparatory Phase, Initial Phase, and Follow-up Phase) to ensure that all work is carried out per the contract.

The 1300 contractor's staff includes a Contractor's Quality Manager (CQM), who reports to the Contractor's Management at an organization level superior to the contractor's Project Manager. The CQM is provided by a subcontractor. The reporting structure is to provide the CQM with direct access to the contractor's Principal Officers. A Contractor Non-conformance Report (CNCR) Log for identifying, correcting, documenting, and controlling non-conformances is maintained by the contractor and reviewed at weekly status meetings for each work package. Subsequent work may not progress for work that is the subject of a Corrective Action Request (CAR) until conditions averse to quality are corrected. In the event that the contractor does not issue a CNCR, SFMTA may issue a Notice of Non-conformance (NCN) where non-conforming work is identified by SFMTA's quality assurance staff.

Construction crew attention to quality has been improving, with the occurrence of critical non-conforming work becoming less frequent. The following quality issues and concerns for the 1300 Stations Contract were identified in the SFMTA July monthly report:

- TPC performing work prior to receipt of approval status of required submittals. SFMTA notes that additional Initial and/or Preparatory Phase Quality Meetings greatly contribute to preventing work prior to obtaining submittal/Request for Information (RFI) approval.
- Potential damage to adjacent buildings from installation/preconditioning of compensation grouting at the Arthur Berens/Dior Building (216 and 218 Stockton Street).
- Appropriate design review/sign-off of composite drawings for tunnel inverts prior to concrete placement to assure that all required systems/facilities conduits are embedded as required.
- *TPC's refinement of its process to prepare record drawings (as-builts) to include CNCRs and timely recording of work that is performed that is inconsistent with the Conformed Design Drawings.*

As of September 7, 2016, 227 CNCRs had been filed by TPC's Quality Manager (9 more than in early July). 14 new items were under review, 14 other items had responses identified but not yet approved, the proposed responses to 4 items were disapproved, and 15 items had approved responses that were not yet implemented. 153 items were closed, and 27 items had been voided.

None of the open or disapproved items is delaying progress of the work. Many of the CNCRs are related to the vertical and battered piles at UMS (out of rotational and horizontal tolerances and unsound concrete). A large number of new CNCRs are related to the concrete finish work for the newly opened section of Stockton Street pavement and sidewalk between Geary Street and Maiden Lane. SFMTA believes that the concrete subcontractor will learn from these issues and improve the quality of its work in future concrete placements.

The PMOC conducted a Quality Review of the CSP in September 2015, and a draft report was delivered to FTA for review late that month. The report documenting this review was finalized in early November 2015. The report identified recommended refinements to the organization charts and descriptions of certain staff positions' quality-related responsibilities to clarify the quality assurance organization. The report also recommended that executive management support for the quality program be demonstrated through approval signatures on quality plans by TPC and SFMTA executive management. The PMOC's Quality Review of the project concluded that the SFMTA staff is implementing the SFMTA QA Program as described in the SFMTA Quality Management Plan (QMP). The fundamental implementation of the SFMTA quality program and SFMTA management's support of the program were readily apparent during the PMOC's QA program review.

G. SAFETY AND SECURITY

Safety and Security Management Plan

An updated SSMP Revision 2, dated February 2, 2014, was submitted to FTA on May 2, 2014. The SSMP outlines the plans needed prior to revenue operations. These plans include the RAP, the System Integration Test Plan, the Safety and Security Certification Plan (SSCP), and the Pre-Revenue Operations and Start-up Plan. SFMTA has completed the SSCP, which is being used to guide safety certification activities. The initial draft of the RAP was completed with the latest update of the PMP. The System Integration Test Plan and the Pre-Revenue Operations and Start-up Plan have not been completed and are expected to be provided with the next PMP update.

Fire and Life Safety/Safety and Security Issues

The Construction Specification Conformance Checklists have been completed and approved for all construction packages. In September 2013, the CPUC staff began attending monthly as-built meetings to review the completed items. As of January 2016, all items related to the tunnel construction had been certified and accepted by SFMTA's safety staff. The certification work will begin to address the station construction items in 2016. The San Francisco Fire Department (SFFD) regularly attends the now combined FLSC and SSCRC meetings. The SFFD will continue to coordinate with the Stations Construction Project to identify issues of importance during construction.

Construction Safety

The 1300 Contract is maintaining an excellent safety record, with a total of four recordable and four lost time incidents since the project start. The performance metrics relating to accidents per working hour are well below the OSHA goals for similar construction. The current accident records for the 1300 Contract are shown in Table 7.

Table 7 - Construction Safety Data

<i>Through April 2016</i>	No. of Incidents	Incident Rate ¹	Goal
1300 Contract			
OSHA Recordable Accidents	5	0.80	<3.4
Job Transfer/Restricted Duty Incidents	0	0	NA
Lost Time Incidents	0	0	<1.6
Total Incidents	5	0.80	NA
Hours Worked	1,243,167		

1. OSHA incident rate = incidents x 200,000/hours worked.

H. PROJECT RISK, RISK MANAGEMENT, AND RISK MITIGATION

RCMP Revision 3 was received by the PMOC on April 30, 2013. The outgoing PMOC provided its final Spot Report to FTA on July 19, 2013. SFMTA submitted a CSP “Contingency Management – Schedule 2012 Update” on May 22, 2013. SFMTA provided a further update of the schedule risk assessment in June 2015 that recommended a reduction of the minimum schedule contingency after demobilization of the tunnel work to 4.0 months. The updated risk assessment was conducted on the approved baseline schedule for the 1300 Contract without updates to reflect the then current status of the construction work and the accumulated construction delays.

The Contract 1300 baseline schedule was adopted in early December 2014. Schedule updates completed by the contractor have been rejected by SFMTA due to logic errors and have not been incorporated into the master program schedule. SFMTA has prepared its own revision of the construction schedule and is using updates to that schedule to maintain the master program schedule. SFMTA is continuing to refine the record of as-built construction activity incorporated in the master schedule. The schedule risk assessment update is now expected from the CSP after the schedule tool in P6 is further enhanced and a recovery schedule is produced. The risk assessment would be conducted to determine a range of likely actual RSDs based on the updated schedule, possible recovery of accumulated delays, and remaining schedule risks. The timing of the risk assessment will be determined in the coming months.

The most recent Risk Mitigation Meeting attended by the PMOC was the September 2016 Risk Mitigation Meeting for the CSP, which included a review of the status of the top construction risks. The following significant updates were provided during the meeting:

- Risk 52 and 234 – Excavation of the cross-cut cavern at CTS causes ground settlement and damage to old utilities above the station or to adjacent buildings. *Excavation of the*

top and side drifts of the cross-cut cavern is complete with no ground movement detected by the numerous instruments above the station. The risk will be retired when the cross-cut cavern is completed at the end of September.

- Risk 46 – *Complaints from nearby residents causing a need to change the CTS work schedule or means and methods was discussed. There have been recent complaints from residents in the Mandarin Tower regarding noise from the CTS worksite. The ventilation fans that provide fresh air in the excavation are a source of constant noise that has been measured at levels above the maximum allowable noise limits and is an annoyance due to the constant sound produced. Sound attenuation devices were attached to the ventilation equipment and these have been effective in reducing the complaints regarding noise. SFMTA continues to manage the noise issues by keeping material deliveries, which are another source of frequent complaints, out of the early morning hours and limiting construction work on Sunday mornings when the nearby churches have their weekly services.*
- Risk 232 – *Inability to recover from schedule delays results in late RSD. Schedule delays continue to accrue as time is passing. 18 days were lost on the critical path in July. SFMTA is working on an evaluation of the causes of delays through creation of an as-built schedule and is planning to add another experienced scheduler to expedite this analysis. To the extent the contractor is responsible for delays it must identify means to recover the delay. **In the opinion of the PMOC, even if the contractor is shown to be responsible for all or most of the accumulated delays, it may not be possible to identify effective recovery measures that can make up all of the lost time.***
- Risk 204 – *Delays due to AT&T not meeting the schedule for abandoning its facilities in the at-grade section of the line. This risk was retired.*
- Risk 230 – *SFMTA testing, commissioning, and pre-revenue service activities are delayed. This risk was assigned a high probability of occurrence, a medium cost impact, and a high schedule impact. SFMTA is preparing a RAP that will be used to plan the testing, commissioning, and other start-up activities. A key element of the mitigation strategy for this risk is to assure that the project is ready for the “barn sign-up” for operators prior to the RSD. There is only one barn sign-up per year and missing the one prior to the RSD could result in a major delay to the start of service.*

A list of the top risks discussed at the August 2016 Risk Mitigation Meeting is included in Appendix D.

In the opinion of the PMOC, the Risk Mitigation Meeting continues to be an effective forum for identifying potential risks and developing mitigation measures to limit the impact of the risks. The PMOC will continue to monitor the Risk Mitigation meetings to assess the SFMTA’s risk mitigation activities.

I. ACTION ITEMS

Table 8 on the following page shows the current action items for SFMTA.

Table 8 - SFMTA Action Items for Central Subway Project

Category	NO.	ACTION	DATE OPENED	DUE DATE	DATE CLOSED	COMMENTS
S	165	Develop recovery schedule	12/10/15	TBD		See action items below, which are precursors to the recovery schedule
S, RA	166	Update schedule risks based on recovery schedule	12/10/15	TBD		Once the schedule tool and recovery schedule are complete
S	167	Provide details for Start Up, Testing, and Safety/Security Certification schedule	6/23/16	11/1/16 <i>(new date)</i>		<i>SFMTA has prepared an initial draft of the RAP. Details need to be added</i>
S	168	Provide details for train control testing schedule	6/23/16	11/1/16		Thales has requested 9 months, TPC has allocated 4 months
S	169	Review and address logic errors and acceleration strategies in the schedule	6/23/16	12/15/16 <i>(new date)</i>	Ongoing evaluation	<i>Initial changes implemented by SFMTA. TPC needs to agree to some of the changes</i>
S	170	Provide schedule for delivery of the As-built Schedule	6/23/16	8/4/16	8/4/2016	As-built schedule planned to be current through June 2016 by November 2016
S	171	Provide a range of dates for the Revenue Start Date	6/23/16	TBD		Depends on results of other action items

(Note: All closed items are removed a month after being closed. Changes to open items since last update are indicated in *italics*.)

Category Key:

C – Cost

FMP – Fleet Management Plan

IRP – Independent Review Panel

PMP – Project Management Plan

QA – Quality Assurance

RA – Risk

RE – Real Estate

S – Schedule

SC – Scope

SS – Safety

T – Tech. Cap. & Cap.

CH – Change Mgmt.

APPENDIX A. LIST OF ACRONYMS

APTA	American Public Transportation Association
ARS	Air Replenishment System
ATCS	Advanced Train Control System
AWSS	Alternative Water Supply System
BART	Bay Area Rapid Transit
BCE	Baseline Cost Estimate
BRT	Bus Rapid Transit
Caltrans	California Department of Transportation
CAR	Corrective Action Request
CFR	Code of Federal Regulations
CLIN	Contract Line Item Number
CMB	Configuration Management Board
CMod	Contract Modification
CNCR	Contractor Non-Conformance Report
COR	Change Order Request
CPI	Cost Performance Index
CPUC	California Public Utilities Commission
CQM	Contractor's Quality Manager
CSP	Central Subway Project
CTS	Chinatown Station
DF	Designated Function
EV	Earned Value
FD	Final Design
FEIR	Final Environmental Impact Report
FEIS	Final Environmental Impact Statement
FFGA	Full Funding Grant Agreement
FLSC	Fire and Life Safety Committee
FMP	Fleet Management Plan
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
IRP	Independent Review Panel
LONP	Letter of No Prejudice
LRT	Light Rail Transit
LRV	Light Rail Vehicle
M/E/P	Mechanical, Electrical, and Plumbing
MMRP	Mitigation Monitoring Reporting Program
MOU	Memorandum of Understanding
MPS	Master Project Schedule
MRY	Muni Traction Power System

Muni	Common Public Reference to SFMTA
NCN	Notice of Non-conformance
NCR	Non-conformance Report
NEPA	National Environmental Policy Act
NTP	Notice to Proceed
O&M	Operations & Maintenance
OCS	Overhead Contact System
OHA	Operational Hazard Analysis
OP	Oversight Procedure
PCC	Proposed Contract Changes
PE	Preliminary Engineering
PG&E	Pacific Gas & Electric Co.
PHA	Preliminary Hazard Analysis
PMOC	Project Management Oversight Contractor
PMP	Project Management Plan
PTMISEA	Public Transportation Modernization, Improvement, and Service Enhancement Account
PV	Planned Value
QA/QC	Quality Assurance/Quality Control
QMP	Quality Management Plan
QPRM	Quarterly Progress Review Meeting
QTR	Quarter
RAMP	Real Estate Acquisition Management Plan
RAP	Rail Activation Plan
RCMP	Risk and Contingency Management Plan
RE	Resident Engineer
RFI	Request for Information
ROD	Record of Decision
RSD	Revenue Service Date
SBE	Small Business Enterprise
SCIL	Safety Certifiable Item List
SCP	Safety Certification Plan
SEIS	Supplemental Environmental Impact Statement
SEM	Sequential Excavation Method
SEPP	Security and Emergency Preparedness Plan
SFDPW	San Francisco Department of Public Works
SFFD	San Francisco Fire Department
SFMTA	San Francisco Municipal Transportation Agency
SFPUC	San Francisco Public Utilities Commission
SIT	Systems Integration Test

SoMa	South of Market (Street)
SOP	Standard Operating Procedure
SPI	Schedule Performance Index
SSCP	Safety and Security Certification Plan
SSCRC	Safety and Security Certification Review Committee
SSCVR	Safety and Security Certification Verification Report
SSMP	Safety and Security Management Plan
SSO	State Safety Oversight
SSP	System Security Plan
SSPP	System Safety Program Plan
STS	Surface, Track, and Systems
TBD	To Be Determined
TBM	Tunnel Boring Machine
TPC	Tutor Perini Corporation
TSA	Transportation Security Administration
TVA	Threat and Vulnerability Analysis
U.S.C.	United States Code
UMS	Union Square/Market Street Station
YBM	Yerba Buena/Moscone Center Station
YOE	Year of Expenditure

APPENDIX B. SAFETY AND SECURITY CHECKLIST

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Safety and Security Management Plan	2014	2011	Revision 1 Update submitted to FTA 02/25/2011. Not submitted to FRA. Revision 2 submitted to FTA on May 2, 2014.
Safety and Security Certification Plan (SSCP)	2011		SSCP was revised 10/2011. Revision 1 was developed in November 2011. Not submitted to FRA.
System Safety Program Plan (SSPP)	2009	2009	SSPP dated 03/13/2009 submitted to FTA 07/31/2009. Not submitted to FRA.
System Security Plan (SSP) or Security and Emergency Preparedness Plan (SEPP)	2009		Not submitted to FTA. Not submitted to FRA.
Construction Safety and Security Plan	2012		Health and Safety. Construction Safety Standards Revision 3, June 27, 2012.
Safety and Security Authority	<i>Y/N</i>		Notes/Status
Is the grantee subject to 49 CFR Part 659 state safety oversight requirements?	Y		
Has the state designated an oversight agency as per Part 659.9?	Y		California Public Utilities Commission (CPUC) Consumer Protection & Safety Division 505 Van Ness Avenue San Francisco, CA 94102 (415) 703-1017 phone (415) 703-1758 fax Point of contact: Arun Mehta

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Has the oversight agency reviewed and approved the grantee's SSPP as per Part 659.17?	Y		SFMTA currently operates its LRT system in compliance with an SSPP approved by the CPUC. These plans will be revised, as required, to incorporate the addition of the CSP during the late construction and early testing phase and submitted to the CPUC for approval prior to the planned start of revenue operations.
Has the oversight agency reviewed and approved the grantee's Security Plan or SEPP as per Part 659.21?	Y		See above.
Did the oversight agency participate in the last Quarterly Program Review Meeting?	Y		
Has the grantee submitted its safety certification plan (SCP) to the oversight agency?	Y		SFMTA submitted the SSCP to CPUC staff for review and Commission approval during the preliminary engineering phase. The plan was approved in March 2009. The SSCP revised in November 2011 was submitted to the CPUC and was approved.
Has the grantee implemented security directives issues by the Department Homeland Security, Transportation Security Administration?	N/A		Currently, there are no TSA directives or programs applicable to the project. If any arise during the course of the project, the activities to comply will be developed and shown on a revision of the project safety and security activities schedule.
SSMP Monitoring			
Is the SSMP project-specific, clearly demonstrating the scope of safety and security activities for this project?	Y		The PMOC reviewed the CSP SSMP and provided a spot report to FTA in May 2011. FTA approved the CSP SSMP on May 16, 2011. A follow-up Adherence Audit was conducted September 14-16, 2011. The audit found that CSP is conducting its activities in accordance with the SSMP.

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Grantee reviews the SSMP and related project plans to determine if updates are necessary?	Y		SSMP Revision 2 was submitted to FTA on May 2, 2014.
Does the grantee implement a process through which the Designated Function (DF) for Safety and DF for Security are integrated into the overall project management team? Please specify.	Y		Safety and security are under the direction of the SFMTA Safety and Security Manager and supplemented by Project Management/Construction Management consultant staff, including a Safety and Security Certification professional who has been dedicated to supervise project Safety and Security Certification.
Does the grantee maintain a regularly scheduled report on the status of safety and security activities?	Y		Safety and security certification status and activities are reported in the weekly construction progress meetings and the CSP Monthly Progress Report.
Has the grantee established staffing requirements, procedures, and authority for safety and security activities throughout all project phases?	Y		
Does the grantee update the safety and security responsibility matrix/organizational chart as necessary?	Y		The PMOC found the revised matrix in the SSMP, Rev. 1, 02/08/11, to be compliant.
Has the grantee allocated sufficient resources to oversee or carry out safety and security activities?	Y		
Has the grantee developed hazard and vulnerability analysis techniques, including specific types of analysis to be performed during different project phases?	Y		CSP has prepared a Preliminary Hazard Analysis Report, Rev. 0, April 23, 2009. Corrective actions and analysis for different project phases have been identified in the report.

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Does the grantee implement regularly scheduled meetings to track to resolution any identified hazards and/or vulnerabilities?	Y		
Does the grantee monitor the progress of safety and security activities throughout all project phases? Please describe briefly.	Y		Safety and Security is an ongoing agenda item on the current construction contract (1300).
Does the grantee ensure the conduct of preliminary hazard and vulnerability analyses? Please specify analyses conducted.	Y		
Has the grantee ensured the development of safety design criteria?	Y		Design is complete and construction is underway.
Has the grantee ensured the development of security design criteria?	Y		Design is complete and construction is underway.
Has the grantee ensured conformance with safety and security requirements in design?	Y		Certification checklists are developed and certified through monthly meetings. Design is complete and construction is underway.
Has the grantee verified conformance with safety and security requirements in equipment and materials procurement?	Y		Safety and Security Conformance checklists have been prepared for each of the construction contracts. All certifiable elements of the Tunnel work have been certified and accepted by SFMTA Safety.
Has the grantee verified construction specification conformance?	Y		This is on-going as construction progresses.
Has the grantee identified safety and security critical tests to be performed prior to passenger operations?	N		Currently being developed.

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Has the grantee verified conformance with safety and security requirements during testing, inspection, and start-up phases?	N		Project is in construction, with RSD about three years in the future.
Does the grantee evaluate change orders, design waivers, or test variances for potential hazards and/or vulnerabilities?	Y		
Has the grantee ensured the performance of safety and security analyses for proposed work-arounds?	N/A		
Has the grantee demonstrated through meetings or other methods, the integration of safety and security in the following: <input type="checkbox"/> Activation Plan and Procedures <input type="checkbox"/> Integrated Test Plan and Procedures <input type="checkbox"/> Operations and Maintenance Plan <input type="checkbox"/> Emergency Operations Plan	<i>In process</i>		Currently being developed. An Integration Matrix has been implemented for all disciplines including safety and security concerns. Initial draft of the Rail Activation Plan has been completed.
Has the grantee issued final safety and security certification?	N		Project is in the construction phase.
Has the grantee issued the final safety and security verification report?	N		Project is in the construction phase.
Construction Safety			
Does the grantee have a documented/implemented Contractor Safety Program with which it expects contractors to comply?	Y		Health and Safety Construction Safety Standards Revision 3, June 27, 2012.

Central Subway Project Overview		
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit	
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction	
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build	
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i> Status
Does the grantee's contractor(s) have a documented companywide safety and security program plan?	Y	
Does the grantee's contractor(s) have a site-specific safety and security program plan?	Y	The remaining active contractor has a plan. Contract documents require that the contractor develops an Environmental Health and Safety Program, specific to the contract work.
Provide the grantee's OSHA statistics compared to the national average for the same type of work?	Y	Provided in the Central Subway Monthly Progress Report.
If the comparison is not favorable, what actions are being taken by the grantee to improve its safety record?	N/A	Statistics are favorable. No action is needed.
Does the grantee conduct site audits of the contractor's performance versus required safety/security procedures?	Y	Safety walks are routinely conducted at each construction site.
Federal Railroad Administration		
If shared track: has grantee submitted its waiver request application to FRA? (Please identify specific regulations for which waivers are being requested.)	N/A	No shared track. No waivers are anticipated.
If shared corridor: has grantee specified specific measures to address shared corridor safety concerns?	N/A	
Is the CHA underway?	N/A	
Other FRA required Hazard Analysis – Fencing, etc.?	N/A	

Central Subway Project Overview			
Project mode (Rail, Bus, BRT, Multimode)	Light Rail Transit		
Project phase (Preliminary Engineering, Design, Construction, or Start-up)	Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CM/GC, etc.)	Design-Bid-Build		
Project Plans	<i>Version</i>	<i>Review by FTA/FRA</i>	Status
Does the project have Quiet Zones?	N		
Does FRA attend the Quarterly Review Meetings?	N		

N/A = Not applicable.

APPENDIX C. PROJECT MAP AND OVERVIEW

CENTRAL SUBWAY PROJECT: Project Overview and Map

Date:	<i>September 15, 2016</i>
Project Name:	Central Subway Project (CSP) New Starts Light Rail Transit
Grantee:	San Francisco Municipal Transportation Agency (SFMTA)
FTA Regional contact:	Mr. Jeffrey S. Davis
FTA Headquarters contact:	Ms. Kim Nguyen

Scope

Description:	The CSP will extend the Third Street Light Rail line from the Caltrain station at Fourth and King streets to Chinatown. It was incorporated in the FEIS/FEIR on the Third Street Light Rail project published in December 1998, but FTA did not include the CSP in the Record of Decision (ROD) issued in March 1999. A ROD for the CSP, however, was issued by FTA on November 26, 2008, and the U.S. Department of Transportation and FTA determined that the requirements of the National Environmental Policy Act (NEPA) of 1969 were satisfied for the CSP. The environmental record for the CSP is included in the Final Supplemental Environmental Impact Statement (SEIS), Volume II, dated July 11, 2008 and the Final SEIS, Volume I, dated September 23, 2008. These documents present the detailed statement required by NEPA and U.S.C. 5324 (b). SFMTA requested authority to enter Preliminary Engineering (PE) in March 2002 and submitted a Project Management Plan (PMP) in June 2002. FTA approved entry into PE in July 2002. Approval to enter Final Design (FD) was granted by FTA on January 7, 2010. The Full Funding Grant Agreement (FFGA) was signed on October 11, 2012.
Guideway:	The length of the CSP will be 1.7 miles of double-tracked line.
Stations:	The CSP includes three subway stations and one surface station.
Additional Facilities:	The CSP does not include any ancillary facilities.
Vehicles:	The CSP Service Plan dated October 2009 clarified that four vehicles will be required.
Ridership:	43,521 Average Weekday Boardings are projected in 2030.

Schedule

07/02	Approval Entry to PE	2016	Estimated Rev Ops at Entry to PE
01/10	Approval Entry to FD	2018	Estimated Rev Ops at Entry to FD
10/11/12	FFGA	2018	Estimated Rev Ops at FFGA
07/25/2019			Revenue Operations Date at date of this report

61.0% *Percent Complete Based on Progress (July 2016 data)*

Cost

\$764 million	Total Project Cost (\$YOE) at Approval Entry to PE
\$1,578 million	Total Project Cost (\$YOE) at Approval Entry to FD
\$1,578 million	Total Project Cost (\$YOE) at FFGA signed
\$TBD million	Total Project Cost (\$YOE) at Revenue Operations
\$1,578 million	Total Project Cost (\$YOE) at date of this report including \$0.00 in Finance Charges
\$963.51 million	Amount of Expenditures at date of this report from Total Project Budget of \$1,578 million
61.05%	Percent Complete based on Expenditures at date of this report
\$24.75 million	Unallocated Contingency remaining
\$79.55 million	Total Project Contingency (allocated and unallocated contingency as reported by CSP)
\$60 million	Minimum Total Project Contingency revised on September 5, 2012 PMOC review of Contingency Management Plan

	AT HOLD POINTS	QTR	Minimum Contingency Levels	Revised Levels
1A	Hold Point 1a – Tunnels 100% designed February 2011 (Actual)	1Q11	280	280
1B	Hold Point 1b – CTS 100% designed June 2012 (Actual)	4Q11	250	240
1C	Hold Point 1c – 40% Bid (Tunnel and CTS)	2Q12	225	200
1D	Hold Point 1d – FFGA Award October 2012 (Actual)	3Q12	-	180
2	Hold Point 2 – Commence CTS / UMS construction (Actual June 17, 2013)	2Q13	160	160
3	Hold Point 3 – Demobilize Tunnels (Actual April 15, 2015)	2Q15	140	140
4	Hold Point 4 – Stations to platform levels (CTS/YBM) November 2016	4Q16	60	60
5	Hold Point 5 – Complete CTS / Tunnels systems inst. April 2018	2Q18	25	25
RSD	PMOC / FTA RSD	4Q18		
CURRENT TOTAL CONTINGENCY \$79.55 Million				



APPENDIX D. TOP PROJECT RISKS

The Project Risk Register was updated in early 2015. The following risks were discussed at the August 2016 risk mitigation meeting.

Top Risks Discussed in the Previous Month:

#46 – Public complaints led to a need to revise the CTS work sequence, resulting in delays. There have been recent complaints regarding noise from the construction operations at CTS, especially during the extended work hours on evenings and Sundays. SFMTA and the contractor are working with the community to limit the noise impacts of the work.

#52 – The risk of settlement of older utilities above the CTS cross-cut cavern and platform cavern excavations. The ground above and near the excavation is extensively instrumented and daily meetings are being held to review the recorded data from the instruments. Thus far, no ground movement has been detected. This risk will remain, although it appears to be at a reduced level, until the excavation is completed.

#232 – This is the top rated risk and is related to TPC being behind schedule and potentially unable to recover. This risk continues, and appears to be increasing since delays are continuing to accrue. TPC is working extended hours to attempt to recover the delays. SFMTA and TPC are evaluating strategies to conduct concurrent work at the end of the construction schedule and to allow early start of testing and commissioning activities. SFMTA is preparing a detailed testing, commissioning, and pre-revenue service activity schedule. SFMTA also is completing its analysis of the responsibility for the accumulated delays and the amount of delay that the contractor is obligated to provide recovery for.

#233 – Related to the quality of the shotcrete lining substitution proposed by TPC being inferior. This risk continues, but SFMTA has seen good results from the permanent installation work at TBM. All of the nozzle operators working on shotcrete are certified. SFMTA and TPC are still working out the process/checklist to be used to confirm that the finished shotcrete panels meet contract requirements for location, surface quality, thickness, etc.

#234 – This risk that the contractor's proposed alternative Sequential Excavation Method (SEM) excavation method would cause subsidence will continue to be monitored until all SEM operations are completed. Closely related to risk# 52 and appearing to be minimal.

#238 – This risk is that the Quality Program may be ineffective in processing the nonconformance issues causing schedule impacts. The process of tracking and processing the Non-conformance Reports (NCRs) through improved tracking logs is continuing. The CNCR log is being updated as appropriate. CNCRs are being identified timely and processed appropriately.

#240 – This risk that unresolved assignment of schedule delay responsibility may lead to increased cost continues. SFMTA and the contractor are working on schedule updates and on resolution of the causes for schedule delays that have occurred. Efforts continue to focus on how to reduce the accumulated delays. This risk is closely related to #232.

#243 – Risk that contractor will be complacent in addressing damage claims from 3rd parties, resulting in additional costs to the program. Extra costs are being incurred as a result of claimants going to the city as opposed to the contractor with damage claims. City is incurring attorney and other administrative costs as a result of the contractor's failure to proactively address the claims.

#36 – Risk of damage to adjacent buildings due to heave from grouting operations. Minor non-structural damage has occurred at some locations and is being repaired. The compaction grouting operation is nearly complete.

#204 – Risk that AT&T cutover work will be completed late and delay at-grade work in 4th Street. The relocation of AT&T and its tenants' lines was delayed to May 3, 2016. AT&T did not immediately begin demolition of the abandoned facilities. To avoid further delays, SFMTA directed TPC to begin demolition and removal pending AT&T securing a contractor to perform this work. *This risk will be retired, as the demolition work is complete.*

#205 – The risk that the prolonged process for approval and execution of CMods results in bad blood between SFMTA and the contractor. CMods are now being processed more quickly and the backlog of unresolved changes is being reduced. SFMTA continues to try and streamline the CMod process. The contractor has expressed appreciation for SFMTA's efforts to clear the backlog of pending CMods.

#229 – Risk of delayed completion of TPC acceptance tests. This risk will be rated at a future meeting. *A schedule for start-up activities is being prepared and long-lead items are being identified. The major contributor to the risk is Train Control testing.*

#230 – *Risk of delayed completion of SFMTA testing, commissioning, and pre-revenue service activities. This risk was rated as having a high probability of occurrence, a medium cost impact, and a high schedule impact.*

APPENDIX E. ROADMAP TO REVENUE OPERATIONS

Roadmap to Revenue Operations - Central Subway Project, San Francisco Municipal Transportation Agency – DRAFT				
Description	Estimated Start Date	Estimated Completion Date	Actual Completion Date	Notes
Testing				
Finalize/update Systems Integration Test (SIT) Plan	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Prepare Schedule for Testing	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Finalize Test Procedures	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Conduct System Integrated Testing with trains, including procedures and reports	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Complete Testing Reports	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Operating Plan, Rules, and Training				
Finalize Operating Plan	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Finalize / revise SOPs, manuals, and rulebook as applicable	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Operations Manuals	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Staffing and Operations Plan	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Training of O&M personnel	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Emergency response plan, training, and drills	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Vehicle Maintenance Plan, Equipment, Facilities, and Training				
Rail Fleet Management Plan	TBD	TBD	TBD	

Roadmap to Revenue Operations - Central Subway Project, San Francisco Municipal Transportation Agency – DRAFT				
Description	Estimated Start Date	Estimated Completion Date	Actual Completion Date	Notes
Maintenance Schedules and Procedures	TBD	TBD	TBD	The LRV fleet is being replaced and expanded through a separate project. The CSP requires an expansion of the fleet of four vehicles.
Spare Parts Requirements	TBD	TBD	TBD	The LRV fleet is being replaced and expanded through a separate project. The CSP requires an expansion of the fleet of four vehicles.
Maintenance Manuals	TBD	TBD	TBD	The LRV fleet is being replaced and expanded through a separate project. The CSP requires an expansion of the fleet of four vehicles.
Maintenance Training	TBD	TBD	TBD	The LRV fleet is being replaced and expanded through a separate project. The CSP requires an expansion of the fleet of four vehicles.
Facility and Right-of-way Maintenance Plan, Equipment, Facilities, and Training				
Maintenance Schedules and Procedures	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Spare Parts Requirements	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Maintenance Manuals	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Maintenance Training	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Pre-Revenue Operations				
Finalize and/or update RAP and/or Pre-Revenue Operations Plan	4/2/2015	TBD	TBD	Initial draft, including task identification complete. Schedule for updating and completing task descriptions TBD.
Implement Rail Activation Committee	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Shadow operations	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.

Roadmap to Revenue Operations - Central Subway Project, San Francisco Municipal Transportation Agency – DRAFT				
Description	Estimated Start Date	Estimated Completion Date	Actual Completion Date	Notes
Develop / revise SSPP & Security Plan (approved by SSO)	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
FTA Office of Safety & Security Readiness Review	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
PMOC OP-54 Readiness for Revenue Operations Review Report, Phase I	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Conduct Operational Hazard Analysis (OHA) and resolve other hazards / vulnerabilities	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Pre-Revenue Operations	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Public Outreach				
Develop Safety Outreach Plan	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Provide Community Outreach	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Grand Opening Plan	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Construction Close Out				
Close Out of Non-Conformance Reports	Ongoing	3/7/2019	TBD	NCRs are tracked and closed prior to follow-on work. Final closure of NCRs expected as of final completion date of 1300 Contract.
Punch List Complete	12/17/2018	3/7/2019	TBD	Punch list completion expected at final completion of 1300 Contract.
Certificates of Occupancy / Substantial Completion	TBD	3/7/2019	TBD	
Safety, Security, and Fire-life Safety Certifications				
Update/Finalize SSMP			2/18/2014	Revision 2 completed.
Finalize and/or update SCIL and SSCP			10/10/2008	Revision 0.

Roadmap to Revenue Operations - Central Subway Project, San Francisco Municipal Transportation Agency – DRAFT				
Description	Estimated Start Date	Estimated Completion Date	Actual Completion Date	Notes
Implement Safety and Security Certification Committee			8/1/2010	Committee meets monthly to review certifiable items.
Implement Fire Life Safety Committee			8/1/2010	
Preliminary Hazard Analysis (PHA)				Need dates.
Threat and Vulnerability Analysis (TVA)				Need dates.
Design Criteria Reflecting Safety and Security Requirements				Need dates.
Review status of quality non-conformances	Ongoing	3/7/2019	TBD	
Close Out of non-safety critical items	Ongoing	Ongoing	TBD	
Close Out of safety critical items	Ongoing	Ongoing	TBD	
Complete Safety & Security Certification Verification Report (SSCVR)	TBD	1/7/2019		60 days before RSD - Check against latest regulations.
Document Workarounds / Open Items List	TBD	TBD	TBD	
Verify emergency drills, tabletops, training, etc. are completed	TBD	TBD	TBD	
State Safety Oversight (SSO) final certification / signature	TBD	2/14/2019		21 days before RSD - Check against latest regulations.
<i>Third Party and Agency Agreements</i>				
Third Party/Agency Agreements Necessary for Revenue Service	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
Third Party/Agency Approvals Necessary for Revenue Service	TBD	TBD	TBD	Project is in construction, with RSD 2+ years in the future.
<i>Revenue Service</i>				
Target Revenue Service Date	-	6/05/2019		Current forecast RSD. Recovery schedule to be prepared.
FFGA Revenue Service Date	-	12/31/2018		

APPENDIX F. LESSONS LEARNED

LL#	Date	Phase	Category	Subject	Lesson Learned
1	09-30-10	FD	Management	Consultant Contracts	The project must have a full understanding of the agency and other approving governmental authorities to avoid delay of contract approval and consequential delay of the Master Project Schedule (MPS).
2	09-30-10	FD	Cost	Staffing Plan	The project staffing plan needs to be formulated during PE and updated at least quarterly during FD to manage Standard Cost Category 80 costs and monitor design production.
3	09-30-10	FD	Scope	Letter of No Prejudice (LONP)	A defined scope of grantee and PMOC responsibilities needs to be provided for content and acceptability of LONP requests.
4	09-30-10	FD	Management	SSMP	FD consultants should be trained, shortly after mobilization, in the format and their responsibility regarding the System Safety Consultant.
5	10-30-10	FD	Cost	Baseline Cost Estimate (BCE) Update	The BCE should be updated with current costs as soon as they are known by the project to allow mitigation of cost contingency usage.
6	02-21-12	FD	Management	Program Controls	Program Controls system/software selected for use for the duration of the project should be in place and functional prior to approval to enter FD. Doing so will avoid a transition during FD that could create a lag in timely reporting of cost and schedule status.
7	02-21-12	FD	Management	Risk Mitigation	Oversight Procedure (OP) 40 needs to be revised to establish minimum requirements for secondary mitigation at different phases of the project, similar to those for cost and schedule contingency. The PMOC recommends five percent of project cost at Entry into FD and three percent at execution of an FFGA.

LL#	Date	Phase	Category	Subject	Lesson Learned
8	02-21-12	FD	Scope	Third Party Agreements	All third party agreements need to be identified as soon as possible, but no later than 65% design completion. This includes leases, both temporary and permanent; MOUs; and licenses, specifically for preconstruction property surveys and settlement monitoring instruments (especially important for underground construction). These third party agreements need to be secured no later than the advertisement date of the construction that they affect. Third party agreements need to be tracked by the project continuously, reported monthly, and updated in a third party agreement matrix submitted quarterly to FTA.
9	02-21-12	FD	Cost	Cost Estimating Procedures	During the preliminary design phase, the project should establish the cost estimating procedures, format, and software to be used by all estimating entities for the entire duration of the project.
10	02-21-12	FD	Cost	Allocated Cost Contingency	In the BCE submitted to FTA for Entry into FD, the project should identify percentages of allocated cost contingency contained in the BCE that are apportioned for design risk, market risk, and construction risk.
11	02-28-12	FD	QA	Design Management Action Log	Design Management should develop a matrix as a tracking tool to document, track, and close out known elements that are missing from design submission packages.
12	08-15-12	FD	Environmental Mitigations	MMRP	Numerous mitigations identified in the MMRP are to be handled by incorporating specific design details and/or statements in the contract drawings and technical specifications. The grantee should note on the MMRP the relevant drawings and/or technical specifications.

LL#	Date	Phase	Category	Subject	Lesson Learned
13	08-31-12	FD	Management	Risk Contingency Levels and Hold Points	It became apparent, during the monitoring of the cost contingency drawdown curve for the project that the contingency levels and hold points no longer represented the current stage of project development and risk reduction/contingency usage related to project development. The project advanced through 100 percent project design; however, the project did not receive credit for the cost contingency usage established by the risk model. The PMOC recognized this deficiency and participated with the grantee in developing a cost contingency drawdown that reflects current project development and reduced risk.
14	06-30-13	Const.	Management	Change Order Process	Perform an audit of the project's procedures related to Change Orders and processing. The project should train staff and inform contractor of their obligations in the process.
15	1-30-14	Const.	Management	Independent Review Panel (IRP) Decision-makers	At the request of SFMTA, the American Public Transportation Association (APTA) formed a panel of geotechnical and tunnel experts to perform a peer review of the BART Undercrossing. Prior to crossing under the BART tunnels, the Independent Review Panel (IRP), contractor, SFMTA, and BART representatives convened at predetermined tunnel boring machine (TBM) locations to discuss the TBM progress and determine whether the tunneling should proceed. It is critical that decision makers from each organization attend these meetings. It was noted that BART Senior Management did not attend and instead deferred decisions to lower level staff.
16	6-30-14	Const.	Bid documents	Pre-Classification for Soil and Groundwater Disposal	Soils and groundwater generated from construction activities should be pre-classified with appropriate sampling and testing required by potential disposal facilities. Coordinate with the disposal facilities to get materials accepted.

LL#	Date	Phase	Category	Subject	Lesson Learned
17	4-10-15	Const.	Quality Control/Safety	Monitoring of soil conditions during underground construction	There was a breach of the excavation of frozen ground during construction of a cross passage between the twin bored tunnels followed by water and soil flowing into the tunnels, resulting in subsidence of the ground above and damage to underground utilities. Apparently the flow of materials into the tunnels went on for quite some time before the problem was detected and actions could be taken to arrest the flow. The construction site was not staffed when the breach started and there was no external warning system in place to notify the contractor or the agency of the condition. When the safety and structural integrity of a construction site depends on maintain soil conditions with the use of mechanical systems, the site should be continuously staffed or monitoring devices at the site should be continuously monitored from a remote location to assure that the expected soil conditions are maintained.
18	4-10-15	Const.	Environmental	Archeological data recovery protocols	Sensitive archeological materials were uncovered during the excavation of the roof area at YBM. The Program Manager took immediate action to notify the appropriate state officials and implemented protocols for protection of the materials. The most likely descendent of the remains was quickly identified and a representative was engaged and brought to the site to supervise the ongoing excavation. The quick action to involve the appropriate parties resulted in satisfactory handling of the artifacts with minimal delays to the construction schedule.

LL#	Date	Phase	Category	Subject	Lesson Learned
19	5-11-15	Const.	Quality Control	Use of latest design information for field inspection	After two roof pours were completed, it was discovered that required reinforcing steel was missing. Changes to the arrangement of the reinforcing steels were made as part of the submittal review and response process. Notes from the designer were included on the approved shop drawings but not in the contract design drawings. Field inspectors were using only the design drawings to confirm the proper installation of reinforcing steel prior to concrete placement. In the future, the latest design information, including submittals and related designer notes, will be used to inspect reinforcing steel prior to concrete placement.
20	9-28-15	Const.	Schedule	Maintenance of updated construction schedule and master program schedule	SFMTA was unable to obtain an acceptable baseline schedule from the station construction contractor for over a year. Then, SFMTA could not obtain acceptable updated status schedules from the contractor for another 8 months. As a result, the construction status and completion date could not be accurately determined for the first 20 months of the contract. This made schedule control impossible. SFMTA finally created its own schedule updates for the first 12 months of the construction contract using the pay applications and 3-week look-ahead schedules from the contractor. Lesson learned – owners should aggressively assert the need for accurate schedule updates from contractors and should withhold payment if such updates are included in the contract terms or specifications and are not forthcoming. If schedule updates are not received within the first few months of the project, the owner should create its own updates for the purpose of progress monitoring and schedule control.

LL#	Date	Phase	Category	Subject	Lesson Learned
21	11-30-15	Const.	Construction Planning	Installation of special trackwork in operating systems.	SFMTA needed to install special trackwork to provide the connection to the new alignment for Central Subway portion the T Third LRT line. The original plan was to install the special trackwork at the intersection in eight extended weekend shutdowns. Working with the contractor, the plan was revised to accomplish the necessary trackwork installations in two shutdowns. After considering the outcome of the first shutdown, where a portion of the special trackwork did not fit properly and needed adjustment during the shutdown, SFMTA decided to pre-assemble the second, more complex, special trackwork assembly at an off-site facility. The assembly was completed and the resulting track was surveyed to confirm the geometry and to assure that the assembly would fit into the existing field conditions. While conducting the assembly and disassembly of the track components, the contractor identified an approach that would reduce the time required to reassemble the trackwork in the field. As a result of the pre-planning and assembly of the complex trackwork, the final assembly was completed without the need for field adjustments and in less time than planned. This was an effective approach to mitigate the risks associated with the installation of complex custom track components in an operating transit line.

APPENDIX G. CONTRACT STATUS

The following sections provide the status of ongoing contracts associated with the CSP. Note that the DBE participation percentages are updated by SFMTA on a quarterly basis. The current values are through *June 2016*.

Contract No.	1250	
Contract Description:	UR #1 (YBM)	
Status:	Completed June 2011.	
Cost:	Original Contract Value	\$9,273,939
	Approved Change Orders	\$2,694,211
	Current Contract Value	\$11,968,150
	Expended to Date	\$11,968,150
	% Expended	100%
	SBE Participation	97%
Schedule:	NTP issued January 2010. Substantial completion in June 2011.	
Issues or Concerns:		

Contract No.	1251	
Contract Description:	UR #2 (UMS)	
Status:	Work is complete.	
Cost:	Original Contract Value	\$16,832,550
	Approved Change Orders	\$3,962,031
	Current Contract Value	\$20,794,581
	Expended to Date	\$20,794,581
	% Expended	100%
	SBE Participation	87%
Schedule:	NTP issued January 2011. Substantial completion in August 2012.	
Issues or Concerns:	Final total cost claim by contractor has not been resolved.	

Contract No.	1252	
Contract Description:	Tunnels	
Status:	Final completion achieved. Financial close out underway.	
Cost:	Original Contract Value	\$233.58 million
	Approved Change Orders	\$8.27 million
	Current Contract Value	\$242.85 million
	Expended to Date	\$234.88 million; \$6.2 million is paid from non-project funds
	% Expended	97.1%
	SBE Participation	5.8%
Schedule:	Final completion achieved May 15, 2015.	
Issues or Concerns:	None.	

Contract No.	1277	
Contract Description:	Pagoda Palace Demolition	
Status:	Construction is complete; contract is in close out.	
Cost:	Original Contract Value	\$498,995
	Approved Change Orders	\$149,981
	Current Contract Value	\$648,976
	Expended to Date	\$648,976
	% Expended	100%
	SBE Participation	100%
Schedule:		
Issues or Concerns:	None.	

Contract No.	1300	
Contract Description:	Three subway stations (YBM, UMS, and CTS) and STS	
Status:	<i>Support of excavation work is complete. Placement of roof slabs is underway. Preparations underway for mass excavation.</i>	
Cost:	Original Contract Value	\$839.68 million
	Approved Change Orders	\$3.26 million
	Current Contract Value	\$842.93 million
	Expended to Date	\$392.17 million
	% Expended	46.5%
	SBE Participation	18.5%
Schedule:	NTP issued June 17, 2013. Substantial Completion planned February 10, 2018 and forecast December 2018.	
Issues or Concerns:	The work on this contract is behind schedule.	

Contract No.	CS-155-1	
Contract Description:	Design Package 1 for Contracts 1250, 1251, and 1252. PB/Telemon	
Status:	Design is complete. Construction support is ongoing for Contract 1252.	
Cost:	Original Contract Value	\$5,795,000 (includes exercised options)
	Approved Change Orders	\$2,145,159
	Current Contract Value	\$7,940,159
	Expended to Date	\$7,756,940
	% Expended	97.7%
	SBE Participation	29.7%
Schedule:		
Issues or Concerns:		

Contract No.	CS-155-2	
Contract Description:	Design Package 2 for UMS, CTS, and YBM. CSDG prime	
Status:	Designs are complete for all of the station contracts. Construction support of Contract 1300 is underway.	
Cost:	Original Contract Value	\$35,059,252
	Approved Change Orders	\$1,460,360
	Current Contract Value	\$36,519,612
	Expended to Date	\$32,210,651
	% Expended	88.2%
	SBE Participation	41.1%
Schedule:		
Issues or Concerns:		

Contract No.	CS-155-3	
Contract Description:	Design Package 3 for STS. HNTB-B&C Prime	
Status:	Design is complete. Construction support of Contract 1300 is underway.	
Cost:	Original Contract Value	\$16,822,238
	Approved Change Orders	\$312,814
	Current Contract Value	\$17,232,252
	Expended to Date	\$25,123,582
	% Expended	145.8%
	SBE Participation	27.4%
Schedule:		
Issues or Concerns:	<i>Contract is significantly over budget</i>	

Contract No.	CS-149	
Contract Description:	Central Subway Partnership (Project Manager/Construction Manager)	
Status:	On-going.	
Cost:	Original Contract Value	\$85,139,092
	Approved Change Orders	\$0
	Current Contract Value	\$85,139,092
	Expended to Date	\$54,378,411
	% Expended	63.9%
	SBE Participation	35.4%
Schedule:		
Issues or Concerns:		

Contract No.	CS 156	
Contract Description:	Project Controls Consultant	
Status:	On-going.	
Cost:	Base Contract Value	\$17,112,873
	Approved Change Orders	\$0
	Current Contract Value	\$17,112,873
	Expended to Date	\$9,223,658
	% Expended	53.9%
	SBE Participation	29.1%
Schedule:		
Issues or Concerns:		