



Agenda Item No. 2

To: Building and Operating Committee/Committee of the Whole
Meeting of September 27, 2007

From: Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia G. Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO CONTRACT NO. 2007-FT-13,
LARKSPUR FERRY TERMINAL STORAGE AND INSPECTION STATION,
WITH BAY AREA STRUCTURAL, INC.**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2007-FT-13, *Larkspur Ferry Terminal Storage and Inspection Station*, with Bay Area Structural, Inc.

1. Authorize the execution of Contract Change Order No. 3 with Bay Area Structural, Inc., for the removal and disposal of unforeseen hazardous asbestos cement concrete pipe, in the amount of \$25,718.
2. Authorize a FY 2007/08 Capital Budget increase for this project in the amount \$37,000 (80% Federal/20% District) to be funded with \$29,600 Federal Transit Administration grant funds and \$7,400 from District reserves, to establish a total project budget of \$357,000, subject to the concurrence of the Finance-Auditing Committee.

This matter will be presented to the Finance-Auditing Committee at its September 27, 2007, meeting for concurrence and to the Board of Directors at its September 28, 2007, meeting for appropriate action.

Background

The District was awarded a grant through the Transit Security Grant Program of the U.S. Department of Homeland Security. This grant allowed the District to design and construct a single delivery, storage and inspection station for ferry supplies, outside of the physical security perimeter and away from ferry passengers and ferry vessels. This project will ensure compliance with 33 CFR 104, et seq. by providing facilities to deliver and inspect vessel supplies before they are placed on board the ferry vessels. The grant funds will be lost if the work is not completed and billed by the end of 2007.

Contract No. 2007-FT-13, *Larkspur Ferry Terminal Storage and Inspection Station*, with Bay Area Structural, Inc. provides for the construction of a storage and inspection station next to Berth 3 at the Larkspur Ferry Terminal. The area where the station is to be constructed is a landscaped area and the work includes removing the existing landscaping and landscaping soil so that the station may be secured to the existing concrete platform. During the soil removal work, concrete pipes not indicated on the contract plans, were encountered. The District stopped the work, sampled and tested the pipes and determined that they were asbestos cement concrete pipes. Asbestos cement pipes are a hazardous material and State law requires that the removal and disposal of this material be performed by a certified asbestos abatement contractor. The District requested that the Contractor solicit quotes from three certified asbestos contractors to perform the asbestos pipe removal and disposal work, since this type of work was not included in the Contract. The District reviewed the quotes and determined that they were reasonable for this work. The pipes must be removed in order to clear the area for the new storage and inspection station.

Contract Change Order No. 3 (CCO No. 3) in the amount of \$25,718 will compensate the Contractor for the costs associated with removing and disposing of the asbestos cement concrete pipes.

During this same soil removal work, it was also discovered that the elevation of the existing concrete slab buried under the soil was four to six inches higher than the elevation of the adjacent sidewalk concrete, which was not indicated on any available record drawings. The elevated concrete slab must be removed and reconstructed to match the elevation of the existing sidewalk as part of constructing a driveway to the new station. The contract change order for this change is being negotiated.

At its May 24, 2007, meeting, the Board of Directors authorized the General Manager to award Contract No. 2007-FT-13 in the amount of \$255,200 to Bay Area Structural, Inc., Oakland, CA, and authorized a contingency fund in the amount of \$25,520, equal to 10% of the total bid price. Over 90% of the contract work remains to be constructed which may reveal that more changes are necessary. Therefore, in addition to the costs of the above described two changes, the full contingency amount is required for future changes resulting from issues that may arise during construction. The \$37,000 budget increase will fund the 10% contingency amount for use on future potential issues.

Fiscal Impact

This project is included in the FY 2007/08 Ferry Division Capital Budget at a total cost of \$320,000, and is funded with \$170,000 Transportation Security Administration grant funds, \$96,000 Federal Transit Administration (FTA) grant funds, and \$54,000 District funds. A capital budget increase in the amount of \$37,000 (\$29,600 FTA grant funds and \$7,400 from District reserves) is required to fully fund this project at the estimated total cost of \$357,000.