



Agenda Item No. 2.d.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of January 23, 2009

From: James P. Swindler, Deputy General Manager, Ferry Division
Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
d) BUDGET TRANSFER WITHIN THE FY 08/09 FERRY TRANSIT
DIVISION CAPITAL BUDGET RELATIVE TO CONTRACT NO.
2007-FT-3, LARKSPUR FERRY TERMINAL ADMINISTRATION
BUILDING IMPROVEMENTS

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize a budget transfer within the FY 08/09 Ferry Transit Division Capital Budget from the Communications & Surveillance Equipment project to the Larkspur Ferry Terminal Administration Building Improvements project, in the amount of \$30,822.

Summary

At its June 22, 2007, meeting, the Board of Directors authorized the award of Contract No. 2007-FT-3, *Larkspur Ferry Terminal Administration Building Improvements*, in the amount of \$412,000 to KCK Builders, Inc., San Rafael, CA, and authorized a contingency fund in the amount of \$41,200, equal to 10% of the total bid price. The improvements included replacing the existing HVAC system with a new system, establishing a fire-rated exit corridor on the building's second floor and a second stairway for emergency egress, installing a fire-rated wall separating the air space between the building's first and second floors and renovation and remodeling of the interior spaces of the building. The Board authorized a total project budget in the amount of \$528,000.

At its August 22, 2008, meeting, the Board authorized a budget transfer from the FY 07/08 Operating Budget to the FY 07/08 Capital Budget, and authorized budget adjustments to the FY 07/08 Capital Budget for Indirect Cost and Excess District Project Management Costs. The total project budget was revised to \$613,900, as follows:

Contract No. 2007-FT-3	\$	412,000
Construction Contingency (10%)		41,200
Contract Administration (staff time) (10%)		41,200
Indirect Cost		81,000
Construction Support Services (consultants)		10,000
General Project Expenditures		2,978
Prelim Investigation/Design Consultant		23,500
Miscellaneous (printing, advertising, mailing, etc.)		<u>2,022</u>
	\$	613,900

Even though the construction work has been completed within the construction budget allocation, actual staff labor and indirect costs exceeded the budgeted amounts. The work was staged around on-going operations at the facility resulting in more staff time than originally estimated causing an increase in staff labor and indirect costs. A budget adjustment of \$30,822 is required to finance the additional staff labor and indirect costs.

Fiscal Impact

This project is included in the FY 08/09 Ferry Transit Division Capital Budget at a total cost of \$613,900, and is 100% District funded. District funds in the amount of \$30,822 are available in the Communication & Surveillance Equipment project in the FY 08/09 Ferry Division Capital Budget to fund this adjustment. The Communication & Surveillance Equipment project has been completed.