



Agenda Item No. (4)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of February 25, 2021

From: Joseph M. Wire, Auditor-Controller
Ewa Z. Bauer-Furbush, District Engineer
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
(a) **BUDGET INCREASE IN THE FY 20/21 BRIDGE DIVISION**
CAPITAL BUDGET FOR THE GOLDEN GATE BRIDGE PHYSICAL
SUICIDE DETERRENT SYSTEM PROJECT (PROJECT #1526)

Recommendation

The Finance-Auditing Committee recommends, in concurrence with the Building and Operating Committee at its meeting on February 25, 2021, that the Board of Directors authorize a budget increase in the amount of \$179,000 to the *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)*, to be financed with District reserves, to fund the continuation of the suicide deterrent net system fabrication inspection services through December 2021 relative to Professional Services Agreement (PSA) No. 2018-B-075, *Golden Gate Bridge Physical Suicide Deterrent Net System Fabrication Shop Inspection Services*, associated with construction Contract No. 2016-B-01, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit*.

Summary

At its December 16, 2016 meeting, the Board of Directors, by Resolution No. 2016-087, authorized the award of construction Contract No. 2016-B-01, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit Projects*, to Shimmick Construction Company, Inc./Danny's Construction Company LLC, a Joint Venture (Contractor).

The Suicide Deterrent System (SDS) portion (Project #1526) of Contract No. 2016-B-01 involves construction of a horizontal stainless steel wire mesh net supported by cantilevered steel brackets along the west and east sides of four Golden Gate Bridge structures: the South Approach Viaduct, the Fort Point Arch, the Suspension Bridge, and the North Approach Viaduct, and construction of a tall vertical railing at the North Anchorage Housing. The net and cantilevered steel brackets will be located approximately twenty feet below the sidewalk and extend out about twenty feet.

The *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit Projects* are funded with monies from the Federal Highway Administration (FHWA). The Golden Gate Bridge, Highway and Transportation District (District) follows the rules and procedures set forth in the

California Department of Transportation (Caltrans) Local Assistance Procedures Manual (LAPM) for federally assisted projects. In conformance with the LAPM, the District has developed Construction Contract Administration Plans for the construction of the Projects. These plans state that administration and management of Contract No. 2016-B-01 by the District required, among other services, engagement of a consultant for the net system Quality Assurance fabrication shop inspections.

On August 24, 2018, by Resolution No. 2018-059, the Board of Directors authorized an award of Professional Services Agreement (PSA) No. 2018-B-075, *Golden Gate Bridge Physical Suicide Deterrent Net System Fabrication Shop Inspection Services*, to David Engineering LLC., in the amount of \$400,000 and approved a contingency for the PSA in the amount of \$40,000. The scope of the services consists of, in general, performing quality assurance inspections to monitor the net system fabrication for conformance with the approved Net System Fabrication Quality Control Plan, and to oversee implementation of Quality Control by the fabricator.

The original PSA price was established based on an estimated 24 months fabrication period. However, due to the Contractor's delays in performing field verifications and development of net system fabrication drawings, the fabrication time had to be extended. In early 2020, staff determined that the fabrication would not be completed within the original estimated fabrication period and, on May 20, 2020, the First Amendment to the PSA with David Engineering was issued to extend the Quality Assurance inspection period from June 30, 2020 to January 31, 2021.

In late 2020, it became evident, based on the remaining scope of fabrication and recorded production rate, that the fabrication would not be completed until the end of 2021. Staff discussed the remaining scope of fabrication work with the Contractor and fabricator and they concurred with this estimate. Using the authorized PSA contingency of \$40,000, on January 25, 2021, the Second Amendment to the PSA was issued, under an authority granted by the Board to the General Manager, to extend the performance period to April 30, 2021 and to increase the PSA amount by \$38,530. To continue quality assurance inspections of the remaining suicide deterrent net system fabrication through December 2021, the Third Amendment to the PSA with David Engineering is necessary.

Engineering staff requested, and David Engineering has provided, a cost proposal in the amount of \$163,000 to continue performing the requested shop quality assurance inspection services through December 2021. Engineering staff has reviewed the proposed cost and found it to be reasonable in terms of David Engineering's budgeted labor hours to perform the additional scope of services requested by the District and is consistent with David Engineering's audited labor and overhead billing rates.

Staff recommends that a contingency for this Amendment in the amount of \$16,000 be established for any additional scope of services that may develop while work progresses.

As reported to the Committee in August 2020, the District is working with its funding partners to secure additional funds for Project #1526. In the interim, to continue funding these net system Quality Assurance fabrication shop inspection services, staff recommends that the Finance Committee recommend that the Board of Directors approve a \$179,000 increase in the budget of Project #1526 to be funded with District reserves.

Fiscal Impact

The *Golden Gate Bridge Physical Suicide Deterrent System Project* (Project #1526) is included in the FY 2020/21 Bridge Division Capital Budget for Project #1526 at a total cost of \$196,253,868. As shown in Table 1 below, the budget for Project #1526 includes an amount of \$36,614,957 for Engineering staff time and consulting services related to the construction administration and construction engineering. An increase to the Project #1526 budget, as shown on Table 1 below, is required to finance the \$163,000 cost of the Third Amendment to PSA No. 2018-B-075 and the \$16,000 contingency, for the total amount of \$179,000.

The proposed \$179,000 increase in the FY 2020/21 Bridge Division Capital Budget for Project #1526, funded with District reserves, would increase the total amount assigned to the Construction Administration and Engineering Budget Sub-Element to \$36,793,957, and the total Project budget to \$196,432,868.

TABLE 1: PROJECT #1526 BUDGET
GGB Physical Suicide Deterrent System Construction

| BUDGET ELEMENT | | | AMOUNT | PROPOSED ADJUSTMENT | ADJUSTED AMOUNT |
|---|--|---------------|----------------------|------------------------|----------------------|
| Construction Contract: | | | \$132,563,830 | 0 | \$132,563,830 |
| Construction Contingency: | | | \$22,405,213 | 0 | \$22,405,213 |
| Supplemental Funds: | | | \$4,419,868 | 0 | \$4,419,868 |
| Public Outreach: | | | \$250,000 | 0 | \$250,000 |
| Construction Administration & Engineering: | | | \$36,614,957 | \$179,000 | \$36,793,957 |
| | CONSTR. ADMIN. & ENGINEERING BUDGET SUB-ELEMENT | AMOUNT | | | |
| 1 | District Staff | \$17,023,991 | | | |
| 2 | Construction Engineering Support Amendment 12 PSA 2011-B-2 Resolution No. 2016-089 | \$6,600,000 | | | |
| 3 | Environmental Compliance PSA 2017-B-09 Resolution No. 2017-002 | \$903,152 | | | |
| 4 | Interim Construction Scheduling and Claim Support PSA 2017-B-17 | \$59,600 | | | |

| | | | | | |
|----|--|---|--|--|--|
| | GM Report | | | | |
| 5 | Construction Scheduling and Claim Support PSA 2018-B-07 Resolution No. 2017-105 | \$2,320,164 | | | |
| 6 | Steel Fabrication Shop Inspection PSA 2018-B-06 Resolution No. 2017-115, including Amendment 1 Amendment 2, including contingency Resolution No. 2020-027 Total PSA 2018-B-06 | \$1,534,500 \$198,000 \$1,732,500 | | | |
| 7 | Suicide Deterrent Net System Fabrication Shop Inspection PSA 2018-B-075 Resolution No. 2018-059 <i>Proposed additional amount (this report)</i> <i>Total proposed amount (this report)</i> | \$440,000 <u>\$179,000</u> <u>\$619,000</u> | | | |
| 8 | Temporary Structures Engineering Advisor Support Services PSA 2018-B-082 Resolution No. 2018-066 Amendment 2, including contingency Resolution No. 2020-082 Total PSA 2018-B-082 | \$957,550 \$1,474,000 \$2,431,550 | | | |
| 9 | Field Inspection Support Services PSA 2018-B- 084 Resolution No. 2018-080 | \$4,400,000 | | | |
| 10 | Maintenance Traveler System Fabrication Shop | \$704,000 | | | |

| | | | | | |
|--|--|---------------------|---|--|--|
| | Inspection PSA 2019-B-007 Resolution No. 2019-048 | | | | |
| | SUBTOTAL CONSTR. ADMIN & ENG., INCLUDING THE PROPOSED BUDGET INCREASE | <u>\$36,793,957</u> | AVAILABLE AMOUNT: \$36,614,957 | PROPOSED INCREASE: \$179,000 | PROPOSED REVISED AMOUNT: \$36,793,957 |
| | TOTAL PROJECT #1526 BUDGET | | AVAIL. BUDGET \$196,253,868 | PROPOSED INCREASE: \$179,000 | PROPOSED REVISED BUDGET: \$196,432,868 |

Table 2: Physical Suicide Deterrent System (SDS) Project Funding Plan

| SOURCE OF FUNDS | AMOUNT | PROPOSED ADJUSTMENT | ADJUSTED AMOUNT |
|--------------------|----------------------|---------------------|----------------------|
| MTC-STP Funds | \$67,000,000 | \$0 | \$67,000,000 |
| Caltrans HBP Funds | \$58,140,000 | \$0 | \$58,140,000 |
| GGBHTD District | \$63,685,407 | \$179,000 | \$63,864,407 |
| MHSOAC | \$7,000,000 | \$0 | \$7,000,000 |
| Cell Site Revenues | \$389,736 | \$0 | \$389,736 |
| Donations | \$38,725 | \$0 | \$38,725 |
| TOTAL | \$196,253,868 | \$179,000 | \$196,432,868 |

TABLE 3: The history of PSA No. 2018-B-075

| ACTION | AMOUNT |
|--|--------------------------------|
| Award PSA No. 2018-B-075, Golden Gate Bridge Physical Suicide Deterrent Net System Fabrication Shop Inspection Services Resolution No. 2018-059 | \$400,000 |
| First Amendment - time only | \$0,00 |
| Second Amendment – additional quality assurance shop inspection services | \$38,530 (from contingency) |
| <i>Proposed Third Amendment, additional quality assurance shop inspection services</i> | <i>\$163,000</i> |
| PROPOSED TOTAL PSA AMOUNT | \$601,530 |

Background Information

Contract No. 2016-B-01 specifies a contract completion date of January 12, 2021. As previously reported to the Committee, the Contractor has not progressed the work as required by the contract and has projected that it will not complete the project until April 2024, which is 38 months behind the contract specified completion date. The District is asserting that the Contractor is responsible for the delay to the time of completion, but the Contractor is disputing this assertion.

In August 2020, staff has performed an analysis of the remaining Project #1526 budget and has determined that continuation of the construction contract administration and construction engineering efforts of Engineering staff and consultants during an estimated additional 38 months of construction requires a total estimated \$23,188,717 increase in the *Golden Gate Bridge Physical Suicide Deterrent System Project*, Project #1526 budget. Since then, the Board has approved two budget increases for a total of \$3,474,000, one in the amount of \$2,000,000 for District staff costs and one in the amount of \$1,474,000 for additional Temporary Structures Engineering Advisor Support Services, from District reserves to the project. The proposed cost of the Third Amendment to PSA No. 2018-B-075 with David Engineering presented in this staff report is part of the total estimated Project #1526 budget increase. With the approval of this recommendation, it is estimated that the project will still require an additional \$19,535,717.

Staff will present recommendations for budget increases related to the remainder of the extended construction contract administration and construction engineering efforts at future Committee meetings.