



Agenda Item No. (4)(b)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of June 24, 2021

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

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**  
**(b) 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 that the Board of Directors authorize an increase in the amount of \$7,910,000 in the *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)* budget, to be financed with Surface Transportation Program (STP) funds programmed by the Metropolitan Transportation Commission (MTC), for additional administration and construction engineering costs relative to construction Contract No. 2016-B-01, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit Projects*.

This matter will be presented to the Board of Directors at its June 25, 2021, meeting for appropriate action.

### **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.

Contract No. 2016-B-01 involves construction of a horizontal stainless steel 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. Because the installation of the Net System on the Suspension Bridge will block operations of the existing Suspension Bridge maintenance travelers, the Project includes replacement of these travelers with new travelers that are configured to avoid interference with the Net System.

The *Golden Gate Bridge Physical Suicide Deterrent System Project* is mostly funded with monies from the Federal Highway Administration (FHWA) received through MTC and the California Department of Transportation (Caltrans). Accordingly, the Golden Gate Bridge, Highway and Transportation District (District) follows the rules and procedures set forth in Caltrans' Local Assistance Procedures Manual (LAPM) for federally-assisted projects. In conformance with the LAPM, the District has developed a Construction Contract Administration Plan for the construction of the Project. According to the Plan, the District is responsible for administration and management of Contract No. 2016-B-01. This work is performed by the Engineering Department staff with the assistance of consultants with expertise in various aspects of construction administration and engineering.

Contract No. 2016-B-01 specifies a construction time of 47 months and 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 informed the District that it will not complete the installation of the physical suicide deterrent system until July 2023 and will not complete the remaining work until November 2024, which is 46 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.

The contractor is also asserting, through submissions of claims and notices of potential claims, that the District owes the contractor additional payments for changes to the design details and an alleged entitlement to compensable time extensions and to payments for the impacts of the extended time of construction. The District has determined that these claims have no merit. The contractor disagrees with the District's findings.

As a result of the delay in construction completion, Project #1526 Engineering staff and consultant support services costs will increase. Staff have performed an analysis of the remaining Project #1526 budget and have estimated that continuation for an additional 40 months, through November 2024, of contract administration and construction engineering efforts by Engineering staff and consultants, including the participation in the claim evaluation and defense efforts, as well as additional California Highway Patrol traffic control support services and National Park Service permit fees, will require an approximate \$23,198,717 increase in the *Golden Gate Bridge Physical Suicide Deterrent System Project*, Project #1526, budget as presented in the table below.

<b>Description</b>	<b>Additional Budget through November 2024 (or end of task)</b>
Engineering Staff	\$ 12,200,000
Engineering Design Support Consultant	\$ 1,600,000
Schedule/Claim Support Consultant	\$ 2,400,000
Field Inspection Consultant	\$ 5,300,000
Steel Shop Inspection Consultant	\$ 150,000
Temporary Structures Consultant	\$ 900,000
CHP – Traffic Control Support (COZEP)	\$ 600,000
NPS Permit	\$ 48,717
<b>Total</b>	<b>\$ 23,198,717</b>

At its April 2021 meeting, MTC approved \$7,910,000 of STP funds for Project #1526. Staff recommends that the Finance Committee recommend that the Board of Directors approve a \$7,910,000 increase in the budget of Project #1526 to be funded with STP funds.

If the budget increase recommendation is concurred in by the Finance Committee and approved by the Board of Directors, the amount of \$7,910,000 will provide the financing for the continuation of contract administration and construction engineering efforts of Engineering staff, schedule/claim support consultant staff and field inspection consultant staff through approximately November 2022, as presented in a separate staff report to the Building and Operating Committee at its June 24, 2021 meeting.

The District is continuing to work with its funding partners to secure additional funds for Project #1526 to fund the remaining construction administration and construction engineering by Engineering staff, and consultant support services. Staff will submit recommendations for additional budget increases determined to be necessary at future Committee meetings.

### **Fiscal Impact**

The *Golden Gate Bridge Physical Suicide Deterrent System Project* (Project #1526) budget of \$196,432,868 is included in the FY 2020/21 Bridge Division Capital Budget. The proposed \$7,910,000 increase in the FY 2020/21 Bridge Division Capital Budget for Project #1526 would increase the total budget to \$204,342,868. The approved and proposed revised funding is presented in Table 1 below:

**Table 1: Physical Suicide Deterrent System (SDS) Project Funding**

<b>SOURCE OF FUNDS</b>	<b>ORIGINAL AMOUNT</b>	<b>CURRENT AMOUNT</b>	<b>PROPOSED ADJUSTMENT</b>	<b>ADJUSTED AMOUNT</b>
MTC-STP Funds	\$67,000,000	\$67,000,000	<i>\$7,910,000</i>	<i>\$74,910,000</i>
Caltrans HBP Funds	\$58,140,000	\$58,140,000	\$0	\$58,140,000
GGBHTD District	\$59,961,407	\$63,864,407	\$0	\$63,864,407
MHSOAC	\$7,000,000	\$7,000,000	\$0	\$7,000,000
Cell Site Revenues	\$194,868	\$389,736	\$0	\$389,736
Donations	\$38,725	\$38,725	\$0	\$38,725
<b>TOTAL</b>	<b>\$192,335,000</b>	<b>\$196,432,868</b>	<b><i>\$7,910,000</i></b>	<b><i>\$204,342,868</i></b>

### **Background Information**

At its December 16, 2016 meeting, the Board of Directors approved a funding plan for Project #1526 in the amount of \$192,335,000. At its November 22, 2019 meeting, the Board of Directors approved a budget increase in the amount of \$250,000 for Project #1526, to be financed with District funds, to fund the documentation of the history, approval, design, construction, and completion of the Physical Suicide Deterrent System Project, for archival preservation and public education. At its December 22, 2019 meeting, the Board of Directors approved a budget increase in the amount of \$194,868 for Project #1526, to be financed with District's cell site revenues, to fund an extension to December 31, 2023, of the National Park Service Special Use Permit for construction Contract No. 2016-B-01. At its August 28, 2020 meeting, the Board of Directors approved a budget increase in the amount of \$2,000,000 for Project #1526 to be financed from

District reserves, to fund costs of the continuation of District staff contract administration and construction engineering costs. At its October 23, 2020 meeting, the Board of Directors approved a budget increase in the amount of \$1,474,000 for Project #1526, to be financed with District reserves, to fund the continuation of Temporary Structures Engineering Advisor Support Services. At its February 26, 2021 meeting, the Board of Directors approved a budget increase in the amount of \$179,000 for Project #1526, to be financed with District reserves, to fund the continuation of the suicide deterrent net system fabrication inspection services through December 2021.