

Agenda Item No. (6)

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

From: Michael Hoffman, Acting Director of Engineering and Maintenance, Ferry Division
James P. Swindler, Deputy General Manager, Ferry Division
Denis J. Mulligan, General Manager

Subject: **APPROVE RATIFICATION OF GENERAL MANAGER EMERGENCY ACTION FOR CONTRACT NO. 2021-F-027, SAUSALITO FERRY TERMINAL EMERGENCY FLOAT REPAIR WORK, AND AUTHORIZE BUDGET INCREASE IN THE FERRY DIVISION CAPITAL BUDGET RELATIVE TO PROJECT #1542, SERVICE LIFE EXTENSION PROGRAM (SLEP): LARKSPUR, SAN FRANCISCO, SAUSALITO**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions:

1. Ratify the General Manager's emergency action to increase the contract amount for Contract No. 2021-F-027, *Sausalito Ferry Terminal Emergency Float Repair Work*, with Bay Ship & Yacht Co., in Alameda, CA, for a total contract amount not to exceed \$2,300,000, for Sausalito Ferry Terminal emergency float repair work; and,
2. Authorize a budget increase in the amount of \$1,050,000 in the FY 20/21 Ferry Division Capital Budget relative to Project #1542, *Service Life Extension Program (SLEP): Larkspur, San Francisco, Sausalito*.

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

Summary

At the Board of Directors Meeting of March 26, 2021, the Board of Directors ratified the General Manager's emergency action to approve Contract No. 2021-F-027, in an amount not to exceed \$750,000, with Bay Ship and Yacht Co. located in Alameda, CA for Sausalito Ferry Terminal float emergency repair work. The float required emergency repairs to ensure it would provide safe and reliable service through 2024 while the new Sausalito Ferry Terminal is constructed.

The original estimate for repairs, wasted plating removal, transport and re-installation of the float was \$750,000. However, once dry-docked and inspected, Golden Gate Bridge, Highway and Transportation District (District) staff discovered additional plating replacement, mooring knee

repairs, structural repairs, and extensive underwater coating was necessary. None of this additional work was known to the District at the time the emergency contract was awarded. At the Board of Directors Meeting of May 21, 2021, the Board of Directors ratified the General Manager's emergency action to approve a contract increase of \$550,000.

A significant amount of wasted plating has been removed and replaced, including a majority of the deck surface. The additional repairs and welding have been completed, and the entire float is being coated with a marine grade coating. Additional labor, including swing shifts and weekend shifts, were authorized in order to achieve necessary repairs within project timeline. Final arrangements are underway to coordinate re-delivery of the float from Bay Ship and Yacht Co. to Sausalito. It is expected the float will be back in Sausalito and ready for service in mid to late June.

Now that the full extent of the deterioration and requisite repairs is known, the total revised estimate for repairs, removal, additional work, transport and re-installation of the float is \$2,300,000. In order not to delay the completion of this necessary work and avoid disruption to ferry transit service, the General Manager has exercised the emergency authority granted by the Board to authorize the additional work and to increase the contract amount by \$1,000,000. Board ratification of that authorization is requested at the June 25, 2021 Board meeting.

The work on the float can be characterized as a capital project in accordance with the District's Capitalization Policy, but because the float repair work is an emergency procurement, the work is not eligible for federal funds. As such, a budget increase in the amount of \$1,050,000 to Project #1542 allows for the entirety of the repair project to be charged to the Ferry Division Capital Budget and paid for entirely with District funds.

Fiscal Impact

Project #1542, *SLEP: Larkspur, SF, Sausalito*, was approved in the FY 20/21 Ferry Division Capital Budget for \$1,740,000. The proposed amendment would result in a \$1,050,000 increase to the total project budget. The revised total project budget of \$2,790,000 will be \$2,393,467 (85.8%) District-funded, \$382,438 (13.7%) FTA-funded, and \$14,095 (0.5%) Prop K-funded.

Table 1: Project #1542: SLEP Project Budget

	Current Budget	Proposed Adjustment	Proposed Budget
Staff Labor, Fringe Benefits, and Indirect Costs	\$68,694	\$0	\$68,694
Other and General Project Expenditures	\$167,937	\$0	\$167,937
Prime Contract 1: 2019-F-026, Valentine Corp, SF Ferry Terminal Outer Berth Hydraulic Ramp Repair	\$253,369	\$0	\$253,369
Prime Contract 2: 2021-F-027, Bay Ship & Yacht Co, Sausalito Float Repairs	\$1,250,000	\$1,050,000	\$2,300,000
TOTAL	\$1,740,000	\$1,050,000	\$2,790,000

Table 2: Project #1542: SLEP Funding Summary

	Initial Budget	Amendment One 4/23/2021	Amendment Two (Proposed) 6/25/2021
Federal (FTA)	1,392,000	382,438	382,438
District	198,000	1,343,467	2,393,467
Local (Prop K)	150,000	14,095	14,095
Total	1,740,000	1,740,000	2,790,000
Federal %	80%	22%	13.7%
District %	11%	77%	85.8%
Local %	9%	1%	0.5%

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