



Agenda Item No. (4)(a)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of September 22, 2022

From: Joe 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)**  
**(a) BUDGET INCREASE IN THE FY 22/23 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 September 22, 2022, that the Board of Directors authorize an increase in the amount of \$8,306,000 in the *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)* budget, to be funded from District reserves. The budget increase will support additional administration and construction engineering costs, continuing expert construction scheduling and estimating and claim evaluation services, and continuing field inspection services.

### **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").

Contract No. 2016-B-01 includes construction of the *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)*, and the Suspension Bridge Wind Retrofit (Project #1528). Project #1526 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. Contract No. 2016-B-01 specifies a construction time of 47 months and a contract completion date of January 12, 2021.

The *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)* is partially funded with monies from the Federal Highway Administration (FHWA) received through the Metropolitan Transportation Commission (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 District’s Engineering Department staff with the assistance of consultants with expertise in various aspects of construction administration and engineering.

At the June 24, 2021, Committee meeting, staff reported that the Contractor would not complete the installation of the physical suicide deterrent system until July 2023 and would not install the new travelers and complete the other remaining work until November 2024, which was 46 months behind the contract specified completion date. At that time, staff estimated that the additional 46 months of construction would require an additional \$23,198,717 budget for the contract administration and construction engineering by the District’s Engineering staff and consultants. At the June 25, 2021 meeting, the Board of Directors authorized a \$7,910,000 increase in the FY 2021/22 Bridge Division Capital Budget for Project #1526 to finance continuation of construction management and administration by the Engineering staff, construction scheduling, estimating and claim evaluation services, and field inspection support services through approximately November 2022, which is financed with Surface Transportation Program (STP) funds programmed by MTC.

Subsequently, the Contractor changed the fabricator of the new maintenance travelers and moved the fabrication from Alabama and Georgia to Oregon and Washington. This necessitated the District to change its arrangements for contracting of the maintenance traveler system fabrication shop inspection services. In March 2022, the Board of Directors authorize a \$2,290,000 increase in the FY 2021/22 Bridge Division Capital Budget for Project #1526 to finance a new Professional Services Agreement (PSA) for these inspection services. Hence, the additional estimated budget for the continuation of contract administration and construction engineering through the completion of the construction has been revised as follows:

<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 (COZEEP)	\$ 600,000
<u>NPS Permit</u>	<u>\$ 48,717</u>
Total (June 2021)	\$ 23,198,717
<u>New Traveler Shop Inspection Consultant</u>	<u>\$ 2,290,000</u>
Total (March 2022)	\$ 25,488,717

Lately, the Contractor has notified the District that its current estimated completion date of all contract work is January 2026, which is 48 months behind the contract specified completion date. The installation of the physical suicide deterrent system is scheduled to be completed in December

2023, except for the sections of the suicide deterrent net next to the Suspension Bridge South and North Towers and a portion of the net on the east side of the North Back Span. These net sections will not be completed until October 2025 and after the new travelers are installed on the Suspension Bridge.

The District is asserting that the Contractor is responsible for the delay to the time of completion, but the Contractor is disputing this assertion through submissions of claims. The District has determined that these claims have no merit. The Contractor disagrees with the District's findings.

Staff has reviewed the Project #1526 budget and has determined that the budgets for the Engineering staff, schedule/estimating/claim support services and field inspection services will be depleted in October 2022 and are required to be increased in order to continue with supporting the project implementation. Staff anticipates that the same level of the Engineering staff contract administration and construction engineering services; construction scheduling, estimating and claim review services; and, field inspection support services that have been provided for the past year will also be required through the end of 2023. Staff recommends that the budgets for these aspects of the project implementation through the end of 2023 be increased as detailed below.

Staff will monitor the progress of the construction work and will make an assessment towards the end of 2023 of the remaining work and the additional budget amounts that may be necessary to finance additional support services required through the construction completion. Staff will submit recommendations for additional budget increases determined to be necessary at future Committee meetings.

#### Additional District Staff Budget

A budget increase for District's Engineering staff is necessary to ensure the continuation of construction administration, engineering and inspection of the contract work as well as the continuation of administration and monitoring of the consultant support services contracts.

At the current level of effort by Engineering staff, staff recommends that a \$4,637,000 increase be made to the Project #1526 staff budget to allow for a continuation of these efforts through approximately December 2023.

#### Additional Schedule/Claim Support Services Budget

On December 15, 2017, by Resolution No. 2017-115, the Board of Directors authorized execution of PSA No. 2018-B-07, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit Construction Scheduling and Claim Review Services*, to Secretariat International, in the not-to-exceed amount of \$2,268,000, to perform scheduling and claim support services and approved a contingency for the PSA in the amount of \$226,800.

The scope of the services consists, in general, of:

- performing reviews and providing comments and recommendations on the Contractor's schedules, including the Preliminary Baseline Schedule, the Interim Baseline Schedule (first 180 days of work), the Baseline Schedule and the Monthly Update Schedules;
- reviewing and providing recommendations on Time Impact Analyses and Notices of Delay, Notices of Compensable Change, Notices of Potential Claim, or Claims;

- providing cost estimates and independent check cost estimates of requests for additional compensation submitted by the Contractor related to materials, labor and time, and cost estimates of changes initiated by the District;
- attending monthly and other schedule update meetings with the District and Contractor; and
- providing recommendations on the approach to resolution of schedule related disputes.

Secretariat International has been diligently providing the above noted services.

Under the authority given to the General Manager, Amendment No. 1 to PSA No. 2018-B-07 was executed, in the amount of the PSA contingency of \$226,800 authorized by the Board, to continue the consultant's services through October 2021.

On June 25, 2021, by Resolution No. 2021-044, the Board of Directors authorized Amendment No. 2 to PSA No. 2018-B-07, in the not-to-exceed amount of \$925,000 to perform the scheduling and claim support services through approximately November 2022.

Staff recommends that, at this time, Amendment No. 3 to PSA No. 2018-B-07 be made for a continuation of the consultant's services through approximately December 2023. Engineering staff requested, and Secretariat International provided a cost proposal in the amount not-to-exceed \$1,542,000 to perform the scheduling and claim support services through approximately December 2023. Engineering staff has reviewed the proposal and found it to be fair and reasonable in terms of consultant's budgeted labor hours to perform the additional scope of services requested by the District and consistent with the consultant's audited labor and overhead billing rates. The District's Disadvantaged Business Enterprise (DBE) Program Administrator has verified that the work under the Third Amendment includes a proposed 6.53% DBE subconsultant participation. Secretariat will be compensated for actual time expended and expenses incurred, plus a fixed fee, for the not-to-exceed authorized amount.

#### Additional Field Inspection Support Services Budget

On December 21, 2018, by Resolution No. 2018-080, the Board of Directors authorized an award of PSA No. 2018-B-084, *Golden Gate Bridge Physical Suicide Deterrent Field Inspection Support Services*, to Summit Associates, in the amount of \$3,700,000 and approved a contingency for the PSA in the amount of \$370,000.

The scope of the services consists of, in general:

- reviewing the construction contract plans and specifications;
- reviewing the Contractor's work plans and submittals related to the work;
- performing field inspections of and writing daily reports on the work performed by the Contractor, including traffic control, painting and steel erection; and,
- participating in meetings with the District and Contractor.

Summit Associates staff have been assisting the District with traffic control during night time operations, steel erection inspections during both night time and day time operations, and field paint inspections during both night time and day time operations. The Engineering Department does not currently have enough staff to cover these and the other field inspection activities taking place on this project and the other on-going District projects.

Under the authority given to the General Manager, Amendment No. 1 to PSA No. 2018-084 has been executed, in the amount of the PSA contingency of \$370,000 authorized by the Board, to continue the consultant's services through July 2021.

On June 25, 2021, by Resolution No. 2021-044, the Board of Directors authorized Amendment No. 2 to PSA No. 2018-084, in the amount not-to-exceed \$1,715,000 for a continuation of the consultant's services through approximately November 2022.

Staff recommends that, at this time, Amendment No. 3 to PSA No. 2018-B-084 be made for a continuation of the consultant's services through approximately December 2023. Engineering staff requested, and Summit provided a cost proposal in the amount not-to-exceed \$2,127,000 to perform the field inspection support services through approximately December 2023. Engineering staff has reviewed the proposal and found it to be fair and reasonable in terms of consultant's budgeted labor hours to perform the additional scope of services requested by the District and consistent with the consultant's audited labor and overhead billing rates. The DBE Program Administrator has verified that the work under the Amendment includes approximately 73.62% DBE participation. Summit is a DBE certified company. Summit will be compensated for actual time expended and expenses incurred, plus a fixed fee, for the not-to-exceed authorized amount.

Engineering staff recommends that the Building and Operating Committee recommend that the Board of Directors authorize a \$4,637,000 increase in the Project #1526 Engineering staff cost budget; authorize execution of the Third Amendment to PSA No. 2018-B-07, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit Construction Scheduling and Claim Review Services*, with Secretariat International, in the not-to-exceed amount of \$1,542,000, for continuation of schedule, cost estimation and claim support services; authorize the execution of the Third Amendment to PSA No. 2018-B-084, *Golden Gate Bridge Physical Suicide Deterrent Field Inspection Support Services*, with Summit Associates, in the not-to-exceed amount of \$2,127,000, for the continuation of field inspection services; and authorize an increase in the amount of \$8,306,000 in the FY 2022/23 Bridge Division Capital Budget for Project #1526, to be financed with District reserves, for a revised total Project #1526 budget of \$214,938,868, as presented in this staff report.

If approved by the Board, the total authorized increase in the Project #1526 budget would be \$16,270,000 as compared to the June 2021 estimate of \$23,198,717.

### **Fiscal Impact**

The *Golden Gate Bridge Physical Suicide Deterrent System Project* (Project #1526) is included in the FY 2022/23 Bridge Division Capital Budget at a total cost of \$206,632,868. As shown in Table 1 below, the budget for Project #1526 includes an amount of \$47,418,957 for Engineering staff time and consulting services related to the construction administration and construction engineering.

The proposed \$8,306,000 increase in the FY 2022/23 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 \$55,724,957, and would increase the total Project budget to \$214,938,868.

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

BUDGET ELEMENT		AMOUNT	PROPOSED ADJUSTMENT	ADJUSTED AMOUNT
<b>Construction Contract:</b>		<b>\$132,563,830</b>	<b>0</b>	<b>\$132,563,830</b>
<b>Construction Contingency:</b>		<b>\$22,405,213</b>	<b>0</b>	<b>\$22,405,213</b>
<b>Supplemental Funds:</b>		<b>\$3,994,868</b>	<b>0</b>	<b>\$3,994,868</b>
<b>Documentation of Project History:</b>		<b>\$250,000</b>	<b>0</b>	<b>\$250,000</b>
<b>Construction Administration &amp; Engineering:</b>		<b>\$47,418,957</b>	<b>\$8,306,000</b>	<b>\$55,724,957</b>
	<b>CONSTR. ADMIN. &amp; ENGINEERING BUDGET SUB-ELEMENT</b>	<b>AMOUNT</b>		
1	District Staff Resolution No. 2020-054  Resolution No. 2021-044  <i>Proposed additional amount (this report)</i> <i>Total proposed amount (this report)</i>	\$15,778,991 \$2,000,000 \$5,270,000 <u>\$4,637,000</u> <u>\$27,685,991</u>		
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 GM Report	\$59,600		
5	Construction Scheduling and Claim Support PSA 2018-B-07 Resolution No. 2017-105  Amendment 1 Under GM authority	\$2,109,240  \$210,924		

	Resolution No. 2021-044	\$925,000			
	<i>Proposed Amendment 3 additional amount (this report)</i>	<u>\$1,542,000</u>			
	<i>Total PSA proposed amount (this report)</i>	<u>\$4,787,164</u>			
6	Steel Fabrication Shop Inspection PSA 2018-B-06 Resolution No. 2017-115, including Amendment 1	\$1,395,000			
	Amendment 1 Under GM authority	\$139,500			
	Amendment 2, including contingency Resolution No. 2020-027	\$198,000			
	Total PSA	\$1,732,500			
7	Suicide Deterrent Net System Fabrication Shop Inspection PSA 2018-B-075 Resolution No. 2018-059	\$400,000			
	Amendment 1 (time only)	\$0			
	Amendment 2 Under GM authority	\$40,000			
	Amendment 3, 4 and 5 Resolution No. 2021-013	\$179,000			
	Amendment 6 Resolution No. 2022-016	\$134,000			
	Total PSA	\$753,000			
8	Temporary Structures Engineering Advisor Support Services PSA 2018-B-082 Resolution No. 2018-066	\$870,500			

	Amendment 1 Under GM authority	\$87,050			
	Amendment 2, including contingency Resolution No. 2020-082	\$1,474,000			
	Total PSA	\$2,431,550			
9	Field Inspection Support Services PSA 2018-B- 084 Resolution No. 2018-080	\$3,700,000			
	Amendment 1 Under GM authority	\$370,000			
	Resolution No. 2021-044	\$1,715,000			
	<i>Proposed Amendment 3 additional amount (this report)</i>	<u>\$2,127,000</u>			
	<i>Total PSA proposed amount (this report)</i>	<u>\$7,912,000</u>			
10	Maintenance Traveler System Fabrication Shop Inspection PSA 2019-B- 007 Resolution No. 2019-048	\$704,000			
	PSA rescinded	(\$704,000)			
11	Maintenance Traveler System Fabrication Shop Inspection PSA 2021-B- 073 Resolution No. 2022-16	\$2,860,000			
SUBTOTAL CONSTR. ADMIN & ENG., INCLUDING THE PROPOSED BUDGET INCREASES		<u>\$55,724,957</u>	TOTAL AUTH. AMOUNT:  \$47,418,957	PROPOSED INCREASE:  \$8,306,000	PROPOSED REVISED AMOUNT:  <u>\$55,724,957</u>
<b>TOTAL PROJECT #1526 BUDGET</b>			<b>AUTH. BUDGET</b>	<b>PROPOSED INCREASE:</b>	<b>PROPOSED REVISED BUDGET:</b>



	<b>\$206,632,868</b>	<b>\$8,306,000</b>	<b>\$214,938,868</b>
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**TABLE 2: PROJECT #1526 FUNDING**  
**GGB Physical Suicide Deterrent System Construction**

<b>SOURCE OF FUNDS</b>	<b>CURRENT AMOUNT</b>	<b>PROPOSED ADJUSTMENT</b>	<b>ADJUSTED AMOUNT</b>
MTC-STP Funds	\$74,910,000	\$0	\$74,910,000
Caltrans HBP Funds	\$58,140,000	\$0	\$58,140,000
GGBHTD District	\$66,154,407	<i>\$8,306,000</i>	<i>\$74,460,407</i>
MHSOAC	\$7,000,000	\$0	\$7,000,000
Cell Site Revenues	\$389,736	\$0	\$389,736
Donations	\$38,725	\$0	\$38,725
<b>TOTAL</b>	<b>\$206,632,868</b>	<b><i>\$8,306,000</i></b>	<b><i>\$214,938,868</i></b>

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