



Agenda Item No. (4)(a)

To: Finance-Auditing Operating Committee/Committee of the Whole
Meeting of December 19, 2024

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

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFERS**
(a) BUDGET INCREASE IN THE FY 24/25 BRIDGE DIVISION
CAPITAL BUDGET FOR PROJECT #1526, *GOLDEN GATE*
BRIDGE PHYSICAL SUICIDE DETERRENT SYSTEM PROJECT

Recommendation

The Finance-Auditing Committee recommends, in concurrence with the Building and Operating Committee at its meeting on December 19, 2024, that the Board of Directors authorize an increase in the FY 24/25 Bridge Division Capital Budget in the amount of \$4,110,004 relative to Project #1526, *Golden Gate Bridge Physical Suicide Deterrent System Project*, to be funded from District reserves, to support the continuation of administration and construction engineering by District Engineering staff and continuation of expert construction scheduling and estimating and claim evaluation services.

This matter will be presented to the Board of Directors at its December 20, 2024, 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 (Contractor).

Project #1526, *Golden Gate Bridge Physical Suicide Deterrent System Project*, involves fabrication and installation on the Golden Gate Bridge (Bridge) of a horizontal stainless steel net supported by cantilevered steel brackets along the west and east sides of four 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 are located approximately twenty feet below the sidewalk and extend out about twenty feet. Because the installation of the Net System on the Suspension Bridge blocks 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 travelers will be located underneath, between and on the sides of the Suspension Bridge stiffening trusses.

Project #1526 is funded with monies from the Federal Highway Administration (FHWA). Accordingly, 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 a Construction Contract Administration Plan for the construction of the Project. According to the Plan, the District is responsible for administration and management of Project #1526's construction. This work is performed by Engineering Department staff with the assistance of consultants with expertise in various aspects of construction administration and engineering.

As previously reported to the Committee, the work has not progressed as anticipated, and the Contractor filed a number of claims against the District associated with the lack of progress and with the District's administration of the project, including filing a lawsuit against the District. As reported by the District Attorney at the November 15, 2024, meeting of the Board of Directors, the District and Contractor negotiated a change order to settle all claims. The change order included a time extension to December 31, 2025, to complete all remaining work, except for the fabrication and installation of the new maintenance travelers, and demobilize all equipment and materials from the project staging areas; and a time extension to December 31, 2026, to complete the fabrication of the new maintenance travelers and deliver the travelers to the District.

As a result of the time extensions to complete the work, an increase in the Project #1526 budget is necessary to finance the extension of the construction management and engineering efforts by Engineering staff and consultants. Staff has reviewed the Project #1526 budget and has determined that the line item budgets for the Engineering staff and for consultant construction scheduling, estimating change order and claim review support services will be depleted by the end of December 2024 and are required to be increased to continue supporting the project implementation.

Staff has evaluated the remaining work and anticipates a similar level of Engineering staff contract administration and construction engineering effort is needed through the end of 2025. The remaining work includes field inspections and contract administration associated with removing the three remaining interior travelers located in Suspension Spans 1 and 2, removing the three remaining large temporary access platforms located in Suspension Spans 1 and 2, completing the net installation on the south and north sides of the Main South Tower, completing the net installation at the east side of Suspension Span 4, completing the remaining charging station electrical work, removing all other temporary access systems throughout the Bridge, paint touch-up at various locations, and removal of all equipment, materials, temporary office trailers and storage containers at the site. Staff anticipates a reduced level of construction scheduling, estimating, and change order and claim review services will be required through the end of 2025 than has been provided for the past year. Staff recommends that the budgets for these two aspects of the project be increased as detailed below.

At the current level of effort by Engineering staff, staff recommends that a \$4,000,000 increase be made to the Project #1526 staff budget to allow for a continuation of these efforts through approximately December 2025.

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 (Secretariat), to perform scheduling and claim support services. The account of the previously approved amendments to PSA No. 2018-B-07 is presented in Table 2 below.

A continuation of Secretariat's services is necessary to assist the District in reviewing, evaluating, and responding to the Contractor's schedule submittals, notices of delays, requests for additional compensation, and claims. Staff recommends that, at this time, Amendment No. 6 to PSA No. 2018-B-07 be made for a continuation of Secretariat's services through approximately December 2025. Engineering staff requested, and Secretariat provided a cost proposal in the amount not-to-exceed \$599,500 to perform the scheduling and claim support services through approximately December 2025. Engineering staff has reviewed the proposal and found it to be fair and reasonable in terms of Secretariat's budgeted labor hours to perform the additional scope of services requested by the District and consistent with Secretariat's audited labor and overhead billing rates. The District's Manager of Disadvantaged Business Enterprise (DBE) and Workforce Inclusion has reviewed the work under the Sixth Amendment and determined that no DBE subconsultant participation is anticipated. Secretariat will be compensated for actual time expended and expenses incurred, plus a fixed fee, for the not-to-exceed authorized amount.

Staff will monitor the progress of the construction work and will make an assessment towards the end of 2025 regarding the remaining project work and the additional budget amounts that may be necessary to finance additional support services required through the project completion. Staff will submit recommendations for additional budget increases determined to be necessary at future Committee meetings.

Engineering staff recommends that the Finance-Auditing Operating Committee recommend that the Board of Directors authorize a \$4,000,000 increase in the Project #1526 Engineering staff cost line item budget; authorize execution of the Sixth Amendment to PSA No. 2018-B-07 with Secretariat International, in the not-to-exceed amount of \$599,500, for continuation of schedule, cost estimation and claim support services; and authorize an increase in the amount of \$4,110,004 in the FY 24/25 Bridge Division Capital Budget for Project #1526, to be financed with District reserves.

Fiscal Impact

Project #1526 is included in the FY 24/25 Bridge Division Capital Budget. The Board of Directors authorized a budget increase of \$91,032,600, increasing the Project #1526 budget from \$224,421,541 to \$315,454,141. The services of three consulting firms that were providing shop inspections and field inspections were stopped when Engineering staff determined that the services were no longer needed on the Project. There is a total of \$489,496 available to be reallocated from those three PSAs to partially fund the proposed \$4,599,500 increase in Engineering staff costs and support services described in this report. A budget increase, in the amount of \$4,110,004, to the FY 24/25 Bridge Division Capital Budget for Project #1526, funded with District reserves, would be required to fund these services. The proposed \$4,110,004 increase would increase the total Project #1526 budget from \$315,454,141 to \$319,564,145.

TABLE 1: PROJECT #1526 BUDGET
Golden Gate Bridge Physical Suicide Deterrent System Project

BUDGET ELEMENT		AMOUNT	PROPOSED ADJUSTMENT	ADJUSTED AMOUNT
Construction Contract (Original Amt): Change Order No. 124 Reduced Scope		\$132,563,830 (\$5,967,400)		\$126,596,430
Construction Contingency:		\$22,405,213		\$22,405,213
Change Order No. 124:		\$97,000,000		\$97,000,000
Supplemental Funds:		\$5,469,736		\$5,469,736
	SUPPLEMENTAL FUND BUDGET SUB-ELEMENT			
1	CHP Agreement No. 16R350000 Resolution No. 2017-003	\$2,000,000		
	Amendment 1 (time only)	\$0		
	Amendment 2 (time only)	\$0		
	Amendment 3	\$1,280,000		
	Total Amount	\$3,280,000		
2	BCDC/PG&E Permits	\$230,132		
	NPS SUP, Resolution No. 2015-089	\$194,868		
	SUP Amendment 1, Resolution No. 2019-086	\$194,868		
	SUP Amendment 2 Resolution No. 2023-072	\$194,868		
	Total Amount	\$814,736		
3	Haz Disposal Fees	\$225,000		
4	Legal Fees	\$300,000		
5	Liquidated Damages (fog and directed lane closure pick-up)	\$847,800		
6	Printing (partial)	\$2,200		
Documentation of Project History:				
Resolution No. 2019-080		\$250,000		
Change Order No. 1		\$5,500		
Resolution No. 2024-056				

Total Amount			\$255,500		
Construction Administration & Engineering:			\$63,727,262	\$4,110,004	\$67,837,266
	CONSTR. ADMIN. & ENGINEERING BUDGET SUB-ELEMENT	AMOUNT			
1	District Staff	\$15,778,991			
	Resolution No. 2020-054	\$2,000,000			
	Resolution No. 2021-044	\$5,270,000			
	Resolution No. 2022-078	\$4,637,000			
	Resolution No. 2023-073	\$4,200,000			
	<i>Proposed additional amount</i>	<u>\$4,000,000</u>		\$4,000,000	
	<i>Total proposed amount</i>	\$35,885,991			\$35,885,991
2	Construction Engineering Support (HNTB) Amendment 12 PSA 2011-B-2 Resolution No. 2016-089	\$6,000,000			
	Addendum 1 Under GM authority	\$600,000			
	Addendum 2 Resolution No. 2023-063	\$1,400,000			
	Total Amount	\$8,000,000		-	\$8,000,000
3	Environmental Compliance (ESA)	\$903,152		-	\$903,152

	PSA 2017-B-09 Resolution No. 2017-002				
4	Interim Construction Scheduling and Claim Support (Secretariat International) PSA 2017-B-17 GM Report	\$59,600		-	\$59,600
5	Construction Scheduling and Claim Support (Secretariat International) PSA 2018-B-07 Resolution No. 2017-105	\$2,109,240			
	Amendment 1 Under GM authority	\$210,924			
	Amendment 2, Resolution No. 2021-044	\$925,000			
	Amendment 3 additional amount Resolution No. 2022-078	\$1,542,000			
	Amendment 4, additional amount Resolution No. 2023-073	\$1,108,305			
	Amendment 5 time only	\$0			
	<i>Proposed Amendment 6 amount</i>	<u>\$599,500</u>		\$599,500	
	<i>Total proposed amount</i>	\$6,494,969			\$6,494,969

6	Steel Fabrication Shop Inspection (MTI) 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			
	<i>Proposed Reallocation</i>	<i>(-\$123,755)</i>		<i>(-\$123,755)</i>	
	<i>Total PSA</i>	<i>\$1,608,745</i>			<i>\$1,608,745</i>
7	Suicide Deterrent Net System Fabrication Shop Inspection (David Engineering) 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			
	Amendment 7 Resolution No. 2023-017	\$94,000			
	<i>Proposed Reallocation</i>	<i>(-\$54,719)</i>		<i>(-\$54,719)</i>	
	<i>Total PSA</i>	<i>\$792,281</i>			<i>\$792,281</i>

8	<p>Temporary Structures Engineering Advisor (TJA) Support Services PSA 2018-B-082 Resolution No. 2018-066</p> <p>Amendment 1 Under GM authority</p> <p>Amendment 2 Resolution No. 2020-082</p> <p>Amendment 3 (time only)</p> <p>Amendment 4 Under GM authority</p> <p>Amendment 5, Resolution No. 2023-024</p> <p>Total PSA</p>	<p>\$870,500</p> <p>\$87,050</p> <p>\$1,340,000</p> <p>\$0</p> <p>\$134,000</p> <p>\$1,200,000</p> <p>\$3,631,550</p>		-	\$3,631,550
9	<p>Field Inspection Support Services (Summit) PSA 2018-B-084 Resolution No. 2018-080</p> <p>Amendment 1 Under GM authority</p> <p>Amendment 2 Resolution No. 2021-044</p> <p>Amendment 3 Resolution No. 2022-078</p> <p><i>Proposed Reallocation</i></p>	<p>\$3,700,000</p> <p>\$370,000</p> <p>\$1,715,000</p> <p>\$2,127,000</p> <p><i>(-\$311,022)</i></p>		<i>(-\$311,022)</i>	

	<i>Total PSA</i>	<i>\$7,600,978</i>			<i>\$7,600,978</i>
10	Maintenance Traveler System Fabrication Shop Inspection (Bureau Veritas) PSA 2019-B-007 Resolution No. 2019- 048	\$704,000			
	PSA rescinded	(\$704,000)		-	\$0
11	Maintenance Traveler System Fabrication Shop Inspection (Smith Emery) PSA 2021-B-073 Resolution No. 2022- 016	\$2,860,000		-	\$2,860,000
SUBTOTAL CONSTR. ADMIN & ENG., INCLUDING THE PROPOSED BUDGET INCREASE		\$67,837,266	TOTAL AUTH. AMOUNT: \$63,727,262	PROPOSED INCREASE: \$4,110,004	PROPOSED REVISED AMOUNT: \$67,837,266
TOTAL PROJECT #1526 BUDGET			AUTH. BUDGET \$315,454,141	PROPOSED INCREASE: \$4,110,004	PROPOSED REVISED BUDGET: \$319,564,145

TABLE 2: The history of PSA No. 2018-B-07 is as follows:

ACTION	AMOUNT	FINANCING SOURCE
Award PSA No. 2018-B-07, Construction Scheduling and Claim Support; Resolution No. 2017-105	\$2,109,240	
First Amendment – Under GM authority	\$210,924	
Second Amendment - Resolution No. 2021- 044; continuation of support services during the Suicide Deterrent Project construction	\$925,000	

Third Amendment - Resolution No 2022-078; continuation of support services during the Suicide Deterrent Project construction	\$1,542,000	
Fourth Amendment – Resolution No. 2023-073; continued support services during the Suicide Deterrent Project construction	\$1,108,305	
Fifth Amendment – time only	\$0	
<i>Proposed Sixth Amendment - continued support services during the Suicide Deterrent Project construction</i>	<i>\$599,500</i>	
PROPOSED TOTAL PSA AMOUNT	\$6,494,969	

TABLE 3: PROJECT FUNDING - #1526, Golden Gate Bridge Physical Suicide Deterrent System Project

SOURCE OF FUNDS	CURRENT AMOUNT	PROPOSED ADJUSTMENT	ADJUSTED AMOUNT
MTC-STP Funds	\$74,910,000	\$0	\$74,910,000
Caltrans HBP Funds	\$58,140,000	\$0	\$58,140,000
GGBHTD District	\$174,780,812	<i>\$4,110,004</i>	<i>\$178,890,816</i>
MHSOAC	\$7,000,000	\$0	\$7,000,000
Cell Site Revenues	\$584,604	\$0	\$584,604
Donations	\$38,725	\$0	\$38,725
TOTAL	\$315,454,141	<i>\$4,110,004</i>	<i>\$319,564,145</i>