

TO: Toll Bridge Program Oversight Committee (TBPOC) **DATE:** February 4, 2015

FR: Dan McElhinney, Chief Deputy District Director, Caltrans District 4/
Patrick Treacy, Budget and Risk Manager, Caltrans District 4

RE: Agenda No. - 3a
Item- Program Budget/Risks Update for FY 15-16 (Capital Outlay/Capital Outlay
Support/Risk Management)

Recommendation:

Approval

The PMT recommends approval to transfer a savings of \$31.55 million from various contract close outs to the total program contingency, including the following project budget actions: increase the West Approach COS by \$0.50 million, decrease the West Approach CO by \$10.70 million, increase the West Span CO by \$3.15 million, decrease the Richmond-San Rafael CO by \$21.3 million, decrease the Dumbarton CO by \$3.2 million and move the net savings of \$31.55 million to the Program Contingency.

Schedule: N/A

Discussion:

1) Capital Outlay Budget

Reviewing construction contracts that have been accepted and achieved contract closed out, it is recommended to approve in aggregate transferring funds to balance changes as outlined in the table below, returning project savings back to the program contingency totaling \$31.55 million:

Project	TBPOC Current Approved Budget (millions)	Cost to Date 12/2015 (millions)	Current Forecast 2/2016 (millions)	New Proposed Budget (millions)	Budget Change (millions)
West Approach: Capital Outlay Support	\$119.00	\$119.40	\$119.50	\$119.50	+ \$0.50
West Approach: Capital Outlay	\$350.70	\$333.00	\$340.00	\$340.00	-\$10.70
West Span Retrofit: Capital Outlay	\$227.35	\$230.50	\$230.50	\$230.50	+\$3.15
Richmond-San Rafael: Capital Outlay	\$689.50	\$668.20	\$668.20	\$668.20	-\$21.30
Dumbarton: Capital Outlay	\$68.20	\$64.60	\$65.00	\$65.00	-\$3.20
Transfer to the Total Program Contingency					-\$31.55

If approved by the TBPOC, the above savings of \$31.55 million will be transferred to the current TBPOC Total Program Contingency increasing it from \$135.21 million to \$166.76 million, to be updated in the 1st Quarter Project Progress/Financial Update.

2) Capital Outlay Support Budget

Attachment 1 updates the TBSRP East Span Capital Outlay and Capital Outlay Cash Flow and Forecast Chart with expenditures through September 2015. Attachment 3 is the January 2016 COS Budget Action Plan update of the August Action Plan (Attachment 2) with expenditures and encumbrances through December 2015. In October, the TBPOC approved a supplemental funding request for a current FY COS Total Budget of \$24.88 million, with strong risks ahead then of E3 implosion amended permit requirements and implosion activity cost increases. Cost data available through December 2015, though preliminary pending final invoices and quality checks, totals \$14.4 million COS expended through December 2015.

The project team is continuing to implement the COS Action Plan to manage progress continuously within the approved budget with A&E firms. Higher than expected needs in the first half of the FY to close out SAS, on tower anchor rod investigation, and to complete the implosion of the marine foundation E3 was experienced. The expenditures through December reflect these significant efforts, which resulted in the SAS close-out and successful E3 implosion,

Memorandum

and totaled about sixty percent of the current available budget. This investment now puts considerable cost risks/pressures on the budget due to bike path fabrication in Korea and installation resource needs, pending resolution of Marine Foundation Contract scope and CMGC contract bids (E4-E18 removal), and environmental permit preparation and mitigation development with resource agencies for the marine foundation removal of piers E4-E5 this year.

The East Span COS is an information update only and no action is requested regarding the TBPOC's approved East Span COS at this time.

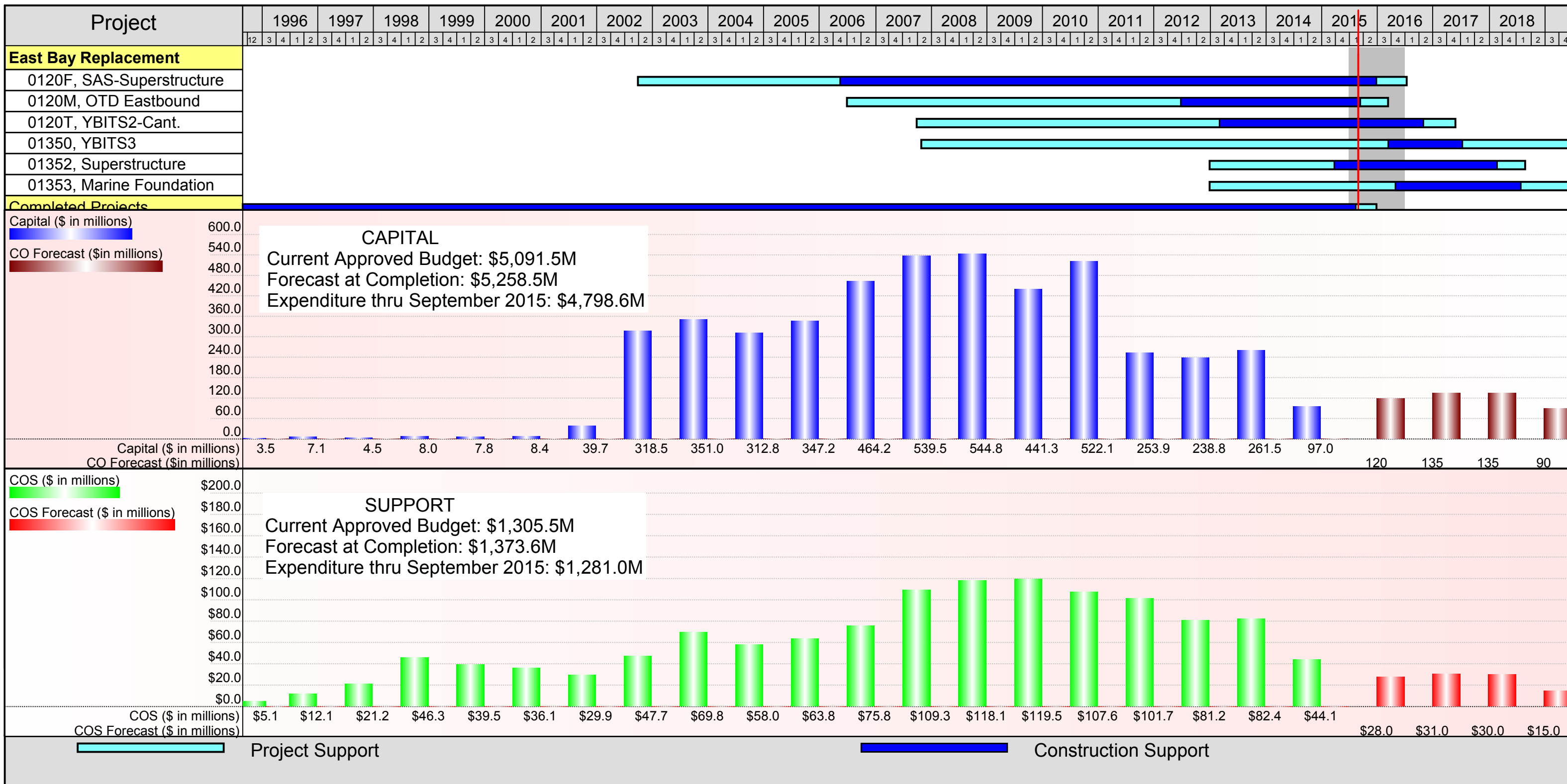
Risk assessment indicates a potential need for additional FY budget supplement:

- The total FY expenditure through end of December 2015 is currently \$14.4M.
- The state staff and A&E support expenditures through the end of December are approximately \$6.3M and \$8.1M, respectively.
- Added environmental A&E support work for the marine foundation demolition impacted the initial total budget about \$2 million additional, with invoices still pending.
- Risk assessment of projected workload is currently estimated at a need of \$3 - 3.5 million for this FY (\$28 million).

Attachments:

1. TBSRP East Span Capital Outlay and Capital Outlay Cash Flow and Forecast Chart
2. August 2015 COS Budget Action Plan
3. January 2016 COS Budget Action Plan (Updated)

Toll Bridge Seismic Retrofit Program CO and COS Cash Flow for East Span Projects Expenditure thru September 2015



Notes: 1) CO and COS forecasts are based on 3rd quarter 2015 Financial and Risk Management Reports.
2) Forecasts include 3rd QTR 2015 risk of \$167M CO, and \$68M COS.
3) FY 14/15 COS expenditures include A&E expenditures from FY 13/14.

**SFOBB East Span Projects
FY 15/16 COS Budget Action Plan***

Final August 2015

Table 1 - State Staff Budget Detail (\$ in thousands)			
	Division	Plan FTE	Plan Dhrs
CONST	Pier 7 Const - D04	10.3	\$2,617
	Pier 7 Const - D59	11.8	\$2,988
	CONST SVCS	1.2	\$311
CONST Total		23.3	\$5,916
TOLL BR DGN	TOLL BR DGN	5.3	\$1,345
TOLL BR DGN Total		5.3	\$1,345
Dist 4 Support	ADMIN	0.2	\$61
	DESIGN	0.6	\$160
	ENV	1.2	\$306
	EXT_AFFAIRS	0.1	\$20
	MAINT		
	MGMT	1.9	\$492
	ROW	0.7	\$168
	TOLL BR MGMT	1.2	\$302
	TRAFFIC OPER	0.1	\$35
Dist 4 Support Total		6.1	\$1,544
ENGR SVCS Support	ENGR SVCS DGN	2.3	\$584
	ENGR SVCS METS/GEO	2.2	\$558
	ENGR SVCS MGMT	0.4	\$112
	ENGR SVCS OE	0.6	\$142
ENGR SVCS Support Total		5.5	\$1,396
Grand Total		40.2	\$10,200

Note: 1. Full Time Equivalent (FTE Staffing Budget as shown).

Additional Notes:

1. Assumptions in this COS Budget Action Plan include no contingency or risk reserve for scope or schedule changes at this time, as these changes will only be presented as separate future budget requests if unmitigated risks, scope or schedule changes occur.
2. "Others" include: Dumbarton Public Access, YBI Landscape, YBITS 1 and West Approach Landscaping.
3. COS savings within contracts listed above will be shifted to other contracts listed above if needed.
4. AE Budgets listed are at high risk (20-30%) but are being redeveloped in task order discussions to balance workload, expertise, and cost effectiveness within budget targets shown, agreements pending.

ATTACHMENT 2:

August 2015 COS Budget Action Plan

* Action plan based on the TBPOC budget decision July 20, 2015.

Table 2 - A&E Contracts Budget Detail (\$ in thousands)					
Division	Contract	Vendor	Scope of Services	Task Manager	Budget
ENV	04A4712	AECOM	Env	Stefan G.	\$900
	04A4426	BROWN AND CALDWELL	Env	Hardeep T.	\$900
	04A4151	GARCIA & ASSOCIATES	Env	Stefan G.	\$170
	04A3970	SF Bay Conser. & Dev. Comm	Env	Stefan G.	\$70
	04A4312	WRECO	Env	Hardeep T.	\$100
	04A4306	WATER BOARD	Env	Hardeep T.	\$10
DESIGN	04.0135CM	Kiewit/Manson JV	CM/GC	Patrick T.	\$290
	04A0148	PB AMERICAS INC	Design	John U.	\$900
	59A3824	TY Lin International	Design	Wenyi L.	\$150
	59A0040	TY Lin Int M/N JV	Design	Wenyi L.	\$1,750
METS	04A3819	ALTAVISTA	METS	Keith H.	\$3,260
GEO	04A4534	EMI	Geotech Eng	Saba M.	\$390
	59A0053	FUGRO-EARTH MECH	Geotech Eng	Saba M.	\$300
CONST	04A3357	CH2M HILL	Sched/Claims	Bill C.	\$200
	04A4611		Claims	Deanna V.	\$200
MGMT	04A4265	CALTROP ENG. Risk	Risk Mgmt	Patrick T.	\$90
	04A2968	HNTB	Mgmt	Dan M.	\$240
	Various	Other Contracts	Various	Various	\$0
Grand Total					\$9,920

Note: 1. Negotiations will take place with A&E Firms listed to confirm scope of services stay within budget as shown

**SFOBB East Span Projects
FY 15/16 COS Budget Action Plan*
(December 2015)**

Updated January 2016

Table 1 - State Staff Budget Detail (\$ in thousands)					
	Division	Plan FTE	Plan Dhrs	Exp PY thru Dec	Exp Dhrs thru Dec
CONST	Pier 7 Const - D04	10.3	\$2,617	5.2	\$1,385
	Pier 7 Const - D59	11.8	\$2,988	6.5	\$1,712
	CONST SVCS	1.2	\$311	1.8	\$467
CONST Total		23.3	\$5,916	13.5	\$3,564
TOLL BR DGN	TOLL BR DGN	5.7	\$1,436	3.0	\$938
TOLL BR DGN Total		5.7	\$1,436	3.0	\$938
Dist 4 Support	ADMIN	0.2	\$61	0.2	\$25
	DESIGN	0.6	\$160	0.5	\$122
	ENV	1.2	\$306	0.7	\$131
	EXT_AFFAIRS	0.1	\$20		
	MAINT			0.1	\$13
	MGMT	1.9	\$492	1.1	\$293
	ROW	0.7	\$168	0.4	\$95
	TOLL BR MGMT	1.2	\$302	0.9	\$269
	TRAFFIC OPER	0.1	\$35	0.4	\$110
Dist 4 Support Total		6.1	\$1,544	4.3	\$1,058
ENGR SVCS Support	ENGR SVCS DGN	1.9	\$492	1.5	\$388
	ENGR SVCS METS/GEO	2.6	\$658	1.1	\$278
	ENGR SVCS MGMT	0.4	\$112	0.2	\$72
	ENGR SVCS OE	0.6	\$142		
	ENGR SVCS POLICY			0.1	\$14
ENGR SVCS Support Total		5.5	\$1,405	2.9	\$753
Grand Total		40.6	\$10,300	23.6	\$6,314

Note: 1. Full Time Equivalent (FTE Staffing Budget as shown).

Additional Notes*:

1. Assumptions in this COS Budget Action Plan include no contingency or risk reserve for scope or schedule changes at this time, as these changes will only be presented as separate future budget requests if unmitigated risks, scope or schedule changes occur.
2. "Others" include: Dumbarton Public Access, YBI Landscape, YBITS 1 and West Approach Landscaping.
3. COS savings within contracts listed above will be shifted to other contracts listed above if needed.
4. A&E Budgets listed were developed in task order discussions to balance workload, expertise, and cost effectiveness within budgets shown.
5. The request to TBPOC on Oct 13, 2015 for Supplemental funds (\$2.2M) E3 environmental work was denied except for \$280,000 approved.

Table 2 - A&E Contracts Budget Detail (\$ in thousands)						
Division	Contract	Vendor	Scope of Services	Task Manager	Budget	Committed thru Dec
ENV	04A4712	AECOM	Env	Stefan G.	\$1,700	\$948
	04A4426	BROWN AND CALDWELL	Env	Hardeep T.	\$1,560	\$932
	04A4151	GARCIA & ASSOCIATES	Env	Stefan G.	\$60	\$32
	04A3970	SF Bay Conser. & Dev. Comm	Env	Stefan G.	\$140	\$70
	04A4312	WRECO	Env	Hardeep T.	\$100	\$59
	04A4506	WATER BOARD	Env	Hardeep T.	\$110	\$62
	04A4535	IBR	Env	Stefan G.	\$30	\$2
DESIGN	040135CM	Kiewit/Manson JV	CM/GC	Chris T.	\$600	\$389
	04A0148	PB AMERICAS INC	Design	John U.	\$800	\$472
	04A3824	TY Lin International	Design	Hasan E.	\$110	\$107
	59A0040	TY Lin Int M/N JV	Design	Hasan E.	\$2,900	\$1,018
METS	04A4542	ALTAVISTA	METS	Keith H.	\$4,233	\$3,232
GEO	04A4534	EMI	Geotech Eng	Saba M.	\$200	\$71
	59A0053	FUGRO-EARTH MECH	Geotech Eng	Saba M.	\$200	\$211
CONST	04A3357	CH2M HILL	Sched/Claims	Bill C.	\$300	\$125
	04A4611		Claims	Deanna V.	\$140	\$93
MGMT	04A4265	CALTROP ENG. Risk	Risk Mgmt	Patrick T.	\$150	\$105
	04A2968	HNTB	Mgmt	Dan M.	\$240	\$86
	Various	Other Contracts	Various	Various	\$25	\$26
Grand Total					\$13,598	\$8,040

- Action Notes:**
1. Finalize Task Orders with A&E Firms listed to deliver scope of services within budget as shown for each contract.
 2. Revise all Task Orders to be at or below the budget shown for each contract and to end on June 30, 2016.
 3. E3 implosion and tower anchor rod new Task Orders were added to Budget shown in this Action Plan (December 2015).

ATTACHMENT 3:

January 2016 Budget Action Plan (Updated)

* Action plan based on the TBPOC budget decision July 20, 2015; updated at the TBPOC on Oct 13, 2015.