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Memorandum

TO: BATA Oversight Committee

DATE: February 1, 2012

FR: Executive Director

W. I. 1256

RE: Purchase Order Amendment – San Francisco-Oakland Bay Bridge East Span Replacement Project
Light Poles: Valmont Industries, Inc. (\$2,500,000)

Staff is proposing that the Committee authorize the Executive Director to issue a Purchase Order Amendment in an amount not to exceed \$2,500,000 to Valmont Industries, Inc. for the fabrication and delivery of bridge lighting assemblies for the San Francisco-Oakland East Span Replacement Project.

Background

In December 2009, BATA allocated \$20 million for the procurement of the light poles for the new Eastern Span of the San Francisco Oakland Bay Bridge. In September 2010, the BATA Oversight Committee approved a competitively bid contract with Valmont Industries, Inc. to furnish 253 light poles for the SFOBB East Span corridor. The total original amount authorized was \$3,822,909, comprised of a \$2,888,909 purchase order to Valmont, \$434,000 in contingency funding and \$500,000 in supplemental funding. Delivery of the poles was specified to occur from September 2011 through September 2012.

During the shop drawing review process numerous modifications were made to the poles due to:

- accommodating the existing as-built conditions of the foundations,
- constructability issues with the fabrication of the pole's starter wall,
- architectural issues with welded joints and painting, and
- fixture attachment details along with other miscellaneous changes to the plans.

These modifications have resulted in additional costs to Valmont both in direct fabrication costs and in delay cost associated with material escalation and idle shop time due to the approximately 6-month delay to the fabrication resulting from the modifications. In addition to the modifications to the poles, 20 additional poles have been added to the project.

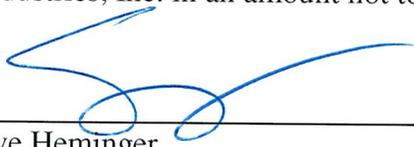
The additional cost resulting from the changes and delays to the pole fabrication, and the additional poles should not exceed \$2,500,000. Of this cost, \$500,000 can be funded with the supplemental funding originally approved by BATA in September 2010. The \$2,000,000 remainder will be funded from contingencies within the original authorized \$20 million procurement budget for all light poles and fixtures. The Toll Bridge Program Oversight Committee (TBPOC) approved this action at their January 2012 meeting. Valmont has committed to a revised March 2012 through September 2012 delivery schedule which will have no impact on the planned Seismic Safety Opening.

The table below illustrates the breakdown of the \$20 million procurement budget to be used for furnishing the light poles and light fixtures, as well as, the amended purchase order with Valmont:

	Item	Current Estimate	Proposed Modification	Delta
Light Poles	Bid Items and CCO's	\$2,888,910	\$5,388,910	\$2,500,000
	Light Pole Contingency	\$434,000	\$434,000	\$0
	Supplemental Work	\$500,000	\$0	(\$500,000)
	Subtotal	\$3,822,910.00	\$5,822,910.00	\$2,000,000
Light Fixtures	Light Fixtures	\$13,500,000	\$13,500,000	
	Light Fixture Contingency	\$2,677,090	\$677,090	(\$2,000,000)
	Total	\$20,000,000	\$20,000,000	

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to issue a Purchase Order Amendment for fabrication and delivery of bridge lighting assemblies for the San Francisco-Oakland East Span Replacement Bridge to Valmont Industries, Inc. in an amount not to exceed \$2,500,000.



 Steve Heminger

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Purchase Order

Work Item No.: 1256

Vendor: Valmont Industries, Inc.

Work Project Title: Fabrication and Delivery of Bridge Lighting Assemblies

Purpose of Project: Fabrication and delivery of 273 lighting assemblies for the San Francisco-Oakland Bay Bridge East Span Replacement Project.

Brief Scope of Work: The scope of work includes the manufacture, fabrication, inspection, testing, and shipping of the lighting assemblies.

Project Cost:

Purchase Order Amendment	\$2,500,000
Original Purchase Order	\$2,888,910
Total Revised Purchase Order	\$5,388,910
Project Contingency	\$434,000

Funding Source: Toll Bridge Seismic Retrofit Program Funds

Fiscal Impact: Project costs will be consistent with funds programmed and budgeted.

Motion by Committee: That the Executive Director, or his designee, is authorized to issue a Purchase Order Amendment for \$2,500,000 for fabrication and delivery of bridge lighting assemblies for the San Francisco-Oakland East Span Replacement Bridge to Valmont Industries, Inc. and the Chief Financial Officer is authorized to set aside funds for such Purchase Order Amendment.

BATA Oversight Committee:

Bill Dodd

Approved: Date: February 8, 2012