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## *Memorandum*

TO: BATA Oversight Committee

DATE: September 5, 2012

FR: Executive Director

W. I. 1251

RE: Contract Contingency Fund Shift: Construction of San Francisco-Oakland Bay Bridge Toll Administration Building: Swinerton Builders (\$0)

### **Background**

In April 2010, this Committee authorized a contract award to Swinerton Builders to construct a new Toll Operations Building at the San Francisco-Oakland Bay Bridge (SFOBB) in the amount of \$13,660,000. The approval included \$3,700,000 in contingency funds separate from the contract amount of \$13,660,000 to be used at BATA's sole discretion for changes in the work. This Committee authorized the contingency funds to be used as follows:

Supplemental contingency (\$1,600,000): Funds to cover the following work not included in the scope of work, if needed: traffic flagging, micropiling in the existing basement, additional foundation work due to differing site conditions, and partnering.

Standard contingency (\$2,100,000): 12.5% of the engineer's estimate, to cover unknown project costs not included in the scope of work.

The Committee's proposed action authorizes the shift of \$400,000 in funds from supplemental contingency to standard contingency. The total project budget does not change. Certain expected costs identified in the supplemental contingency, such as partnering and micropiling, were never realized. The proposed shift provides BATA more flexibility to address the greater cost of unexpected contract changes, such as utility relocation in the existing basement. As a result of this action, the supplemental contingency funds would be reduced by \$400,000 to \$1,200,000 and the standard contingency funds would increase by \$400,000 to \$2,500,000.

The new building has been in use since March 2012, and the project is expected to be fully completed in the field by the end of October 2012. Additionally, staff estimates that the project can be closed out within the existing budget allotment.

### **Recommendation**

Staff recommends that the Committee authorize the Executive Director or his designee to use \$400,000 previously allocated to supplemental contingency funds for standard contingency.

  
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 Steve Heminger

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REQUEST FOR COMMITTEE APPROVAL  
Summary of Proposed Contract Contingency Fund Shift

Work Item No.: 1251

Contractor: Swinerton Builders  
Oakland, CA

Work Project Title: Construction Contract for SFOBB Toll Operations Building

Purpose of Project: Construct a new Toll Operations Building in Oakland for SFOBB

Brief Scope of Work: Construct a new Toll Operations Building directly east of the existing building in the Toll Plaza median. Partially demolish the existing building, and retrofit and renovate the existing basement. Complete demolition of the existing building, and provide landscaping and related site improvements.

Project Cost Not to Exceed: \$13,660,000 plus contingency totaling \$3,700,000 (no net increase in project funds through this action) .

Funding Source: Toll Bridge Rehabilitation Program Funds

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

Motion by Committee: That the Executive Director or his designee be authorized to shift \$400,000 in supplemental contingency funds previously allocated for traffic flagging, micropiling in the existing basement, additional foundation work related to differing site conditions, and partnering to standard contingency for any other changes not included in the scope of work, thereby reducing the supplemental contingency funds from \$1,600,000 to \$1,200,000 and increasing the standard contingency from \$2,100,000 to \$2,500,000.

BATA Oversight Chair

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Bill Dodd

Approved: Date: September 12, 2012