



Agenda Item No. (4)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of March 21, 2024

From: Joseph M. 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 TRANSFERS**
(a) BUDGET INCREASE IN THE FY 23/24 BUS DIVISION CAPITAL
BUDGET FOR PROJECT #1431, *DI RESURFACE EMPLOYEE*
PARKING LOT & SOLAR PANELS

Recommendation

The Finance-Auditing Committee also recommends, in concurrence with the Building and Operating Committee at its meeting on March 21, 2024, that the Board of Directors authorize an increase in the FY 23/24 Bus Division Capital Budget, in the amount of \$7,025,618 for Project # 1431, *DI Resurface Employee Parking Lot and Solar Panels*, for a revised total project budget of \$12,155,618.

This matter will be presented to the Board of Directors at its March 22, 2024, meeting for appropriate action.

Summary

The Golden Gate Bridge, Highway and Transportation District's (District) Bus Division operates commuter bus service out of four (4) dispatch, parking, and maintenance facilities, namely, the San Rafael Bus Facility (D1), the Novato Bus Facility (D2), the Santa Rosa Bus Facility (D3) and the San Francisco Bus Facility (D4).

The San Rafael Facility is the District's primary bus facility where the majority of the bus maintenance activities occur and where many of the District's administrative staff work. In addition to the main bus lot, the facility includes an employee parking lot and a visitor parking lot. The construction of the employee and visitor parking lots in 1969 involved the placing of approximately 7-foot-deep fill over 50-foot-deep compressible Bay Mud. The lots were last paved in 1991. Since then, the soft undelaying ground has caused settlement to occur throughout the parking lots resulting in extensive damage to the pavement. Engineering staff has determined that the existing asphalt concrete surfacing is at the end of its useful life and should be replaced.

In addition to the pavement replacement design, an investigation of the feasibility of installing a photovoltaic (solar) system on a carport structure over the employee parking lot was performed. The investigation determined that a solar carport at the employee parking lot could provide enough power to offset the power usage at the San Rafael Bus facility and provide for employee electric vehicle charging and limited electric bus charging. A solar carport system was then added to the employee parking lot improvement project.

The District developed a construction contract, Contract No. 2023-BT-072, *San Rafael Bus Facility Parking Lot Improvements and Solar Panel Installation*.

The construction will include weekend and extended-shift and night-shift work schedules to minimize impacts to Bus operations.

On January 9, 2024, the District advertised Contract No. 2023-BT-072 bid solicitation documents. On the bid opening date of February 15, 2024, two (2) bids were received, opened, and publicly read:

	<u>COMPANY</u>	<u>TOTAL BID PRICE</u>
1.	Ghilotti Bros., Inc, San Rafael, CA	\$9,199,199.00
2.	Maggiora & Ghilotti, Inc, San Rafael, CA	\$9,362,140.00

The Engineering staff, the District's Disadvantaged Business Enterprise (DBE) Program Office and District's Attorney evaluated the bid proposals based upon the criteria that was specified in the bid solicitation.

The two construction bid proposals are within 2% of each other but they are substantially exceeding the original engineer's estimate that was used to establish the original project budget. Engineering staff analyzed pricing included in both bids and compared the bids to the engineer's estimate and to pricing of recent Caltrans projects. Engineering staff also reached out to a number of firms that downloaded the bid solicitation documents but did not submit a bid and found that various business reasons accounted for the lack of a bid submission, including project location being far from their main office and yard; already having projects scheduled to be starting this summer and not having resources that can be assigned to this project; and, difficulties receiving bids from subcontractors. None of the reasons provided were related to the specifications being too restrictive or limiting competition. Staff determined that the complexities associated with the new solar carports, including power distribution, the difficult geotechnical site conditions with high groundwater, the requirements of weekend and extended and night-shift work schedules, and the inflationary pressures of the current local construction market conditions are the reasons of the much higher bid pricing. Staff has determined that Ghilotti Bros., Inc. pricing reflects the current market conditions and is fair and reasonable.

The Engineering staff and Attorney reviewed the bid proposals for completeness and conformance with the bid solicitation requirements and determined that Ghilotti Bros., Inc., with a bid price of \$9,199,199, is the lowest responsive and responsible bidder. Staff recommends award of Contract No. 2023-BT-072 to Ghilotti Bros., Inc.

It is recommended that a contingency in an amount of \$919,919, or 10% of the construction contract’s total price, be established for Contract No. 2023-BT-072 considering possibility of unforeseen circumstances arising during construction of this Project.

Engineering staff has performed an analysis of the level of effort necessary for staff to perform construction management and administration during the project construction and have estimated that the project’s staff budget should be increased by \$1,300,000 (labor, fringe, and indirect costs).

Award of Contract No. 2023-BT-072 in the amount of \$9,199,199 to Ghilotti Bros., Inc., establishing construction contract contingency in the amount of \$919,919, and providing budget for the construction contract management and administration by the Engineering staff as presented in Table 1 below, will require a \$7,025,618 increase in the FY 23/24 Bus Division Capital Budget for Project #1431, *D1 Resurface Employee Parking Lot and Solar Panels*.

Fiscal Impact

Project #1431, *D1 Resurface Employee Parking Lot and Solar Panels* is included in the FY 23/24 Bus Division Capital Budget in the amount of \$5,130,000 and is 80% Federal Transit Administration (FTA)-funded and 20% District-funded.

The proposed actions relative to the award of construction Contract No. 2023-BT-072 would result in a \$7,025,618 increase to the total project budget as shown in Table 1 below. The revised total project budget of \$12,155,618 will be 80% FTA-funded and 20% District-funded.

TABLE 1: PROJECT BUDGET – #1431, D1 Resurface Employee Parking Lot and Solar Panels

DESCRIPTION	CURRENT PROJECT BUDGET	PROPOSED ADJUSTMENT	TOTAL PROPOSED PROJECT BUDGET
District Staff Labor/Fringe	\$396,500	\$850,000	\$1,246,500
Indirect Costs	\$210,000	\$450,000	\$660,000
General Project Expenditures	\$3,500	\$1,500	\$5,000
Printing & Advertising	\$7,000	\$0	\$7,000
Prelim Invest/Design Consultant	\$28,000	\$0	\$28,000
Permit and Fees (PG&E)	\$60,000	\$0	\$60,000
Prime Construction Contract	\$4,000,000	\$5,199,199	\$9,199,199
Prime Construction Contract Contingency (10%)	\$400,000	\$519,919	\$919,919
Construction Engineering (Electrical Consultant)	\$10,000	\$0	\$10,000
Material Testing Services (Consultant)	\$15,000	\$5,000	\$20,000
TOTAL	\$5,130,000	\$7,025,618	\$12,155,618

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