



Phase 1 Budget Update

October 6, 2015

Transbay Transit Center

TJPA



- **Phase 1 Construction Cost Update**
- **MTC Cost Review Update**
- **Risk Assessment Update**
- **Funding**
- **Next Steps**

Phase 1 Construction Cost Update (\$ millions)

Awarded to Date (direct cost)*

Transit Center	\$ 1,056.78
Utility Relocation	\$ 21.02
Demolition Old Terminal	\$ 15.48
Temporary Terminal	\$ 20.65
Bus Ramp	\$ 56.47
Total Award to Date**	\$ 1,176.99

*Amounts include executed change orders

**Includes award of Column Covers CCO

Remaining Construction Work to be Awarded (\$ millions)

TTC Construction	
TG08.6 Metal Ceilings*	\$ 26.47**
TG08.7 Glass Floors* (CCO to TG08.11)	\$ 16.80
TG13.1 Roof Park Landscaping & Irrigation	\$ 32.28
Rooftop Park/ Electrical/Mechanical (CCO)	\$ 21.70
TG17.1 Signage/Graphics/Directory Systems*	\$ 3.47
Overhead Contact System (Muni) (CCO)	\$ 7.85
IP Network	\$ 20.00
Art	\$ 2.18
Total to Complete	\$ 130.75
Remaining TTC Trade Package Budget:	\$ 0.62
Additional need -- direct cost	\$ (130.14)

* Design Build/Assist

** Amount does not include \$1.9M for advance work

Draft Phase 1 Budget (\$ millions)

**Phase 1 Budget - 30% FTA Confidence Level
(RMC #6)**

	Budget (as of Oct 2015)	Revised Budget	Delta
TTC Construction*	\$ 1,063.37	\$ 1,193.51	\$ (130.14)
Bus Ramp*	\$ 56.47	\$ 56.47	\$ 0.00
Temp Terminal	\$ 20.66	\$ 20.66	\$ 0.00
Bus Storage*	\$ 15.95	\$ 19.45	\$ (3.50)
Utility Relocation	\$ 21.02	\$ 21.02	\$ 0.00
Demolition	\$ 16.48	\$ 16.48	\$ 0.00
CM/GC Costs	\$ 87.62	\$ 111.39	\$ (23.77)
Subtotal Construction	\$ 1,281.57	\$ 1,438.98	\$ (157.41)
Soft Costs			
Design	\$ 188.66	\$ 178.28	\$ 10.39
Construction Mgmt	\$ 53.83	\$ 75.98	\$ (22.15)
Pre-Construction	\$ 31.27	\$ 31.27	\$ 0.00
Art	\$ 2.00	\$ 2.00	\$ 0.00
ROW	\$ 76.71	\$ 76.71	\$ 0.00
PMPC	\$ 101.45	\$ 101.45	\$ 0.00
Admin/Legal/Financial/etc.	\$ 124.05	\$ 121.69	\$ 2.35
Subtotal Soft Costs	\$ 577.96	\$ 587.37	\$ (9.41)
CM/GC Contingency	\$ 18.99	\$ 32.71	\$ (13.73)
Construction Contingency	\$ 19.31	\$ 68.71	\$ (49.41)
Program Reserve	\$ 1.57	\$ 18.54	\$ (16.96)
Subtotal Contingencies & Reserve	\$ 39.87	\$ 119.96	\$ (80.10)
Total Phase 1 Program	\$ 1,899.40	\$ 2,146.32	\$ (246.92)

*Budget includes design contingency and escalation

Summary: Phase 1 Budget Exposure

- Based on both cost and risk analysis approaches, additional budget would be prudent

Phase 1 Budget

	(\$ millions)
Approved budget (2013)	\$1,899
Proposed new request (July 2015, TJPA)	\$247
Proposed new total (July 2015, TJPA)	\$2,146
Potential additional exposure (Sept. 2015, MTC)	\$48-\$244
New Total	\$2,194 - \$2,390

MTC Cost Review Summary

- Recommended increasing the current budget between \$295M - \$491M
- Recommended contingency and reserve levels between \$166M - \$362M
- Implement funding partners process to review and approve change orders
- Consider a Maximum Price Guarantee with CM/GC for the remaining construction contracts
- Focus on “bottom up” risk analysis model for contingency
- Consider adding contingency at a higher confidence level, at least 50%

- RMC #6 was held in March 2015 and report released in June 2015.
- RMC #7 was held in June 2015 and report will be released in October 2015.
- Between RMC #6 and RMC #7 ten trade packages have been negotiated and awarded.
- RMC #7 incorporates some bid risk for the IP Network and Bus Storage packages, which was not accounted for at RMC #6. It also included the August 2015 CM/GC schedule.
- Risk of delays in steel and glazing fabrication/installation are still seen as an area of potential exposure.



Risk Assessment Update Model Results

RMC #6 March/June 2015

Confidence Level	<u>Bottom Up Model</u>		<u>Top Down Model (FTA)</u>	
	Budget	Additional Funding	Budget	Additional Funding
30%	\$ 2,146	\$ 247	\$ 2,098	\$ 199
50%	\$ 2,163	\$ 264	\$ 2,160	\$ 261
70%	\$ 2,183	\$ 284	\$ 2,237	\$ 338

RMC #7 June/September 2015

Confidence Level	<u>Bottom Up Model</u>		<u>Top Down Mode (FTA)</u>	
	Budget	Additional Funding	Budget	Additional Funding
30%	\$ 2,189	\$ 290	\$ 2,156	\$ 257
50%	\$ 2,207	\$ 308	\$ 2,216	\$ 316
70%	\$ 2,224	\$ 325	\$ 2,290	\$ 390

Risk Assessment Update Contingencies and Reserve

(\$ millions)

RMC #7 June/September 2015

Phase 1 Budget - 30% FTA Model Confidence Level

	Budget (as of Oct 2015)	Revised Budget	Delta
CM/GC Contingency	\$ 18.99	\$ 32.71	\$ (13.73)
Construction Contingency**	\$ 19.31	\$ 68.71	\$ (49.41)
Program Reserve	\$ 1.57	\$ 28.54	\$ (26.96)
Subtotal Contingencies & Reserve	\$ 39.87	\$ 129.97*	\$ (90.10)

* Amount is approximately 16% of remaining work after all existing known exposure is accounted for

Phase 1 Budget - 50% FTA Model Confidence Level

	Budget (as of Oct 2015)	Revised Budget	Delta
CM/GC Contingency	\$ 18.99	\$ 32.71	\$ (13.73)
Construction Contingency**	\$ 19.31	\$ 68.71	\$ (42.21)
Program Reserve	\$ 1.57	\$ 87.53	\$ (85.96)
Subtotal Contingencies & Reserve	\$ 39.87	\$ 188.96*	\$ (149.09)

* Amount is approximately 25% of remaining work after all existing known exposure is accounted for

Phase 1 Budget - 50% FTA Confidence Level

	Budget (as of Oct 2015)	Revised Budget	Delta
TTC Construction*	\$ 1,063.37	\$ 1,193.51	\$ (130.14)
Bus Ramp*	\$ 56.47	\$ 56.47	\$ 0.00
Temp Terminal	\$ 20.66	\$ 20.66	\$ 0.00
Bus Storage*	\$ 15.95	\$ 19.45	\$ (3.50)
Utility Relocation	\$ 21.02	\$ 21.02	\$ 0.00
Demolition	\$ 16.48	\$ 16.48	\$ 0.00
CM/GC Costs	\$ 87.62	\$ 111.39	\$ (23.77)
Subtotal Construction	\$ 1,281.57	\$ 1,438.98	\$ (157.41)
Soft Costs			
Design	\$ 188.66	\$ 178.28	\$ 10.39
Construction Mgmt	\$ 53.83	\$ 75.98	\$ (22.15)
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PMPC	\$ 101.45	\$ 101.45	\$ 0.00
Admin/Legal/Financial/etc.	\$ 124.05	\$ 121.69	\$ 2.35
Subtotal Soft Costs	\$ 577.96	\$ 587.37	\$ (9.41)
CM/GC Contingency	\$ 18.99	\$ 32.71	\$ (13.73)
Construction Contingency	\$ 19.31	\$ 68.71	\$ (49.41)
Program Reserve	\$ 1.57	\$ 87.53	\$ (85.96)
Subtotal Contingencies & Reserve	\$ 39.87	\$ 188.96	\$ (149.09)
Total Phase 1 Program	\$ 1,899.40	\$ 2,215.31	\$ (315.91)

*Budget includes design contingency and escalation



Transbay Transit Center

Funding



Funding Plan (\$ millions)

Sources	Committed Funds	Potential Funds
Land Sales	\$ 510.0	\$ TBD
FRA Grants	\$ 402.7	
TIFIA/Bridge Loan	\$ 171.0	
FTA Grants	\$ 62.4	
FEMA Grants	\$ 0.1	
Regional Measures 1 & 2	\$ 197.4	
AB 1171	\$ 150.0	
San Francisco Prop K	\$ 139.0	
AC Transit Capital Contribution	\$ 39.0	
RTIP	\$ 10.2	
Miscellaneous Local	\$ 8.7	
One Bay Area Grant	\$ 6.0	
San Mateo Sales Tax	\$ 4.5	
Transit Center District Plan (Mello-Roos)	\$ 198.5	\$ TBD
Tax Increment	-	\$ TBD
Sponsorship	\$ -	\$ TBD
Total Funds	\$ \$1,899.4	\$ TBD

November 2015

- Finalize funding plan for Phase 1 with Local and Regional partners
- Final budget for Phase 1
- Award remaining trade packages except IP Network and Bus Storage
- Implement MTC Phase 1 Cost Review Recommendations:
 - Establish funding partners process to review and approve change orders
 - Consider Maximum Price Guarantee with CM/GC for the remaining construction contracts
- Continue to work with MTC to complete the cost review for Phase 2



Transbay Transit Center

Questions?

