



Board Item No. 13
Approval of Interim Revised
Baseline Budget for Phase 1

November 12, 2015

Transbay Transit Center

TJPA





- **Phase 1 Baseline Budget Status**
- **Phase 1 Construction Cost Update**
- **Phase 1 Interim Revised Baseline Budget**
- **Draft Phase 1 Final Revised Baseline Budget**
- **Funding**
- **Next Steps**



Transbay Transit Center

Phase 1 Baseline Budget

(\$millions)

	Budget (July 2013)	Budget Transfers	Budget (Oct. 2015)
Construction Costs			
TTC Construction*	\$ 933.7	\$ 135.7	\$ 1,069.4
Bus Ramp*	\$ 40.4	\$ 16.0	\$ 56.5
Temp Terminal	\$ 20.7	\$ -	\$ 20.7
Bus Storage*	\$ 16.0	\$ -	\$ 16.0
Utility Relocations	\$ 19.9	\$ 1.2	\$ 21.0
Demolition	\$ 16.5	\$ -	\$ 16.5
CM/GC Costs	\$ 85.6	\$ 2.0	\$ 87.6
Subtotal Construction Costs	\$ 1,132.7	\$ 154.9	\$ 1,287.6
Programwide Costs (Soft Costs)			
Design	\$ 188.5	\$ (9.1)	\$ 179.3
Construction Mgmt	\$ 53.8	\$ 11.2	\$ 65.0
Pre-Construction	\$ 31.3	\$ -	\$ 31.3
Art	\$ 2.0	\$ -	\$ 2.0
ROW	\$ 77.7	\$ (1.1)	\$ 76.6
PMPC	\$ 101.5	\$ -	\$ 101.5
Admin/Legal/Financials/etc.	\$ 125.7	\$ (1.9)	\$ 123.8
Subtotal Soft Costs	\$ 580.3	\$ (0.9)	\$ 579.4
Contingencies and Program Reserve			
CM/GC Contingency	\$ 36.4	\$ (18.1)	\$ 18.3
Construction Contingency	\$ 62.5	\$ (50.0)	\$ 12.5
Program Reserve	\$ 87.5	\$ (86.0)	\$ 1.6
Subtotal Reserves	\$ 186.4	\$ (154.0)	\$ 32.4
Total Phase 1 Program	\$ 1,899.4	\$ -	\$ 1,899.4

*Budget includes design contingency and escalation



Phase 1 Construction Cost Update

Phase 1 Construction Cost Update

Awarded to Date (direct cost)* (\$ millions)

Transit Center	\$ 1,068.77
Utility Relocation	\$ 21.27
Demolition Old Terminal	\$ 15.48
Temporary Terminal	\$ 20.65
Bus Ramp	\$ 56.47
Total Award to Date**	\$ 1,182.64

*Amounts include executed change orders

**Includes award of Column Covers CCO



Major Construction Progress/Retired Risks

Overview

- More than 50% complete.
- \$650 million work performed by all trades to date

Above Grade concrete

- **TG7.2: \$49.5M @ 35%.**
- Last concrete lid pour in Spring, 2016.

Excavation/Shoring

- **TG3.0: \$235M @ 99%.**
- 3500 feet of CDSM shoring wall installed.
- Internal Bracing, Trestle Access and 3 Temporary Bridges installed.
- 640,000 cubic yard excavation completed in February 2014.



Structural Steel

- **TG7.1R: \$192M @ 85%.**
- First above-grade steel arrived on Nov 7, 2014.
- Steel “topping-out” anticipated in January, 2016.
- Over 95% of steel is fabricated.
- 100% of cast nodes complete.

Trainbox

- **TG6.0 \$124M @ 98%.**
- 1896 micropiles installed.
- 10 miles of geothermal piping installed.
- Approximately 110,000 cu yds of concrete poured.



Phase 1 Construction Cost Update

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Remaining Construction Work to be Awarded (\$ millions)

Awards November/December 2015	
TG08.6 Metal Ceilings*	\$ 24.20**
TG08.7 Glass Floors* (CCO to TG08.11)	\$ 15.64**
TG13.1 Roof Park Landscaping & Irrigation	\$ 32.28
Rooftop Park/ Electrical/Mechanical (CCO)	\$ 21.70
TG17.1 Signage/Graphics/Directory Systems*	\$ 3.47
Subtotal	\$ 97.29
Awards Spring 2016	
Overhead Contact System (Muni) (CCO)	\$ 7.85
IP Network	\$ 20.00
Art	\$ 2.18
Subtotal	\$ 30.03
Total to Complete	\$ 127.32
Remaining TTC Trade Package Budget	\$ 0.62
Additional need -- direct cost	\$ (126.70)

* Design Build/Assist

** Amount does not include change orders issued advance work



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Phase 1 Interim Revised Baseline Budget

Phase 1 Interim Revised Budget

(\$millions)	Budget (Oct. 2015)	Budget Adjustment (Parcel F)	Interim Revised Baseline Budget
Construction Costs			
TTC Construction*	\$ 1,069.4	\$ 97.3	\$ 1,166.7
Bus Ramp*	\$ 56.5	\$ -	\$ 56.5
Temp Terminal	\$ 20.7	\$ -	\$ 20.7
Bus Storage*	\$ 16.0	\$ (16.0)	\$ -
Utility Relocations	\$ 21.0	\$ -	\$ 21.0
Demolition	\$ 16.5	\$ -	\$ 16.5
CM/GC Costs	\$ 87.6	\$ 20.9	\$ 108.5
Subtotal Construction Costs	\$ 1,287.6	\$ 102.2	\$ 1,389.8
Programwide Costs (Soft Costs)			
Design	\$ 179.3	\$ -	\$ 179.3
Construction Mgmt	\$ 65.0	\$ -	\$ 65.0
Pre-Construction	\$ 31.3	\$ -	\$ 31.3
Art	\$ 2.0	\$ -	\$ 2.0
ROW	\$ 76.6	\$ -	\$ 76.6
PMPC	\$ 101.5	\$ -	\$ 101.5
Admin/Legal/Financials/etc.	\$ 123.8	\$ -	\$ 123.8
Subtotal Soft Costs	\$ 579.4	\$ -	\$ 579.4
Contingencies and Program Reserve			
CM/GC Contingency	\$ 18.3	\$ 12.4	\$ 30.7
Construction Contingency	\$ 12.5	\$ 42.0	\$ 54.5
Program Reserve	\$ 1.6	\$ 3.4	\$ 5.0
Subtotal Reserves	\$ 32.4	\$ 57.8	\$ 90.1
Total Phase 1 Program	\$ 1,899.4	\$ 160.0	\$ 2,059.4

*Budget includes design contingency and escalation



- Award remaining schedule critical trade packages/scope
 - TG08.6 Metal Ceilings \$ 24.20 (Nov)
 - TG08.7 Glass Floors (CCO to TG08.11) \$ 15.64 (Nov)
 - TG13.1 Roof Park Landscaping & Irrigation \$ 32.28 (Nov)
 - Rooftop Park/ Electrical/Mechanical (CCO) \$ 21.70 (Nov)
 - TG17.1 Signage/Graphics/Directory Systems \$ 3.47 (Dec)
 - Subtotal** **\$ 97.29**
- Fund CM/GC costs
- Partially replenish construction contingencies and Program Reserve



Draft Phase 1 Revised Baseline Budget

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

- MTC Phase 1 Cost Review Results: \$295M - \$491M
- MTC Recommendation: \$360M (average of “bottom Up” & “Top Down” at the 70% confidence level)



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Draft Phase 1 Revised Baseline Budget

(\$millions)	Budget (Oct. 2015)	Revised Baseline Budget	Delta
Construction Costs			
TTC Construction*	\$ 1,069.4	\$ 1,196.1	\$ (126.7)
Bus Ramp*	\$ 56.5	\$ 56.5	\$ -
Temp Terminal	\$ 20.7	\$ 20.7	\$ -
Bus Storage*	\$ 16.0	\$ 19.5	\$ (3.5)
Utility Relocations	\$ 21.0	\$ 21.0	\$ -
Demolition	\$ 16.5	\$ 16.5	\$ 0.0
CM/GC Costs	\$ 87.6	\$ 111.6	\$ (24.0)
Subtotal Construction Costs	\$ 1,287.6	\$ 1,441.8	\$ (154.2)
Programwide Costs (Soft Costs)			
Design	\$ 179.3	\$ 179.3	\$ (0.0)
Construction Mgmt	\$ 65.0	\$ 75.9	\$ (10.9)
Pre-Construction	\$ 31.3	\$ 31.3	\$ (0.0)
Art	\$ 2.0	\$ 2.0	\$ 0.0
ROW	\$ 76.6	\$ 76.6	\$ 0.0
PMPC	\$ 101.5	\$ 101.5	\$ (0.0)
Admin/Legal/Financials/etc.	\$ 123.8	\$ 123.8	\$ 0.0
Subtotal Soft Costs	\$ 579.4	\$ 590.3	\$ (10.9)
Contingencies and Program Reserve (70% Confidence Level)			
CM/GC Contingency	\$ 18.3	\$ 35.1	\$ (16.8)
Construction Contingency	\$ 12.5	\$ 69.1	\$ (56.6)
Program Reserve	\$ 1.6	\$ 123.1	\$ (121.5)
Subtotal Reserves	\$ 32.4	\$ 227.3	\$ (194.9)
Total Phase 1 Program	\$ 1,899.4	\$ 2,259.4	\$ (360.0)

*Budget includes design contingency and escalation



Contingencies and Program Reserve (70% Risk Confidence Level)

(\$millions)	Budget (Oct. 2015)	Revised Baseline Budget	Delta
CM/GC Contingency	\$ 18.3	\$ 35.1	\$ (16.8)
Construction Contingency	\$ 12.5	\$ 69.1	\$ (56.6)
Program Reserve	\$ 1.6	\$ 123.1	\$ (121.5)
Subtotal Reserves	\$ 32.4	\$ 227.3	\$ (194.9)

- Total construction contingencies and Program Reserve amount of \$227M is approximately 35% of remaining work.
- Level of proposed construction contingencies and Program reserve exceeds latest assessment by CMO and CM/GC
- TTC team's goal is to complete the TTC project within the 30% risk confidence level utilizing less than \$127M of the \$227M recommended contingencies and Program Reserve amount



Budget Update Recap



Transbay Transit Center

Draft Phase 1 Revised Budget

(\$millions)

	Budget (Oct. 2015)	Budget Adjustment (Parcel F)	Interim Revised Baseline Budget	Future Budget Adjustment	Revised Baseline Budget	Total Budget Adjustment
Construction Costs						
TTC Construction*	\$1,069.4	\$ 97.3	\$ 1,166.7	\$ 29.4	\$ 1,196.1	\$ 126.7
Bus Ramp*	\$ 56.5	\$ -	\$ 56.5	\$ -	\$ 56.5	\$ -
Temp Terminal	\$ 20.7	\$ -	\$ 20.7	\$ -	\$ 20.7	\$ -
Bus Storage*	\$ 16.0	\$(16.0)	\$ -	\$ 19.5	\$ 19.5	\$ 3.5
Utility Relocations	\$ 21.0	\$ -	\$ 21.0	\$ -	\$ 21.0	\$ -
Demolition	\$ 16.5	\$ -	\$ 16.5	\$ -	\$ 16.5	\$ -
CM/GC Costs	\$ 87.6	\$ 20.9	\$ 108.5	\$ 3.1	\$ 111.6	\$ 24.0
Subtotal Construction Costs	\$1,287.6	\$102.2	\$ 1,389.8	\$ 52.0	\$ 1,441.8	\$ 154.2
Programwide Costs (Soft Costs)						
Design	\$ 179.3	\$ -	\$ 179.3	\$ -	\$ 179.3	\$ -
Construction Mgmt	\$ 65.0	\$ -	\$ 65.0	\$ 10.9	\$ 75.9	\$ 10.9
Pre-Construction	\$ 31.3	\$ -	\$ 31.3	\$ -	\$ 31.3	\$ -
Art	\$ 2.0	\$ -	\$ 2.0	\$ -	\$ 2.0	\$ -
ROW	\$ 76.6	\$ -	\$ 76.6	\$ -	\$ 76.6	\$ -
PMPC	\$ 101.5	\$ -	\$ 101.5	\$ -	\$ 101.5	\$ -
Admin/Legal/Financials/etc.	\$ 123.8	\$ -	\$ 123.8	\$ -	\$ 123.8	\$ -
Subtotal Soft Costs	\$ 579.4	\$ -	\$ 579.4	\$ 10.9	\$ 590.3	\$ 10.9
Contingencies and Program Reserve						
CM/GC Contingency	\$ 18.3	\$ 12.4	\$ 30.7	\$ 4.4	\$ 35.1	\$ 16.8
Construction Contingency	\$ 12.5	\$ 42.0	\$ 54.5	\$ 14.7	\$ 69.1	\$ 56.6
Program Reserve	\$ 1.6	\$ 3.4	\$ 5.0	\$118.1	\$ 123.1	\$ 121.5
Subtotal Reserves	\$ 32.4	\$ 57.8	\$ 90.1	\$137.2	\$ 227.3	\$ 194.9
Total Phase 1 Program	\$1,899.4	\$160.0	\$ 2,059.4	\$200.0	\$ 2,259.4	\$ 360.0

*Budget includes design contingency and escalation



Funding

- Three main funding sources remain for Phase 1 financing:
 - Parcel F land sale proceeds
 - Mello-Roos CFD proceeds
 - Surplus net tax increment
- MTC and the City conducting financing due diligence
 - Provided information about timing of need based on \$360M budget increase (includes assumptions about use of contingencies and reserve)
 - Recent meeting to provide detail to both parties on tax increment projections



- Finalize funding plan for Phase 1 Revised Baseline Budget with Local and Regional partners (**target January**)
- Final budget for Phase 1 (**target January**)
- Award remaining trade packages (**scheduled March and April**)



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Questions?

