



Item # 8

DATE June 6, 2018
TO GCTD Board of Directors
FROM Steven Brown, General Manager *SPB*
SUBJECT **Consider Approval of a Revised Budget for the Administration and Operations Facility**

SUMMARY AND RECOMMENDATION

As we pass the one-year point in the construction of the new GCTD Administration and Operations Facility it is necessary to update the total project budget estimate to reflect changes that have occurred over the past several years and to allow for possible changes that may occur in the final few months of the construction. This will be especially useful as the Board of Directors will not meet for an eight-week period from July 11 through September 4, when the construction teams on the site will be very active.

The current total project budget has been \$52.1 million since the start of the project. This budget has included the property acquisition and associated fees, conceptual design, environmental review and clearance and associated fees, appraisal, design, LEED certification, and permit fees. Some costs in areas such as project management, legal support, engineering expenses, traffic impact fees, and estimates for construction inspection and testing have been on-going and will continue through the end of the project. Some expenses such as utility installation, relocation, commissioning and post construction costs, art installation and furnishings will occur in the next few months. To avoid any delays in these final few months it is prudent to authorize the short-term increase to the General Manager's approval authority for costs for this project.

It is recommended that the Board of Directors approve an updated Administration and Operations Facility Budget of \$53 million and authorize the General Manager to approve any change orders up to \$250,000 during the time the Board of Directors are not in session, subject to ratification at a future meeting.

BACKGROUND

On February 1, 2017 the Board approved the award of a contract to Icon West in the amount of \$35,747,000 for the construction of the new Gold Coast Transit District Administration and Operations facility. The approval included authority to approve an additional \$179,735 in change orders. In February of 2018 the Board approved the award to Icon West of an additional \$299,279 to exercise Option #1 in the original bid for the additional pavement in the bus parking area. Funds were available in the existing budget at that time, and it was prudent to incorporate that option as future costs to add that pavement would be much more expensive, possible up to as much as \$1 million. Construction to date has gone well and it appears that the contractor, Icon West, will complete the project on time and within their contract budget.

The revenues for this project have come from Federal, State, and Local sources, including \$15 million from the Federal Bus Facility Grant, over \$1 million in Federal Formula funds, nearly \$12 million in State grants including interest and \$22 million in Certificates of Participation. The increased State funds received in the last few years have reducing the need to use Capital Reserve by almost \$1 million.

In 2015 the contingency was estimated to be \$1,606,788 as part of the \$52.1 million budget. In 2017 the contingency was \$2,081,788 as some tasks were completed and updated costs were known for some upcoming tasks. In the current year, the contingency in the budget is slightly more than \$1.3 million. Some expenses have exceeded their originally estimated cost that were included in the \$52.1 million budget causing the contingency to be reduced. Currently some change orders are being reviewed and have not been approved. It is reasonable and prudent for GCTD's management to increase the total project budget to be prepared for the unexpected and to allow for any delays or additional changes that may come about due to natural causes or cost increases from outside agencies and entities.

The proposed GCTD budget for FY 2018/2019 that is on the agenda for this meeting includes this new budget amount of \$53 million in the Capital Budget section in anticipation of the approval of this change. The next page of this report is a summary of the budget and tasks showing the revised contingency allowance that comprise the \$53 million total project cost. Funds are available to cover these expenses.

RECOMMENDATION

It is recommended that the Board of Directors approve an updated Administration and Operations Facility Budget of \$53 million and authorize the General Manager to approve any change orders up to \$250,000 during the time the Board of Directors are not in session, subject to ratification at a future meeting.

Gold Coast Transit District Administration and Operations Facility Budget

Item	Task	Budget
Land	Property Acquisition and Realtor Fees	\$ 8,670,000
Design	Pre-Planning, Conceptual Design, Environmental, Appraisal, Designer	\$ 3,123,212
Design	LEED Certification, Permit Fees; Project Mgmt and Legal Support	\$ 1,315,000
Construction	LEED Certification, Consultant Support, Contractor, Furnishings, Inspection/Testing	\$ 37,602,605
Construction	Utilities (Gas, Water, Sewer, Storm Drain), Relocation, Commissioning and Post Construction, Legal Support, City of Oxnard Traffic Impact Fees, Art	\$ 950,000
Other	Contingency	\$ 1,339,183
	TOTAL BUDGET	\$ 53,000,000