San Francisco County Transportation Authority

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Memorandum

Date: July 16, 2019

To: Transportation Authority Citizen Advisory Committee

From: Eric Cordoba – Deputy Director for Capital Projects

Subject: 07/24/2019 Citizen Advisory Committee Meeting: Progress Report for Van Ness Avenue Bus Rapid Transit Project

RECOMMENDATION ☒ **Information** ☐ **Action**

None. This is an information item.

SUMMARY

This is the monthly progress report on the Van Ness Avenue Bus Rapid Transit (BRT) project requested by the CAC. The project incorporates a package of transportation improvements along a 2-mile corridor of Van Ness Avenue between Mission and Lombard streets, including dedicated bus lanes, consolidated transit stops, and pedestrian safety enhancements. The cost of the BRT project is $169.6 million. The BRT project is part of an overall larger Van Ness Improvement Project, totaling $309.3 million, which combines the BRT project with several parallel infrastructure upgrade projects. The San Francisco Municipal Transportation Agency (SFMTA) and their contractor Walsh Construction are leading the construction phase effort. Utility construction is the current critical work activity. The project is approximately 36.36% complete. The construction team has reached the halfway mark for sewer and water work and will increase installation between Mission and Market streets. The construction team also continues to reconstruct sidewalks and install new street light poles along both sides of Van Ness Avenue. On July 16, 2019 The SFMTA Board approved contract modifications to resolve two contractor claims for unavoidable delays resulting from sewer and water works. The contract modifications will increase the contract amount by $4.8 million, to be paid for from the project's budgeted contingency, and extend the contract duration by 279 days. There is no change to the previously reported late revenue service start date anticipated in late 2021.

- ☐ Fund Allocation
- ☐ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☒ Capital Project Oversight/Delivery
- ☐ Budget/Finance
- ☐ Contract/Agreement
- ☐ Other:

DISCUSSION

Background.

The Van Ness Avenue BRT aims to bring to San Francisco its first BRT system to improve transit service and address traffic congestion on Van Ness Avenue, a major north-south arterial. The Van Ness Avenue BRT is a signature project in the Prop K Expenditure Plan, a regional priority through

the Metropolitan Transportation Commission's Resolution 3434, and a Federal Transit Administration Small Starts program project.

The construction of the core Van Ness Avenue BRT project, that includes pavement resurfacing, curb ramp upgrades and sidewalk bulb outs, is combined with several parallel city-sponsored projects for cost, construction duration and neighborhood convenience. These parallel projects, which have independent funding, include installing new overhead trolley contacts, street lighting and poles replacement; SFgo traffic signal replacement; sewer and water line replacement; and storm water "green infrastructure" installation.

Status and Key Activities.

The construction team continues to work along multiple sections of Van Ness Avenue with different activities along the corridor. Ranger Pipeline continued to install water main at Otis, Mission, California, and Pine street intersections. Ranger also began installing sewer work between Mission and Market streets.

Bauman Landscape and Construction continued sidewalk replacement on the west side of Van Ness Avenue between Hayes and Grove streets, Eddy and Ellis streets, and O'Farrell Street and Geary Boulevard. Baumann also continued sidewalk replacement on the east side of Van Ness Avenue between Greenwich and Lombard streets. Bauman completed sidewalk installation on the west side of Van Ness Avenue between Fell and Hayes streets and on the east side of Van Ness Avenue between Broadway and Filbert Street. Bauman installed curb, gutter, and parking installations on the west side of Van Ness Avenue between Fell and Grove streets and on the east side of Van Ness Avenue between Clay and Washington streets.

As previously reported, the project team discovered that parts of Van Ness Avenue do not have existing concrete base layer beneath the asphalt layer. The City's typical roadway cross section consists of three inches of asphalt on top of eight-inches of concrete base, but parts of Van Ness Avenue only have eight to twelve inches of asphalt without any concrete base. SFMTA has elected to direct the contractor to install the necessary concrete base at specific locations along the corridor to meet the City's typical cross section requirement. Bauman also completed road base installation on the west side of Van Ness Avenue between Fell and McAllister streets and on the east side of Van Ness Avenue between Clay and Washington streets. Bauman continues to install curb, road base, and parking strip on the east side of Van Ness Avenue between Sacramento and Clay streets.

Phoenix Electric began installation of traction power cables between Fell and Ellis streets. Phoenix installed street light pole foundations between Hayes to McAllister streets and between Pine and Washington streets. Phoenix continued to install traffic signals and street light conduits between Bush to Washington streets and street light poles at various locations along both sides of Van Ness Avenue. Bauman also started removal of some of the existing poles between McAllister and Sutter streets as well as between Union and Lombard streets.

Van Ness Avenue continues to accommodate two lanes of northbound and southbound traffic along the corridor project limits. The project team is using temporary traffic control measures such as channelizer traffic cone and variable message signs to direct traffic. Temporary bus stop platforms have also been installed or relocated nearby as needed. The project team began shifting traffic lanes

on certain blocks to accommodate the relocation of construction zones to opposite sides. The traffic lane shift will take place over several weeks.

SFMTA project staff continues to host monthly Van Ness Business Advisory Committee meetings to provide project updates and address issues businesses are having on Van Ness Avenue. Technical advisory services are also provided to impacted businesses by the Office of Economic and Workforce Development's Open for Business program including legal assistance services, financial assistance, training and technical assistance, grant and loan programs. The increased duration of the project's construction continues to concern businesses along the corridor.

The SFMTA Board gave approval to the Van Ness Improvement Project on July 16 to resolve two contractor claims filed by Walsh for unavoidable delays resulting from sewer and water issues. The San Francisco Public Utilities Commission also provided analysis and agreed to the resolution of both claims. The contract modification increases the contract amount by $4.8 million for a total contract amount not to exceed of $213 million. The modification also extends the contract duration by 279 days. This doesn't impact the previously reported revenue service date. Walsh's Claim No. 1 was for $6.7 million and 279 compensable days of delay. Walsh's Claim No. 2 was for $12 million for sewer and water subcontract which was higher than the price negotiated with the City. The project's allocated allowance and contingency will cover the additional $4.8 million approved contract increase negotiated for Claim No. 1. Of the claimed 279 days, the agreement finds 135 days of delay are justifiable and the balance of 144 delay days will be a non-compensable time extension. For Claim No. 2, the project team found no merit, and Walsh agreed not to pursue that claim.

Project Schedule, Budget and Funding Plan.

The project is approximately 36.36% complete, compared to 34.5% complete reported in June to the CAC. The original late 2019 BRT service start date has been revised to December 2021 (Attachment 1) due to construction difficulties. Walsh Construction expenditures to date totaled $88.9 million out of the $213 million contract amount for the Van Ness Ave Improvement Project.

The funding plan is unchanged from last month and still includes a $9.8 million funding need, which currently falls within the approximately $27.5 million contingency for the project. SFMTA intends to address this funding gap during its next Capital Improvement Program update planned for mid-2020. Meanwhile, the SFMTA is seeking additional sources of funds and considering deferring uninitiated projects to fill the anticipated Fiscal Year 2020/21 budget need, toward the end of construction and project closeout. We have requested, but not yet received, updated information on soft costs (e.g. city agency labor). We hope to have that information by the CAC meeting.

Current Issues and Risks.

The project is currently more than a year and half behind schedule due to challenges securing a utility subcontractor and the extent of utility conflicts encountered in the field. Unanticipated existing water and sewer pipe conditions required design changes such as resequencing of construction, resizing of new pipes, or slip-lining existing sewer lines instead of installing new lines. As previously reported, efforts to mitigate project delay have been offset by the need to install new concrete base at various locations along Van Ness Avenue which in turn has increased the scope of the project including

additional contract work days. Lastly, identifying $9.8 million to fully fund the project contingency as mentioned above, remains an issue.

FINANCIAL IMPACT

None. This is an information item.

CAC POSITION

None. This is an information item.

SUPPLEMENTAL MATERIALS

Attachment

1 – Project Schedule

Attachment 1: Van Ness Avenue BRT Project Schedule

Activities	2013				2014				2015				2016				2017				2018				2019				2020				2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Conceptual Engineering + Environmental Studies*																																								
2. Preliminary Engineering (CER)																																								
3. Final Design																																								
4. Construction Manager-General Contractor Process																																								
5. Construction																																								
6. Revenue Operations Begin																																								

* Conceptual Engineering and Environmental Studies began in 2007

Key: Currently Scheduled | Late Start since last report | Late Finish since last report

Date: June 20, 2019