

# 2014 FRA Rail Program Delivery



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Transbay Joint Powers Authority***





# ***Risk Assessment***

## **Risk Assessment Report May 2013**

- Basis of budget revision July 2013

## **Risk Refresh with FRA & FTA Spring 2014**

- Collaboration with FRA & FTA
- Jointly held risk workshop
- Sharing of “Stripped and Adjusted” Baseline Cost Estimate
- Sharing of risk model results



# ***Risk and Contingency Management Plan***

- **Establishes Risk Mgmt Committee “RMC”**
- **Sets milestone dates** (cost, schedule)
- **Contingency draw down curves** (cost, schedule)
- **Risk Register and Mitigation Plans**



# ***Risk Milestone #2***

**May 2014**

- ***Committed:***
  - Superstructure Concrete
  - Bus Ramps
  - Glazing
- ***Completed:***
  - Zone 4 excavation
  - Zone 1 Lower concourse slab

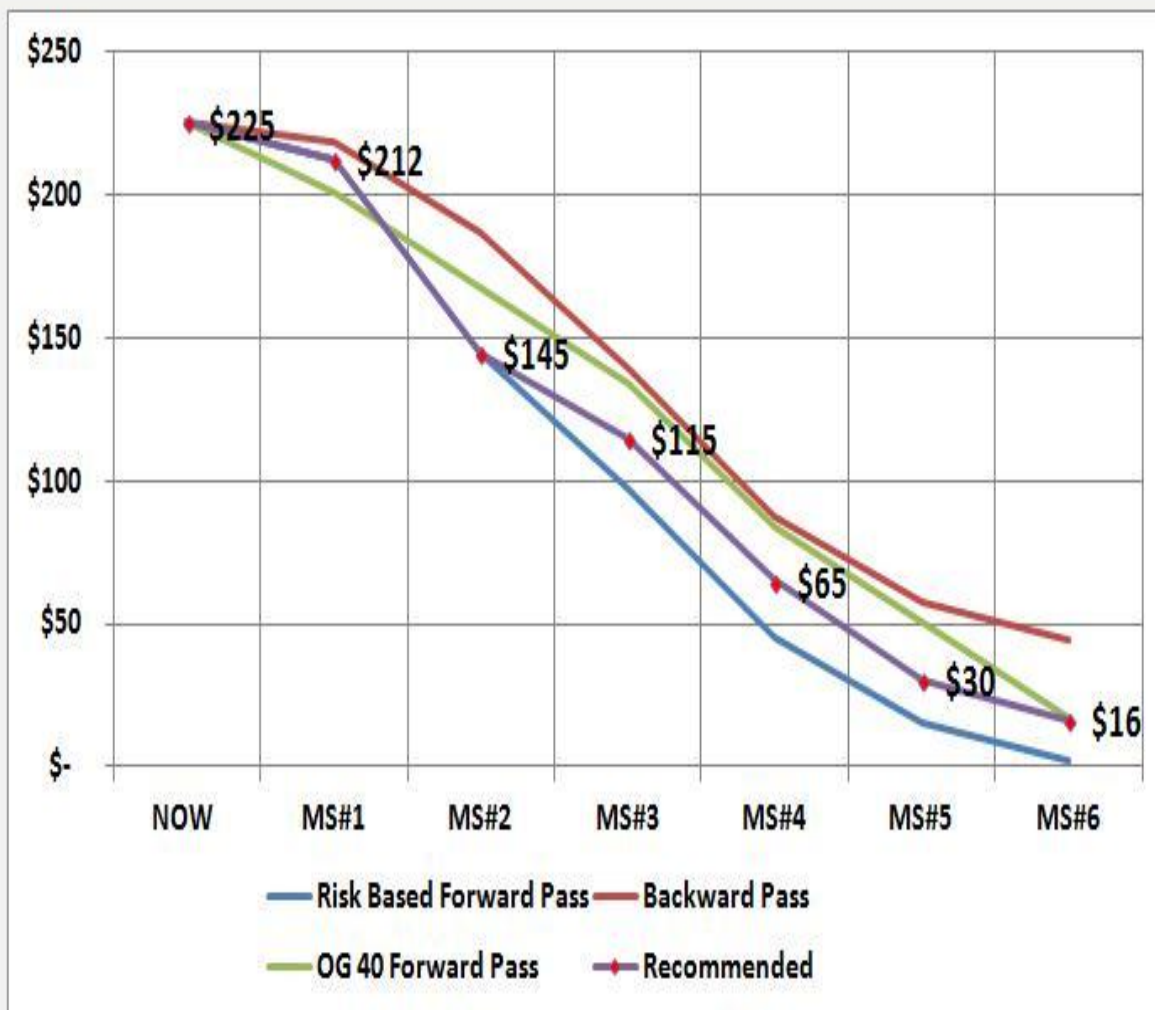


# Contingency Draw Down

Cost Contingency Draw Down  
Based on an SABCE of \$1.674 B and a revised total Budget of \$1.9 B

All figures Millions YOE

Milestone	Risk Based Forward Pass	Backward Pass	OG 40 Forward Pass	Recommended
NOW	\$ 225	\$ 225	\$ 225	\$ 225
MS#1	\$ 212	\$ 218	\$ 201	\$ 212
MS#2	\$ 145	\$ 187	\$ 168	\$ 145
MS#3	\$ 97	\$ 139	\$ 134	\$ 115
MS#4	\$ 45	\$ 87	\$ 84	\$ 65
MS#5	\$ 16	\$ 58	\$ 50	\$ 30
MS#6	\$ 2	\$ 44	\$ 17	\$ 16



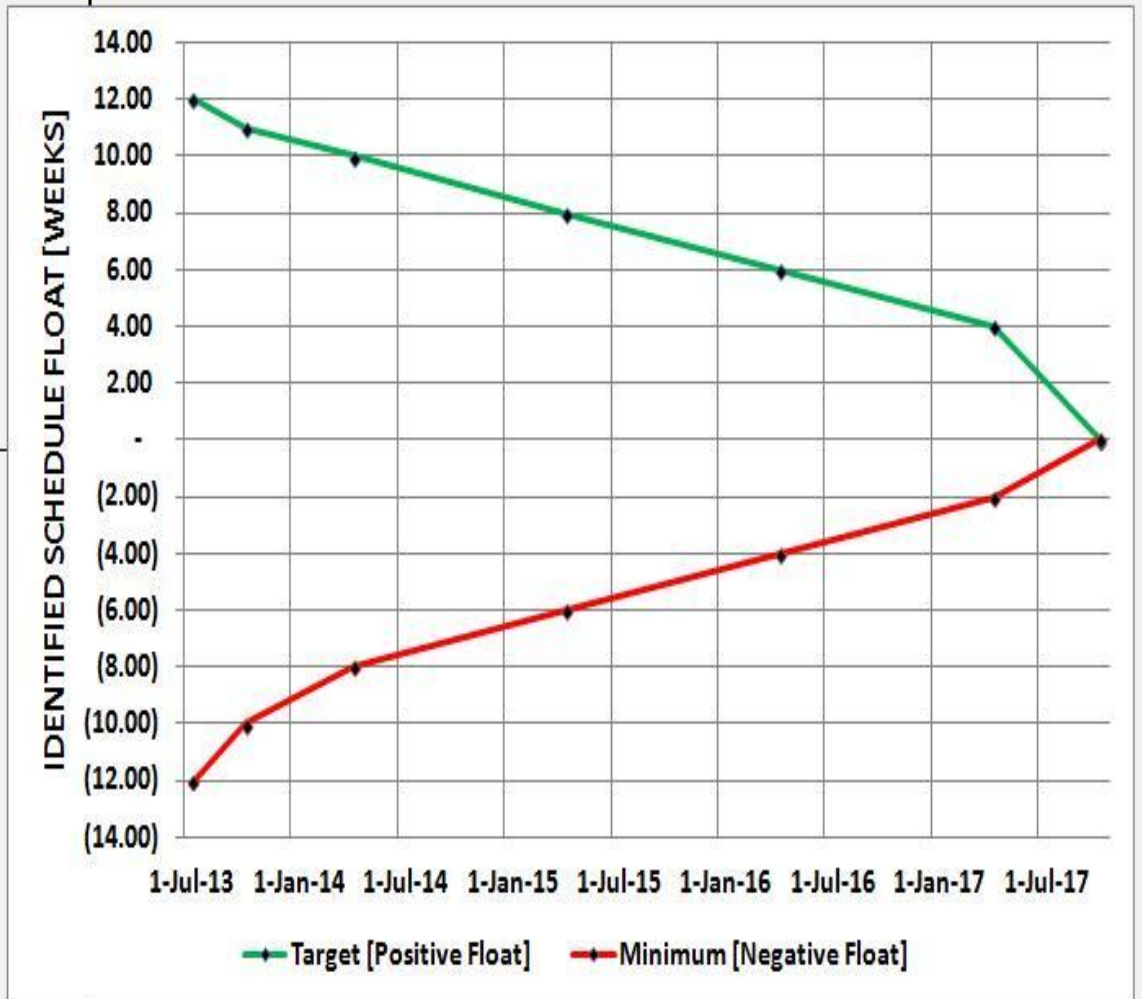


# Schedule Contingency

Schedule Contingency Draw Down  
Based on start Bus Operations Oct 17th  
2017

Assumes 12 weeks Latent Float in current  
Master Schedule

Milestone	Target [Positive Float]	Minimum [Negative Float]
1-Jul-13	12.00	(12.00)
1-Oct-13	11.00	(10.00)
1-Apr-14	10.00	(8.00)
1-Apr-15	8.00	(6.00)
1-Apr-16	6.00	(4.00)
1-Apr-17	4.00	(2.00)
17-Oct-17	-	-





# ***Risk Management Committee***

## **Quarterly Meetings**

- Review Risk Register, verify risk ratings
- Identify new risks / retire old risks
- Review each Risk Mitigation Plan “RMP”
- Secondary mitigation measures
- Roundtable: what keeps you awake at night?
- Identify issues for follow up



# ***Quarterly Risk Report***

- **Minutes of the RMC**
- **Risk Refresh**
- **Current**
  - Risk Register
  - RMPs
  - Schedule analysis





# ***Risk Register***

**Currently 21 risks, 4 are significant:**

- Market pricing of remaining bid packages
- Lack of coverage from the bidding community could result in bid overages
- Delays in securing additional funding
- Potential for claims



# ***An RMP for Every Risk***

## **Example Risk:**

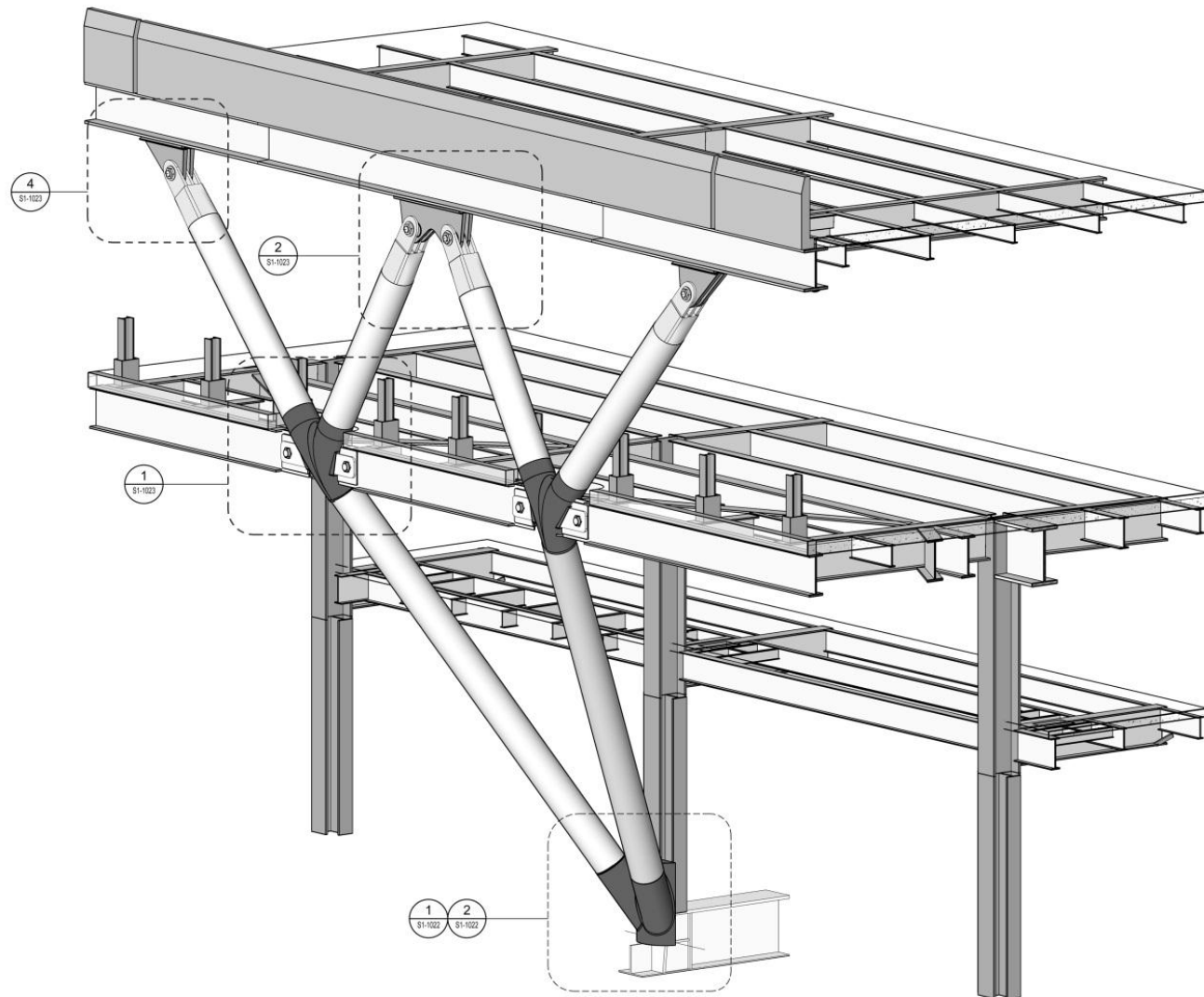
*Potential for interface conflicts in the structure.*

## **Example RMP:**

- *Use BIM*
- *Continuous shop inspections*
- *Shop fit up – trial assembly of basket column*
- *QMS plan for cast nodes*
- *TJPA, CM/GC, and A/E shop visits*

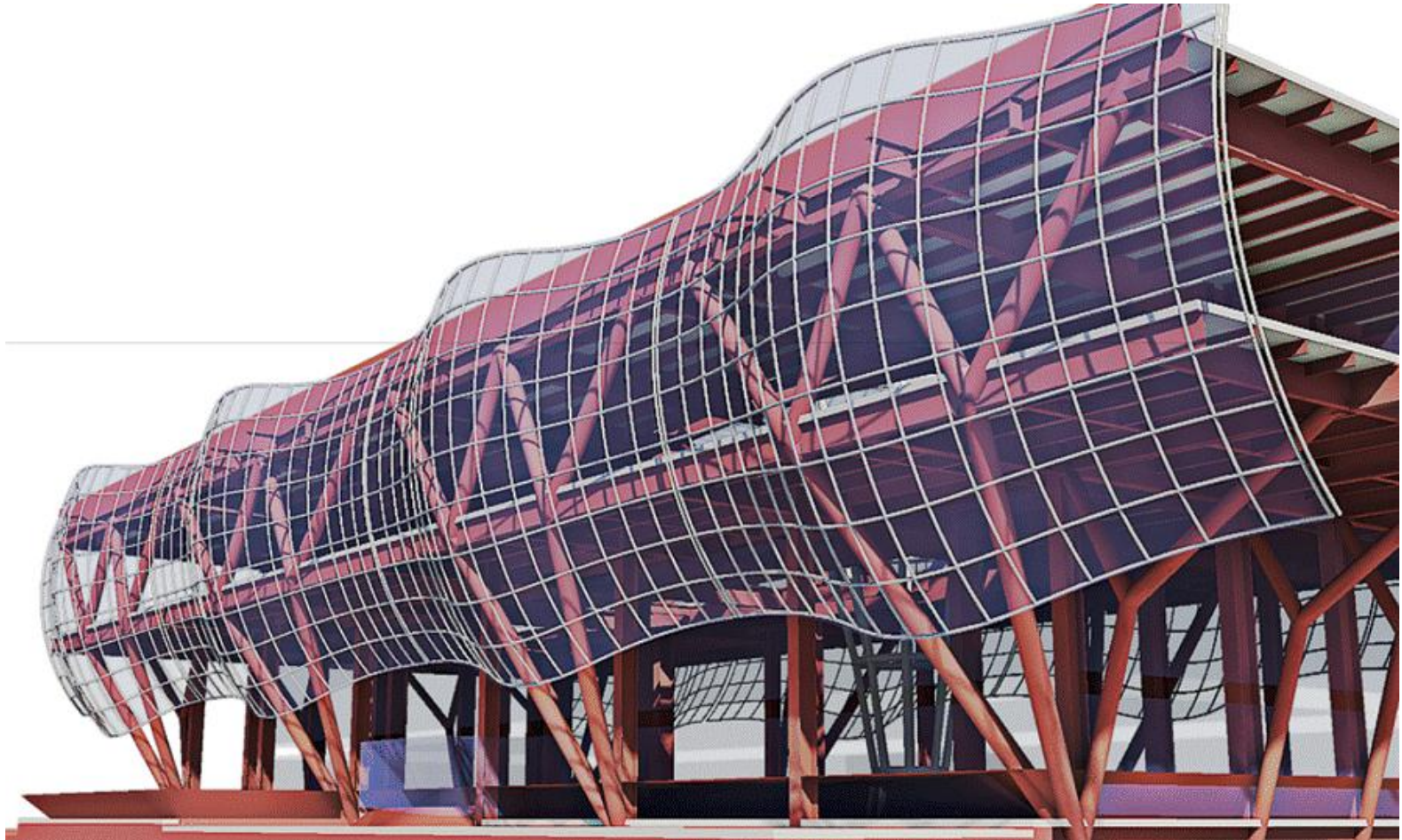


# *Cast Nodes*





# ***Cast Nodes***



# *Cast Node at Foundry*





# ***Market Conditions and Bidding Pool Risks***

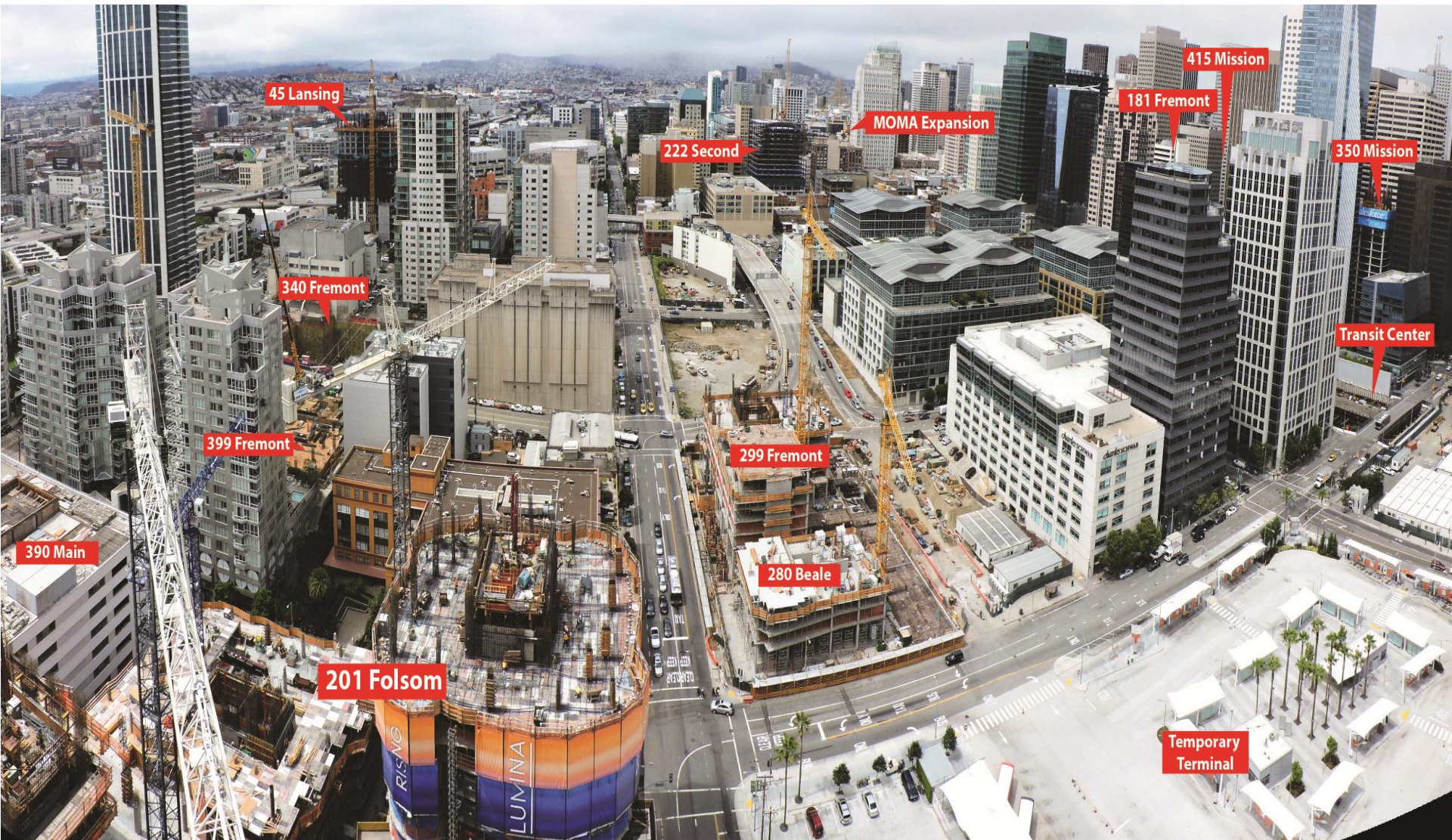
- In San Francisco
  - 62 Residential Projects, 40,000 Units to complete before 2017
  - 31 Commercial buildings, 13M sq.ft. to complete before 2017
- In Silicon Valley
  - Anticipating over \$9 billion in commercial projects including the Apple, Google, Nexus, Stanford, and Facebook projects



# ***Transbay Project Area (before)***



# *Transbay Project Area (now)*







# ***Transbay Project Area (future)***





# ***Saylor Bidder Survey***

## **Recommendations:**

- Update estimates to capture current market pricing
- Review CDs and bid manual to eliminate perceived design-build responsibility
- Provide flexibility through use of performance specifications
- Minimize narrow design tolerances and/or provide greater flexibility
- Review general requirements
- Survey SBE availability for trade packages



# ***Contractor Outreach***

- Undertake additional bidder outreach to clarify scope of work for upcoming trade packages
- Streamline bidding manual language/clarify language
- Remove constraints on design-build work
- Implement Subguard insurance for subcontractors
- Continue to streamline payment processing
- Continue aggressive SBE outreach, update SBE goals



# ***Risk Management Works***

**The Risk Assessment process allows the team to look ahead, evaluate and prepare options, and be ready to take action when necessary.**

**Secondary mitigation measures for schedule and cost are defined and can be implemented in real time.**

**The team's time and attention is focused in the right place!**



# Questions?

