




MEMORANDUM

December 10, 2021

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. John Burton
Hon. Gail Gilman
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request authorization to advertise for competitive bids for Construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 21-50

Executive Summary

Port staff requests that the Port Commission authorize the advertisement for competitive bids for Construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement (the "Project"). The Project is located in the Southern Waterfront in between the Pier 70 Shipyard and Crane Cove Park (see Exhibit "A" for Area of Work Location Map). Funding is provided by Port capital.

The proposed scope of work includes: removal of an underground pipeline contaminated by polychlorinated biphenyls ("PCBs"), placing carbon-amended backfill to remediate PCBs, regrading existing soil stockpiles onsite, and placing durable cover over the entire unpaved site to create a level surface with positive drainage. This work will address environmental issues as well as prepare the site for future leasable space. The Engineer's Construction Cost Estimate, including a 10% contingency, is \$1,420,000.

Strategic Objective

This Project supports the goals of the Port's Strategic Plan as follows:

Resiliency: This Project will raise the grade by approximately 2 ½ feet at the site to provide resilience to sea level rise.

Equity: Port construction contracting will provide job opportunities that will have local hiring and LBE requirements. Port staff will perform outreach to contractors from historically disadvantaged communities.

Sustainability: This project will honor the Port's commitment to the Regional Water Quality Control Board to provide a remedy for contaminated native soil at Pier 70 as described in the Pier 70 Risk Management Plan. Additionally, this project will remove an existing storm drainpipe that was discovered to have PCB contamination, which will prevent contamination from entering the Bay.

Productivity & Stability: The project prepares this space for potential future tenants.

Project Description

This site is formerly part of the Pier 70 Shipyard and is east of Crane Cove Park. In recent years, it has been space used for a variety of purposes, including storage of the cranes for Crane Cove Park and soil stockpiles, and staging for Crane Cove Park construction. It also houses Shipyard Buildings 30, 50 and 110. The Port recently initiated a lease (Port Commission Resolution 21-41) with the marine contractor Silverado to use the adjacent area to the east for lay down space and to dispose of small watercraft. In addition to the environmental mitigation efforts, this project will create more leasable space for this tenant and future tenants by grading the site and creating an even surface.

In 2013, the "Pier 70 Risk Management Plan" ("RMP") was approved by the San Francisco Bay Regional Water Quality Control Board ("Water Board"). This document describes how workers, the public, and the environment will be protected from existing environmental pollutants in soil and groundwater at Pier 70. The goal of the project is to comply with the requirements of the Risk Management Plan to remedy for contaminated native soil at Pier 70 by covering the exposed native soil with "durable cover." In this Project, the design consisted of specifying durable cover with 6 inches of gravel on the majority of the site. The area in question was originally going to be part of a "Phase 2" of Crane Cove Park; however there are no longer plans for a Phase 2 and the native soil in this area requires durable cover to be installed per the RMP.

Additionally, a contaminated storm drainpipe was discovered during the construction of adjacent Crane Cove Park. The pipe was found to contain PCBs. At the time, the pipe had been draining into the Bay and it was immediately plugged. Conversations between the Port and EPA began immediately regarding the appropriate remediation. The EPA has approved the Port's work plan included in this construction contract to remove and dispose of the contaminated pipe, place a layer of activated carbon at the bottom of the excavation, and then backfill the area, with concrete on top. The activated carbon binds

contaminants, including any residual PCBs in soil, effectively preventing contaminants from migrating into groundwater.

A summary of the scope of work is:

- Remove and dispose of PCB-contaminated storm drainpipe. Backfill trench.
- Clear and grub site of plants and debris to prepare for grading.
- Grade site to spread out soil stockpiles across approximately 100,000 square feet.
- Place 6 inches of gravel across entire site to cap the native soil.

Budget and Funding

The Engineer's construction cost estimate, including a 10% contingency for this proposed Project, is \$1,420,000. The funding will come from Port capital set aside as part of the Capital Improvement Plan budget. The project is anticipated to be bid as a design-bid-build low bid project.

Local Business Enterprise Role/Opportunities

The Contract Monitoring Division (CMD) enforces the City's Administrative Code Chapter 14B, the Local Business Enterprise and Non-Discrimination in Contracting Ordinance. The ordinance establishes 10% bid discounts for Local Business Enterprise ("LBE") prime contractors and empowers CMD to set LBE subcontractor participation goals based upon availability of LBE firms to complete the type of work included in the Contract. CMD staff have reviewed the Contract scope and funding sources for this Contract, and established a 20% LBE subcontractor participation goal. (Refer to Exhibit B – CMD Memorandum).).

Port staff will work with CMD staff on outreach to construction contractors located in San Francisco to encourage bidding by LBE contractors. Staff's outreach will include phone calls and emails to LBE contractors, newspaper advertisements, and facilitating introductions at the pre-bid meeting.

San Francisco Local Hiring Ordinance

The proposed Contract will comply with the City's Local Hiring Ordinance which went into effect on March 25, 2011. The mandatory participation level that is currently in effect and applicable for this Contract is 30% of all project hours within each trade performed by local residents, with no less than 15% of all project work hours within each trade performed by disadvantaged workers. The Office of Economic and Workforce Development administers the Local Hiring Ordinance.

Regulatory Permits & Approvals

This work requires notification to and/or approval from several regulatory agencies as well as a Port Building Permit. The major regulatory approvals and current status are shown in Table 1.

Table 1: Permitting & Approval Summary

<u>Agency</u>	<u>Permit or Approval Required and Status</u>
San Francisco City Planning – Environmental Analysis	City Planning is the lead agency ensuring compliance with the California Environmental Quality Act (CEQA). This project will be conducted in accordance with the Portwide Maintenance Program, for which work has been determined by City Planning to be categorically exempt from CEQA.
U.S. Army Corps of Engineers (Army Corps)	The Army Corps has jurisdiction over work in the intertidal zone. Work in the intertidal zone for this project will be authorized under the Port’s Regional General Permit for Portwide Maintenance Activity.
Bay Conservation and Development Commission (BCDC)	BCDC has jurisdiction over work in the bay and shoreline band (within 100 ft. of Mean High Water). This project will be authorized under the Port’s BCDC permit M77-17 for Portwide Maintenance or other BCDC permit.
City and County of San Francisco Department of Public Health (DPH)	DPH regulates excavation and other dust-generating construction activity under the Health Code and has review and approval authority over soil-disturbing work within the Pier 70 RMP area. As required by the RMP, notification of proposed work for this project will be submitted to DPH 45 days prior to beginning work. A project-specific dust control plan will be submitted after the contract is awarded and before work begins.
Regional Water Quality Control Board (Water Board)	The Water Board is the lead agency with regulatory authority over site cleanup at Pier 70 through implementation of the Pier 70 RMP. The Water Board approved the Port’s Work Plan for this project in May 2021. The Waterboard will receive additional project-specific plans to review after the contract is awarded and before work begins.
U.S. Environmental Protection Agency (EPA)	EPA is the primary agency with authority to implement the federal Toxic Substances Control Act, which regulates use, management, and disposal of PCBs. The EPA approved the Port’s Work Plan for this project in May 2021.
Port of San Francisco Building Permit	Permit to be secured prior to start of work

Schedule

The anticipated contract schedule is as follows:

Port Commission Authorization to Advertise Contract	December 2021
Advertise for Bids	December 2021
Port Commission Approval of Award of Contract	February 2022
Substantial Completion	August 2022
Final Completion	October 2022

Summary

Port staff is prepared to seek bids for the Pier 70 Shipyard Grading and Abatement contract and therefore respectfully asks the Port Commission for authorization to advertise for competitive bids for this Construction Contract No. 2843.

Prepared by: Erica Petersen
Project Manager

Prepared for: Rod K. Iwashita
Chief Harbor Engineer

Exhibits:

- A. Area of Work Location Map
- B. CMD Memorandum

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 21-50**

WHEREAS, Port staff seeks Port Commission authorization to solicit competitive bids for construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement (the “Contract”); and

WHEREAS, the scope of work for Contract No. 2843 includes removal of a pipe contaminated by polychlorinated biphenyls (“PCBs”), placing activated carbon to remediate PCBs, regrading existing stockpiles onsite and placing durable cover to create a level surface with positive drainage; and

WHEREAS, the Engineer’s construction cost estimate, including a 10% contingency, is \$1,420,000; and

WHEREAS, the estimated Contract cost for the full bid package, including a 10% contingency, will be funded by Port capital; and

WHEREAS, Port staff will secure permits and approvals prior to construction; and

WHEREAS, CMD staff have reviewed the Contract scope and funding sources for this Contract, and established a 20% LBE subcontractor participation goal; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes Port staff to advertise for and accept competitive bids for construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 14, 2021.

Secretary

EXHIBIT A
AREA OF WORK LOCATION MAP



EXHIBIT B
CMD Memorandum



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



London N. Breed, Mayor
Carmen Chu, City Administrator

Romulus Asenloo, Director

MEMORANDUM

Date: November 8, 2021

To: Erica Petersen, Port of San Francisco

From: Alysabeth Alexander-Tut, CMD

Subject: 2843 Pier 70 Shipyard Uplands—LBE Subcontracting Requirement Memo

The Contract Monitoring Division (“CMD”) has completed its review of the Engineer’s Estimate for subcontracting opportunities on the above referenced project amendment. Based on this review and the Local Business Enterprise (“LBE”) availability data, the LBE subcontracting participation requirement on the total dollar amount is **20.00%** for this project.

The LBE subcontracting participation requirement for this Contract is 20.00%. CMD Attachment 1 pertains to this contract.

Pursuant to Sec. 14B.9 of the Administrative Code, bidders are hereby advised that the availability of Minority Business Enterprises (MBE), Women Business Enterprises (WBE) and Other Business Enterprises (OBE) to perform subcontract work on this project is as follows:

8.2% MBE; 2.6% WBE; 9.2% OBE;

Bidders are further advised that they may not discriminate in the selection of subcontractors on the basis of race, gender, or any other basis prohibited by law, and that they shall undertake all required good faith outreach steps in such a manner as to ensure that neither MBEs nor WBEs nor OBEs are unfairly or arbitrarily excluded from the required outreach.

Should you have any questions, please feel free to contact Alysabeth Alexander-Tut at Alysabeth.alexander-tut@sfgov.org.