



## MEMORANDUM

July 7, 2023

**TO:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Steven Lee  
Hon. Ed Harrington

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT:** Request authorization to advertise for competitive bids for Construction Contract No. 2796, South Beach Marina Repairs.

**DIRECTOR'S RECOMMENDATION:** Approve the Attached Resolution No. 23-35

---

### EXECUTIVE SUMMARY

Port staff requests the Port Commission authorize the advertisement for competitive bids for Construction Contract No. 2796, South Beach Marina Repairs (the "Project"). The Project is located at Pier 40 (see Exhibit "A" for Area of Work Location Map). Funding is provided by the South Beach Harbor capital fund.

The proposed scope of work includes the replacement of in-kind material for damaged/missing timber walers, bumper strips, and dock hardware; installation of supplemental floatation on concrete floats to restore freeboard; rust removal; concrete spall and crack repair; and replacement of plywood gussets with HDPE material. There will also be an additive alternate scope of work to replace floats located at Docks A, D, and G. This work will address deferred maintenance of the docks used by recreational boaters. The outcome of this Project will provide a safer and more reliable space for the recreational boating community. The engineer's construction cost estimate, including a 10% contingency, is \$2,750,000.

## **STRATEGIC OBJECTIVE**

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

### Productivity:

The Project will keep the docks functional, accessible, and reduce hazards to the recreational boaters who currently make use of the space. The Project will reduce downtime of the docks due to maintenance work.

### Stability:

This project will address deferred maintenance of the docks that serve recreational boating activities. The Project will help generate additional revenue for the Port by maximizing the total number of berths available for rent.

## **PROJECT DESCRIPTION**

The docks at the South Beach marina have fallen into disrepair due to deferred maintenance and damage sustained during extreme weather events. The Project will repair all critical infrastructure to reduce future maintenance work for the Port. The Project includes the construction and replacement of in-kind material for damaged/missing timber walers, bumper strips, and dock hardware; installation of supplemental floatation on concrete floats to restore freeboard; rust removal; concrete spall and crack repair; and replacement of plywood gussets with HDPE material on the docks to keep them in working condition to maximize their remaining service life. There will also be an additive alternate scope of work to fully replace floats located at Docks A, D, and G. Additive alternate items are additional items of work that may be awarded as part of the contract if the bids come within available funding.

## **BUDGET AND FUNDING**

The engineer's construction cost estimate, including a 10% contingency for this proposed Project, is \$2,750,000. The funding will come from the South Beach Harbor capital fund. The Project will 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 on the 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 3% LBE subcontractor participation goal. (Refer to Exhibit B – CMD Memorandum). This percentage is lower than some other recent contracts due to the specialized nature of overwater work. Materials are also specialized to be able to withstand the marine environment and skew the typical ratio of material to labor costs, resulting in relatively low labor costs.

Port staff will work with CMD staff on outreach to construction contractors located in San Francisco to encourage bidding by LBE contractors. Staff 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 San Francisco Local Hiring Policy for construction, San Francisco Administrative Code section 6.22(g). The mandatory participation level currently in effect and applicable for this contract is 30% of all project hours within each trade performed by local residents. At least 50% of the project work hours performed by apprentices within each trade will be performed by local residents. 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 their status are shown in Table 1. Due to the nature of the work (repair of existing facilities) and existing permits for such work, the regulatory agencies will require prior notification.

**Table 1: Permitting & Approval Summary**

<b>Agency</b>	<b>Permit or Approval Required and Status</b>
CEQA	Existing Portwide CEQA Categorical Exemption for Ongoing Maintenance
BCDC	Existing Permit for Portwide Maintenance
USACE	Existing General Permit for Portwide Maintenance
RWQCB	Existing General Permit for Portwide Maintenance
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	July 2023
Advertise for Bids	July 2023
Port Commission Approval of Award of Contract	September 2023
Substantial Completion	July 2024

## **SUMMARY**

Port staff is prepared to seek bids for the South Beach Marina Repairs contract and therefore respectfully ask the Port Commission for authorization to advertise for competitive bids for this Construction Contract No. 2796.

Prepared by: Noel Aquino, Project Manager

For: Rod K. Iwashita, Chief Harbor Engineer

Attachments: Exhibit A - Area of Work Location Map  
Exhibit B - CMD Memorandum

**PORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO**

**RESOLUTION NO. 23-35**

WHEREAS, Port staff seeks Port Commission authorization to solicit competitive bids for construction Contract No. 2796, South Beach Marina Repairs (the “Contract”); and

WHEREAS, the scope of work for Contract No. 2796 includes Replacement of In-kind material for damaged/missing timber walers; bumper strips; and dock hardware; Installation of supplemental floatation on concrete floats to restore free board; rust removal; concrete spall and crack repair; replacement of water line; and replacement of plywood gussets with HDPE material.; and

WHEREAS, the Project will include an additive alternate scope of work to replace floats located at Docks A, D, and G.

WHEREAS, the Engineer’s construction cost estimate, including a 10% contingency, is \$2,750,000; and

WHEREAS, the estimated Contract cost for the full bid package, including a 10% contingency, will be funded by the South Beach Harbor capital fund; 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 3% 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. 2796, South Beach Marina Repairs. and be it further

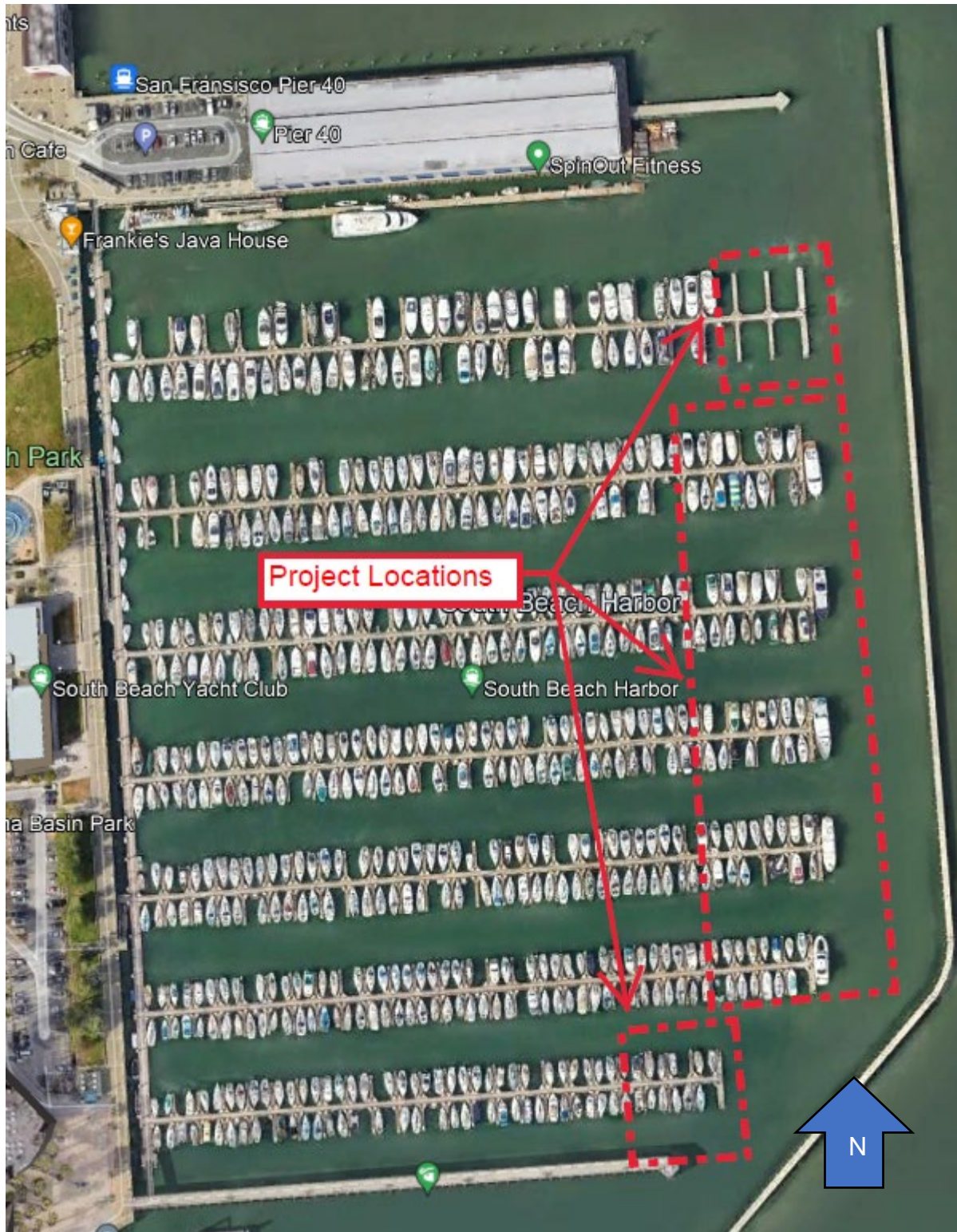
RESOLVED, that the Port Commission authorizes Port staff to take further actions in connection with the advertisement as necessary to achieve the purposes described in this Resolution.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 11, 2023.***

---

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

Stephanie Tang, Director

**MEMORANDUM**

Date: March 21, 2023  
To: Noel Aquino, Project Manager, Port of San Francisco  
From: Melinda Kanios, Contract Compliance Officer, CMD  
Subject: 2796 South Beach Harbor Repair Project- LBE Subcontracting Requirement

---

The Contract Monitoring Division (CMD) has evaluated the Port's updated Engineer's Estimate for subcontracting opportunities for the above referenced project. This memo supersedes the previous one dated July 5, 2022.

Based on this review and the Local Business Enterprise ("LBE") availability data, the LBE subcontracting participation requirement on the total dollar amount is 3.00% for this project. The LBE subcontracting requirement can only be met with San Francisco CMD Certified Small and/or Micro-LBEs. The LBE subcontracting requirement is less than 20% due to the significant costs of specialized materials, unique pier repair safety requirements involving working in confined spaces over water, and the limited LBE subcontractors available to perform such work. The following should be conveyed in the solicitation:

The LBE subcontracting participation requirement for this contract is 3.00%. CMD Attachment 1 pertains to this contract.

In accordance with Section 14B.8(B) of the Administrative Code, in order for the Bidder to be exempt from meeting the "Good Faith Outreach" requirements described in Part IV of CMD Attachment 1, the total amount of the LBE participation must equal or exceed 4.05% (this percentage is the LBE sub requirement plus the 35% good faith exemption percentage).

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:

1.5% MBE; 0.0% WBE; 1.5 % 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 Melinda Kanios at [Melinda.Kanios@sfgov.org](mailto:Melinda.Kanios@sfgov.org).

1155 Market Street, 4<sup>th</sup> Floor, San Francisco, CA 94103  
Telephone (415) 581-2310 Fax (415) 581-2351