

MEMORANDUM

December 8, 2016

TO: MEMBERS, PORT COMMISSION
Hon. Willie Adams, President
Hon. Kimberly Brandon, Vice President
Hon. Leslie Katz
Hon. Eleni Kounalakis
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational Item – Status Report on Construction Contract No. 2762R, Pier 31 Roof & Structural Repair Project

DIRECTOR'S RECOMMENDATION: No Action Required

Executive Summary

At its meeting on January 12, 2016, the Port Commission authorized staff to award construction Contract No. 2762R, Pier 31 Roof & Structural Repair Project (“the Project”) to Roebuck Construction, Inc., (“Roebuck”). This informational update is to provide the current status of the project and advise Port Commission of budget and time impacts due to the high level of unanticipated critical repairs. The unanticipated critical repair work consists of numerous structural improvements which are required to adequately support and protect the new roofing system. The additional repair work has time and budget impacts which are anticipated to extend beyond the originally authorized budget and schedule. After final determination of budget and schedule impacts, Port staff will request Port Commission authorization in accordance with Section 6.22(h) of the City Administrative Code, which requires Port Commission approval for any time extension and contract amount beyond 10 percent of the original contract duration and amount. Chapter 6 of the City Administrative Code allows retroactive approval to increase the contract duration and amount beyond 10 percent from the original contract duration and budget which allows the construction work to continue to progress while negotiation of price and time needed for new items are underway.

THIS PRINT COVERS CALENDAR ITEM NO. 13A

Strategic Objectives

This Project supports the Port's Strategic Plan strategies of Renewal, Livability, Sustainability, and Economic Vitality.

Renewal: The Project will rehabilitate an important historic resource in the Embarcadero Historic District.

Livability: The Project promotes living wage jobs by providing opportunity for local business enterprises (LBE's) and by meeting mandates for Local Hire in construction projects.

Sustainability: The Project will include best practices for construction.

Economic Vitality: The Project will contribute to the Port's ability to develop a long-term lease with the National Park Service supporting the Alcatraz Tour operations and to provide for leasing in the shed to deepen the Port's revenue base.

Background

Pier 29½ and 31 are a contributing resource within the San Francisco Embarcadero Historic District listed in the National Register of Historic Places. The Piers 29, 29 ½ and 31 bulkhead and Pier 31 shed were built in 1918 in the neoclassical architectural style as an addition to the Pier 29 shed. Pier 29 was separated from Pier 29½ and Pier 31 with an area separation wall circa 1970s. Piers 29½ and 31 are one open area and are considered as one building. The facility was last re-roofed 70 years ago in 1946.

In 2000, Pier 31 was envisioned for historic rehabilitation as part of the Pier 27-31 Mixed Use Recreation Project which was rejected by the Board of Supervisors in 2005. The facility continued to be used primarily as warehouse storage and parking. Without a program for future development or rehabilitation, the Pier 31 shed superstructure suffered significant deterioration from extended water intrusion and was red tagged in early 2009.

The Project was initially bid with a broader scope of work which included architectural, mechanical, electrical and plumbing work in Pier 31. The bids exceeded the funding amount and the Project was restructured for rebid with a narrower scope of work consisting of roofing and structural repairs to prioritize stabilizing the building. An additive alternate bid item to replace steel windows in Pier 31 and Pier 29½ was within the original project budget and added to the scope.

On January 12, 2016, the Port Commission authorized award of the construction contract to the lowest responsive bidder, Roebuck Construction, Inc., for the base bid and the additive alternate item for the amount of \$5,765,000 (Port Commission Resolution 16-02).

The original Contract substantial completion date was October 2, 2016, providing 210 days duration for substantial completion and 60 days thereafter for final completion. During the course of the project, numerous unforeseen conditions have been encountered which have caused a delay in the contract schedule and exceedance of the Project contingency amount. At this point in time, it is estimated that the substantial completion will be

December 23, 2016, and the additional funding required is approximately \$300,000. The amount represents an additional 4.7% to the original contract amount of \$5,765,000 plus the 10% contingency which totaled \$6,341,500.

The structural system of Pier 31 has suffered significant deterioration over time. As the contractor removed portions of the roof, the extent of the damage was made visible and numerous critical repairs were deemed necessary to support the new roof system. The primary critical repairs that were unforeseen include additional dry rot and truss repairs, concrete spalling, significant settlement and uneven conditions of the roof deck in Pier 31, water damage at the tops of the towers that flank the Pier 31 arch, out of plumb columns in Pier 29½, and a damaged truss in Pier 29. The Pier 29 truss repair work is included because the damage is located under the area of re-roof work as the area separation wall mentioned above followed the historic train track inside the bulkhead rather than the roof line above. The Secretary of the Interior Standards for rehabilitation require that materials be repaired rather than replaced, and when replacement is required the materials are to match the qualities of the original materials. Additionally, when a void is left from original materials, non-standard sized materials are required to fill the void. Special sized structural replacement members have longer lead times, which have had the most impact on the project schedule. The Contractor has been and is continuing to work diligently with Port staff to complete the project as expeditiously as possible.

Chapter 6 of the City Administrative Code allows retroactive approval to increase the contract duration and amount beyond 10 percent from the original contract duration and budget which allows the construction work to continue to progress while negotiation of price and time needed for new items are underway

Local Business Enterprise

Prior to contract award, the City's Contract Monitoring Division ("CMD") established a 20% subcontracting goal for Local Business Enterprises ("LBE"), including small and micro LBEs for this project. Roebuck's LBE subcontractor participation for the base bid of this contract is 32.77% which includes Pioneer Contractors, Inc., Bannon Construction, and Three Brothers Electrical. While the goal does not apply to prime contractor work, Roebuck is also an LBE contractor and will be self-performing approximately 46% of the base bid contract work, resulting in nearly 79% of the original work being performed by certified LBE firms. The adjusted contract amount for the change order work will adjust the contractor's LBE participation to increase to LBE percentages due to additional work by Pioneer Contractors, Inc. and Bannon Construction. The final percentages will be known once the negotiations are complete.

San Francisco Local Hiring Policy for Construction

The contract required local hiring in accordance with the City's Local Hiring Ordinance (known as the San Francisco Local Hiring Policy for Construction), which became effective on March 25, 2011. The mandatory participation level in terms of Project Work Hours within each trade performed by Local Residents was 30%, with a goal that Disadvantaged Workers perform no less than 15% of Project Work Hours within each trade. The Office of

Workforce and Development (“OEWD”) monitored local hire participation and reported that the contractor satisfied these requirements.

Climate Action

Climate action mitigation opportunities are limited as this is an in-kind repair project. The contractor will be required to comply with City’s green building ordinance which requires contractors to manage debris and recycle as feasible. The potential for sea level rise is a concern for all projects along the waterfront. However, the design life for this Project is projected to be between 30 to 35 years and will not be affected by sea level rise.

Funding

The Project is funded from Port Revenue Bond Funds and Capital Funds. The funding and proposed modification to the funding is shown in the table below.

Project Scope	Amount	Funding Source
Roofing and structural repairs	\$ 4,600,544	2010 Port Revenue Bond Fund 5P-CPF-09B
Roofing and structural repairs	\$ 917,291	2014 Port Revenue Bond Fund 5P-CPF-13B
Roofing and structural repairs	\$ 247,165	Northern Waterfront Historic Pier Structures Repair Project Fund CPO 930-02
Total Base Bid + Additive Alternate	\$ 5,765,000	
10% Construction Contingency	\$ 576,500	Northern Waterfront Historic Pier Structures Repair Project Fund CPO 930-02
Total Cost with Contingency	\$ 6,341,500	
The total Change Orders processed to date	\$ 563,196	
Total remaining amount in the Contingency	\$ 13,304	
Total Potential Change Orders (PCOs) currently in negotiation beyond the 10% contingency	\$ 300,000	

The construction contract award amount was less than the available project budget. Additional funding is currently available in both the 2014 Port Revenue Bond Fund 5P-CPF-13B and Northern Waterfront Historic Pier Structures Repair Project Fund CPO 930-02 to provide the funding needed to complete the work.

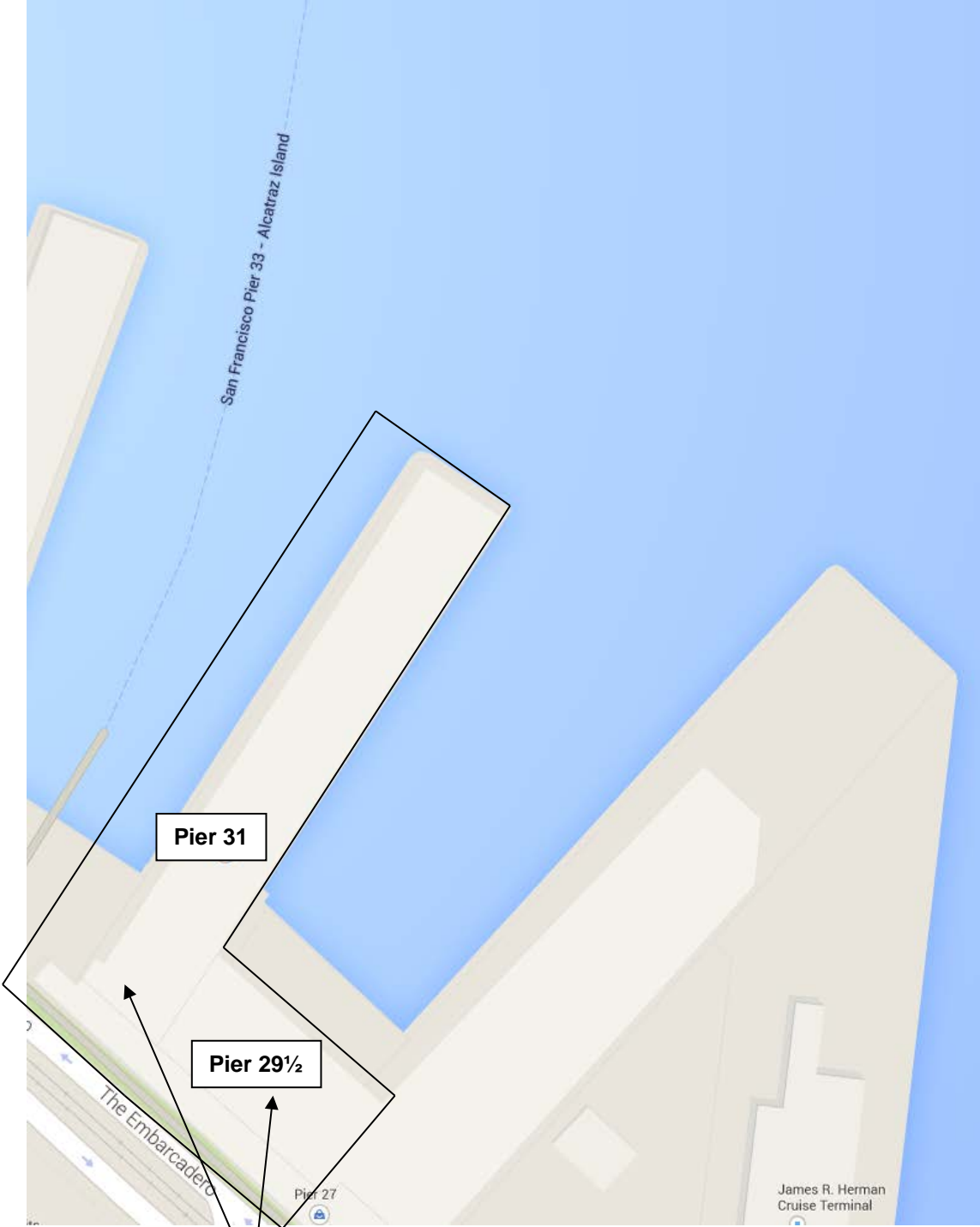
Summary

The Project is nearing completion. Due to the high level of unforeseen repair work, it is anticipated that the completion schedule will be extended approximately 3 months and the budget will require approximately \$300,000 or 4.7% beyond the original contract amount and 10% contingency. After final determination of budget and schedule impacts, Port staff will return with a retroactive request for an extension of time exceeding ten percent of the original contract duration and an increase of the original contract amount per Section 6.22(h) of the City Administrative Code.

Prepared by: Wendy Proctor, Project Manager

For: Eunejune Kim, Chief Harbor Engineer

EXHIBIT A
AREA OF WORK LOCATION MAP



Piers 31 and 29½

CONTRACT 2762R Pier 31 Roof & Structural Repair Project

EXHIBIT B AS-BUILT OF ACTUAL DRY ROT BEAMS, POSTS & TRUSS REPAIRS

