

## MEMORANDUM

March 23, 2017

**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:** Request authorization to advertise for competitive bids for Construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements

**DIRECTOR'S RECOMMENDATION:** Approve Attached Resolution

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### **Executive Summary**

Port staff requests authorization to advertise for competitive bids for Construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements (the "Contract"). This Contract is the second construction contract for the Crane Cove Park Phase 1 Project (the "Project") and will complete the majority of Project improvements (Exhibit A – Crane Cove Park Phase 1). The Port Commission awarded the first construction contract, Construction Contract No. 2740, Crane Cove Park, Surcharge and Site Preparation, on September 13, 2016, and is currently in construction. A third contract, which staff will request authorization to bid later this year, will complete roadway work. The scope of work for this Contract includes rough and final grading, historic preservation, shoreline reconstruction, landscaping, hardscape, furnishings, and utilities. The Engineer's Construction Cost Estimate for this proposed Contract is \$20,112,000. Funding is from multiple sources including the 2008 & 2012 Clean & Safe Neighborhood Parks General Obligation Bonds, Port Operating Funds, and an Economic Development Administration (EDA) Grant.

### **Strategic Objective**

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

**THIS PRINT COVERS CALENDAR ITEM NO. 11B**

Renewal: The Park will be a major new public open space that preserves historic maritime resources, provides public access and recreation opportunities to the Bay, contributes to a vibrant new Pier 70 neighborhood, and expands the Port's necklace of public open spaces.

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.

Resiliency: The Park is designed for 50 years of predicted Sea Level Rise and for safety in major earthquakes.

Sustainability: Park design and construction include best management practices for storm water management, water efficient landscaping, and energy efficient lighting.

### **Background and Project Description**

Crane Cove Park (referred to as "the Park") is one of the Port's Blue Greenway projects and will be a major new open space in the Union Iron Works National Historic District located at Pier 70. Port staff presented details of the Park at the October 13, 2015 Commission Meeting<sup>1</sup> when the Port Commission approved the Park design and CEQA Community Plan Exemption.

Multiple construction contracts are being used to deliver Crane Cove Park Phase 1 to shorten the overall schedule and to allow more opportunity for LBE construction firms to participate in the work.

The Port Commission awarded the first construction contract, Construction Contract No. 2740, Crane Cove Park, Surcharge and Site Preparation on September 13, 2016. The scope of that first contract includes demolishing buildings, dismantling cranes 14 and 30, constructing new crane foundations, constructing the permanent embankment for 19th Street, and installing wick drains and surcharge fill to pre-consolidate a portion of the site prior to permanent construction. Work is currently underway on that contract.

The second construction Contract, the subject of this request, will allow construction of the majority of improvements necessary to complete the Project except for final roadway improvements.

Later this year, Port staff will propose a third construction Contract for construction of portions of 19<sup>th</sup> and Georgia Streets, which will be partially funded by a federal grant.

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<sup>1</sup> <http://sfport.com/sites/default/files/FileCenter/Documents/10531-Item%20%2010C%20Crane%20Cove%20Park%20Project%20approvalF%20%28clean%20copy%29.pdf>

## **Contract Description**

Construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements will complete the majority of planned improvements. The Contract scope of work includes:

- shoreline demolition and debris removal;
- beach construction;
- shoreline protection;
- near shore sediment cap;
- rough and final grading;
- landscaping and irrigation;
- hardscape;
- restoration of slipway 4;
- restoration and seismic retrofitting of cranes 14 and 30;
- rehabilitation of building 49 (cold shell) including park restrooms;
- site furnishings;
- site lighting;
- signage; and
- other miscellaneous work necessary to deliver a functioning park.

Based on the engineer's construction cost estimate, funding is not sufficient to cover the entire Contract scope. Staff will structure the bid specifications to keep the estimated cost of the base bid scope within funding limits, and identify ancillary improvements as alternate bid items for contract award if funding allows. The possible alternate bid items are expected to include: the Children's Playground, Rigger's Yard, Crane 14 restoration, Slipway 4 utility rack restoration, and the 19<sup>th</sup> Street Parking Lot. Staff will continue to seek funding to award as many alternates as possible. Actual bids may come in under or over the engineer's construction cost estimate.

## **Climate Change**

The Park is designed to remain functional for up to 28 inches of Sea Level Rise (SLR). This amount is based on a 50 year project life and SLR projections of 16 inches at year 2050 and 55 inches at year 2100, which were recommended by the State of California and the San Francisco Bay Conservation and Development Commission (BCDC) at the time of design. These SLR predictions are higher than the City's current most-likely recommendations of 12 inches at year 2050 and 36 inches at year 2100, but lower than the high projections of 24 inches at year 2050 and 66 inches at year 2100. Adaptation measures will be needed after 28 inches of SLR. The slipway and crane runways are a historic resource situated on a fixed elevation that may need to be re-interpreted if SLR increases beyond 36 inches. To some extent, improvements at Crane Cove Park will also help protect against flooding of other City assets including Illinois Street and properties to the west.

## **Regulatory Approvals and Permits**

Staff will secure all necessary approvals and permits for the Project will be secured by staff prior to physical construction. The major regulatory approvals and their current status are:

<b><u>Major Permit</u></b>	<b><u>Status</u></b>
California Environmental Quality Act (CEQA)	Community Plan Exemption (2015-001314ENV) to the <i>Eastern Neighborhoods Rezoning and Area Plans Final EIR</i> (Planning Department Case No. 2004.0160E) approved by Planning Department on October 5, 2015, and adopted by Port Commission on October 13, 2015.
Bay Conservation and Development Commission (BCDC) Major Permit	Application and Design Review are complete; permit issuance is expected in June 2017 and will be secured prior to the start of construction work.
United States Army Corps of Engineers	Application is complete; permit issuance is expected in June 2017 and will be secured prior to the start of marine work.
Regional Water Quality Control Board	Application is complete, permit is expected in June 2017 and will be secured prior to start of construction work.
Port of San Francisco Building Permit	Permit to be secured by project staff prior to start of work.

## **Compliance with San Francisco Contract Monitoring Division**

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 Project scope and funding sources for this contract, and established a 21% LBE subcontractor participation goal (exhibit B – CMD Memorandum).

Port staff will work with CMD staff to outreach to construction contractors located in San Francisco to encourage bidding by LBE contractors. Outreach will include email notifications to LBE contractors, posting the bid opportunity at the San Francisco Contractor's Assistance Center, and facilitating introductions at the pre-bid meeting.

## **San Francisco Local Hiring Ordinance**

The Project bid requirements 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 Project 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.

## **Advertisement**

Bids will be advertised to reach contractors through the following methods:

- Direct targeted emails based on location and trade
- Chambers of Commerce – Postings and alerts within the traditional and ethnic Chambers
- Merchant Associations - Postings and alerts within the traditional and ethnic Chambers
- Minority/Women Business Enterprise Agencies
- Direct phone calls to targeted individuals and businesses to promote joint ventures
- Contract Monitoring Division list of contractors
- Port Internet
- Office of Contract Administration Internet Site
- San Francisco Public Library
- Plan Rooms (Builders Exchange, Contractors Information Network, etc.) 18 total
- Chambers of Commerce:
  - Hispanic Chamber of Commerce
  - San Francisco African Chamber of Commerce
  - Chinese Chamber of Commerce
- San Francisco Chronicle (or Examiner)
- Community Newspapers:
  - Bay Area Reporter
  - Central City Extra
  - El Mensajero
  - EL Reportero
  - Marina Times/Northside Publications
  - Potrero View
  - San Francisco Bayview
  - Sing Tao Daily
  - Small Business Exchange
  - The Western Edition
  - World Journal
  - Sun Reporter
- SFPUC Contractor Assistance Center

After the solicitation and receipt of bids, Port staff will return to the Port Commission to propose award of the contract to the lowest responsive, responsible bidder.

**Funding & Budget**

Total project funding includes the following sources and amounts:

<b>SOURCE</b>	<b>AMOUNT</b>
Port Capital: Transbay Cable (CPO794)	\$ 4,353,139
Port Capital: Other (CPO794)	\$ 300,000
Port Capital: Pkg Lot (CPO942)	\$ 2,100,000
2008 Clean & Safe Neighborhood Parks GO Bond (CRPCSP/WPCC)	\$ 11,063,892
2012 Clean & Safe Neighborhood Parks GO Bond (CRPNPB/WPCC)	\$ 14,300,000
MTC Grant (CPO794; Subfund 5P-CPF-FED)	\$ 1,000,000
P70 EDA Grant (CPO157, Subfund 5P-CPF-FED)	\$ 524,735
<b>TOTAL PROJECT FUNDING</b>	<b>\$ 33,641,766</b>

The Engineer’s cost estimate for base bid items is \$20,112,000 and the estimate including all bid alternates is \$26,333,000. Funding available for this proposed Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements, is sufficient to cover the base bid estimate and 10% contingency.

In accordance with City public works contracting procedures under Chapter 6 of the Administrative Code, the contract budget will be announced immediately before the opening of bids. Thereafter, Port staff will report the bid results to the Port Commission, and will recommend award of the contract to the lowest responsible bidder submitting the lowest responsive bid for the base bid with the maximum number of alternate bid items that are within available funding.

**Schedule**

The anticipated Project schedule is noted below:

Commission Approval to Advertise	March 28, 2017
Advertise for Bids	April, 2017
Commission Approval of Award of Contract	June, 2017
Substantial Completion	May, 2018
Final Completion	July, 2018

## **Summary**

Port staff is prepared to seek competitive bids for this Contract and therefore respectfully asks the Port Commission for authorization to advertise for competitive bids for Construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements.

Prepared by: Steven Reel  
Project Manager, Engineering

For: Uday Prasad  
Acting Deputy Director of  
Engineering

EXHIBITS:  
Exhibit A – Crane Cove Park Phase 1 Plan  
Exhibit B – CMD Memorandum

# Exhibit A – Crane Cove Park Phase 1 Plan





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

**RESOLUTION NO. 17-17**

- WHEREAS, Port staff seeks Commission authorization to solicit competitive bids for construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements (the “Contract”); and
- WHEREAS, Crane Cove Park (the “Park”) is one of the Port’s Blue Greenway projects and will be a major new open space in the Union Iron Works National Historic District located at Pier 70; and
- WHEREAS, Port staff have planned for the Park improvements to be delivered in several phases; and
- WHEREAS, Crane Cove Park Phase 1 (the “Project”) will improve approximately 8-1/2 acres of the Park site, from the northern boundary near Mariposa Street to the eastern edge of historic Slipway 4, and includes restoration of Slipway 4 and restoration and seismic retrofit of Cranes 14 & 30, the Northern Shoreline improvements and beach, the Northern Uplands improvements, the Southern Lawn and Building 49 Plaza, Building 49 restoration and bathrooms, the Entry Plaza and Cribbing Garden, the 19<sup>th</sup> Street extension, and the new Georgia Street; and
- WHEREAS, the Contract is the second of three construction contracts planned by Port staff for delivery of the Project; and
- WHEREAS, On September 13, 2016, the Port Commission authorized award of the first construction contract, Construction Contract No. 2740, Crane Cove Park Site Preparation and Surcharge Project, , which is currently underway, and includes site preparation, building demolition, and site surcharge work; and
- WHEREAS, the scope of work for Contract No. 2781 includes rough and final grading, historic preservation, shoreline reconstruction, landscaping, hardscape, furnishings, and utilities; and
- WHEREAS, the engineer’s construction cost estimate for all Contract work including a 10% contingency is \$28,966,300 and exceeds available funding for the Contract; and
- WHEREAS, to allow bidding of the Contract with available funds, Port staff will structure the bid invitation and specifications to keep the estimated cost of the base bid scope within funding limits, and identify alternate bid items for possible award, subject to available funding as described in the accompanying staff memorandum; and

WHEREAS, the engineer's construction cost estimate for base bid work is \$20,112,000 with a 10% contingency of \$2,011,200, for a total estimated cost of \$22,123,200; and

WHEREAS, the estimated Contract cost for the base bid work plus one or more bid alternates, including a 10% contingency, will be funded by Port Operating Funds, an Economic Development Administration Grant, and the 2008 & 2012 Clean & Safe Neighborhood Parks General Obligation Bonds; and

WHEREAS, the Project is within the Eastern Neighborhoods Community Plan Area, for which the San Francisco Planning Commission certified the Eastern Neighborhoods Rezoning and Area Plans Final EIR (EN FEIR) (Planning Department Case No. 2004.0160E); and

WHEREAS, The San Francisco Planning Department prepared a Community Plan Exemption (2015-001314ENV) for the proposed Project, which was approved on October 5, 2015, and the Port Commission approved on October 13, 2015; and

WHEREAS, Port staff have applied for a major permit from the San Francisco Bay Conservation and Development Commission (BCDC) for Crane Cove Park, and the permit must be secured prior to commencing construction for this Contract; and

WHEREAS, the Project will be submitted to Port Building Permit staff for review and approval under the Port Building Code once the Project bid is completed; and

WHEREAS, Port staff will incorporate the established subcontracting goal of 21% for Local Business Enterprises (LBEs) as recommended by the City's Contract Monitoring Division (CMD) and requirements of the San Francisco Local Hiring Ordinance including the mandatory participation level for each qualifying trade, in the solicitation of bids for this Project; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes Port staff to advertise for and accept competitive bids for construction Contract No. 2781, Crane Cove Park Construction Package 2, Park Improvements.

***I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of March 28, 2017.***

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Secretary



# OFFICE OF THE CITY ADMINISTRATOR CONTRACT MONITORING DIVISION



Edwin M. Lee, Mayor  
Naomi M. Kelly, City Administrator

Romulus Asenloo, Acting Director

## MEMORANDUM

Date: March 22, 2017  
To: Steven Reel, PM -Port Of San Francisco  
From: Finbarr Jewell, CMD *F Jewell*  
Subject: Goal Approval Memo  
Crane Cove Park Phase 2, Port Of San Francisco

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The Contract Monitoring Division (CMD) has reevaluated the Engineer's Estimate for the subcontractor opportunities for the above referenced project, as well as LBE availability data. Based upon this review, the LBE subcontractor goal for the project is now 21%. Small and Micro-LBEs certified by CMD can be used to meet the subcontracting goal.

In addition, the following availability information should be conveyed in the bid specifications.

The LBE subcontracting participation goal for this contract is 21%. Small and Micro-LBEs certified by CMD can be used to meet this subcontracting goal.

Pursuant to Sec. 14B.9 of the San Francisco Administrative Code, bidders are hereby advised that the availability of Minority Business Enterprise ("MBE"), Women Business Enterprise ("WBE"), and Other Business Enterprises ("OBE") to perform subcontracting work on this project is as follows: 7% MBE, 3.1% WBE, and 10.9% OBE.

Bidders are further advised that they may not discriminate in the selection of subcontractors on the basis of race, gender, or 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 do not hesitate to contact me at 415 274 0511