

## MEMORANDUM

November 9, 2017

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

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT:** Request authorization to award Construction Contract No. 2798, Pier 23 MEP (Mechanical Electrical Plumbing) Upgrades Project, to Trinet Construction, Inc. in the amount of \$702,350 and authorization for a contract contingency fund of 10% of the contract amount (or \$70,235) for unanticipated contingencies, for a total authorization not to exceed \$772,585

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

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### **Executive Summary**

Port staff requests that the Port Commission authorize the award of construction Contract No. 2798, Pier 23 MEP Upgrades Project ("Project"), to Trinet Construction, Inc. (Trinet), the lowest responsive, responsible bidder, in the amount of \$702,350, and authorize a contract contingency fund of 10% of the contract amount (or \$70,235) for unanticipated contingencies, for a total authorization not to exceed \$772,585. The Project scope includes a new water service with backflow preventer at the street, domestic water pipe distribution inside the Pier 23 shed, a new 8-inch sanitary sewer riser connecting to an existing sewer connection at the seawall, and replacement of the existing lighting with new energy-efficient LED light fixtures. The Project is funded from the Utilities Project Fund (CPO761).

### **Strategic Objective**

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

- 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 requirements for best practices for construction.

## **Background**

Prior to staff's solicitation of bids, staff estimated the cost of construction at less than \$600,000. Therefore, Port staff advertised this contract as a Micro LBE contract to offer the opportunity to small, San Francisco-based construction firms. However, all the bids were higher than the \$600,000 threshold under San Francisco Administrative Code § 6.3(b)(2). Therefore, Port Commission approval is required for awarding the contract for delegation to the Executive Director.

The Project work scope includes the replacement of the existing water service with a new 4-inch water service with new backflow preventer. The new water service will run the entire length of the shed. The Project will also install an above deck 8-inch sanitary sewer riser connecting to an existing 12-inch clay pipe gravity sewer pipe (located below deck at the seawall). The sewer riser will allow future above deck sewer connections. This strategy for placing the sewer connections above the deck is to preserve the piping from the corrosive environment and battering debris that are inherent in the San Francisco Bay waters. Additionally, the Project will replace existing shed lighting with new energy-efficient LED lighting and install emergency egress lighting for safety.

Port staff received four bids ranging from \$702,350 to \$994,500. The staff determined that Trinet and its subcontractors met the technical and safety qualifications specified for this Project (See attachments "B" and "C"). The bids were evaluated by the San Francisco Contract Monitoring Division (CMD) for compliance with the Local Business Enterprise (LBE) subcontracting participation requirement. Based upon these reviews, Port and CMD staff collectively found that the lowest and responsive bid was submitted by Trinet Construction, Inc., for the total amount of \$702,350.

The current market conditions are causing contractors to be over-extended in work, and therefore bids are coming in higher than the engineer's estimate, which for this project was \$450,000.

Trinet Construction, Inc. is a San Francisco Local Business Enterprise that is currently working on the Port's Pier 94/96 Outfall Repair Project.

## **Local Business Enterprise**

On October 20, 2017, CMD staff determined that the Trinet bid complied with the Administrative Code Chapter 14B Micro LBE requirements and is eligible for the award of the contract (see Exhibit "B"). Trinet's LBE subcontractor participation for this contract is 49.7%. In addition, Trinet is an LBE contractor who will self-perform approximately 50.3% of the contract work, making the work completely performed by certified LBE firms.

### **San Francisco Local Hiring Policy**

In accordance with San Francisco Administrative Code Chapter 82, this project is exempt from the San Francisco Local Hiring Policy. However, the workforce employed by Micro-LBE firms typically includes San Francisco residents. Trinet (based in San Francisco's Southern Potrero Hill neighborhood) is a CMD Micro-LBE approved contractor.

### **Regulatory Approvals and Permits**

The planned repairs have been reviewed for consistency with the historic features of the pier building and the Embarcadero Historic District (Resolution 04-89), which must be consistent with the Secretary of the Interior Standards for Historic Rehabilitation. This proposed Project scope for Pier 23 is considered ordinary maintenance and repair to keep this historic pier in good repair.

The proposed repairs and maintenance improvements are consistent with the Port Chief Harbor Engineer Engineering and Maintenance Directive which describes routine repairs and maintenance improvements that the Port may administer for the period from March 2016 to March 2021. A California Environmental Quality Act (CEQA) Categorical Exemption (No. 2016-003866ENV) was issued by the San Francisco Planning Department for the Engineering and Maintenance Directive in March 2016, and no further CEQA environmental review is required for the Pier 23 MEP Upgrades project. The Project scope also falls within San Francisco Bay Conservation and Development Commission (BCDC) Permit M1977.017 and Regional Water Quality Control Board (RWQCB) Order No. R2-2016-0039 for Port-wide general maintenance and repair activities.

A Port Building Permit has been submitted and will be secured prior to commencement of the Project.

### **Climate Change**

The design life of this Project is projected to be 30 years. Sea Level Rise is not expected to cause any major issues during the design life of this Project.

### **Funding**

The base bid, the additive alternate bids for the proposed construction contract, and the 10% contingency will be funded as shown in the table below.

Project Scope		Amount
Lighting Upgrade		\$ 247,200
Window Service		\$ 368,150
Sewer Service		\$ 42,000
Partnering Allowance		\$ 15,000
Mobilization Lump Sum		\$ 30,980
10% Construction Contingency		\$ 70,235

Total Cost with Contingency		\$ 772,585
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The Project and the contingency are fully funded by the Utilities Project Fund (CPO761).

**Schedule**

The total duration of the proposed Project is 210 days. The anticipated Project schedule is noted below:

Port Commission Authorization to Award	November 14, 2017
Estimated Notice to Proceed (NTP)	March, 2017
Estimated Substantial Completion (180 Days)	October, 2017
Estimated Final Completion (60 Days)	December, 2017

**Summary**

Port staff recommends that the Port Commission authorize the award of Construction Contract No. 2798, Pier 23 MEP Upgrades Project to Trinet Construction, Inc., the lowest responsive, responsible bidder, in the amount of \$702,350. Staff further requests Port Commission authorization to increase the contract amount, through contract modification or change order, if needed for unanticipated contingencies, by an additional \$70,235 (10% of the proposed contract amount), to a total amount not to exceed \$772,585. Trinet is a Micro LBE contractor as required by the contract bid documents. Port staff also recommends that the Port Commission authorize the Executive Director to accept the work once it is complete.

Prepared by: Raman Singh  
Associate Electrical Engineer

For: Rod Iwashita  
Chief Harbor Engineer

**EXHIBITS:**

- Exhibit A – Pier 23 Location Plan
- Exhibit B – Pier 23 CMD Contract Award Memo
- Exhibit C – Pier 23 MEP Upgrades Bid Summary

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

**RESOLUTION NO. 17-59**

- WHEREAS, Port Staff seeks Port Commission authorization to award Construction Contract No. 2798, Pier 23 MEP Upgrade Project (the “Project”); and
- WHEREAS, the Project will install certain mechanical, electrical and plumbing improvements desirable and needed for Pier 23; and
- WHEREAS, the Project scope includes new water, sewer utility, and lighting improvements; and
- WHEREAS, The proposed repairs and maintenance improvements are consistent with the Port Chief Harbor Engineer Engineering and Maintenance Directive which describes routine repairs and maintenance improvements that the Port may administer for the period from March 2016 to March 2021. A California Environmental Quality Act (CEQA) Categorical Exemption (No. 2016-003866ENV) was issued by the San Francisco Planning Department for the Engineering and Maintenance Directive in March 2016, and no further CEQA environmental review is required for the Pier 23 MEP Upgrades project; and
- WHEREAS, the Project scope falls within San Francisco Bay Conservation and Development Commission (BCDC) Permit M1977.017 and Regional Water Quality Control Board (RWQCB) Order No. R2-2016-0039 for Port-wide general maintenance and repair activities; and
- WHEREAS, Port staff will secure the Building Permit prior to commencement of the Project; and
- WHEREAS, Port staff received four (4) bids on October 10, 2017 for the Project, with Trinet Construction, Inc. submitting the lowest bid price of \$702,350 for the total base bid; and
- WHEREAS, Port Engineering staff and Contract Monitoring Division staff reviewed the bids and determined that Trinet Construction, Inc. (“Trinet”), a Micro-LBE approved contractor, is the lowest responsive, responsible bidder for the Project; and
- WHEREAS, The cost of Trinet’s total base bid price of \$702,350 and an additional 10% contingency fund (\$70,235) are fully funded by the Port’s Utilities Project Fund (CPO761); and

WHEREAS, In accordance with San Francisco Administrative Code Chapter 82, this project is exempt from the San Francisco Local Hiring Policy, but the workforce employed by Micro-LBE firms typically includes San Francisco residents; now, therefore, be it

RESOLVED, that the Port Commission hereby authorizes the award of Construction Contract No. 2798, Pier 23 MEP Upgrades Project, to Trinet Construction, Inc., the lowest responsive and responsible bidder, for the not-to-exceed amount of \$702,350; and be it further

RESOLVED, that the Port Commission authorizes Port staff to increase the contract amount, as necessary for unanticipated contingencies, by an additional \$70,235 (10% of \$702,350) through contract modification or change order; and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director to accept the work once it is complete.

***I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 14, 2017.***

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Secretary

### Exhibit A – Pier 23 Location Plan



Construction Contract No. 2798 - Pier 23 MEP Upgrades Project

## Exhibit B – Pier 23 CMD Contract Award Memo



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

### GENERAL SERVICES AGENCY CONTRACT MONITORING DIVISION



Romulus Asenloo, Director

**Date:** October 20, 2017  
**To:** Tim Leung, The Port Of San Francisco  
**From:** Finbarr Jewell, CMD  
**Subject:** CMD Micro-LBE Set-Aside Project Summary, Pier 23 MEP Upgrades

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The Contract Monitoring Division ("CMD") reviewed four bids submitted for the above-referenced project and determined responsiveness to Chapter 14B pre-award requirements. Below is a summary of CMD's review.

As a Micro-LBE Set-Aside contract, the LBE Bid Discount and the LBE Subcontracting Participation Goal do not apply.

The City received four bids from eligible CMD-certified Micro-LBEs:

Bidder	Bid Amount
Trinet Construction, INC.	\$702,500
Roebuck Construction, Inc.	\$801,750
Angotti & Reilly, INC.	\$960,025
KCK Builders, INC.	\$994,500

Trinet Construction, INC. is deemed the lowest responsive bidder, provided that it will perform more than 25% of the contract work, thereby satisfying the 14B Micro-LBE Set-Aside requirements.

Based upon its review, CMD has determined that Trinet Construction, INC complied with the Chapter 14B pre-award requirements. Should you have any questions, or if I can be of further assistance, please contact me at (415) 274-0511.

Finbarr Jewell

  
Contract Compliance Officer  
Contract Monitoring Division

30 VAN NESS AVENUE, SUITE 200, SAN FRANCISCO, CA 94102 • TELEPHONE 415.581.2310 • FAX 415.581.2351

Construction Contract No. 2798 - Pier 23 MEP Upgrades Project



SUBCONTRACTOR LIST  
<Trinet Construction, Inc.>

BIDDER ID NO.	NAME AND LOCATION	CERTIFIED LBE	DESCRIPTION OF PORTION OF WORK SUBCONTRACTED	AMOUNT
02	Delao Electric 617 Morgan Street San Francisco, CA	Yes	Electrical	\$209,675
02	Kearny Plumbing 101 Knowllview Way San Francisco, CA	No	Plumbing	\$140,000
TOTAL 02				\$349,675.00

## Exhibit C – Pier 23 MEP Upgrades Bid Summary



### B I D T A B U L A T I O N

BID OPENING DATE		10/10/2017, PIER 1, SAN FRANCISCO			
CONTRACT NUMBER		2798			
PROJECT NAME		PIER 23 MEP UPGRADES			
ALTERNATE PRIORITIES:		N/A			
LBE GOAL:	N/A	TOTAL NUMBER OF CALENDAR DAYS:	210	CONSTRUCTION ESTIMATE :	\$ 450,000
NUMBER OF BIDDERS:	04			APPARENT LOW TOTAL BID PRICE:	<b>\$702,350</b>

BIDDER ID #	01	02	03	04
BID ITEM #	Angotti & Reilly, Inc. 1000 Mariposa Street San Francisco, CA 94107 James P. Reilly 415-575-3700 jimreilly@angotti-reilly.com estimating@angotti-reilly.com	Trinet Construction, Inc. 2560 Marin St. San Francisco, CA 94124 Nora Hickey 415-695-7814 nstrinet@gmail.com	Roebuck Construction, Inc. 1780 Oakdale Ave San Francisco, CA 94124 Ruairi Murphy 415-255-1506 ruairi@roebucksf.com	KCK Builders, Inc. 1320 Egbert Ave. San Francisco, CA 94124 Mike Hannegan 415-459-8698 mikehannegan@comcast.net
1	\$295,924	\$247,200	\$356,250	\$300,000
2	\$525,191	(2)\$368,150	\$370,500	\$450,000
3	\$90,330	\$42,000	\$35,000	\$195,000
4	\$15,000	\$15,000	\$15,000	15,000
5	\$33,580	\$30,000	\$25,000	\$34,500
Base Bid Total	(1)\$960,025	\$702,350	\$801,750	\$994,500
APPARENT BID RANK	3	1	2	4

- (1)- Discrepancy between the bid amounts and the total bid price.  
 (2)- Bidder crossed out original entry of \$348,150 (waived as minor irregularity per Section 00 21 13-1.13I).

Rev. 1 – 10/12/2017

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Construction Contract No. 2798 - Pier 23 MEP Upgrades Project