

MEMORANDUM

February 22, 2018

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Request approval to execute an amendment to the contract with AECOM Technical Services, Inc., to increase the contract amount by \$770,000 for an amount of \$4,079,396 and extend the contract term for master planning, preliminary design, and final design and construction support for Phase 1 of the Pier 70 Crane Cove Park project

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution

EXECUTIVE SUMMARY

Port staff is seeking authorization to execute a contract amendment to the contract with AECOM Technical Services, Inc. (AECOM), for additional design and construction oversight services related to Crane Cove Park. The amendment will increase the contract amount by \$770,000, to an amount of \$4,079,396, and extend the end of the contract term from August 31, 2018, to June 30, 2020.

Crane Cove Park is located within the Pier 70 area and, upon completion, will be one of the signature new parks within the Port's portion of the Blue Greenway. The proposed contract amendment is required to procure additional consulting services for the following project elements: 1) revisions to the completed design requested by Port staff to reduce construction cost; 2) design services to create separate bid/construction packages to both facilitate use of a Coastal Conservancy Priority Conservation Area Grant and to facilitate a more competitive bidding process; and 3) construction support services for the separate construction packages.

The additional fee and duration can be attributed to many factors, including increased duration of the project timeline, redesign and repackage of the bid documents.

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These additional services are largely due to unsuccessful construction bid process as further described below.

Staff requested Civil Service Commission approval for the contract amendment on December 15, 2017. The Commission will consider approval on March 5, 2018. AECOM is currently exceeding its 19% Local Business Enterprise (LBE) subcontracting goal with 24% of contract payments to LBEs. The contract is being funded by the 2008 and 2012 Parks General Obligation Bond, except for work associated with the 19th Street Parking lot, which is funded solely with Port Capital funds.

STRATEGIC OBJECTIVE

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

Renewal:

By incorporating a major new waterfront park and public access while maintaining the integrity of industrial maritime berthing and ship repair operations; engaging in an adaptive reuse strategy for the historical preservation of maritime assets; and by expanding the Port's necklace of public open spaces to provide a broad array of recreational amenities and activities.

Livability:

By increasing the proportion of funds spent by the Port with LBE and micro-LBEs.

BACKGROUND

The Pier 70 Crane Cove Park Project is located on an approximately eight acre site generally east of Illinois Street between 19th and Mariposa Streets along the Bay shoreline (see *Exhibit 1, Project Location and Setting*). The Project is being funded by the City's 2008 and 2012 Parks General Obligation Bond funds, Port Capital funds and a Grant. The Project is a long standing goal of the Port, the City and a variety of stakeholder groups, has tremendous local and regional support and excitement and is identified in the Port's Waterfront Land Use Plan, the Pier 70 Preferred Master Plan, the City's Eastern Neighborhoods Plan and the Blue Greenway, Bay Trail and Bay Area Water Trail Plans.

Initially the Port had planned to construct the Crane Cove Park project utilizing three construction contracts, including: 1) site grading, surcharging and crane foundations; 2) Site landscaping, pathways, shoreline improvements, historic resource rehabilitation, building 49, plazas and site furnishings, such as lighting, seating, signage and interpretation and the 19th Street parking lot; and 3) 19th Street roadway improvements, which is partially grant funded and must be delivered through a federal procurement process facilitated by Caltrans. Construction Contract 1 is substantially complete.

Construction Contract 2 was advertised for bids in mid 2017 and the results were unsuccessful with all bids coming in much higher than the estimate. Since rejecting all bids, the Port has prepared a strategy on how to deliver the park through; (a) value

engineering of the park design, (b) simplifying the bid packages by reducing the number of alternate bid items, (c) attracting more competitive bidding by separating out building 49 into a stand-alone bid/construction package (construction bid package 4), and (d) conducting additional outreach to qualified bidders. The new strategy requires additional design work and extension of the project duration, which in turn requires the Port to amend the AECOM contract.

On June 14, 2011, the Port Commission approved Resolution No. 11-44, authorizing the award in an amount not-to-exceed \$780,835 for Planning and Design Services for the Pier 70 Crane Cove Park project to the team lead by AECOM. Work authorized included master planning and schematic design.

On March 25, 2014, the Port Commission approved Resolution 14-20, authorizing Port staff to amend the AECOM contract by increasing the amount of the contract by \$1,828,561, to an amount not-to-exceed \$2,609,396, and extending the contract term to December 31, 2017. This amendment was to increase schematic design services and to authorize detailed design and construction support services for Phase 1 of the Park. This amendment was to accommodate the increased funding from the 2012 Parks G.O. Bond.

On August 9, 2016, the Port Commission approved Resolution 16-32 authorizing Port staff to amend the AECOM contract by increasing the amount of the contract by \$700,000, to an amount not to exceed \$3,309,396, and extending the contract term from December 31, 2017 to August 31, 2018. This amendment included design modifications necessary to secure U.S. Army Corps of Engineer permits, additional geotechnical work, and design and construction support work for the addition of the 19th Street Parking Lot.

Under the contract, AECOM's work is divided into four primary tasks:

- Task 1 - Park Master Planning, Project Cost Estimating and Phasing Plan (complete);
- Task 2 - Schematic Design and revised Project Cost Estimate (complete);
- Task 3 - Detail Design, Construction Drawings/Bid Documents and preparation of a revised Project Cost Estimate (underway); and
- Task 4 - Construction Administration.

Since the original contract award, AECOM has completed Task 1 (*see Exhibit 2, Crane Cove Park Master Plan*) and Task 2 and portions of Tasks 3 and 4. The Park concept includes a variety of uses and programs including:

1. Adaptive reuse of historic resources consistent with the Secretary of Interior Standards;
2. Creation of a shoreline launch for human powered boats; a multi-purpose lawn area;
3. A crane plaza to celebrate, recognize and interpret the last remaining intact ship building slipway (Slipway 4); and

4. New sidewalks and a park entrance created by the extension of 19th Street to the east.

This concept was reviewed and approved by the Port Commission at its October 13, 2015 Commission meeting.¹ The delivery of this project requires an amendment to the AECOM contract to: a) increase the scope of services and contract amount; and b) extend the contract term because of a variety of reasons, including grant fund requirements; increased costs due to the recent construction bidding environment, and a longer project delivery schedule.

PROPOSED SCOPE OF WORK

This proposed contract amendment and additional services includes the following additional scope of work:

Task 3 - Detail Design, Construction Drawings/Bid Documents and Cost Estimate –
Additional work under this existing task includes the following:

- Additional design and engineering services to modify the design to reduce construction costs, including a simplified design of Crane Plaza, and to develop associated construction documents;
- Additional design and engineering services to revise construction/bid package 2, and to develop separate bid/construction packages for the 19th St roadway and Building 49.
- Additional services related to the extended duration of the design schedule including additional management, meetings, and design studies.

Task 4 – Construction Administration – Additional work under this existing task includes the following:

- Additional design support services for construction package 1 including design services to respond to unforeseen conditions, and additional duration of services (field meetings, site observation, management, and coordination) due to an extension of the construction schedule;
- Additional construction support services created by multiple separate construction packages.

LOCAL BUSINESS ENTERPRISE (LBE) PARTICIPATION

The City Contract Monitoring Division set a 19% LBE subcontracting goal on the Crane Cove Park Project based on an analysis of the project's scope of work. As shown in *Table 1* below, AECOM is currently exceeding the goal with LBE subcontractor

¹ Link to the October 13, 2015 Staff Report <http://sfport.com/sites/default/files/FileCenter/Documents/10531-Item%20%2010C%20Crane%20Cove%20Park%20Project%20ApprovalF%20%28clean%20copy%29.pdf>

participation of 24%. The proposed contract amendment includes 53% LBE subcontractor participation. The LBE firms include:

- AGS Engineers
- Guttman & Blaveoet, MEP
- Kate Keating and Associates, (signage design)
- M Lee, Cost Estimating

Table 1: Crane Cove Park Project LBE Participation

Project Title	LBE Goal	Total Payments	Non-LBE Payments	LBE Sub Payments	LBE %
Crane Cove Park Design	19%	\$3,180,618.38	\$2,432,827.60	\$747,790.78	24%

PROJECT SCHEDULE

Assuming that the Port Commission approves the contract amendment, the following outlines the project milestones:

- Revise Detail Design and Bid Documents April 2018
- Bid and Award Construction, Package 2 April 2018 – June 2018
- Construction, Package 2 June 2018 – December 2019
- Bid and Award Construction Package 3 August 2018- November 2018
- Construction, Package 3 December 2018 – July 2019
- Bid and Award Construction Package 4 2018 September 2018 – December
- Construction, Package 4 February 2019 – November 2019
- Open to Public December 2019
- Project Closeout February 2020 – March 2020

FUNDING

The proposed contract amendment, apart from work associated with 19th Street and the 19th Street Parking Lot, will be entirely funded by proceeds from the City’s 2008 Parks General Obligation Bond, as approved by San Francisco voters in February 2008 and 2012. Design and Construction support services for the 19th Street Parking Lot, budgeted at \$260,000, will be funded with Port Capital funds. As negotiated by staff, the fees for the proposed contract amendment are as follows:

\$3,309,396 Scope of Design After Prior Contract Amendments #1 and #2
\$ 300,000 Additional Budget for Task 3 – Detailed Design
\$ 470,000 Additional Budget for Task 4 – Construction Support
\$ 770,000 Total Contract Amendment

\$4,079,396 Total Amended Design Budget

RECOMMENDATION

Port staff requests Port Commission authorization to execute an amendment to the existing contract with AECOM Technical Services, Inc, to increase the contract amount by \$770,000, to an amount not to exceed \$4,079,396 for master planning, preliminary design, and construction support for Phase 1 of the Pier 70 Crane Cove Park project, and extend the end of the contract term from August 31, 2018, to June 30, 2020.

Prepared by: Steven Reel
Project Manager

David Beaupre
Senior Waterfront Planner

Boris Delepine
Contracts Administrator

Prepared for: Rod Iwashita
Chief Harbor Engineer

Katharine Petrucione
Deputy Director of Finance &
Administration

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

RESOLUTION NO. 18-18

- WHEREAS, On December 14, 2010, the Port Commission authorized Port staff to issue a Request for Proposals (RFP) to solicit planning and design services for the Crane Cove Park Project (Port Commission Resolution 10-79) ; and
- WHEREAS, On June 14, 2011, the Port Commission authorized Port staff to execute a contract with AECOM Technical Services for planning and design of the Crane Cove Park Project in the amount of \$780,835 (Port Commission Resolution 11-44); and
- WHEREAS, On March 25, 2014, the Port Commission authorized Port staff to amend the contract with AECOM Technical Services by increasing the total not-to-exceed amount of the contract to \$2,609,396 and extending the contract term to lapse on December 31, 2017 (Port Commission Resolution 14-20); and
- WHEREAS, On August 9, 2016, the Port Commission authorized Port staff to amend the contract with AECOM Technical Services by increasing the total not-to-exceed amount of the contract to \$3,309,396 and extending the contract term to lapse on August 31, 2018 (Port Commission Resolution 16-32); and
- WHEREAS, Port staff now recommends that the Port Commission authorize a third contract amendment to the existing contract with AECOM Technical Services for additional services to 1) Task 3- conduct Detail Design, Construction Drawings/Bid Documents and Cost Estimate; and 2) Task 4 Construction Administration; and
- WHEREAS, Port staff have negotiated with AECOM Technical Services an amount of \$770,000 for these additional professional consulting services which represents a fair and reasonable value in staff's determination; and
- WHEREAS, The proposed contract amendment will incorporate the existing Local Business Enterprise subcontracting participation goal of 19% established by the City Contract Monitoring Division; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes Port staff to execute a contract amendment with AECOM Technical Services, Inc., to increase the contract amount by \$770,000, for additional services as described in the accompanying staff report, resulting in an amended Contract amount not to exceed \$4,079,396, and to extend the Contract term to lapse on June 30, 2020.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of February 27, 2018.

Secretary