

MEMORANDUM

September 21, 2018

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Request authorization to award Construction Contract No. 2797R, Pier 29 Utility Upgrade & Beltline Building Sewer Re-routing Re-Bid Project, to CF Contracting, Inc. in the amount of \$944,250 and authorize a contract contingency fund of 10% for a total authorization of \$1,038,675.

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Executive Summary

Port staff requests the Port Commission's authorization to award Contract No. 2797R, Pier 29 Utility Upgrade & Beltline Building Sewer Re-routing Re-Bid Project, to CF Contracting, Inc., the lowest responsive, responsible bidder, in the amount of \$944,250 and authorize a contract contingency fund of 10% (\$94,425) for a total authorization of \$1,038,675.

Under the proposed contract the base scope of work involves plumbing work including water supply piping and sewer piping installation above deck in the high ceiling of Pier 29, and re-routing of gravity sewer pipes under the Beltline Building (Pier 29 Annex Building) to the Embarcadero Street Sewer (collectively referred to as the "Project").

Strategic Objectives

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

- **Livability:** Replacing aging under-pier sewer pipes and water supply pipes with new pipes installed above deck will provide more reliable sewer and water service to future tenants and protect the environment. Existing under-pier

THIS PRINT COVERS CALENDAR ITEM NO. 14A

sewer pipes have leaked sewage to the Bay on many occasions, requiring emergency repairs to mitigate environmental concerns. The Project will also promote living wages by providing an opportunity for local business enterprises (LBEs) and by meeting mandates for local hiring in construction projects.

- **Sustainability:** The Project will include best practices for construction consistent with the Port's Leadership in Energy and Environmental Design (LEED) objectives.
- **Economic Vitality:** The Project will help to attract business, make leasing of the buildings easier, and increase the economic activities in the Waterfront area.
- **Stability:** The Project will increase the useful life of the utility infrastructure supporting the public access at Pier 29 and Beltline Building and increase Port revenue.

Background

Pier 29 and the Beltline Building are at a prime location for public access and business in the northern waterfront, next to the new Pier 27 cruise terminal. Presently, both Pier 29 and the Beltline Building are vacant and the Port is looking to lease both buildings once the utilities and infrastructure are renovated and upgraded. The renovations to be performed under the proposed contract are necessary for the Port regardless of tenant occupancy. At the Beltline Building, the Project will reroute the under-pier gravity sewer to the street.

As part of the Port's Livability Strategic Plan Objectives, one of the Project goals is to eliminate under-pier utility piping as much as possible and bring them above deck to increase the working lifespan of Port's plumbing system, reducing the risk of water and sewage leaking to the Bay due to piping failures.

The Project was originally bid as Contract 2797 on June 19, 2018, receiving two bids. Angotti & Reilly, Inc. submitted a bid price of \$1,322,838; Cazadoro Construction, Inc. submitted a bid price of \$1,597,400. With both bids above the available construction budget, Port staff recommended rejecting both bids on July 5, 2018. The Port staff decided to repackage the bid with a base bid and 3 alternate bid items. The base bid was to include all of the necessary upgrades to Pier 29 and Beltline Sewer work and three bid alternates to include works with less priority.

Project Advertisement and Outreach

On March 27, 2018, the Port Commission authorized staff to advertise for bids of Construction Contract No. 2797, Pier 29 Utility Upgrade & Beltline Building Sewer Re-Routing Project. The engineer's estimate for the base bid scope was estimated at \$945,809, the recommended contingency fund of 10% was \$94,581, for a total estimated Project cost of \$1,040,390. The bid solicitation did not include any bid alternates.

On May 31, 2018, a pre-bid meeting was held at the San Francisco Contractor’s Assistance Center which was attended by five contractors. An optional site visit tour occurred the same day after the meeting with three contractors participating in the tour.

In early July 2018, the Port entered into contract with Yolanda’s Construction and Administration (YCAT) to provide outreach on several upcoming Port construction projects. After rejection of the initial bids, Contract No. 2797R, Pier 29 Utility Upgrade & Beltline Building Sewer Re-Routing Re-bid was one of those projects.

Port Staff made several phone calls to certified local, small and micro firms in San Francisco with an emphasis on those in District 10, Bayview Hunter’s Point for the outreach effort.

On August 8, 2018, the Port and YCAT co-hosted a town hall meeting to give contractors an opportunity to meet with the Port project engineers and discuss upcoming Port construction projects. During this meeting, the Port was able to provide information about Contract 2797R scope of work and strongly encouraged all attendees to bid on this upcoming project.

As noted above, when originally bid on March 27, 2018, Contract No. 2797 resulted in only two bids. When rebid on September 4, 2018, Contract 2797R generated five bids as a result of a successful outreach program through the contract with YCAT.

Evaluation of Bids

On September 4, 2018, the Port received five bids in response to the bid solicitation for Contract 2797R - Pier 29 Utility Upgrade & Beltline Building Sewer Re-Routing Re-Bid. If Alternate Bid A2 is included to each of the bid proposal, all proposals will exceed the available funding for construction. Alternate Bid A2 has been discarded for purpose of the evaluation of bids. Four out of the five bidders included the cost for Alternate bid items A1, A2, and A3 except Angotti &Reilly, Inc., who omitted any cost for Alternate Bid item A3. Table 1 below is the summary of the ranking for all bids received.

<u>Bidder</u>	<u>Base Bid</u>	<u>Alternate Bids A1, A3</u>	<u>Total Bid</u>	<u>Rank</u>
CF Contracting, Inc.	\$831,250	\$113,000	\$944,250	1
Fontenoy Engineering	\$897,390	\$103,968	\$1,001,358	2
Cazadoro Construction Inc.	\$935,950	\$120,300	\$1,056,250	3
Angotti &Reilly, Inc.	\$910,684	\$94,462 ¹	\$1,005,146	4

Pilot Construction Management Inc.	\$1,917,450	\$175,000	\$2,092,450	5
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¹ Contractors submitted only alternate bid item A1, not alternate bid item A3

Table 1: Contract 2797R - Pier 29 Utility Upgrade and Beltline Building Sewer Rerouting Re-Bid - Bid Ranking

The City’s Administrative Code Chapter 14B, the LBE and Non-Discrimination in Contracting Ordinance, establishes bid discounts for LBE firms. The Contract Monitoring Division (“CMD”) reviewed the bids for compliance with the project LBE requirements. The Port’s CMD Contract Compliance officer concluded that all of the proposals complied with LBE subcontracting requirements. Port staff has checked all references in the bid proposal and determined that CF Consulting, Inc. met the Project minimum qualifications. Port staff has determined that CF Consulting, Inc. is the lowest responsive and responsible bidder.

CF Contracting, Inc. is a certified LBE-OBE firm licensed by the California Contractors State License Board. CF Contracting, Inc. is headquartered at 850 S. Van Ness Ave #21, San Francisco, CA 94110. The President of CF Contracting, Inc. is Jacob Friedman. Port staff reviewed CF Contracting, Inc.’s references and received positive comments from San Francisco Public Works and the Office of Community Investment and Infrastructure.

CF Contracting, Inc. will utilize JDB & Sons Construction, a local LBE firm to perform the Project sewer work. This satisfies the minimum 24% LBE subcontracting requirement as established by the Contract Monitoring Division (“CMD”) Contract Compliance officer.

Firm	Type of Work	% of Contract Work	Amount of Contract Work	LBE Type
Cal Pacific Brisbane	Plumbing	38.6%	\$321,000	Non-LBE
JDB & Sons Construction San Francisco	Sewer	24.18%	\$201,000	OBE
Total			\$522,000	

Table 2: Pier 29 Utility Upgrade and Beltline Building Sewer Re-Routing Re-Bid - LBE Participation

Regulatory Approvals and Permits

The planned improvements have been reviewed for consistency with the historic features of the Pier 29 and Beltline Railroad Building and Port Commission Resolution 04-89, which requires all constructions and alterations within the Embarcadero Historic District to be consistent with the Secretary of the Interior Standards for Historic Rehabilitation. The Project scope in Pier 29 and the Beltline Building are considered ordinary maintenance and repair required to keep these historic resources in good repair.

The proposed utility improvements are consistent with Port Engineering and Facilities Maintenance Directive 2016-01 (Port Maintenance Directive), issued in March 2016. A California Environmental Quality Act (CEQA) Categorical Exemption for the Port Maintenance Directive was secured from the San Francisco Planning Department on March 18, 2016 (No. 2016-003866ENV). Because the proposed Pier 29 utility improvements are consistent with the Port Maintenance Directive, no further CEQA environmental review is required. The Project scope falls within the 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.

The Project team will secure all necessary permits including Port building permits before the start of construction. The design and construction of the Project will comply with Building Code, Plumbing Code, Electrical Code and other relevant codes' requirements.

Climate Action

Sea Level Rise is not expected to impact the Project area during the 30-year design life of the Project.

Funding

The total estimated construction cost for this Project, which includes a 10% contingency, is \$1,038,675.

Available Funding-The Project is fully funded from the following Port Capital Accounts:

- Utilities Project (Pier 29 Utility Upgrade and Improvements): CPO-761/01
- Beltline Building Project: CPO-930/03

Schedule

The following is the anticipated Project schedule which is subject to change:

Port Commission Authorization to Award	<u>September 25, 2018</u>
Notice to Proceed	<u>December, 2018</u>
Substantial Completion	<u>August, 2019</u>
Final Completion	<u>October, 2019</u>

Summary

The Project will provide upgraded utilities including City water supply pipes, natural gas pipes, a sewer main connection, and electrical power to Pier 29 and the Beltline Building.

Recommendation

Port staff recommends that the Port Commission authorize the award of the Construction Contract No. 2797R, Pier 29 Utility Upgrade & Beltline Building Sewer Re-routing Re-Bid Project to CF Contracting, Inc. in the amount of \$944,250 and authorize a contract contingency fund of 10% (or \$94,425) for a total authorization of \$1,038,675. Port staff also recommends that the Port Commission authorize the Executive Director to accept the work once it is complete.

Prepared by:

David Hu
Mechanical Engineer

and

Mongkol Mahavongtrakul
Utility Section Manager

For:

Rod Iwashita
Deputy Director
Chief Harbor Engineer

Attachments

A: CMD Review Memorandum

B: Project Site Plan

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

RESOLUTION NO. 18-55

- WHEREAS, On March 27, 2018, the Port Commission adopted Resolution No. 18-23, authorizing staff to solicit bids for Construction Contract No. 2797, Pier 29 Utility Upgrade and Beltline Building Sewer Re-routing Project (the “Project”); and
- WHEREAS, the Project base scope of work entails the construction of plumbing and electrical system upgrades at Pier 29, and rerouting of gravity sewer piping from under-pier to underground at the Beltline Building, and
- WHEREAS, Contract 2797 was bid once on June 19, 2018, resulting in two bids in excess of the available construction budget and which were rejected, and
- WHEREAS, After rejection of the two initial bids, Port staff elected to revise the solicitation for bids by including alternate bids, and re-advertised the Project as Contract 2797R with a base bid scope of work and 3 alternate bid items; and
- WHEREAS, On September 4, 2018, Port staff received and opened bids from five bidders: CF Contracting, Inc.; Fontenoy Engineering; Cazadoro Construction Inc.; Angotti &Reilly, Inc.; and Pilot Construction Management Inc., and
- WHEREAS, The Port’s CMD Contract Compliance officer concluded that all of the bids complied with Local Business Enterprise subcontracting requirements, and Port staff has determined that CF Consulting, Inc. meets the minimum qualifications of the bid requirements and is the lowest responsible and responsive bidder, and
- WHEREAS, the Project scope is consistent with the Port Repair and Maintenance Directive issued March 2016, and exempt under California Environmental Quality Act (CEQA) pursuant to the Categorical Exemption issued by the S.F. Planning Department on March 18, 2016 (N. 2016-003966ENV); and
- WHEREAS, the Project scope is within the parameters of the Port’s permit M1977.019.17 issued by the San Francisco Bay Conservation and Development Commission (BCDC) and Board Order R2-2016-0039 issued by the San Francisco Regional Water Quality Control Board (RWQCB); and
- WHEREAS, Port staff will incorporate the subcontracting requirement of 24% for Local Business Enterprises as established 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 award of bids for this Project; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes the award of Construction Contract No. 2797R, Pier 29 Utility Upgrade and Beltline Building Sewer Re-routing Re-Bid Project to CF Contracting, Inc. in the amount of \$944,250 and authorize a contract contingency fund of 10% (\$94,425) for a total authorization of \$1,038,675; 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 September 25, 2018.

Secretary

ATTACHMENT A
CMD Review Memorandum



Mark E. Farrell, Mayor
Naomi M. Kelly, City Administrator

**GENERAL SERVICES AGENCY
CONTRACT MONITORING DIVISION**



Romulus Asenloo, Director

Date: September 11, 2018
 To: Mongol Mahvongrakul, Port Of San Francisco
 Tim Leung, Port of San Francisco
 From: Finbarr Jewell, CMD
 Subject: Contract Award: Contract # 2797R, Pier 29 Utility Upgrade & Beltline Building Sewer Re-Routing

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

LBE Bid Discount

Due to the dollar value of the engineer's estimate, a 10% bid discount does apply.

The City received the following bids:

Bidder	Base Bid	LBE Bid Discount	Adjusted Bid	MBE/OBE/WBE
CF Contracting, INC	\$831,250	10%	\$748,125	OBE
Fontenoy Engineering	\$897,390	10%	\$807,651	OBE
Angotti & Reilly, INC.	\$910,684	10%	\$819,615	OBE
Cazadoro Construction, INC.	\$935,950	10%	\$842,355	WBE
Pilot Construction Management, INC,	\$1,917,450	10%	\$1,725,705	WBE

CF Contracting submitted a base bid of \$831,250 met the 24% subcontractor participation requirement by listing the following firm



Mark E. Farrell, Mayor
Naomi M. Kelly, City Administrator

GENERAL SERVICES AGENCY CONTRACT MONITORING DIVISION



Romulus Asenloo, Director

Subcontractor	Scope of Work Listed	Status	Listed Amount	Amount Credited	Participation (based on credited)
JDB & Sons Construction, INC.	Sewer	LBE/OBE	\$201,000	\$201,000	24.18%
Total			\$201,000	\$201,000	24.18%

Based on the preceding, CMD has determined CF Contracting, INC is the lowest responsive bidder and complied with the Chapter 14B pre-award requirements.

CMD requires the contractor to agree to use the City's FSP system when invoicing for work performed. Should the Port have any questions, or if we can be of further assistance, please contact CMD at (415) 274 0511.

Finbarr Jewell
Contract Compliance Officer
Contract Monitoring Division

ATTACHMENT B

Project Site Plan

