

## MEMORANDUM

August 8, 2019

**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:** Informational presentation on the status of Construction Contract No. 2812, Crane Cove Park: Park Improvements and 19<sup>th</sup> Street Parking Lot

**DIRECTOR'S RECOMMENDATION:** Informational only

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### **Executive Summary**

This staff report provides an update to the Port Commission on the Construction Contract No. 2812: Crane Cove Park: Park Improvements and 19<sup>th</sup> Street Parking Lot ("contract").

This report discusses:

- Strategic Objectives – how this contract supports the Port's goals
- Background, including scope of work and status
- Cost Control measures taken on this contract
  - Delivery methods/phasing
  - Construction management
  - Value engineering
- LBE goals
- Next Steps

The contract is on schedule (with the exception of 10 days of rain delays) and the contract budget is on track. Port staff, Gordon N. Ball, Inc. (contractor), and the design team have been working together on issues as they arise to avoid or minimize schedule and budget impacts.

**This Print Covers Calendar Item No. 13A**

## **Strategic Objectives**

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

*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 Contract 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 28 inches of Sea Level Rise.

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

## **Background**

The Port Commission awarded this contract to Gordon N. Ball, Inc. (GNB) on November 13, 2018. At that time, Port Staff and GNB committed to providing a status update halfway through the contract. The contract amount is for \$17,845,000, with an LBE subcontracting commitment of 24.54%. The contract is on schedule (with the exception of rain delays in exceedance of contract allowances). As of June 25 (the last progress payment date for construction completed), \$6.9 million had been paid to Gordon N. Ball, and based on their schedule of values, this is about 39% of the work. Based on being about 5½ months through the 13 month contract duration (42% complete), progress is according to plan. Due to the very wet winter, there have been rain delays beyond what the specifications accounted for. The total extra rain days are 10.

## **Construction Progress**

This contract scope consists of constructing a majority of the Park improvements and a parking lot. Table 1 outlines the construction tasks and provides information on the status. At the back of this report, Exhibit A includes Figures 1 through 10 (a rendering and construction progress photos) referenced in Table 1.

Table 1: Contract Scope Summary

Task	Status
Site cleanup and miscellaneous demolition	<ul style="list-style-type: none"><li>• Most is completed.</li><li>• Surcharge has been removed on future 19<sup>th</sup> Street (Figure 2 through Figure 4, along Illinois Street)</li></ul>
Northern shoreline improvements: shoreline reconstruction including	<ul style="list-style-type: none"><li>• Currently working on shoreline demolition to construct beach and sediment cap</li><li>• Retaining wall to form beach is complete</li></ul>

a beach, boat launch, revetment, and in-water sediment cap	<ul style="list-style-type: none"> <li>• In-water construction of beach and cap started in July (Figure 11, Figure 12, Figure 13)</li> </ul>
Southern lawn & Building 49 plaza: hardscape, landscape, custom site furnishings, site lighting, irrigation	<ul style="list-style-type: none"> <li>• Much of park storm drainage completed</li> <li>• Preparing custom site furnishings – repurposed keel blocks and cribbing units have been sorted (Figure 10)</li> <li>• One of the historic relics is already placed and on its foundation</li> </ul>
Main entry plaza to historic Slipway 4	<ul style="list-style-type: none"> <li>• Retaining wall constructed (Figure 3, Figure 4, Figure 8)</li> </ul>
Relocation of historic Building 30 of the former Shipyard	<ul style="list-style-type: none"> <li>• Complete (Figure 6)</li> </ul>
Slipway 4 utility rack dismantling and storage onsite	<ul style="list-style-type: none"> <li>• Complete (Figure 2)</li> </ul>
Crane 14 stabilization	<ul style="list-style-type: none"> <li>• Submitted shop drawings for review</li> </ul>
Construction of a parking lot south of 19 <sup>th</sup> Street at Illinois Street	<ul style="list-style-type: none"> <li>• Drainage utilities and manholes in place, many of the curbs are constructed (Figure 3, Figure 8, Figure 9)</li> <li>• Subgrade prepared</li> </ul>

**Cost Control**

In the November 2018 Staff Report regarding awarding this contract, Port staff presented cost control measures that would be in place for this contract in order to stay within budget. Below is a description of how each of these have been implemented thus far on this project.

**1) Delivery methods and phasing**

Port staff reviewed the bid list items with GNB and determined the most efficient order of construction. If needed, there are also areas of work scheduled for the end of construction that have the ability to be de-scoped, such as reducing the plantings or eliminating ship outline paintings. Some examples of areas in which the Port and GNB have partnered on construction phasing and troubleshooting unforeseen conditions are presented below.

- a) In water-work window – Port staff assisted GNB in requesting an extension for in-water work from National Marine Fisheries. The request was accepted. This allowed for GNB to begin in-water work sooner than anticipated. This allowed them to more flexibility in their schedule, which affects the budget as well. The turbidity curtain was installed in the water and can be seen installed as of April 2019 in Figure 3.
- b) As the site used to be a functioning Shipyard for many years, it was expected that some unforeseen site conditions would arise during the demolition phase of construction. When these unforeseen site conditions have come up, Port staff

have worked with GNB and the designer to determine the most cost effective course of action. Some of the following are examples:

- a. Alignment of existing storm drains to be connected to new storm drains did not match the original survey. The design team found ways to eliminate a manhole and another section of new storm drain, and relocated another manhole in order to install the least amount of new pipe, and preserve as much of the contingency budget as possible.
- b. Concrete thickness and area for demolition in beach area was significantly larger than the original survey showed. The team explored options to update the design to match the existing conditions. In the end, the original drawings still provided the most cost effective solution. There will be a change order for some additional demolition, but it will be covered with the contingency.
- c. The existing soil has a lot of “trash” (cobbles, steel shrapnel, etc.) that makes it difficult to accurately test for subgrade compaction. The team determined alternate methods to achieve proper compaction for the different areas of the site. This prevented a potentially costly change order, as the likely alternative would have been to over-excavate and add fill.

## **2) Construction Management**

Port staff have been using the Port construction management (CM) team instead of the Public Works CM staff. Use of Port CM staff has saved time in not having to train Public Works staff on Port procedures. Port CM staff know who to contact at the Port for a quicker response to issues, whether it is Engineering or Real Estate staff. The Port project manager and CM team have been more involved in submittal and RFI (request for information) reviews than on a usual project, in an effort to conserve project budget and speed up response time to GNB. Port staff have been very diligent in monitoring GNB when it comes to quality of work and budget.

## **3) Value Engineering**

As a result of the above efforts, value engineering has not been needed for very many aspects of the project. The Building 30 relocation was revised to save money on the foundation. Additionally, the team has been looking at supplemental materials already existing on the neighboring Port Shipyard site that might be used to construct the custom reclaimed benches.

## **4) Schedule**

As mentioned earlier, the contract is on schedule (with the exception of rain delays in exceedance of contract allowances). As of June 25 (the last progress payment date for construction completed), \$6.9 million had been paid to Gordon N. Ball, and based on their schedule of values, this is about 39% of the work. Based on being about 5 1/2 months through the 13 month contract duration (42% complete), progress is as planned. Due to the very wet winter, there have been rain delays beyond what the specifications account for. The total extra rain days are 10.

## **LBE Goals**

GNB is on track to exceed their LBE subcontracting goal of 25.54%, along with providing mentorship to their LBE subcontractors. All subcontractors and vendors that were listed in the bid are either in contract awaiting direction or are already performing on the contract. No LBE firms have been removed from the Contract.

As part of their Project work, GNB has parceled off the entire parking lot feature of the Contract for Hoseley Corporation, a LBE firm. By doing this, Hoseley will gain experience and knowledge over the entire scope of construction to be performed in the parking lot area, including demolition, earthwork grading, underground utility work, site work concrete, and paving sections. By doing the entire scope rather than one single task, Hoseley will gain experience that they can use for future contracts for the Port, providing a long term benefit to not only Hoseley, but to the City LBE program itself.

Another LBE subcontractor, Sohler, has had difficulty in preparing shop drawings as required in the contract specifications for their work. GNB has provided extensive mentoring and guidance to assist Sohler in completing these technical drawings, and progress has been achieved.

As of the progress payment with construction completed through June 25, 2019, the percent of the contract committed at bid time to be completed by LBEs is 19%. This is lower than the total commitment amount of 25.54% because some of the LBE scopes of work are scheduled for the second half of the contract. For example, McKee & Company Electric has only completed 9% of their awarded amount, because much of the electrical scope is scheduled for the end of the contract.

In addition to the LBE subcontractor participation committed to a bid time, all trucking for the project performed to date has been performed by LBE truckers. GNB has had multiple catered lunches for the crew to celebrate milestones achieved, and this catering has exclusively been provided by a local catering firm. Given the remaining work to be performed by LBE firms, the final percent of work to be completed by LBE firms is expected to be above 25.54%

## **Next Steps**

The contract team, including Port staff, GNB, and the designer, will continue to work together to deliver this contract on time and on budget.

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Exhibit A: Photographs and Rendering

**EXHIBIT A: Photographs and Rendering**



Figure 1: Rendering of Finished Park – Looking North from 19<sup>th</sup> St. Parking Lot



Figure 2: January 2019 (1<sup>st</sup> month of construction) - Looking North east from Parking Lot



Figure 3: April 2019 (4th month of construction) - Looking North from Parking Lot





Figure 4: July 2019 (7<sup>th</sup> month of construction) – Looking North from Parking Lot

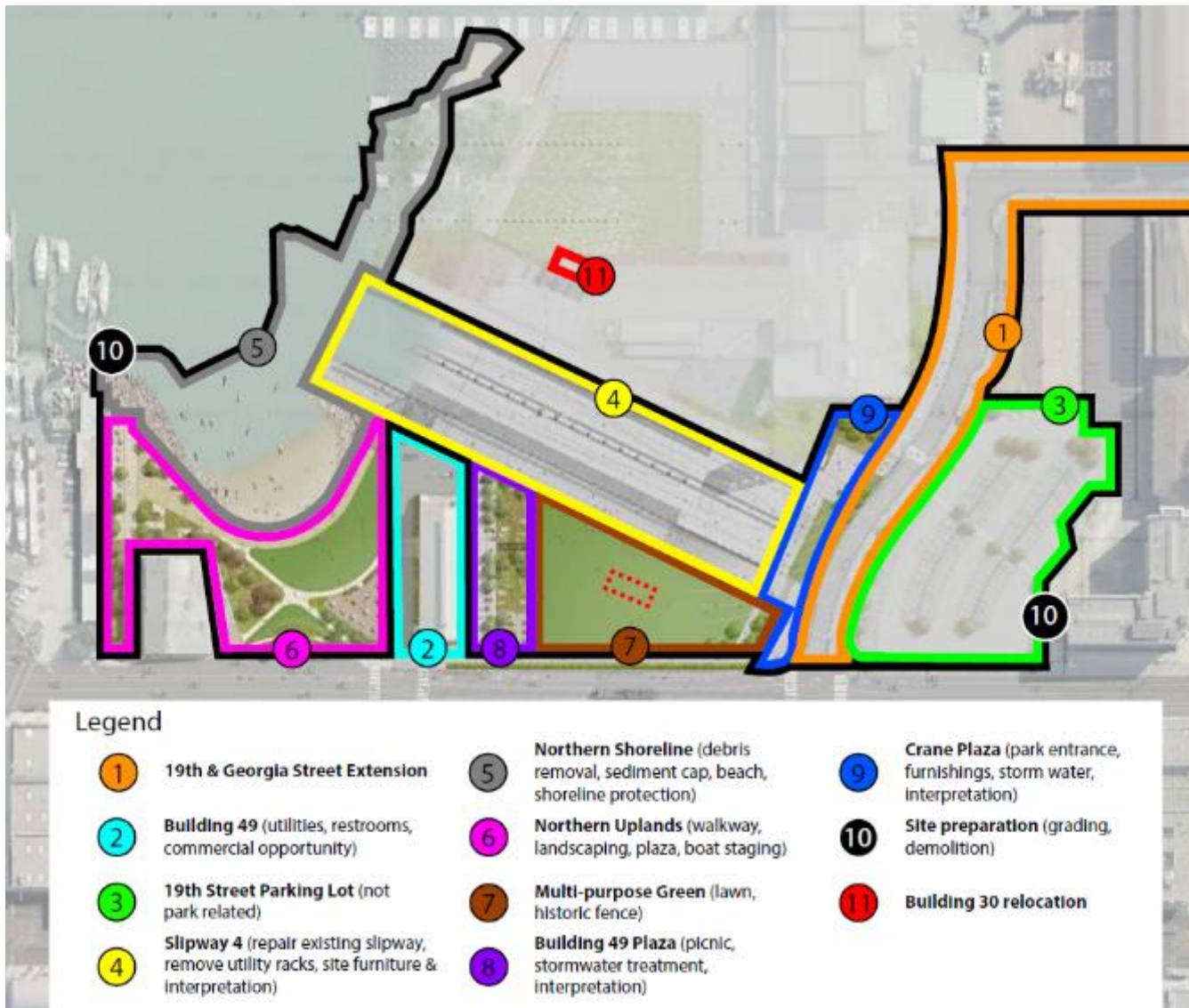
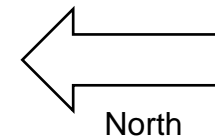


Figure 5: Plan View of Park with Areas of Scope



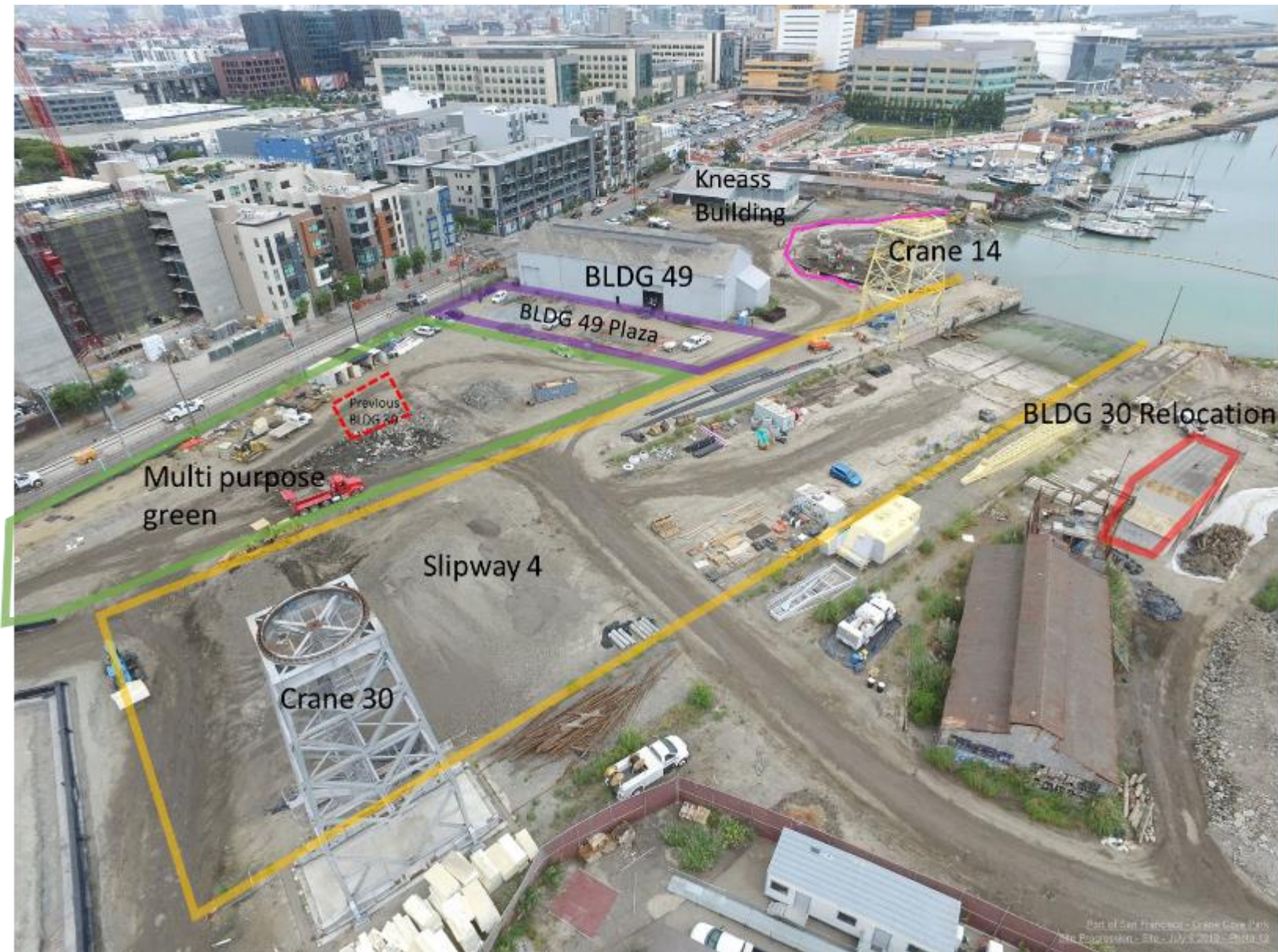


Figure 6: July 2019 Photo, Looking North



Figure 7: July 2019 Photo Looking South



Figure 8: July 2019 Photo – 19<sup>th</sup> St Parking Lot (and Park), looking North West



Figure 9: June 2019, Forming 19th St. Parking Lot Curbs



Figure 10: Cribbing Units sorted for custom site furnishings, April 2019

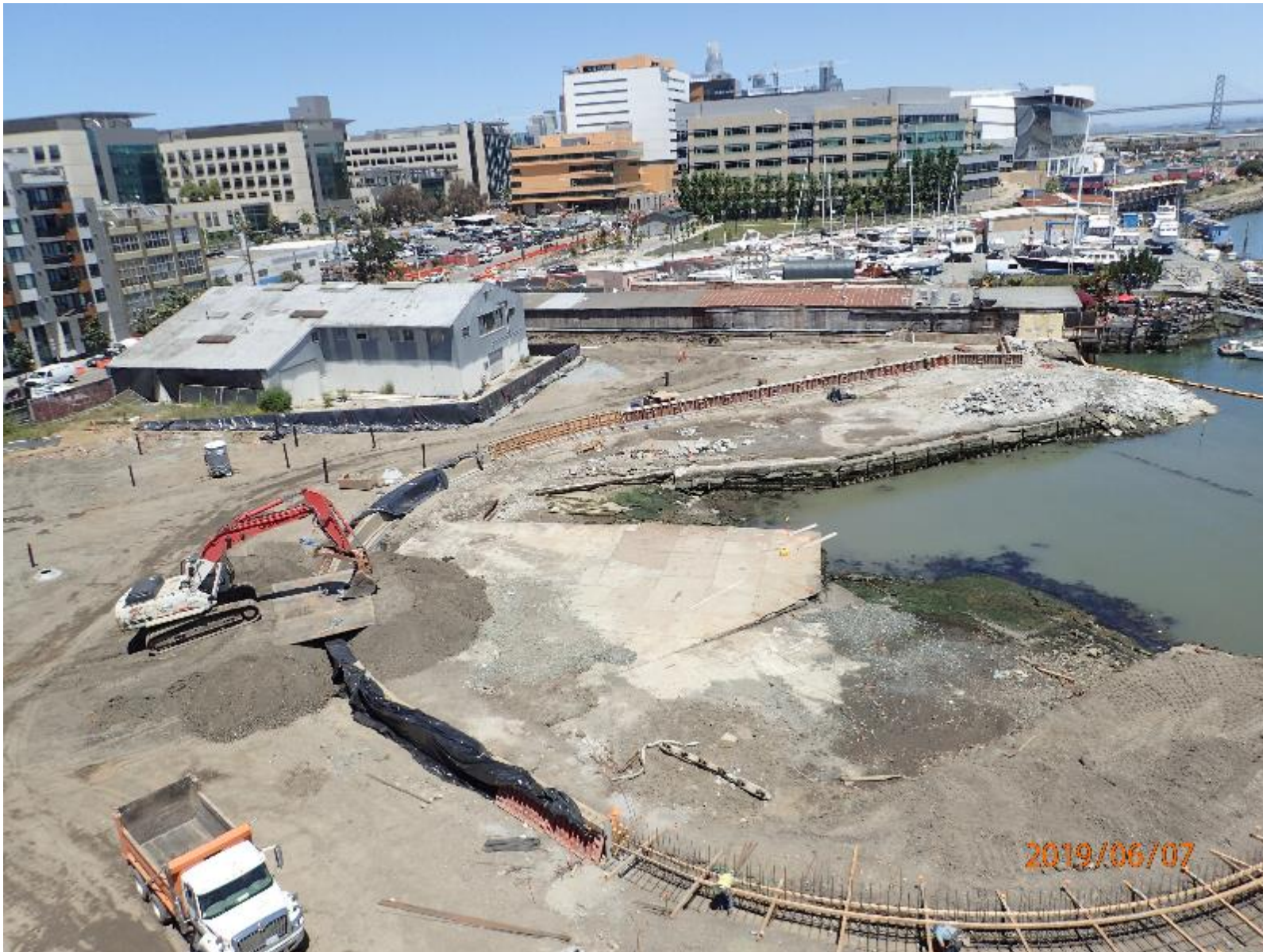


Figure 11: Beach Area Demolition – June 7, 2019 (Looking North)





Figure 12: Beach Area Demolition – July 1, 2019 (Looking North)



Figure 13: Beach Area Demolition & Sediment Cap Construction – July 20, 2019 (Looking North)