

MEMORANDUM

April 7, 2016

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
Interim Executive Director

SUBJECT: Request authorization to Modify Construction Contract No. 2758R, Bayview Gateway Park Project, by increasing the Contract Duration

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Executive Summary

At its meeting on July 8, 2014, the Port Commission authorized staff to award construction Contract No. 2758R, for the Bayview Gateway Park Project ("the Project", or "the Bayview Gateway") to Bauman Landscape & Construction, Inc., ("Bauman"). Port staff now request that the Port Commission authorize staff to issue a contract change order to increase the contract duration for substantial completion from 210 days to 388 days, and to increase the contract duration for final completion from 60 days to 152 days. The proposed contract change order is necessary to account for delays beyond the contractor's control. Section 6.22(h) of the City Administrative Code requires Port Commission approval for any time extension beyond 10 percent of the original contract duration.

Strategic Objective

The Project advances the strategic objective of **Renewal**, and specifically meets objective 6 which is to *Expand the Port's necklace of public open spaces and provide a broad array of recreational amenities and activities that enhance public enjoyment by waterfront neighbors, local businesses, community groups and visitors alike.*

The Project also supports the strategic objective of **Livability** through the creation of contract opportunities for small and local business enterprises.

THIS PRINT COVERS CALENDAR ITEM NO. 10B

Background

The Bayview Gateway Project is a 2008 Clean & Safe Neighborhood Parks Bond project, intended to create a new one-acre public open space along the southern bank of Islais Creek in San Francisco's southeast waterfront. The area was long inaccessible to the public and a source of blight for the neighborhood. The project transformed the area by demolishing the wharf, repairing the seawall, constructing a new promenade wharf structure, and converting the asphalt covered land into an open space with walkways, plaza spaces and green spaces from which to enjoy the waterfront. The project is both a gateway to and an amenity for the Bayview neighborhood. A new creekside walkway connects the Third Street and Illinois Street movable bridges, and tables and seating provide a view of the nearby Bayview Rise art mural. The project's innovative design features a skateboard spot, drought-tolerant plants and fruit bearing trees, and inscriptions from Maya Angelou.

On July 8, 2014, the Port Commission authorized award of the construction contract to the lowest responsive bidder, Bauman Landscape & Construction, Inc., for the amount of \$3,667,925 (Port Commission Resolution 14-47).

The original Contract substantial completion date was March 30, 2015, providing 210 days duration for substantial completion and 60 days thereafter for final completion. During construction, a number of issues beyond the Contractor's control delayed the contract schedule. As a result, the Contractor did not achieve substantial completion until September 24, 2015, an increase of 178 days. The primary causes of delay were rain, unforeseen site conditions at both the seawall and buried within the site, Port-directed changes to the design including the railing and interpretive features, and San Francisco Municipal Transportation Agency (SFMTA) requested changes to the traffic signal modification at Third Street. The Contractor continued to work diligently and the Park was opened to the public in September.

In August, 2015, Chapter 6 of the City Administrative Code was amended to allow retroactive approval of contract duration beyond 10 percent of the original contract duration. This change allows construction contracts to continue to progress while negotiation of contract terms are underway to determine the appropriate schedule impacts without waiting for prior Port Commission approvals. The Board of Supervisors enacted this change at the request of the Department of Public Works because policy bodies meet once or twice a month and obtaining prior approval can adversely impact project construction progress. Additionally, schedule impacts cannot be fully determined until negotiations are complete, which often require significant time. It has been common that city departments, including the Port, have had to obtain the retroactive approval from their boards and commissions which prompted this change in the Administrative Code last year.

Local Business Enterprise

Prior to contract award, the City's Contract Monitoring Division ("CMD") established a 12% subcontracting goal for Local Business Enterprises ("LBE"), including small and micro LBEs for this project. Bauman's bid included Local Business Enterprise ("LBE")

subcontractor participation of 12.4%. After calculating the adjusted contract amount for prior change orders, the contractor's LBE participation remains at 12.4% percent.

San Francisco Local Hiring Policy for Construction

The contract required local hiring in accordance with the City's Local Hiring Ordinance (known as the San Francisco Local Hiring Policy for Construction), which became effective on March 25, 2011. The mandatory participation level in terms of Project Work Hours within each trade performed by Local Residents was 30%, with a goal of no less than 15% of Project Work Hours within each trade to be performed by Disadvantaged Workers. The Office of Workforce and Development ("OEWD") monitored local hire participation and reported that the contractor satisfied these requirements.

Climate Action

The design life for this project is fifty years. Bayview Gateway Park is designed to remain functional and provide protection from Bay tidal flooding through 2065 based upon sea level rise protections of 16 inches at 2050 and 55 inches at 2100, which were current at the time of design. These projections are between the current City Capital Guidance Projections of Most Likely (11 inches at 2050 and 36 inches at 2100) and Upper Range (24 inches at 2050 and 66 inches at 2100). Raising the creekside elevation by approximately two feet through a combination of walkway structure and seawall modification increased the flood protection of the project.

Funding

This Project is funded by the 2008 Clean and Safe Neighborhood Parks General Obligation Bond. The final construction amount is within budget, and the following is a breakdown of the construction costs for the Contract:

Original Contract Amount	\$3,667,925.00
Change Orders	\$338,522.41
Total Adjusted Contract	<hr/> \$4,006,447.41 109.2%

Summary

The Contractor could not complete this construction project within the original completion dates specified in the contract because of unavoidable delays due to weather, unforeseen conditions, and design changes requested by the Port and SFMTA. Under these circumstances, where the extension of time exceeds ten percent of the original contract duration, Section 6.22(h) of the San Francisco Administrative Code requires approval of the Port Commission for the time extension.

Port staff recommends that the Port Commission authorize a contract modification or change order to Contract No. 2758R, Bayview Gateway Park Project, to increase the contract duration for substantial completion from 210 days to 388 days, and to increase the contract duration for final completion from 60 days to 152 days, and that the Port Commission ratify all actions taken by the Port staff in furtherance of such contract modification or change order.

Prepared by: Steven Reel, Project Manager

For: Eunejune Kim, Chief Harbor Engineer

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

RESOLUTION NO. 16-14

WHEREAS, the Port Commission, at its meeting on July 8, 2014, previously authorized the award of construction Contract No. 2758R, Bayview Gateway Park Project to Bauman Landscape & Construction, Inc. (“Contractor”), in the amount of \$3,667,925 (Port Commission Resolution No. 14-47); and

WHEREAS, the Contract scope consisted of constructing the new park including demolition of the existing wharf, modifying the seawall, constructing a pile supported promenade structure over water, relocation and renovation of the scale house, grading, landscape, hardscape, furnishings, lighting, irrigation, and interpretive features; and

WHEREAS, during construction, the Contractor encountered delays beyond its control due to rain, unforeseen conditions both underground and at the seawall, and due to design changes requested by Port staff and SFMTA staff, which constitute unavoidable delays as defined in the Contract; and

WHEREAS, due to these delays, the Contractor has requested an extension to the contract duration, to provide 178 additional days to the original 210 day schedule for substantial completion for a total duration of 388 days, and 92 additional days to the original 60 day schedule for final completion for a total of 152 days; and

WHEREAS, Section 6.22(h) of the City’s Administrative Code requires Port Commission approval of time extensions greater than 10% of the original contract; and;

WHEREAS, Port staff have determined that the requested time extensions are warranted due to unavoidable delays in the project schedule as described in the accompanying staff report; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes a contract modification or change order to Contract No. 2758R, Bayview Gateway Park Project, to increase the contract duration for substantial completion from 210 days to 388 days, and to increase the contract duration for final completion from 60 days to 152 days, and Port Commission hereby ratifies all actions taken by the Port staff in furtherance of such contract modification or change order.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of April 12, 2016.

Secretary