




MEMORANDUM

September 10, 2021

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

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request for retroactive authorization to modify Construction Contract No. 2813, 19th Street Extension and Georgia Street, to extend the substantial completion date

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution No. 21-35

EXECUTIVE SUMMARY

Port staff requests that the Port Commission authorize a contract modification to extend the substantial completion date of Construction Contract No. 2813 19th Street Extension and Georgia Street (the "Project"), by an additional 53 calendar days. The requested time extension is in addition to a prior time extension of 27 days (10% of original contract duration) granted by Port staff due to unforeseen site conditions. Under Section 6.22 of San Francisco Administrative Code, time extensions in excess of 10% of the original contract duration are subject to Port Commission approval.

The original contract provided a duration of 274 calendar days for substantial completion of the work. A total of 354 days was required to substantially complete the work due to unavoidable delay beyond the control of the contractor that could not have been avoided by the Contractor's exercise of due care. These delays include differing site conditions and SFMTA-caused delays. Port staff has determined there is no basis to assess liquidated damages against the contractor for the delay, and the contract budget has remained within the 10% contingency amount through substantial completion. Port staff anticipates that the overall budget will remain within the 10% contingency through final completion.

THIS PRINT COVERS CALENDAR ITEM NO. 10A

Strategic Objectives

As part of the larger Crane Cove Park project, the Project supports the goals of the Port's Strategic Plan as follows:

Evolution: This Project will continue the Blue Greenway by constructing a sidewalk and bike path connecting 20th Street to Crane Cove Park. The Project will improve Port open spaces by providing access to the main entry plaza of Crane Cove Park and to the 19th Street Parking Lot. This will incorporate the major new waterfront park and public access while maintaining the integrity of industrial maritime berthing and ship repair operations.

Equity: While not requiring contracting participation with Local Business Enterprises (LBE's) due to the federal funding requirements, the prime contractor and two of the three subcontractors are LBEs. The Project also promotes living wage jobs by requiring contractor participation with Disadvantage Business Enterprises (DBE's).

Sustainability: The overall Crane Cove Park design, including this roadway design and construction include best management practices for storm water management, water efficient landscaping, and energy efficient lighting.

Productivity: The Project will provide new and improved access to the Pier 70 Shipyard, along with providing more access to the Pier 70 development area.

Stability: This Project uses funds from an external source, a federal grant.

Background

The Port Commission awarded this contract to Cazadoro Construction Inc. ("Cazadoro") on April 28, 2020. The contract amount was for \$2,809,275. The scope of work included construction of approximately 950 feet of new roadway and sidewalk, along with streetlights, fire hydrants, and a combined sewer. The road is divided into two segments: (1) a 700 ft. extension of 19th Street eastward from the intersection at Illinois Street, after which the road makes a 90-degree turn; and (2) a 250 ft. long new Georgia Street (Exhibit "A"). The Project will provide vehicle, pedestrian, and bicycle access to the Pier 70 Shipyard, the greater Pier 70 development area, and primary access to the new 19th Street Parking Lot constructed with the Crane Cove Park contract.

The contract work began with a "Notice to Proceed" on August 3, 2020. The original substantial completion date was scheduled for May 3, 2021. Since that time, there have been delays due to conditions beyond the contractor's control. Port staff and Cazadoro have worked together to focus on mitigating these delays while keeping the project within budget.

Section 6.22(h) of the City Administrative Code allows staff to grant a contract time extension not exceeding 10 percent of the original schedule due to unavoidable delays.

Beyond that, the Port Commission may grant retroactive approval to increase the contract duration beyond 10 percent of the original contract schedule. This allows staff the flexibility to negotiate modifications to the schedule without causing further delays to the Project, and then seek Port Commission approval when the work is done and the timeline is known. Causes of delay include:

- Unforeseen Site Conditions – Port staff have granted 27 days to the contractor for work related to conflicts with existing utilities under the future street and the work to relocate an existing water line serving the Pier 70 Shipyard. Additionally, the contractor had to demolish a concrete structure that was discovered during excavation.
- SFMTA Delays – the project required coordination with SFMTA to review the signage, striping of the street, and traffic signals at Illinois St and 19th Street. SFMTA required last minute changes, and more rounds of review for the signage and striping than anticipated. The substantial completion was also delayed until their signal shop could come out and activate the traffic signals.
- Additional delays related to the COVID-19 pandemic.

In the spirit of partnering, Port staff has found no basis to assess liquidated damages against the Contractor for the construction delay. Port staff therefore requests authorization to execute a contract modification to extend the original contract duration of 274 calendar days for substantial completion by an additional 53 calendar days (in addition to Port staff's prior extension of 27 days). The requested contract modification would thus extend the substantial completion date from May 4, 2021 to July 23, 2021.

Throughout this process, despite the schedule delays, Cazadoro and Port staff focused on staying within the budget. These collaborations were successful because the contract has stayed within the 10% contingency even after multiple change orders related to the items above.

San Francisco Local Business Enterprise Requirement

This Project received funding from a federal grant administered through Caltrans and therefore is subject to Disadvantaged Business Enterprise (DBE) requirements instead of Local Business Enterprise (LBE) requirements of the City Administrative Code Chapter 14B. However, Cazadoro itself is an LBE contractor, specifically a woman-owned business enterprise.

Caltrans established the DBE subcontracting goal for this Project of 18%. Cazadoro's bid committed to 19.8% DBE participation. Both of the DBE subcontractor firms used in the contract are also LBE firms.

Note that the federal grant funding does not allow for Local Hiring Ordinances as a contract requirement and therefore Local Hiring was not required by this contract. The anticipated final contract amounts for Cazadoro and its subcontractors is summarized in the following table.

Table 1: 19th and Georgia St Contractor List

Firm	Type of Work	Proposed % Contract Work	Proposed Amount of Contract Work	Actual Anticipated % Contract Work	Actual Anticipated Amount of Contract Work	LBE Type	Ethnicity*
Cazadoro Construction Inc.	Prime	79%	\$2,215,819	78%	\$2,249,718	WBE	Not available
On the Level Concrete	Concrete	8%	\$226,256	9%	\$245,087	MBE	Black/ African American
Bay Area Lightworks	Electrical	12%	\$329,500	12%	\$331,947	MBE	Asian
Compass Engineering	Signs and Striping	1%	\$37,700	2%	\$43,700	-	Not available
TOTAL			\$2,809,275		\$2,870,452		

* The ethnicity data is for informational and data collection purposes only and may not be taken into account by the Port Commission when considering the approval or disapproval of any contract award or related resolution.

Funding

The projected final Project expenditure details are shown below. Note that the Project final completion is scheduled for 60 days after substantial completion, September 21, 2021 and the amounts will be finalized at that time.

Contract Award	\$2,809,275
Total authorized contract amount, including 10% contingency	\$3,090,202
Anticipated Contract Change Orders	\$61,117
Total Anticipated Contract Expenditures	\$2,870,452

As set forth above, authorized change orders did not exceed the budgeted 10% contingency.

Schedule

The modified Project completion schedule is noted below:

Port Commission Authorization to Award	April 28, 2020
Notice to Proceed	August 3, 2020
Original Substantial Completion	May 4, 2021
Revised Substantial Completion	July 23, 2021
Scheduled Final Completion (60 days after substantial completion)	September 21, 2021

Summary

The Contractor experienced delays in contract completion beyond 10% of the original contract duration for the Project. The circumstances for the delay included differing site conditions beyond the contractor's control and SFMTA-caused delays. Port staff determined that the additional time required to complete the Project was reasonable and justified. As a result, staff finds no basis to assess liquidated damages for such delay.

Port staff requests Port Commission authorization to execute a contract modification to extend the original contract duration of 274 days for substantial completion by an additional 53 calendar days, which in addition to the Port staff's prior time extension of 27 days, totals 354 calendar days.

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Prepared for: Rod K. Iwashita
Chief Harbor Engineer

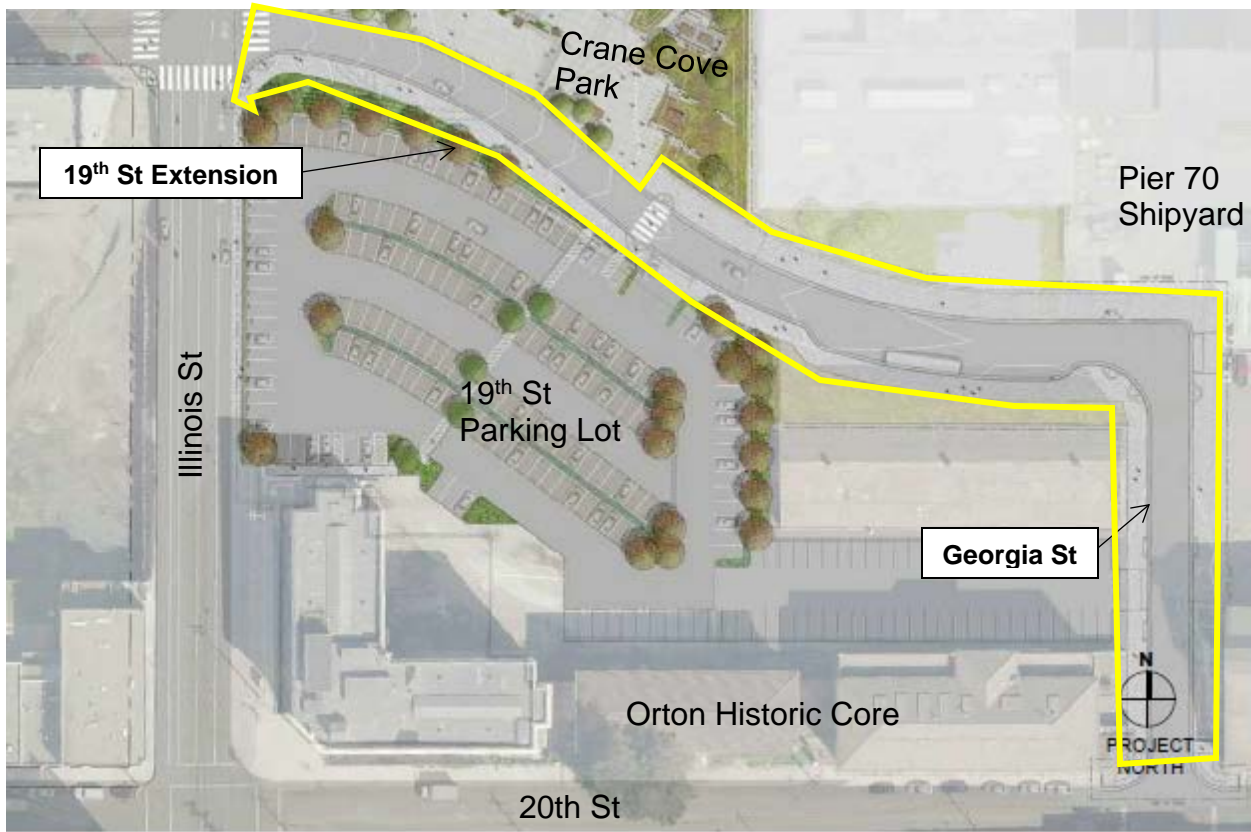
**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 21-35**

- WHEREAS, on April 28, 2020, the Port Commission adopted Resolution No. 20-22, which authorized the award of Construction Contract No. 2813, 19th Street Extension and Georgia Street to Cazadoro Construction, Inc. (“Contractor”); and
- WHEREAS, the contract scope included construction of approximately 950 feet of new roadway and sidewalk, along with streetlights, fire hydrants, and a combined sewer; and
- WHEREAS, during the course of construction, the Contractor encountered unforeseen conditions and unavoidable delays as defined in the contract, that required additional time to complete the contract work; and
- WHEREAS, Section 6.22(h) of the City Administrative Code authorizes the Port Commission to approve time extensions greater than 10% of the original contract amount or duration, and such a time extension is permissible after completion of the contract when there is no basis to assess liquidated damages for the delay against the contractor; and
- WHEREAS, Port staff requests authorization of an extension of time of 53 calendar days to the original contract duration of 274 calendar days, which combined with Port staff’s prior extension of 27 calendar days, will extend the original contract substantial completion date from May 4, 2021 to July 23, 2021; and
- WHEREAS, as described in the accompanying staff report, Port staff have determined that the delays in the completion of the contract were beyond the Contractor’s control and there is no basis to assess liquidated damages against the Contractor; now, therefore be it
- RESOLVED, that the Port Commission hereby authorizes Port staff to execute a contract modification to Contract No. 2813, 19th Street Extension and Georgia Street, to extend the existing substantial completion date by an additional 53 days, and further, the Port Commission hereby ratifies all actions taken by the Port staff in furtherance of such contract modification.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of September 14, 2021.

Secretary

EXHIBIT A
AREA OF WORK LOCATION MAP



CONTRACT NO. 2813 19th St Extension and Georgia St