



## MEMORANDUM

January 19, 2024

**TO:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Steven Lee  
Hon. Ed Harrington

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT:** Request authorization to award Construction Contract No. 2788R, Hyde Street Harbor Repairs to Yerba Buena Engineering & Construction in the amount of \$1,558,275, and authorization for a contract contingency fund of 10% of the contract amount (or \$155,828), for a total authorization not to exceed \$1,714,103.

**DIRECTOR'S RECOMMENDATION:** Approve the Attached Resolution No. 24-08

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### EXECUTIVE SUMMARY

Pursuant to Port Commission authorization (Resolution 23-34) on July 11, 2023, Port staff issued an Advertisement for Bids ("AFB") soliciting bids for the Hyde Street Harbor Repairs project (the "Project") on July 13, 2023. No bids were received and on September 22, 2023, the Project was rebid as Contract 2788R, and four proposals were received in response to the AFB. Port staff requests the Port Commission's authorization to award Contract No. 2788R, Hyde Street Harbor Repairs to Yerba Buena Engineering & Construction, the lowest responsible, responsive bidder, in the amount of \$1,558,275 and authorize a contract contingency fund of 10% (\$155,828), for a total authorization not to exceed \$1,714,103.

### STRATEGIC OBJECTIVES

This Project supports the goals of the 2023 Port's Strategic Plan as follows:

**THIS PRINT COVERS CALENDAR ITEM NO. 10G**

*Goal 2 Economic Growth: Grow business portfolio to create an economically successful and vibrant waterfront.*

The Project will preserve and enhance commercial fishing at Fisherman's Wharf and Hyde Street Harbor by addressing deferred maintenance of the docks that serve the commercial fisherman at Hyde Street Harbor. The Project maximizes the available berths available for rent to generate revenue from the commercial fishers.

## **BACKGROUND**

The repair scope for the Project was split into two lump sum base bid items in the contract: one item for the west docks, and the other for the east docks. Both base bid items included scope to repair bumper strips and dock hardware; installation of supplemental floatation on concrete floats to restore freeboard; rust removal; concrete spall and crack repair; replacement of water line; and replacement of plywood gussets with HDPE material on the docks to keep them in working condition to maximize their remaining service life. The contract included one added alternate scope 'A1' to install new power pedestals with built-in water line connection points. Yerba Buena's bid, including A1, came within budget which will allow the Port to include the alternate scope in the awarded contract.

## **PROJECT ADVERTISEMENT AND CONTRACTOR OUTREACH**

On July 11, 2023, the Port Commission authorized staff to advertise for bids the Construction Contract No. 2788, Hyde Street Harbor Repairs (Port Commission Resolution 23-34).

Port staff published the advertisement for bids on the Port's website on July 13, 2023. Port staff conducted a virtual optional pre-bid conference on July 27, 2023, that was attended by 16 contractors. No bids were received by the original bid opening date of August 31, 2023. The Project was rebid on September 22, 2023 under the contract number 2788R with no changes made to the contract documents. Port staff conducted outreach to companies representing the trades for this contract during the advertisement period. This solicitation included Local Business Enterprise ("LBE") Certified contractors. Outreach methods included email and phone calls. The contract was advertised to the ethnic chambers of commerce and posted to San Francisco City Partners which is widely accessed by contractors and vendors. The pre-bid meeting was attended by contractors representing ten different firms, seven of which are LBE firms. There were 10 project plan holders registered on the Port's website; 3 of 10 plan holders are LBE firms. Four bids were received on the bid opening date of November 13, 2023.

## **EVALUATION OF BIDS**

Port staff determined that the lowest bidder, Yerba Buena Engineering & Construction, a San Francisco Micro LBE contractor met the Project's minimum qualifications. The

Port's Contract Monitoring Division ("CMD") reviewed the bids and concluded that the lowest bidder's submittals complied with the LBE subcontracting requirements.

Yerba Buena Engineering & Construction, however, did not meet the preliminary safety qualification which meant it was required to undergo a safety evaluation that was performed by a third-party consultant. The minimum score to pass is 150 points and Yerba Buena Engineering & Construction passed with a score of 190 points.

Yerba Buena Engineering & Construction listed 2 projects on its Bidder's Qualifications form, all of which have been completed in the last 5 years: Alma Floating Dock Replacement and SFPD Floating Fire Station 35.

It was determined that Yerba Buena Engineering & Construction is the lowest responsive bidder. The final bid rankings are shown in *Table 1*.

**Table 1: Project Bid Ranking**

Bidder	Status	Base Bid	Alternative Bid Item A1	Total Base Bid + Alt. Bid Item A1	LBE Bid Discount	Adjusted Bid with Bid Discount
<b>Yerba Buena Engineering &amp; Construction</b>	<b>SF LBE-OBE (Micro)</b>	<b>\$1,047,400</b>	<b>\$510,875</b>	<b>\$1,558,275</b>	<b>10% = \$155,828</b>	<b>\$1,402,447</b>
Fontenoy Engineering	SF LBE-OBE (Small)	\$1,370,000	\$575,000	\$1,945,000	10% = \$194,500	\$1,750,500
Dutra Group	Non-LBE	\$1,082,000	\$814,000	\$1,896,000	N/A	\$1,896,000
Bellingham Marine	Non-LBE	\$2,384,091	\$797,762	\$3,181,853	N/A	\$3,181,853

Yerba Buena Engineering & Construction submitted the lowest bid of \$1,558,275. Because they are a SF-Micro LBE contractor, the bid was adjusted to include their 10% LBE discount, so the final bid amount was \$1,402,44.5 **See Exhibit B** for CMD Award Memorandum.

Founded in 2002, Yerba Buena Engineering & Construction, Inc., is a general contractor specializing in work for federal, state, and local government agencies. They are certified as a historically underutilized business zone (HUBZone) concern (Small Business Administration), a small, disadvantaged business (SDB) (self-certified), a disadvantaged business enterprise (DBE) (U.S. Department of Transportation), a small business (SB) and small business-public works (SB-PW) (California Department of General Services), and a local business enterprise (LBE).

Yerba Buena Engineering & Construction has been working with Power Engineering under the City's LBE Mentor Protégé Program. The goal of the program is to help LBEs improve their business practices and add to their areas of expertise. In turn, LBE firms like Yerba Buena Engineering will be able to provide more competitive bids on City contracts.

Power Engineering will perform work as a subcontractor and has cross-trained crews that are well-practiced in a variety of complex marine tasks including over water works, and dock installation which are essential skills to perform the work on the Project.

Based on CMD’s review and the LBE availability data, the LBE subcontracting participation requirement on the total dollar amount was 3.00% for this project. The LBE subcontracting requirement is less than the typical 20% due to the significant costs of specialized materials, unique pier repair safety requirements involving working in confined spaces over water, and the limited LBE subcontractors available to perform such work. Yerba Buena Engineering & Construction Bid exceeds the Project’s 3% LBE subcontracting requirement with 7.04% LBE participation for this contract. The LBE subcontractor firms are shown in Table 2.

**Table 2: Project LBE Participation**

<b>LBE Subcontract or</b>	<b>Scope of Work</b>	<b>Status</b>	<b>Percent LBE</b>	<b>Listed Amount</b>	<b>Amount Credited</b>	<b>Percent of Work</b>
Anco Iron & Construction	Furnish & Install Misc Steel	SF LBE-MBE (Micro)	100%	\$15,000	\$13,000*	1.24%
DLD Lumber	Lumber	SF LBE-OBE (Micro)	100%	\$37,700	\$22,620*	2.15%
Harrison & Bonini	Hardware for Docks Repair	SF LBE-WBE (Small)	100%	\$38,900	\$23,340*	2.22%
OBS Engineering	Repair Docks (Partial)	SF LBE-MBE (Micro)	100%	\$15,000	\$15,000	1.43%
<b>Total</b>				<b>\$106,600.00</b>	<b>\$73,960.00</b>	<b>7.04%</b>

\*Only 60% of supplies costs are credited toward LBE participation.

**FUNDING**

The winning contractor’s bid of \$1,558,275 and 10% contingency of \$155,828 for a total of \$1,714,103 is within the Port’s budget. The Project will be funded by the Port’s Harbor Fund from the Capital Improvement Plan budget.

**PERMITTING AND APPROVALS SUMMARY**

All necessary approvals and permits have been secured by Port staff and the Port of San Francisco Building Permit will be secured prior to the Notice to Proceed (NTP). All work under the contract is covered under the regulatory approvals and permits shown in Table 2.

**Table 2: Regulatory Permits**

<u>Agency</u>	<u>Permit or Approval Required and Status</u>
San Francisco Planning Department (CEQA)	CEQA Categorical Exemption Determination filed by the San Francisco Planning Department on June 4, 2021 (2021-003773ENV) for Portwide Repair and Maintenance Program
San Francisco Bay Conservation and Development Commission (BCDC)	BCDC Permit No 1998.007.05, Amendment No. 5 issued June 14, 2011 for Hyde Street Harbor Pier
San Francisco Bay Regional Water Quality Control Board (RWQCB)	RWQCB Order R2-2016-0039, Waste Discharge Requirements and Water Quality Certification, issued September 16, 2016 for the Port of San Francisco General Maintenance Program

**SCHEDULE**

The contract duration is 160 consecutive calendar days from the (NTP) date. Below is a summary of the construction and contracting milestones:

- Commission Authorization to Award January 23, 2024
- Notice to Proceed March 2024
- Substantial Completion August 2024

**RECOMMENDATION**

Port staff recommend the Port Commission approve the attached resolution authorizing staff to award Construction Contract No. 2788R, Hyde Street Harbor Repairs to Yerba Buena Engineering & Construction in the amount of \$1,558,275 and authorizing for a contract contingency fund of 10% of the contract amount (or \$155,828) for unanticipated conditions, for a total authorization not to exceed \$1,714,103. Port staff also recommends that the Port Commission authorize the Executive Director to accept the work once it is complete.

Prepared by: Noel Aquino  
Project Manager

For: Wendy Proctor  
Acting Deputy Director, Engineering

Exhibits: A - Area of Work Location Map  
B - CMD Review Memorandum

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

**RESOLUTION NO. 24-08**

WHEREAS, On July 11, 2023, the Port Commission adopted resolution No. 23-34, authorizing staff to solicit competitive bids for construction Contract No. 2788, Hyde Street Harbor Repairs (the “Project”); and

WHEREAS, Port staff published the advertisement for bids on the Port’s website on July 13, 2023 and no bids were received. The Project was rebid on September 22, 2023 under the contract number 2788R with no changes made to the contract documents; and

WHEREAS, the Project was bid with the Base Bid scope of work for construction and replacement of in-kind material for damaged/missing timber walers, bumper strips, and dock hardware; installation of supplemental floatation on concrete floats to restore freeboard; rust removal; concrete spall and crack repair; replacement of water line; and replacement of plywood gussets with HDPE material at Hyde Street Harbor; and

WHEREAS, the Project was bid with one Additive Bid scope to install new power pedestals to supply vessels with shore power; and

WHEREAS, The Port obtained a CEQA Categorical Exemption Determination filed by the San Francisco Planning Department on June 4, 2021 (2021-003773ENV) for Portwide Repair and Maintenance Program, the San Francisco Regional Water Quality Control Board Order R2-2016-0039, Waste Discharge Requirements and Water Quality Certification, issued September 16, 2016 for the Port of San Francisco General Maintenance Program, and the San Francisco Bay Conservation and Development Commission Major Permit No. 1998.007.05, Amendment No. 5 issued June 14, 2011 for the Hyde Street Harbor Pier. The Port Building Permit will be obtained prior to Notice to Proceed; and

WHEREAS, The Port received four bids for the Project on November 13, 2023; and

WHEREAS, Port Engineering staff and Contract Monitoring Division staff reviewed the bids and determined that Yerba Buena Engineering & Construction is the lowest responsive, responsible bidder for the Project; and

WHEREAS, Yerba Buena Engineering & Construction’s total price for the Project Base Bid and Additive Bid is \$1,558,275 and a recommended 10% contract contingency fund of \$155,828, for a total of \$1,714,103 which is fully funded by Port Capital funds; and

WHEREAS, Yerba Buena Engineering & Construction's bid exceeds the LBE subcontracting participation requirement of 3% established by the Contract Monitoring Division with 7.04% participation; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes the award of construction Contract No. 2788R, Hyde Street Harbor Repairs, to Yerba Buena Engineering & Construction, the lowest responsive and responsible bidder, for the not-to-exceed amount of \$1,558,275; and be it further

RESOLVED, that the Port Commission authorizes Port staff to increase the contract amount, as necessary for unanticipated conditions, by an additional \$155,828 (10% contingency) through contract modification or change order; and be it further

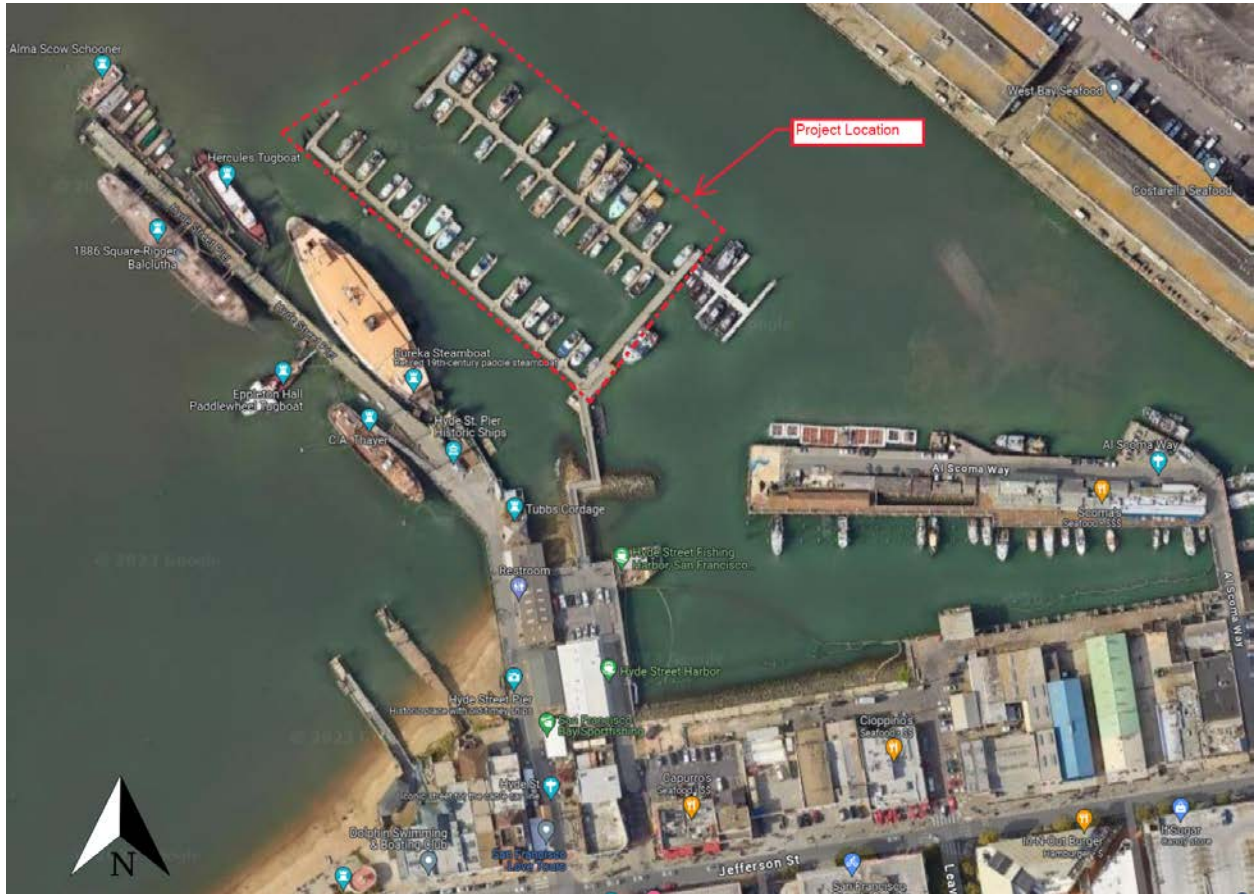
RESOLVED, that the Port Commission hereby authorizes the Executive Director to accept the work once it is complete.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of January 23, 2024.***

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Secretary

**EXHIBIT A**  
**AREA OF WORK LOCATION MAP**



CONTRACT NO. 2788R Hyde Street Harbor Repairs



**EXHIBIT B**  
**CMD Award Memo**

City & County of San Francisco  
 London N. Breed, Mayor



Office of the City Administrator  
 Carmen Chu, City Administrator

Contract Monitoring Division  
 Stephanie Tang, Director

**MEMORANDUM**

Date: December 13, 2023

To: Noel Aquino, the Port of San Francisco  
 Andre Antonio, the Port of San Francisco  
 Tim Leung, the Port of San Francisco

From: Melinda Kanios, Contract Monitoring Division

Subject: 2788R Hyde Street Harbor Repairs CMD Award Memo

The Contract Monitoring Division ("CMD") has reviewed the bids submitted for the above referenced project, applied the appropriate bid discounts, and determined responsiveness to Chapter 14B pre-award requirements. An LBE subcontracting requirement of 3% was established for this project. Below is a summary of CMD's review<sup>1</sup>.

Bidder	Status	Base Bid	Alternative Bid Item A1	Total Base Bid + Alt. Bid Item A1	LBE Bid Discount	Adjusted Bid with Bid Discount
Yerba Buena Engineering & Construction	SF LBE-OBE (Micro)	\$1,047,400.00	\$510,875.00	\$1,558,275.00	10% = \$155,827.50	\$1,402,447.50
Fontenoy Engineering	SF LBE-OBE (Small)	\$1,370,000.00	\$575,000.00	1,945,000.00	10% = \$194,500.00	\$1,750,500.00
Dutra Group	Non-LBE	\$1,082,000.00	\$814,000.00	\$1,896,000.00	N/A	\$1,896,000.00
Bellingham Marine	Non-LBE	\$2,384,091.00	\$797,762.00	\$3,181,853.00	N/A	\$3,181,853.00

Yerba Buena Engineering & Construction ("Yerba Buena") is the lowest responsive bidder. Yerba Buena met the 3% LBE subcontracting requirement by listing the following LBE firms:

LBE Subcontractor	Scope of Work	Status <sup>1</sup>	Percent LBE	Listed Amount	Amount Credited	Percent of Work
Anco Iron & Construction	Furnish & Install Misc Steel	SF LBE-MBE (Micro)	100%	\$15,000.00	\$13,000.00*	1.24%
DLD Lumber	Lumber	SF LBE-OBE (Micro)	100%	\$37,700.00	\$22,620.00*	2.15%
Harrison & Bonini	Hardware for Docks Repair	SF LBE-WBE (Small)	100%	\$38,900.00	\$23,340.00*	2.22%
OBS Engineering	Repair Docks (Partial)	SF LBE-MBE (Micro)	100%	\$15,000.00	\$15,000.00	1.43%

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SFGSA.org · 3-1-1

<b>Total:</b>	<b>\$106,600.00</b>	<b>\$73,960.00</b>	<b>7.04%</b>
*Only 80% of supplies costs are credited toward LBE participation.			

Yerba Buena has also listed the following non-LBE subcontractor:

Non-LBE Subcontractor	Scope of Work	Status	Listed Amount
Power Engineering Construction	Repair Docks (Partial)	Non-LBE	\$500,000.00
<b>TOTAL</b>			<b>\$500,000.00</b>

Yerba Buena has also listed the following LBE subcontractors for Alternate A1:

LBE Subcontractor	Scope of Work	Status	Listed Amount
OBS Engineering	Land Labor Support for Dock Repair	SF LBE-MBE (Micro)	\$18,000.00
Leyder Electric	Electrical	SF LBE MBE (Micro)	\$134,720.00
<b>TOTAL</b>			<b>\$152,720.00</b>

Yerba Buena has also listed the following non-LBE subcontractor for Alternate A1:

Non-LBE Subcontractor	Scope of Work	Status	Listed Amount
Lescure Company	Land Labor Support for Dock Repair	Non-LBE	\$131,500.00
<b>TOTAL</b>			<b>\$131,500.00</b>

Based on the foregoing, CMD has determined that Yerba Buena has complied with Chapter 14B pre-award requirements. Should you have any questions, please contact Melinda.Kanios@sfgov.org.

<sup>1</sup> The Port of San Francisco has specifically requested that CMD include in the Award Memo the specific ethnicity of each LBE proposer and the subcontractors of the apparent low-bid, where available. CMD does not require businesses to self-identify the ethnicity of the business owner but any business may choose to do so. CMD reiterates to the Port and any other agency that ethnicity information in no way factor into the evaluation or award of this or any other contract. CMD recommends against the publication or announcement of the ethnicity information provided below, including but not limited to Commission meetings.

- Bellingham Marine Industries: Not provided
- Fontenoy Engineering: OBE
- The Dutra Group: Not provided

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- Yerba Buena Engineering & Construction: Latino

Yerba Buena Engineering & Construction is the apparent low-bid. Listed below is the information provided by the owner.

- Anco Iron & Construction: Latino
- DLD Lumber: Latino
- Harrison & Bonini: OBE
- Lescure Company: Not provided
- Leyder Electric: Latino
- OBS Engineering: African-American
- Power Engineering Construction: Not provided