




MEMORANDUM

December 4, 2020

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 authorization to award Construction Contract No. 2831, The SFPD Marine Unit Dock Replacement to Power Engineering Construction in the amount of \$1,419,896, and authorization for a contract contingency fund of 8.7% of the contract amount (or \$123,420), for a total authorization not to exceed \$1,543,316

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution No. 20-53

EXECUTIVE SUMMARY

Pursuant to Port Commission authorization (Resolution 20-36), Port staff issued an Advertisement for Bids ("AFB") on September 25, 2020 soliciting bids to perform The SFPD Marine Unit Dock Replacement. Four proposals were submitted in response to the AFB. Port staff requests the Port Commission's authorization to award Contract No. 2831, SFPD Marine Unit Dock Replacement to Power Engineering Construction, the lowest responsible, responsive bidder, in the amount of \$1,419,896 and authorize a contract contingency fund of 8.7% (\$123,420), for a total authorization not to exceed \$1,543,316.

The scope of work includes the manufacture and installation of 10 concrete piles, manufacture and installation of a new floating dock system with mechanical and electrical appurtenances, security gate, and the salvage and reuse of existing SFPD floating docks on the Hyde Street Pier. The project will allow the SFPD to vacate three commercial fishing docks, reverting the existing docks to commercial fishing use and will help generate additional maritime revenue. The FEMA grant that will fund a

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substantial portion of this project has a deadline of May 31, 2021, after which unused funds must be returned. As a result, the Port has secured authorization to begin in-water work on April 1, 2020 in advance of the standard in-water work window.

STRATEGIC OBJECTIVES

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

Equity: The Project promotes living wage jobs by encouraging contractor participation with federal Disadvantage Business Enterprises (DBE's) goals.

Sustainability: The Project will salvage the existing SFPD floating docks and reinstall them onto the new floating dock. The new location of the dock will also be subject to reduced wave action compared to the current location. This will reduce maintenance costs over the lifespan of the dock.

Productivity: The three finger docks currently occupied by the SFPD will revert to commercial fishing use and help generate revenue once the Project is complete.

Stability: This Project uses Port capital, a FEMA grant, and a match from the SFPD.

BACKGROUND

The SFPD Marine Unit's fleet of waterborne assets, consisting of multiple vessels and personal watercraft (PWC), has expanded to keep up with the safety demands of tenants and visitors along the waterfront, and the regional Maritime Transportation System. However, their vessels are moored at the publicly accessible commercial fishing dock in Hyde Street Harbor. Except for a vessel in one slip, which is fenced off from the public, the Marine Unit vessels and PWC are accessible to the public, and therefore vulnerable to theft and vandalism. The Marine Unit has suffered multiple incursions into their dock space and onto their vessels in the past few years.

In addition, over the past few years the SFPD Marine Unit's dock system at Hyde Street Harbor has experienced multiple failures due to wave action, tidal surges, and the stresses placed upon the Hyde Street Harbor's dock configuration, which was not engineered or built to support attaching the SFPD Marine Unit's multiple submersible docking systems to its piles and support structures.

The FEMA grant that will fund a substantial portion of this project has a deadline of May 31, 2021, after which unused funds must be returned. As a result, the Port has secured authorization to begin in-water work on April 1, 2020 in advance of the standard in-water work window. Substantial completion of the Project is targeted for the end of May 2021. The docks and piles required for the Project are long-lead items with durations of four to six months from order to delivery, requiring the contract to be in place by December 2020.

SCOPE OF WORK

The scope of work for Construction Contract No. 2831 SFPD Marine Unit Dock Replacement includes the manufacture and installation of 10 concrete piles,

manufacture and installation of a new floating dock system with mechanical and electrical appurtenances, security gate, and the salvage and reuse of existing SFPD floating docks on the Hyde Street Pier. The project will allow the SFPD to vacate three commercial fishing docks and move their equipment to a new location in the harbor as shown in Exhibit A.

CONTRACT ADVERTISEMENT AND CONTRACTOR OUTREACH

On August 11, 2020, the Port Commission authorized staff to advertise Construction Contract No. 2831, SFPD Marine Unit Dock Replacement Project for bids (Port Commission Resolution 20-36).

Port staff published the advertisement for bids on the Port's website on September 25, 2020. The engineer's estimate for the scope was \$1,090,000. Project bid solicitations were sent by email distribution to 151 LBE Certified Contractors as well as relevant Chambers of Commerce and the San Francisco Public Utilities Contractors' Assistance Center. There are 55 project plan holders registered on the Port's website; 18 of 55 plan holders are LBE firms.

Port staff conducted a virtual optional pre-bid conference on October 13th, 2020 that was attended by seven contractors.

EVALUATION OF BIDS

On October 27th, 2020, the Port received four proposals in response to the SFPD Marine Unit Dock Replacement Project invitation for bids.

Power Engineering Construction Co. ("Power Engineering") submitted the lowest bid of \$1,419,896. See Exhibit B for the Bid Tabulation. Port staff determined that Power Engineering's bid met the project's minimum qualifications. The final bid rankings are shown in *Table 1*.

The Contract Monitoring Division ("CMD") also reviewed the bids for compliance with the project's Small Business Enterprise ("SBE")/ Disadvantaged Business Enterprise (DBE) requirements.¹ Power Engineering's Bid exceeded the 20% SBE/DBE subcontracting goal, and by letter dated November 23, 2020, the Port's CMD Contract Compliance Officer concluded that the lowest bidder's submittals complied with the SBE/DBE subcontracting requirements. See Exhibit C. Power Engineering's SBE/DBE subcontractors are summarized in *Table 2*.

¹ Because the Project is partially funded by a FEMA grant, the Port is not permitted to set LBE minimum requirements or apply LBE bonuses.

Table 1: Project Bid Ranking

Bidder	Base Bid	Alternate Deductive Bid Item D1	Bid total	Rank
Power Engineering Construction Co.	\$1,449,088	(\$29,192)	\$1,419,896	1
Vortex Marine Construction	\$1,711,000	(\$100,000)	\$1,611,000	2
Manson Construction Co.	\$1,672,000	(\$30,000)	\$1,642,000	3
Bellingham Marine Industries	\$1,919,862	(\$15,000)	\$1,904,862	4

Table 2: SFPD Marine Unit Dock Replacement Project SBE Participation for Power Engineering

Subcontractor	Scope of Work	Status	Listed Amount	Credited Amount	SBE Credit	Ethnicity*
Liftech Consultants Inc.	Structural Engineering Consulting	Calif. SBE	\$66,150	\$66,150	4.66%	no data ²
E. Mitchell, Inc.	Plumbing	SF-LBE-SBE-MBE	\$20,500	\$20,500	1.44%	Non-minority
North American Fence & Railing	Security Fence & Gate	Calif. SBE	\$21,413	\$21,413	1.51%	no data
Perry Electric Inc.	Electrical	Calif. SBE	\$195,000	\$195,000	13.73%	no data
Total SBE Commitment			\$303,063	\$303,063	21.34%	

**The information set forth in the following table is current as of May 14, 2020 from the Contract Monitoring Division. The table 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.*

LOWEST RESPONSIVE BIDDER

Power Engineering is a heavy civil and marine engineering construction company that opened for business in 1986 that serves Northern California. As a union employer, Power Engineering provides cross-trained crews that are well practiced in a variety of complex tasks, including shoring, underpinning, piledriving, heavy rigging, and aerial work.

Power Engineering listed three projects on their Bidder's Qualifications form, all of which have been completed in the last 5 years: \$73.9M WETA Downtown San Francisco Ferry Terminal, \$12.4M Alameda Seaplane Lagoon Ferry Terminal, and \$24.3M WETA

² The State of California Cal eProcure database does not list ethnicity data for firms certified as a California SBE.

Central Bay Maintenance Terminal. All listed projects demonstrate substantial experience in pile driving, floating dock installation, mechanical, and electrical work which are all key scopes of work for the SFPD Marine Unit Dock Replacement Project. Finally, Port staff conducted a safety qualification review required by recent amendments to Chapter 6 of the Administrative Code. Power Engineering passed the review, and was designated “responsible” under a procedure developed by the City Administrator to implement the new Chapter 6 requirements.

FUNDING AND BUDGET

The project was advertised with an engineer’s estimate of \$1,090,000 and a total project budget of \$1,269,316. The winning bid was \$1,419,896, which was \$150,580 over the current budget. The Port has identified \$274,000 of additional funds from the Homeland Security Grant Program to fill the funding gap and to help provide a contingency of 8.7%. The total sum of the SFPD, FEMA, and Homeland Security funds will cover ninety-nine percent of the construction contract cost. Port Capital will be used to cover the remaining one percent and the Project’s contingency. Any contingency remaining at the conclusion of the Project will revert back to the Port capital budget. Funding sources for the project are presented in Table 3.

Table 3: Uses of Funds and Funding Sources

Uses of Funds	
Construction contract costs	\$1,419,896
Contingency	\$123,420
Total Estimated Uses	\$1,543,316
Funding Sources	
Secured – Construction Phase Budget	\$1,543,316
<ul style="list-style-type: none"> • FEMA • San Francisco Police Department Match • Port Homeland Security Grant program • Port Capital 	<ul style="list-style-type: none"> \$894,642 \$250,000 \$274,000 \$124,674

PERMITS

All necessary approvals and permits have been secured by staff and the Port of San Francisco encroachment permit will be secured prior to NTP. The major regulatory approvals are shown in Table 4.

Due to the expiration date of the FEMA grant in May 31, 2021, the Port requested an in-water work window extension from the regulatory agencies to allow pile driving work to begin in April, 2021 to give the project time to be substantially complete before the FEMA grant reimbursement window closes. The extension was granted by BCDC on November 13, 2020 and by the Army Corps of Engineers on November 17, 2020.

Table 4: Permitting & Approvals Summary

<u>Major Permit</u>	<u>Status</u>
FEMA	Approved
San Francisco Bay Conservation and Development Commission (BCDC)	Approved
San Francisco Bay Regional Water Quality Board (RWQCB)	Approved
U.S. Army Corps of Engineers	Approved
Port of San Francisco Encroachment Permit	Permit to be secured prior to NTP

SCHEDULE

The major schedule constraint to the project is the FEMA funding deadline of May 31st, 2021. Construction beyond this date will not be reimbursable by FEMA. To avoid losing the Federal funds, the Port has secured an early in-water start date of April 1st to begin construction as soon as possible. The Port has also set the substantial completion date of May 31st with liquidated damages set to \$5,700 per day to reduce the Port’s exposure to loss of funding.

Below is a summary of the construction and contracting milestones:

SFPD Marine Unit Dock Replacement (Contract No. 2831)

- | | |
|---|-------------------|
| • Commission Authorization to Advertise | August 11, 2020 |
| • Commission Authorization to Award | December 08, 2020 |
| • Notice to Proceed | January 18, 2021 |
| • Substantial completion | May 31, 2021 |

RECOMMENDATION

Port staff requests the Port Commission’s authorization to award Construction Contract No. 2831, SFPD Marine Unit Dock Replacement to Power Engineering in the amount of \$1,419,896, and authorization for a contract contingency fund of 8.7% of the contract amount (or \$123,420) for unanticipated conditions, for a total authorization not to exceed \$1,543,316. Port staff also recommends that the Port Commission authorize the Executive Director to accept the work once it is complete.

Prepared by:

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For:

Rod K. Iwashita
Chief Harbor Engineer

Exhibits:

- A. Area of Work Location Map
- B. Bid Tabulation
- C. CMD Review Memorandum

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 20-53**

WHEREAS, On August 11, 2020, the Port Commission adopted resolution No. 20-36, authorizing staff to solicit competitive bids for construction Contract No. 2831, The SFPD Marine Unit Dock Replacement to Power Engineering Construction (the “Contract”); and

WHEREAS, the scope of work for Contract No. 2831 includes Pile Driving, Procurement and installation of floating docks and piles, installation of a security fence, and installation of electrical and mechanical appurtenances at Hyde Street Harbor; and

WHEREAS, The Port obtained Environmental and Historic Preservation (EHP) approval from FEMA, dated April 30; the San Francisco Regional Water Quality Control Board - General Waste Discharge Requirements and Water Quality Certification for Construction and Maintenance of Overwater Structures (CIWQS Place ID 861041), dated February 07, 2020; the San Francisco Bay Conservation and Development Commission Major Permit No. 1998.007.06, authorized March 10, 2020; the original U.S. Army Corps of Engineers Rivers and Harbors Act Section 10 Letter of Permission issued on March 13, 2020; and the modification to the US Army Corps of Engineers Letter of Permission to begin the In-Water Work on April 1, 2021 was received on November 17, 2020; and

WHEREAS, The Port received four bids for the Project on October 27, 2020; and

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

WHEREAS, The Power Engineering Construction’s total price for the Project is \$1,419,896 and a recommended 8.7% contract contingency fund of \$123,420, are funded by FEMA funds, an SFPD match, Port Homeland Security Grant program, and Port Capital funds; and

WHEREAS, Power Engineering Construction’s bid satisfies the DBE/SBE subcontracting participation requirement of 20% established by the Contract Monitoring Division; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes the award of construction Contract No. 2831, SFPD Marine Unit Dock Replacement to Power Engineering Construction, the lowest responsive and responsible bidder, for the not-to-exceed amount of \$1,419,896 and be it further

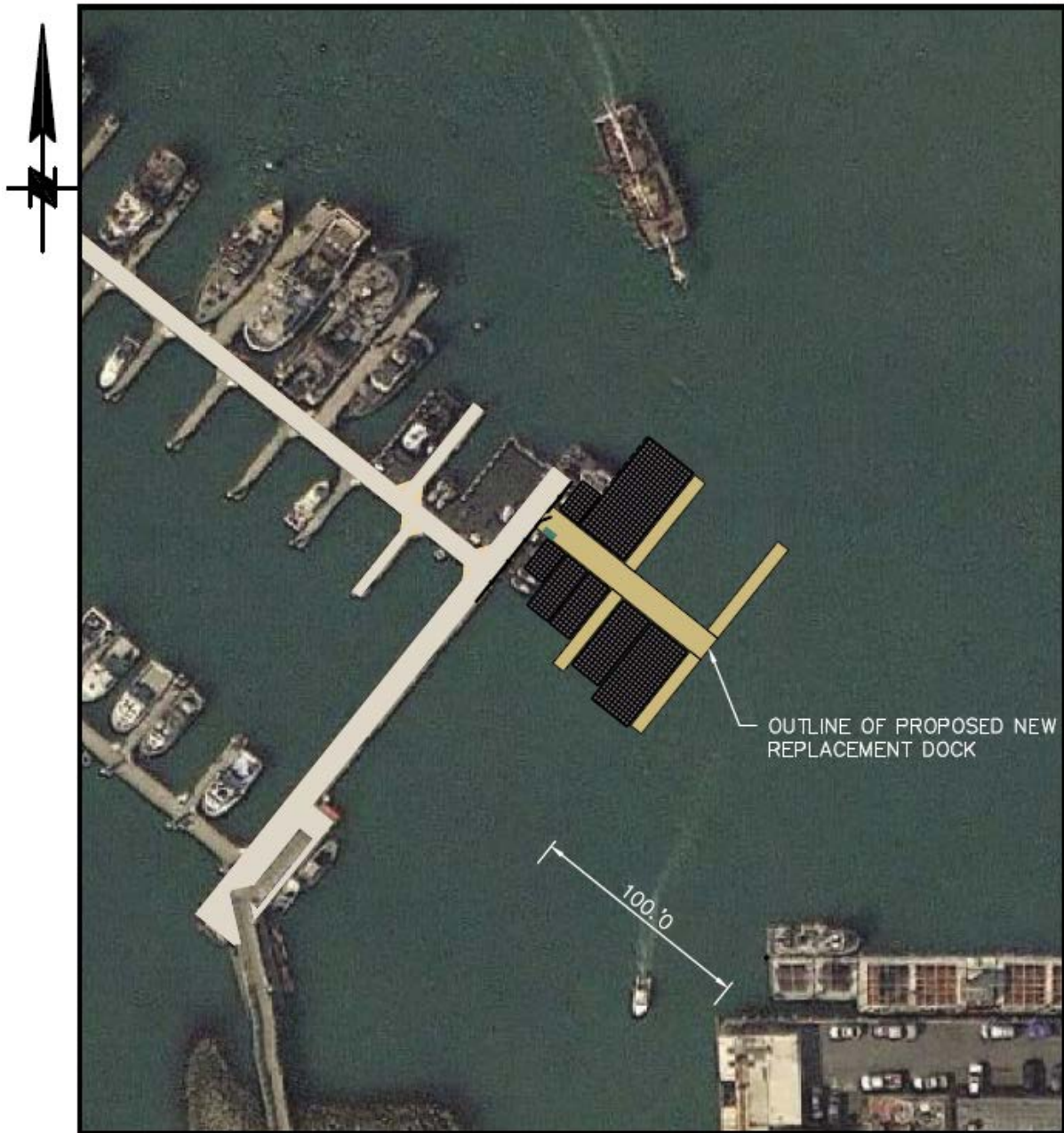
RESOLVED, that the Port Commission authorizes Port staff to increase the contract amount, as necessary for unanticipated contingencies, by an additional \$123,420 (8.7% of \$1,419,896) through contract modification or change order; and be it further

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 San Francisco Port Commission at its meeting of December 8, 2020.

Secretary

EXHIBIT A
AREA OF WORK LOCATION MAP



CONTRACT NO. 2831 SFPD Marine Unit Dock Replacement Project