

THIS STAFF REPORT COVERS CALENDAR ITEM NO.: 8
FOR THE MEETING OF: October 14, 2010

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to award a Trade Subcontract to **Trinet Construction Incorporated** as the responsible bidder submitting the lowest responsive bid in the amount of **\$4,796,301** for TG04.5.1 – Minna Street Utility Demolition, Installation of Water, Sewer, and Joint Trench for gas, electrical, and telecommunications, and thereby increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, ¶5.01B), from \$0 to \$4,796,301 and increasing the authorized Construction Services Fee from \$0 to \$374,591.11.

EXPLANATION:

On February 4, 2010, the CM/GC issued a Request for Qualifications (RFQ) for the sewer, water and AWSS scope of work to be performed as part of the relocation of utilities. Sixteen qualification packages were received on March 11 and evaluated by a panel of CM/GC, TJPA, and PMPC staff. Relocation of utilities has been set aside for 100 percent Small Business Enterprise (SBE) participation, and seven SBE contractors were determined to be qualified.

In May 2010, the CM/GC issued an RFQ for electrical, gas & telecommunications joint trench work related to the relocation of utilities, and ten qualification packages were received in response to that RFQ, six of which were determined to be qualified. However, before the Invitation for Bids package was finalized, it was determined that the sewer, water and joint trench work on Minna Street, TG04.5.1, needed to be bid together as one package. Three contractors who qualified under both RFQs were considered pre-qualified for TG04.5.1. Contractors who had qualified under only one of the RFQs, and additional contractors who had not responded to either RFQ but wished to bid the work, were given the opportunity to qualify during the bid period. Two more contractors qualified during the bid period.

The Invitation for Bids was issued on August 13, 2010. Three addenda were issued during the bid period. A total of three bids was received and opened on September 15, 2010. Staff recommends awarding Trade Subcontract TG04.5.1 to Trinet Construction, Inc. as the responsible bidder submitting the lowest responsive bid, in the total amount of \$4,796,301. Said amount includes a base bid of \$4,336,301, a \$100,000 allowance for San Francisco Police Department 10B Officer Traffic Control, and allowances of \$360,000 total for premium costs related to disposal of contaminated soil material that may be discovered.

Trinet Construction, Inc. is an SBE, certified by the San Francisco Human Rights Commission. Six SBE subcontractors are also included in the bid. This Trade Subcontract will have 100% SBE participation.

This Trade Subcontract will be funded by the American Recovery and Reinvestment Act funding granted to the TJPA by the Federal Railroad Administration.

Summary of Scope of Work

The work consists of the following utility relocation work on Minna Street:

Between 1st Street and 2nd Street and on 1st Street between Minna Street and Mission Street

- *Demolition of existing utilities*
- *Installation of new water*
- *Installation of new sewer facilities*
- *Installation of Joint Trench*
- *Street Light Relocation*
- *Traffic Signalization removal*

At Fremont Street

- *Partial demolition of existing utilities*
- *Installation of new water*
- *Installation of new sewer facilities*
- *Street Light Relocation*
- *Traffic Signalization removal*

Other

- *All street light relocation where required at other locations*

The time allowed for completion is 225 calendar days from issuance of notice to proceed to the Trade Subcontractor. Scope of work is on the critical path and completion is directly tied to the start of shoring for the project.

The Work under the Subcontract will be located in Minna Street between 2nd Street and 1st Street and in 1st Street between Mission Street and Minna Street. All work will be performed in accordance with mitigation measures as defined by the City and County of San Francisco Municipal Transportation Agency "Blue Book" governing work in San Francisco streets. Uniformed San Francisco Police Officers will be utilized as appropriate to provide additional traffic control as directed by TJPA.

Advertisement for Bids

The initial Advertisement for Bids was issued on August 13, 2010, noting that the engineer's estimate was in excess of \$10,390,000. The scope was changed during the bid period, deducting a portion of joint trench at the west end of Minna Street where PG&E will be performing the work. The engineer's estimate was not revised.

Bids Received

On September 15, 2010, TJPA received and opened three bids, as follows:

<u>Bidder</u>	<u>Bid Amount (Base Plus Allowances)</u>
1. Trinet Construction Inc. 2560 Main Street San Francisco, CA 94124	\$4,796,301
2. Con-Quest Contractors Inc. 290 Toland Street San Francisco, CA 94124	\$5,761,070
3. Synergy Project Management Inc. 150 Executive Park Blvd. Suite 4750 San Francisco, CA 94134	\$6,883,185

As Trinet Construction, Inc. was pre-qualified, CM/GC, TJPA and PMPC staff is satisfied that the company possesses the requisite experience to perform the scope of work for this subcontract. Trinet Construction, Inc. complied with the instructions to bidders and submitted all required forms and certifications, including certification that it is signatory to a recognized apprenticeship and/or training program under Chapter 4 of the California Code as certified by the State of California Division of Apprenticeship Standards.

Bid Protests

No bid protests were received.

RECOMMENDATION:

Staff recommends that the TJPA Board of Directors authorize amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to award a Trade Subcontract to Trinet Construction, Inc., as the responsible bidder submitting the lowest responsive bid in the amount of \$4,796,301 for TG04.5.1 – Minna Street Utility Demolition, Installation of Water, Sewer, and Joint Trench for gas, electrical, and telecommunications.

ENCLOSURE:

1. Resolution
2. Contract Amendment

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, On March 12, 2009, the TJPA awarded a contract to Webcor/Obayashi Joint Venture as Construction Manager/General Contractor ("CM/GC") for the Transbay Transit Center Building and Related Structures (Contract No. 08-04-CMGC-000 (the "Contract")). Under the Contract, the CM/GC must competitively procure Trade Subcontractors. The Contract provides for the incorporation of Trade Packages by amendment to (a) authorize award of a Trade Subcontract, (b) authorize the associated increase in allowable Direct Costs under the Contract (Agreement (Section 00 05 20), ¶5.01), and (c) authorize the CM/GC to charge a Construction Services Fee invoiced at a rate of 7.81% of Direct Costs; and

WHEREAS, On August 13, 2010, the CM/GC advertised for bids for TG04.5.1 – Minna Street Utility Demolition, Installation of Water, Sewer, and Joint Trench for Electrical, Gas & Telecommunications ("TG04.5.1"), which is part of the Transbay Transit Center Program and which involves the relocation of utilities necessary to facilitate construction of the Transbay Transit Center; and

WHEREAS, Under TG04.5.1, the Trade Subcontractor will perform utility relocation activities including demolition of existing utilities, water, sewer and joint trench work on Minna and 1st Streets; and

WHEREAS, On September 15, 2010, three bids were received and opened publicly; and

WHEREAS, CM/GC and TJPA have determined that Trinet Construction Inc., of San Francisco, California, is the responsible bidder submitting the lowest responsive bid, with a bid of \$4,796,301; and

WHEREAS, Funds for this contract are available from the American Recovery and Reinvestment Act grant from the Federal Railroad Administration; and

WHEREAS, The time allowed for completion of the work under this contract is 225 calendar days after issuance of the Notice to Proceed; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes Webcor/Obayashi Joint Venture to award a Trade Subcontract to Trinet Construction, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$4,796,301; and be it

FURTHER RESOLVED, That upon award of TG04.5.1, the Trade Subcontract shall be deemed part of the Contract Documents under Contract No. 08-04-CMGC-000; and be it

FURTHER RESOLVED, That Contract No. 08-04-CMGC-000 is hereby modified to incorporate the authorized amount of Trade Subcontract TG04.5.1 – Minna Street Utility Demolition, Installation Water, Sewer, and Joint Trench for Electrical, Gas & Telecommunications, by increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, ¶5.01B), from \$0 to \$4,796,301 and increasing the authorized Construction Services Fee from \$0 to \$374,591.11.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of October 14, 2010.

Secretary, Transbay Joint Powers Authority

**AGREEMENT
AMENDMENT NO. 7
BETWEEN
TRANSBAY JOINT POWERS AUTHORITY
AND
WEBCOR/OBAYASHI, J.V.**

THIS AMENDMENT for AGREEMENT is entered into as of the _____ day of _____, 2010 by and between the TRANSBAY JOINT POWERS AUTHORITY ("TJPA") and Webcor/Obayashi, J.V. (the "CM/GC"). By this Amendment No. 07 the TJPA and the CM/GC hereby modify the Agreement dated March 17, 2009 (the "Agreement"), only to the extent expressly provided in this Amendment No. 7. All other terms and conditions of the Agreement shall remain in full force and effect.

Recitals

A. On March 12, 2009, the TJPA Board awarded the Agreement to the CM/GC to perform pre-construction and construction services for the Transbay Transit Center Building and Related Structures Project (the "Project").

B. As detailed in the Agreement CM/GC is required to procure construction services through the award of Trade Packages, at which time the TJPA shall adjust the value of the Contract Sum to reflect the amount of the awarded Trade Work Subcontract plus the proportionate CM/GC's Construction Services Fee in accordance with Article 5.01 of the Agreement.

C. The CM/GC issued an Invitation for Bids for TG04.5.1—Minna Street Utility Demolition, Installation of Water, Sewer, and Joint Trench for gas, electrical, and telecommunications on August 13, 2010, and received and publicly opened three bids on September 15, 2010.

D. Trinet Construction, Inc. was the responsible bidder submitting the lowest responsive bid in the amount of \$4,796,301, which consists of a Base Bid of \$4,336,301, a \$100,000 allowance for San Francisco Police Department 10B Officer Traffic Control, and allowances of \$360,000 total for premium costs related to disposal of contaminated soil material that may be discovered.

Terms and Conditions

1. By this Amendment the TJPA authorizes an increase in the CM/GC scope of work and the value of the Contract Sum by \$5,170,892.11 (Trade Package Direct Costs of \$4,796,301 and CM/GC Fee, calculated at 7.81 percent of Direct Costs, of \$374,591.11), and the award of Trade Subcontract No. TG04.5.1 to Trinet Construction, Inc. for performance of Minna Street Utility Demolition, Installation of Water, Sewer, and Joint Trench for gas, electrical, and telecommunications.

2. The detailed scope of work and schedule incorporated by this Amendment is provided in the Construction Bid Documents dated August, 13, 2010 and all associated Addenda.

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IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 7 on the day first mentioned above.

TRANSBAY JOINT POWERS AUTHORITY

Maria Ayerdi-Kaplan
Executive Director

Transbay Joint Powers Authority
Board of Directors
Resolution No. _____
Adopted: _____
Attest:

Secretary, TJPA Board

Approved as to Form:

Dennis J. Herrera, City Attorney

By: _____
Deputy City Attorney

WEBCOR/OBAYASHI, JOINT VENTURE

Authorized Signature

Printed Name

Title