

**STAFF REPORT FOR CALENDAR ITEM NO.: 13
FOR THE MEETING OF: June 14, 2012**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to award a Trade Subcontract to S3H, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$1,671,752 for TG06.1 - Geothermal Loop System, and thereby increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, paragraph 5.01B), by \$1,671,752 and increasing the authorized Construction Services Fixed Fee by \$137,083.66.

SUMMARY:

- On April 3, 2012 the CM/GC issued a combination Request for Qualifications/Invitation for Bids (RFQ/IFB) for the TG06.1 - Geothermal Loop System scope of work to be performed as part of the Transbay Transit Center, with a 40 percent Small Business Enterprise (SBE) goal. Qualification packages were received on April 27, 2012, and evaluated by a panel of TJPA, CM/GC, and PMPC staff. The following contractors were determined to be qualified and have no conflicts of interest:
 - S3H, Inc.
 - Brower Mechanical, Inc.
- The scope of work for the Geothermal Loop System Package consists of the construction of a geothermal heat exchange loop.
- One addendum was issued during the bid period to clarify specifications and respond to questions from bidders. Bids were received from each of the pre-qualified contractors and opened on May 17, 2012.
- Staff recommends awarding Trade Subcontract TG06.1 to S3H, Inc. as the responsible bidder submitting the lowest responsive bid, in the total amount of \$1,671,752. Said amount includes a base bid with no allowances.
- S3H is not a certified SBE, but has included two SBE sub-tier contractors as part of their bid and the Trade Subcontract will have a minimum of 40% SBE participation.
- This Trade Subcontract will be funded by the American Recovery and Reinvestment Act (ARRA) funding granted to the TJPA by the Federal Railroad Administration.

EXPLANATION:

Scope of Work

The scope of work is to provide and install all ground loops, headers, temperature probe housing, ground sensors, and all other mechanical and system connections, supports, equipment and materials necessary for a complete, functional and tested geothermal heat exchange loop system.

Schedule

Installation of the system shall start prior to construction of the TG03 BSE Trade Subcontractor’s concrete slab, and be sequenced so that it shall not impact succeeding activities and/or the critical path of the project.

Request for Qualifications/Invitation for Bids

The RFQ/IFB was issued on April 3, 2012. The engineer’s estimate for this scope was indicated at \$1,650,000. Qualifications were received on April 27 from two contractors, both of which were evaluated and determined to be qualified. One addendum was issued during the bidding period to clarify specifications and respond to questions from bidders. Bids were received from both pre-qualified bidders and opened on May 17, 2012.

Bids Received

<u>Bidder</u>	<u>Bid Amount (No Allowances)</u>
S3H, Inc. 401 – 13 th Street, Building 33C Treasure Island San Francisco, CA 94130	\$ 1,671,752
Brower Mechanical, Inc. 4060 Alvis Court Rocklin, CA 95677	\$ 1,957,711

No bid protests were received. As S3H, 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. S3H, 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.

Funding

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

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 S3H, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$1,671,752 for TG06.1 - Geothermal Loop System, and thereby increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, paragraph 5.01B), by \$1,671,752 and increasing the authorized Construction Services Fixed Fee by \$137,083.66.

ENCLOSURES:

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), paragraph 5.01), and (c) authorize the CM/GC to charge a Construction Services Fee invoiced at a rate of 8.2% of Direct Costs; and

WHEREAS, On April 3, 2012, the CM/GC advertised for bids for TG06.1: Geothermal Loop System ("TG06.1"), which is part of the Transbay Transit Center Program and which involves below grade work necessary to facilitate construction of the Transbay Transit Center; and

WHEREAS, Under TG06.1, the Trade Subcontractor will perform all work in connection with installation of a complete, functional and tested geothermal loop system; and

WHEREAS, On May 17, 2012, 2 bids were received and opened publicly; and

WHEREAS, CM/GC and TJPA have determined that S3H Inc. of San Francisco, California, is the responsible bidder submitting the lowest responsive bid, with a bid of \$1,671,752; 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 394 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 S3H Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$1,671,752; and be it

FURTHER RESOLVED, That upon award of TG06.1, 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 for TG06.1: Geothermal Loop System, by increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, paragraph 5.01B), by \$ 1,671,752 and increasing the authorized Construction Services Fixed Fee by \$137,083.66.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of June 14, 2012.

Secretary, Transbay Joint Powers Authority

AGREEMENT
AMENDMENT NO. 21
BETWEEN
TRANSBAY JOINT POWERS AUTHORITY
AND
WEBCOR/OBAYASHI, J.V.

THIS AMENDMENT for AGREEMENT is entered into as of the _____ day of June, 2012, by and between the TRANSBAY JOINT POWERS AUTHORITY ("TJPA") and Webcor/Obayashi, J.V. (the "CM/GC"). By this Amendment No. 21, the TJPA and the CM/GC hereby modify the Agreement No. 08-04-CMGC-000 dated March 17, 2009 (the "Agreement"), only to the extent expressly provided in this Amendment No. 21. All other terms and conditions of the Agreement, as previously amended, 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 Construction Services Fixed Fee in accordance with Article 5.01 of the Agreement.
- C.** The CM/GC issued an Invitation for Bids for TG06.1: Geothermal Loop System April 3, 2012, and received and publicly opened two bids on May 17, 2012.
- D.** S3H, Inc. was the responsible bidder submitting the lowest responsive bid in the amount of \$1,671,752.

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 \$1,808,835.66 (Trade Package Direct Costs of \$1,671,752 and CM/GC Fixed Fee, calculated at 8.2 percent of Direct Costs, of \$137,083.66), and the award of Trade Subcontract No. TG06.1 to S3H, Inc. for performance of TG06.1: Geothermal Loop System.
- 2.** The detailed scope of work and schedule incorporated by this Amendment is provided in the Invitation for Bid Documents dated April 3, 2012, and one associated Addendum issued on May 9, 2012.

IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 21 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:

TJPA Legal Counsel

WEBCOR/OBAYASHI, JOINT VENTURE

Authorized Signature

Printed Name

Title