

**STAFF REPORT FOR CALENDAR ITEM NO.: 8
FOR THE MEETING OF: July 11, 2013**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture (the "CM/GC") to award a Trade Work subcontract to Skanska USA Civil West California District, Inc. ("Skanska") as the responsible bidder submitting the lowest responsive bid in the amount of \$189,107,936 for the TG07.1R: Structural Steel Superstructure Package (comprised of parts TG07.1E, TG07.1C and TG07.1W), thereby increasing authorized Direct Costs by \$189,107,936 and increasing the authorized Construction Services Fixed Fee by \$15,506,850.75, under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B.

EXPLANATION:

On May 7, 2012 the CM/GC issued a Request for Qualifications ("RFQ") for the TG07.1: Structural Steel Superstructure Package scope of work to be performed as part of the Transbay Transit Center. On June 28, 2012, six firms responded to the RFQ. On July 10, 2012, a selection committee consisting of Brian Dykes from the TJPA, Jeff Heath from the CM/GC, Gary Krutsch from Turner Construction, and Mark O'Dell from PMPC reviewed and scored the submitted qualifications for technical merit. Based on this evaluation, the selection committee determined the following contractors to be qualified:

- Canam Steel Corporation
- The Herrick Corporation
- Schuff Steel Company
- Skanska USA Civil West
- SME Steel Contractors

On October 31, 2012, the bid package was issued. One bid was received on March 7, 2013, from Skanska, in the amount of \$259,528,000, which exceeded the engineer's estimate by \$115 million and the amount in the TJPA's budget by \$97 million.

On March 25, 2013, the TJPA Board authorized staff to negotiate a reasonable price with the sole bidder, Skanska. Negotiations did not result in the parties agreeing upon a reasonable price. Thus, in order to increase competition the Structural Steel Package was broken into three parts (East, West, and Central) and reissued as TG07.1R on April 29, 2013. In the interim, in order to mitigate any delays to the Project's schedule and due to the fact that only a single supplier was available, the cast nodes production portion of the original Structural Steel Superstructure Package was deleted from the revised package and awarded, as authorized by the TJPA's Board, via a purchase order with Bradken, Inc.

A pre-bid conference for TG07.1R was held on May 7, 2013. Three additional bidders submitted qualifications and were deemed qualified prior to receipt of bids on June 20, 2013.

These additional bidders were:

- Shimmick Construction/Danny's Construction Joint Venture
- Southland Contracting Inc.
- Tutor-Saliba/SME Steel/W&W Steel Joint Venture

The scope of work under TG07.1R includes constructing the Structural Steel Superstructure for the Transbay Transit Center Building. The major items of work for this package consist of the following:

- furnish all anchor bolts, base plates and mock-ups to the TG06.0 Trade Subcontractor before concrete is poured.
- coordinate work with the TG06.0 Trade Subcontractor so as to not impact its construction schedule.
- shop fabrication, shipping, erection, bolting up, and welding of Steel Framed Structure along with bay by bay erection, metal decking, headed studs, and OCS attachments.
- remove the Access Trestle from the Lower Concourse Level.

The scope of work includes all labor, materials, equipment, tools, transportation, disposal fees, incidentals and any other costs/fees necessary to complete work in accordance with the Contract Documents. Two addenda were issued during the bid period as necessary to clarify and respond to bidders' questions, and to provide updated specifications, drawings and scope revisions. The final engineer's estimate based upon revised plans and specifications for TG07.1R was \$180,000,000.

On June 20, 2013, four bids, as detailed below, for TG07.1R were received, opened and evaluated:

Bidder	Base Bid (including discounts if awarded all three building parts)
Skanska USA Civil West California District, Inc.	\$189,107,936
Shimmick/Danny's Joint Venture	\$193,990,000
Southland Contracting	\$209,127,000
Tutor-Saliba/SME Steel/W&W Joint Venture	\$219,777,000

Skanska's bid included 12.63% SBE participation, meeting the 12% SBE goal on the package. Eleven SBE firms are included in Skanska's bid.

No bid protest was received during the protest period, which ended June 27, 2013.

RECOMMENDATION:

TJPA staff recommends that the TJPA Board authorize amending Contract No. 08-04-CMGC-000, authorizing the CM/GC to execute a Trade Work subcontract to Skanska USA Civil West California District, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$189,107,936 for the TG07.1R: Structural Steel Superstructure Package (comprised of parts TG07.1E, TG07.1C and TG07.1W), thereby increasing authorized Direct Costs by \$189,107,936 and increasing the authorized Construction Services Fixed Fee by \$15,506,850.75, under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B.

ENCLOSURES:

1. Resolution
2. Contract Modification

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, On March 12, 2009, the Transbay Joint Powers Authority (“TJPA”) awarded a contract to Webcor/Obayashi Joint Venture as Construction Manager/General Contractor (the “CM/GC”) for the Transbay Transit Center Building and Related Structures (“Contract No. 08-04-CMGC-000” or 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 Work subcontract; (b) authorize the associated increase in allowable Direct Costs under the Contract; and (c) authorize the CM/GC to charge a Construction Services Fixed Fee invoiced at a rate of 8.2% of Direct Costs (Contract, Section 00 05 20, ¶5.01); and

WHEREAS, On April 29, 2013, the CM/GC issued Invitation for Bids for TG07.1R: Structural Steel Superstructure Package (“TG07.1R”) for the entire Transbay Transit Center Program to construct the Structural Steel Superstructure for the Transbay Transit Center Building; and

WHEREAS, Under TG07.1R, the Trade Subcontractor will perform all structural steel superstructure related activities for the entire Transbay Transit Center Program; and

WHEREAS, On June 20, 2013, four bids were received and opened publicly; and

WHEREAS, CM/GC and TJPA have determined that Skanska USA Civil West California District, Inc. (“Skanska”) is the responsible bidder submitting the lowest responsive bid, with a bid of \$189,107,936; and

WHEREAS, Funds for this contract are available from bridge tolls allocated by the Metropolitan Transportation Commission and land sales proceeds; and

WHEREAS, The time allowed for completion of the work under this Trade Work subcontract is 570 calendar days after issuance of the Notice to Proceed; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the CM/GC to execute a Trade Work subcontract for the Structural Steel Superstructure Package, as set forth in TG07.1R, with Skanska USA Civil West California District, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$189,107,936; and be it

FURTHER RESOLVED, That upon award of the Trade Work subcontract to Skanska USA Civil West California District, Inc., the Trade Work 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 Work subcontract awarded to Skanska USA Civil West California District, Inc. for the TG07.1R: Structural Steel Superstructure Package by increasing authorized Direct Costs by \$189,107,936 and increasing the authorized Construction Services Fixed Fee by \$15,506,850.75 under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of July 11, 2013.

Secretary, Transbay Joint Powers Authority

AGREEMENT
AMENDMENT NO. 27
BETWEEN
TRANSBAY JOINT POWERS AUTHORITY
AND
WEBCOR/OBAYASHI JOINT VENTURE

THIS AMENDMENT No. 27 is entered into as of the _____ day of _____, 2013 by and between the TRANSBAY JOINT POWERS AUTHORITY ("TJPA") and WEBCOR/OBAYASHI JOINT VENTURE (the "CM/GC"). By this Amendment No. 27, 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. 27. All other terms and conditions of the Agreement shall remain in full force and effect.

Recitals

A. On March 12, 2009, the Transbay Joint Powers Authority Board of Directors (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 (the "Project").

B. As detailed in the Agreement, the 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 Fixed Fee, all in accordance with Section 00 05 02, Paragraph 5.01, of the Agreement.

C. The CM/GC issued an Invitation for Bids for TG07.1R Structural Steel Superstructure (the "Structural Steel Package") on April 29, 2013, and received and publicly opened four bids on June 20, 2013.

D. Skanska USA Civil West California District Inc. ("Skanska") was the responsible bidder submitting the lowest responsive bid in the amount of \$189,107,936.

Terms and Conditions

1. By this Amendment, the TJPA authorizes, under and in accordance with Section 00 05 20, ¶5.01, of the Agreement, an increase in the CM/GC scope of work and the value of the Contract Sum by \$204,614,786.75 (Trade Package Direct Costs of \$189,017,936 and CM/GC Construction Services Fixed Fee, calculated at 8.2 percent of Trade Package Direct Costs, of \$15,506,850.75), and the award of Trade Work subcontract No. TG07.1R to Skanska for performance of the construction of the Structural Steel Package.

2. The detailed scope of work and schedule incorporated by this Amendment is provided in the Construction Documents, including the Structural Steel Package and all associated Addenda thereto.

IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 27 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:

By: _____
TJPA Legal Counsel

WEBCOR/OBAYASHI, JOINT VENTURE

Authorized Signature

Printed Name

Title