THIS STAFF REPORT COVERS CALENDAR ITEM NO.: 12 **FOR THE MEETING OF:** July 15, 2010

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorize the issuance of a second Notice to Proceed for Contract No. 08-08-DM-000, Existing Terminal and Ramps Demolition, to Evans Brothers, Inc. to begin demolition activities.

SUMMARY:

- On October 8, 2009, the TJPA Board awarded Contract 08-08-DM-000 (Contract) to Evans Brothers, Inc. (Contractor) in the total amount of \$10,502,400, as the responsible bidder submitting the lowest responsive bid.
- The main scope of work is demolition of the existing ramp and terminal structures; cutting and capping existing utility point of connections; demolition of select adjacent buildings; salvage, storage and transfer of select items; and revisions to the Municipal Railway overhead cable system. The contract provides for two stages of work, each authorized by a separate Notice to Proceed (NTP): (1) pre-demolition planning and approvals and (2) hazardous materials abatement and physical demolition of the existing structures.
- On January 4, 2010, TJPA issued the first NTP in the amount of \$199,448, authorizing the Contractor to mobilize, develop a demolition plan, and obtain all approvals from the TJPA and any other governmental agency necessary for all field work. Evans Brothers has successfully completed the work under the first NTP.
- In order to issue the second NTP and commence physical demolition, the TJPA must meet several conditions, described below, and have obtained final authorization by the TJPA Board. As all of the conditions are scheduled to be met by August 7, 2010, the TJPA seeks final authorization by the TJPA Board, contingent upon the conditions being met. The second NTP will only be issued if the conditions are met.
- The San Francisco County Transportation Authority (SFCTA) allocated \$7 million in funding for this project under a Standard Grant Agreement via Resolution No. 09-41. AB 1171 Bridge Toll funds allocated by the Metropolitan Transportation Commission are planned for the balance of the contract.

EXPLANATION:

Scope of Work

The Existing Terminal and Ramps Demolition project includes demolishing the existing Transbay Terminal, as well as appurtenant bus ramps and several adjacent buildings. Demolition of the existing Terminal and ramps is necessary in order to create space for construction of the new Transbay Transit Center. The time allowed for completion is 290 calendar days and the work includes the following:

- Demolition and removal of the existing San Francisco Transbay Terminal, asphalt paving, trees, underground utilities, piles and pile caps, concrete sidewalks/curbs/gutters, and light poles.
- Demolition of the existing bus ramps.
- Removal, relocation, and reinstallation of San Francisco Municipal Railway (Muni) overhead contact system (OCS) at select locations.
- Demolition of select buildings.
- Cutting, capping, and removal of existing utilities.
- Salvaging, storing, and transporting select items located within the Transbay Terminal.
- Crushing and placing concrete rubble.

The TJPA has phased the work under the Contract. The first Notice to Proceed authorized the Contractor to commence work necessary to mobilize, develop a demolition plan, and obtain all approvals from the TJPA and any other governmental agency necessary for all field work. The second Notice to Proceed will authorize the Contractor to conduct field abatement and demolition work.

Second Notice to Proceed Phasing and Preconditions

Work authorized by the second Notice to Proceed will be conducted in four phases. Phase 1 work will include demolition of the portion of the east loop bus ramps over the Temporary Terminal site at the southwest intersection of Beale and Howard streets (State Parcels O and O"). Phase 2 will include demolishing the remaining east loop bus ramps east of Fremont Street (State Parcels N, N', D, P', and P"). Phase 3 will include demolishing the Transbay Terminal building (State Parcels T, E, F) and select adjacent buildings (133 Beale Street on State Parcel N', 77-79 Natoma Street, and 81-83 Natoma Street), and Phase 4 will include demolishing the remaining bus ramps south of Howard Street (State Parcels G, H', I, and A'). Phase 4 shall include portions of ramp structure south of Folsom Street that had been designated as Alternate Bid Item A; these portions of ramp structures were issued for bid as an alternate to facilitate permit coordination with Caltrans's adjacent Fremont Street off ramp and other facilities. A map of the State parcels is attached.

The TJPA will not issue the second Notice to Proceed for physical demolition work unless and until each of the following conditions has been met:

- A. The Contractor satisfactorily completes all the requirements for the first Notice to Proceed.
 - The Contractor has developed and coordinated demolition planning with all necessary governmental entities and shall be ready to mobilize for physical demolition activities upon issuance of the second Notice to Proceed.
- B. The TJPA completes construction of Phase I of the Temporary Terminal, including ingress and egress, and completes the installation of AC Transit's tenant improvements, excluding the Ramp Space.
 - The TJPA has completed construction of the Temporary Terminal Phase I.

- C. The Temporary Terminal, excluding the Ramp Space, is ready for occupancy and use by AC Transit and the public as a transportation facility and will not subject either AC Transit or the public to any hazard, delay, or undue inconvenience.
 - The facility shall be ready for transit operations commencing on August 7, 2010.
- D. The TJPA Board adopts a Resolution certifying that it has the funds available to construct the new Transit Center Terminal.
 - On May 13, 2010, the TJPA Board adopted a Resolution certifying that funds were available to construct the new Transit Center.
- E. The TJPA advertises a construction contract for the foundations and substructures for the new Terminal.
 - The TJPA expects that its Construction Manager/General Contractor will advertise the buttress, shoring wall, and excavation subcontract no later than August 2, 2010.
- F. The TJPA Executive Director notifies AC Transit that items A through E above have occurred.
 - As required in the Lease and Use Agreement, prior to August 7, 2010, the Executive Director will formally notify AC Transit that all conditions in the Lease and Use Agreement required for AC Transit to move to the Temporary Terminal have been met.
- G. All transit operators vacate the existing Transbay Terminal.
 - TJPA has coordinated with the transit operators, who shall vacate the existing Transbay Terminal on August 7, 2010.
- H. The TJPA has possession of the affected State parcels under the Cooperative Agreement between Caltrans, the TJPA, and the City.
 - The affected State parcels will be transferred on August 6, 2010.
- I. The TJPA provides notice and relocation assistance to tenants required under Federal and State law.
 - The TJPA has provided and will continue to provide notice and relocation assistance to tenants required under Federal and State law.
- J. The TJPA Board authorizes issuance of the second Notice to Proceed.

In addition, although there are no environmental clearance conditions in the Demolition contract or the Lease & Use Agreement with AC Transit, the TJPA will not issue a second Notice to Proceed until the Federal Railroad Administration (FRA) adopts the Record of Decision for Phase 1 of the Transbay Program. This is currently expected to occur in July 2010.

Site Control

The TJPA will require possession and control of all of the properties required for demolition at the time it issues the second Notice to Proceed.

Under the Cooperative Agreement with Caltrans and the City, Caltrans will transfer the State parcels to the TJPA within 120 days of the TJPA's request for the parcels. Caltrans has previously transferred Parcels O, O', O' and M to the TJPA. The TJPA will coordinate with Caltrans to transfer Parcels N, N', D, P', P'', T, E, F, G, H', I, I'', A', and A'' prior to issuing the second NTP. Parcels A'', I'', N' and P' are designated under the Cooperative Agreement as City parcels for eventual redevelopment by the San Francisco Redevelopment Agency (SFRA); the TJPA will ask the City to temporarily transfer those parcels to the TJPA for use in construction before eventual transfer to SFRA for redevelopment.

Some of the properties that will be demolished are currently occupied by business tenants, including Beale Street Bar & Grille (Parcel N'), Greyhound (Terminal), and Priority Parking (Terminal). Property owners and tenants have been on notice about the Transbay Program and the need to acquire and demolish certain properties since at least 2004. The TJPA began working with the tenants in 2007 to provide specific information about the Transbay Program, the schedule for development, and available relocation services and benefits. The tenants have been provided notice by TJPA and Caltrans prior to the date they must vacate, as required by State and Federal law. The TJPA has and will continue to provide relocation assistance and benefits under Federal and State law to tenants of the affected parcels.

Community Outreach

Singer Associates and TJPA staff have actively engaged with the businesses and residences in the project area regarding the demolition plan and phasing of work. One-on-one meetings with the property owners and managers have occurred, as well as presentations to tenants and building representatives, and these meetings and presentations will continue to occur prior to and throughout the demolition process.

Additional planned communications efforts include:

- Community meeting focused on demolition plans (late July)
- Demolition information added to Construction page of www.transbaycenter.org website
- Demolition fact sheet for neighbors

Funding

Initial funding in the amount of \$7 million dollars for this project has been allocated by the San Francisco County Transportation Authority. The remaining funds required for this contract have been secured from AB 1171 Bridge Toll funds allocated by the Metropolitan Transportation Commission on June 23, 2010.

RECOMMENDATION:

Staff recommends that the TJPA Board of Directors authorize the Executive Director to issue the second Notice to Proceed of Contract No. 08-08-DM-000 to Evans Brothers, Inc. to begin physical demolition of the existing Transbay Terminal, ramps and buildings when certain conditions are met.

ENCLOSURE:

1. Resolution

TRANSBAY JOINT POWERS AUTHORITY BOARD OF DIRECTORS

Resolution No.

WHEREAS, On October 8, 2009, the Transbay Joint Powers Authority (TJPA) Board awarded to Evans Brothers, Inc., (Contractor) Contract No. 08-08-DM-000, Existing Terminal and Ramps Demolition, in the amount of \$10,502,400 (Contract); and

WHEREAS, Under the Contract, the Contractor will demolish the existing Terminal buildings, bus ramps, and select adjacent buildings; and

WHEREAS, The Contract provides for two stages of work, each authorized by a separate Notice to Proceed (NTP): (1) pre-demolition planning and approvals and (2) hazardous materials abatement and physical demolition of the existing structures; and

WHEREAS, On January 4, 2010, TJPA issued the first NTP in the amount of \$199,448, authorizing the Contractor to commence only pre-demolition work necessary to develop a demolition plan and obtain all approvals from the TJPA and any other governmental agency necessary to perform all work under this project. The second Notice to Proceed shall authorize the Contractor to commence with physical abatement and demolition work; and

WHEREAS, The TJPA will not authorize the second Notice to Proceed for physical demolition until certain conditions have been satisfied, including: completion of the work under the first NTP, completion of Phase I of the Temporary Terminal excluding the Ramp Space such that it is ready for occupancy and use as a transportation facility, TJPA Board certification of funding to construct the new Terminal, advertisement of a construction contract for the foundations and substructures for the new Terminal, TJPA notification to AC Transit that the preceding items have occurred, vacation of the existing Terminal by all transit operators, possession of the affected State parcels from Caltrans by the TJPA, provision of notice and relocation assistance to tenants, and final authorization by the TJPA Board; and

WHEREAS, The TJPA will not authorize the second Notice to Proceed for physical demolition until the Federal Railroad Administration adopts the Record of Decision for Phase 1 of the Transbay Program; and

WHEREAS, Initial funding for this contract in the amount of \$7,000,000 is available through a Standard Grant Agreement approved by the San Francisco County Transportation Authority (SFCTA) on February 24, 2009 by SFCTA Resolution 09-41, and additional funding has been secured from AB1171 Bridge Toll funds allocated by the Metropolitan Transportation Commission; and

WHEREAS, The following conditions have been satisfied or will be satisfied prior to the effective date of the second Notice to Proceed for the Existing Terminal and Ramps Demolition Contract: completion of the work under the first NTP, completion of Phase I of the Temporary

Terminal excluding the Ramp Space such that it is ready for occupancy and use as a transportation facility, TJPA Board certification of funding to construct the new Terminal, advertisement of a construction contract for the foundations and substructures for the new Terminal, TJPA notification to AC Transit that the preceding items have occurred, vacation of the existing Terminal by all transit operators, possession of the affected State parcels from Caltrans by the TJPA, provision of notice and relocation assistance to tenants, final authorization by the TJPA Board, and Federal Railroad Administration adoption of the Record of Decision; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to issue the second Notice to Proceed under TJPA Contract No. 08-08-DM-000, Existing Terminal and Ramps Demolition, to Evans Brothers, Inc., for hazardous materials abatement and physical demolition of the terminal, ramps and select buildings upon satisfaction of certain conditions; and be it

FURTHER RESOLVED, That the TJPA Board of Directors requires that the following conditions be satisfied prior to the effective date of the second Notice to Proceed: completion of the work under the first NTP, completion of Phase I of the Temporary Terminal excluding the Ramp Space such that it is ready for occupancy and use as a transportation facility, TJPA Board certification of funding to construct the new Terminal, advertisement of a construction contract for the foundations and substructures for the new Terminal, TJPA notification to AC Transit that the preceding items have occurred, vacation of the existing Terminal by all transit operators, possession of the affected State parcels from Caltrans by the TJPA, provision of notice and relocation assistance to tenants, final authorization by the TJPA Board, and Federal Railroad Administration adoption of the Record of Decision.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board at its meeting of July 15, 2010.

Secretary, Transbay Joint Powers Authority

