File No. 120610

Committee Item No. 5
Board Item No. 28

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Sub-Committee **Date** 7/18/12

Board of Supervisors Meeting **Date** 7/31/12

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Completed by: Victor Young **Date** July 13, 2012
Completed by: Victor Young **Date** 7-26-12

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

[Declaration of Emergency Contract - South Fork Adit – Not to Exceed $115,250]

Resolution approving Declaration of Emergency construction contract of an amount not-to-exceed $115,250 to address a rockslide near South Fork Adit.

WHEREAS, Property of the San Francisco Public Utilities Commission's Hetch Hetchy Water and Power System was impacted by a rockslide of approximately 400 cubic yards near South Fork Adit; and

WHEREAS, The General Manager of the San Francisco Public Utilities Commission declared an emergency and approved work to address the rockslide to ensure public safety and maintain roadway availability to critical operating sites by a letter dated April 30, 2012 and approved by the President of the Commission; and

WHEREAS, On May 22, 2012, the San Francisco Public Utilities Commission approved resolution #12-0086 ratifying the Declaration of Emergency cited in the letter dated April 30, 2012; and,

WHEREAS, The Human Rights Commission (HRC) granted an emergency waiver of the subcontracting goals pursuant to Chapter 14.A.12.2 of the San Francisco Administrative Code; and

WHEREAS, Approval of an emergency contract for this repair work would be in accordance with the provisions of Chapter 6, Article IV, Section 6.60(D) of the Administrative Code of the City and County of San Francisco and established SFPUC procedures; and

WHEREAS, San Francisco Administrative Code, Chapter 6, Article IV, section 6.60, authorizes department heads responsible for public work to award an emergency contract, exempt from the competitive bidding process, in the event of an actual emergency which includes, ". . . The breakdown or imminent breakdown of any plant, equipment, structure,

street or public work necessitating immediate emergency repair or reconditioning to safeguard the lives or property of the citizens; or the property of the City and County; or to maintain the public health or welfare;" and,

WHEREAS, The construction contract Notice-To-Proceed date was set for May 4, 2012, with an original schedule of 100 consecutive calendar days and the contract is scheduled to end on August 12, 2012; and

WHEREAS, The estimated contract amount is for a not-to-exceed amount of $115,250; and

WHEREAS, The Controller has certified that the not-to-exceed amount of funds are available for the construction work done in response to this emergency situation; now, therefore, be it

RESOLVED, That this Board of Supervisors hereby approves the Declaration of Emergency made by the General Manager of the San Francisco Public Utilities Commission, dated April 30, 2012, and approved by the President of the Commission, for a construction contract of an amount not-to-exceed $115,250 to address a rockslide near South Fork Adit.

RECOMMENDED:

Ed Harrington
General Manager
San Francisco Public Utilities Commission

FUNDS AVAILABLE:

Controller

Item 5 File 12-0610	Department: San Francisco Public Utilities Commission (SFPUC)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would (a) concur with the Public Utilities Commission's Declaration of Emergency on April 30, 2012, and (b) approve an emergency construction contract between the San Francisco Public Utilities Commission (PUC) and the California Drilling and Blasting Co., Inc. in an amount not-to-exceed $319,000 to make the needed construction repairs caused by a rockfall near South Fork Adit of the Tuolumne River.

Key Points

- On April 27, 2012, PUC Hetch Hetchy Water and Power system experienced a rockfall of approximately 400 cubic yards along the north side of South Fork Adit Access Road near the intersection of the South Fork and Middle Fork of the Tuolumne River. Rock masses were released from the slide zone, and unstable rock masses remained at the top of the site. As a result, the road was closed and local agencies were notified about the situation.
- In accordance to Administrative Code Section 6.60(D) which authorizes department heads to award emergency contracts, the PUC General Manager declared an emergency on April 30, 2012.On May 22, 2012, the Public Utilities Commission approved a resolution to ratify the declaration of emergency.
- SFPUC contracted with California Drilling and Blasting Co. Inc. to perform the construction repair work for a not-to-exceed amount of $319,000. The contract Notice-To-Proceed was issued on May 4, 2012 for a duration period of 100 consecutive calendar days and an expected completion date of August 12, 2012. The contractor started the needed construction repair work on May 10, 2012 and is projected to finish the last phase of reinstalling a rockfall fence by August 3, 2012.
- In accordance to Administrative Code Section 6.60, emergency contracts are not subject to the City's regular competitive bidding procedures.

Fiscal Impact

- The total estimated project expenditures are $115,250,which is $203,750 or 63.9% less than the proposed not-to-exceed amount of $319,000.

Recommendations

- Amend the proposed resolution to reduce the contract not-to-exceed amount by 203,750 from $319,000 to $115,250.
- Approve the proposed resolution, as amended.

MANDATE STATEMENT/BACKGROUND

Mandate Statement

In accordance with San Francisco Administrative Code Section 6.60, an emergency contract awarded by a City department that exceeds $250,000 requires approval of the Board of Supervisors. The department head responsible for the emergency work is authorized to award emergency contracts, which are not subject to the City's regular competitive bidding procedures. The Administrative Code defines an emergency as a sudden, unforeseeable and unexpected occurrence or a discovery of a condition involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss or damage to, life, healthy property or essential public services.

Background

On April 27, 2012, the PUC's Hetch Hetchy Water and Power (Hetch Hetchy) system experienced a rockfall of approximately 400 cubic yards along the north side of South Fork Adit Access Road near the intersection of the South Fork and Middle Fork of the Tuolumne River. Two large rock masses were released from the slide, including a 9 foot by 9 foot by 12 foot boulder that landed on the road. Also, two large rock masses at the top of the slide zone appeared to be unstable. As a result, the road was closed, and local agencies were notified about the situation.

According to Ms. Margaret Hannaford, Hetch Hetchy Division Manager, the primary cause of the rockfall was rock instability from two geological formations at the location. According to Ms. Hannaford, this rockfall incident created a safety hazard for Hetch Hetchy employees and the public, and blocked the sole access to the South Fork Adit, a mountain tunnel of the Hetch Hetchy Water System.

In accordance to Administrative Code Section 6.60(D) which authorizes department heads to award emergency contracts, Mr. Ed Harrington, the PUC General Manager, declared an emergency on April 30, 2012.

In accordance to Administrative Code Section 6.60, emergency contracts are not subject to the City's regular competitive bidding procedures. Therefore,P UC awarded a not-to-exceed contract amount of $319,000, on a sole-source basis, to the California Drilling and Blasting Co. Inc. to perform the construction work because of (a) their familiarity with the terrain, and (b) their expertise and past successful performance in clearing a similar rockfall for Hetch Hetchy. The estimated not-to-exceed amount of the contract was based on the contractor's and Hetch Hetchy engineers' estimates of labor hours and equipment needed to perform the construction work on the road and the hillside.

Pursuant to Administrative Code Chapter 14 Section 12.2,[1] the Human Rights Commission (HRC) granted PUC an emergency waiver of Administrative Code Chapter 14B, requiring local business enterprise (LBE) subcontracting goals.

The construction work consists of (a) removing the remaining unstable hanging rock, (b) blasting larger rocks on the roadway into smaller sizes to facilitate removal, and (c) placing rock bolts and installing wire mesh to stabilize any remaining rock. The construction contract Notice-To-Proceed was issued on May 4, 2012 for a duration period of 100 consecutive calendar days and an expected completion date of August 12, 2012.

Under the delegation agreement between the PUC and the Planning Department, the PUC Bureau of Environmental Management determined that the declaration of emergency took precedence over normal environmental review under the California Environmental Quality Act, Section 15269.[2] Prior to the blasting and removal of rocks, PUC also obtained Federal Army Corps of Engineers, California Department of Fish and Game, and Regional Water Quality Board permits to authorize the discharge of rocks into the river to mitigate the environmental concern.

On May 10, 2012, the contractor began the construction repair work. The remaining work to reinstall a rockfall fence is expected to be completed by August 3, 2012.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would (a) concur with the Public Utilities Commission's Declaration of Emergency, and (b) retroactively approve an emergency construction contract for an amount not-to-exceed $319,000 to make the necessary construction repairs caused by the rockfall near South Fork Adit of the Tuolumne River.

Under the Administrative Code Section 6.60, an emergency contract awarded by a City department that exceeds $250,000 requires approval by the Board of Supervisors. If the City department cannot receive approval prior to the commencement of the emergency work, the department head must immediately notify the Controller about the work and its estimated costs, and within seven days of the start of the work notify the Board of Supervisors. Although actual construction work started on May 10, 2012, PUC did not submit a resolution seeking approval of the emergency work until June 4, 2012, or 17 business days after the commencement of construction.

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[1] Administrative Code Section 14A.12.2 states that the Director of Human Rights Commission is authorized to waive disadvantaged business enterprises (DBE) bid/rating discounts and good faith efforts requirements for emergency contracts.

[2] California Environmental Quality Act (CEQA) is a statute that requires State and local agencies to identify significant environmental impacts of their activities and to adopt measures to mitigate these impacts. In accordance CEQA Article 18, Section 15269, emergency projects that are necessary to maintain public health, safety or welfare or prevent or mitigate an emergency are exempted from the CEQA guidelines.

In accordance with Administrative Code Section 6.60, which authorizes the department head to award an emergency contract that is not subject to the competitive bidding process, PUC awarded California Drilling and Blasting Co. Inc. a not-to-exceed amount of $319,000. The construction contract Notice-To-Proceed was issued on May 4, 2012 for a duration period of 100 consecutive calendar days and an expected completion date of August 12, 2012.

FISCAL ANALYSIS

As shown in the table below, the total project costs are now estimated at $115,250, which is $203,750 or 63.9% less than the proposed not-to-exceed amount of $319,000.

According to Ms. Cheryl Sperry, the PUC Principal Administrative Analyst, the difference between the projected expenditures and the not-to-exceed amount is primarily due to lack of understanding of the scope of the work before gathering more information after the helicopter inspection of the rockfall site on May 8, 2012. The following table details the estimated costs of $115,250.

Table: Actual Project Expenditures to Date and Estimated Future Project Expenditures

Item	Actual expenditures to date	Estimated expenditures to be completed on about August 12, 2012	Total Estimated Expenditure
Labor	$49,200	$20,800	$70,000
Equipment	$4,247	$5,133	$9,380
Materials	$855	$22,800	$23,655
Insurance	$1,738		$1,738
10% Contingency			$10,477
Total	**$56,040**	**$48,733**	**$115,250**

According to Ms. Hannaford, the construction contract is fully funded from Hetch Hetchy Water revenues for capital projects previously appropriated by the Board of Supervisors.

RECOMMENDATIONS

1. Amend the proposed resolution to reduce the contract not-to-exceed amount by 203,750 from $319,000 to $115,250.

2. Approve the proposed resolution, as amended.

San Francisco Water Power Sewer

Services of the San Francisco Public Utilities Commission

AGENDA ITEM
Public Utilities Commission
City and County of San Francisco

DEPARTMENT Hetch Hetchy Water & Power AGENDA NO. 9G

MEETING DATE May 22, 2012

Emergency Ratification: Consent Calendar
Project Manager: Margaret Hannaford

Contract HH-962E, Emergency Ratification, South Fork Adit Access Rockfall Stability Project

Summary of Proposed Commission Action:	**Ratify** the Declaration of Emergency made by the General Manager and approved by the President of the Commission on April 30, 2012, for immediate drilling and blasting work to address a rockfall on the road to South Fork Adit to ensure public safety and maintain roadway availability to critical operating sites. The HH-962E work was awarded to California Drilling and Blasting, in the amount of $319,000.
Background & Description of Scope of Work:	**Background:** On approximately April 27, 2012, Hetch Hetchy Water and Power (HHWP) experienced a rockfall of approximately 400 cubic yards at the road to South Fork Adit. In addition to the removal of the rockfall on the road, material approximately 100 feet above the road will have to be stabilized. The condition presents a safety hazard to HHWP crews and the public. The rockfall has also cut off access to Mountain Tunnel from the South Fork Adit. The road has been closed and all local agencies notified. Immediate repair is necessary to maintain facilities essential to the public health, safety and welfare. On April 30, 2012, the General Manager of the SFPUC declared an emergency per Chapter 6, Article IV, Section 6.60(D) of the Administrative Code of the City and County of San Francisco. **Description of Scope of Work:** The contract work will consists of: • Removing the remaining hanging rock that is likely to fall in the near future; • Blasting the larger rocks on the roadway, into sizes that Hetch Hetchy forces can remove and haul away; and • Placing rock bolts and install wire mesh to further help stabilize any remaining rock.

APPROVAL:

DEPARTMENT / BUREAU		FINANCE	Todd L. Rydstrom
COMMISSION SECRETARY	Donna Hood	GENERAL MANAGER	Ed Harrington

Budget & Costs:	**Funding:** Capital project funding – CUH950 **Contract Amount:** $319,000
Schedule:	**Estimated Notice-To-Proceed Date:** May 4, 2012 **Completion Date:** August 12, 2012 **Duration:** 100 consecutive calendar days
Environmental Review:	Under the delegation agreement with the San Francisco Planning Department, the SFPUC Bureau of Environmental Management has determined that ratification of the Declaration of Emergency is exempt from environmental review under CEQA Guidelines Section 15269 (EMERGENCY PROJECTS).
Compliance With Chapter 14b: Local Business Enterprise And Non-Discrimination In Contracting Ordinance:	Human Rights Commission (HRC) granted an emergency waiver of the subcontracting goals pursuant to Chapter 14.A.12.2 of the San Francisco Administrative Code.
Attachments:	1. SFPUC Emergency Declaration 2. HRC Waiver

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 12-0086

WHEREAS, Hetch Hetchy Water and Power (HHWP) experienced a rockfall of approximately 400 cubic yards near South Fork Adit; and

WHEREAS, The General Manager of the San Francisco Public Utilities Commission, declared the existence of an emergency and approved to work to address the rockfall to ensure public safety and maintain roadway availability to critical operating sites, by a letter dated April 30, 2012 and approved by the President of the Commission; and

WHEREAS, Human Rights Commission (HRC) granted an emergency waiver of the subcontracting goals pursuant to Chapter 14.A.12.2 of the San Francisco Administrative Code; and

WHEREAS, The Commission's ratification of emergency overrides normal environmental review under the California Environmental Quality Act, but does not eliminate the need for subsequent state and federal permits; and

WHEREAS, Approval of an emergency contract for this repair work would be in accordance with the provisions of Chapter 6, Article IV, Section 6.60(D) of the Administrative Code of the City and County of San Francisco and established SFPUC procedures; and

WHEREAS, Funds are available from Hetch Hetchy Water and Power Capital Project Budget, Project No. CUH-950; and

WHEREAS, The construction contract Notice-To-Proceed date is set for May 4, 2012 with an original schedule of 100 consecutive calendar days and the contract is scheduled to end on August 12, 2012; and

WHEREAS, The estimated contract amount is for a not-to-exceed amount of $319,000; now, therefore, be it

RESOLVED, That this Commission hereby ratifies the Declaration of Emergency made by the General Manager of the San Francisco Public Utilities Commission, dated April 30, 2012 and approved by the President of the Commission, and requests that the General Manager seek Board of Supervisors approval as soon as possible as provided in the Administrative Code.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of May 22, 2012

Donna Hood

Secretary, Public Utilities Commission

San Francisco
Water Power Sewer
Operator of the Hetch Hetchy Regional Water System

Post Office Box 160
Moccasin, CA 95347
T 209.989.2000
F 209.989.2104
Junction of Hwy 49 and Hwy 120

April 30, 2012

INTER-OFFICE MEMORANDUM

TO: Anson B. Moran
President

FROM: Ed Harrington
General Manager

SUBJECT: Declaration of Emergency – Rockfall on Mountain Tunnel South Fork Adit Road

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In accordance with Chapter 6, Article IV, Section 6.60(D) of the Administrative Code of the City and County of San Francisco, I am declaring an emergency on behalf of the Public Utilities Commission.

On approximately April 27, 2012 Hetch Hetchy Water and Power experienced a rockfall of approximately 100 cubic yards at the road to South Fork Adit. In addition to the removal of the rockfall on the road, material approximately 100 feet above the road will have to be stabilized. The condition presents a safety hazard to HHWP crews and the public. The rockfall has also cut off access to Mountain Tunnel from the South Fork Adit. The road has been closed and all local agencies notified. Immediate repair is necessary to maintain facilities essential to the public health, safety and welfare. This request for emergency declaration is for resources to perform the work beyond the capabilities of City forces as soon as possible for an estimated total cost of $400,000.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

CONCUR AND APPROVE:

Anson B. Moran – President,
San Francisco Public Utilities Commission

cc: Steve Ritchie, Asst. General Manager, Water

Edwin M. Lee
Mayor

Anson Moran
President

Art Torres
Vice President

Ann Moller Caen
Commissioner

Francesca Vietor
Commissioner

Vince Courtney
Commissioner

Ed Harrington
General Manager

CITY AND COUNTY OF SAN FRANCISCO
HUMAN RIGHTS COMMISSION

S.F. ADMINISTRATIVE CODE CHAPTERS 12B and 14B
WAIVER REQUEST FORM
(HRC Form 201)

FOR HRC USE ONLY
Request Number: 6421
Recd 5-7-12 TW

Section 1. Department Information

Department Head Signature: _____

Name of Department: HHWP Water Enterprise

Department Address: P.O. Box 160, Moccasin CA 95347

Contact Person: Margaret A. Hannaford

Phone Number: 209-989-2063 Fax Number: 209-989-2104

Section 2. Contractor Information

Contractor Name: Callfonia Drilling and Blasting Contact Person: Keith Miller

Contractor Address: PO Box 5607, El Monte, CA 91734-0607

Vendor Number (if known): 72137 Contact Phone No.:626-443-0310

Section 3. Transaction Information

Date Waiver Request Submitted: 05/01/2012 Type of Contract: Construction

Contract Start Date: 5/3/2012 End Date: 09/01/2012 Dollar Amount of Contract: $400,000 estimated

Section 4. Administrative Code Chapter to be Waived (please check all that apply)

- ☒ Chapter 12B
- ☒ Chapter 14B *Note*: Employment and LBE subcontracting requirements may still be in force even when a 14B waiver (type A or B) is granted.

Section 5. Waiver Type (Letter of Justification *must* be attached, see Check List on back of page.)

- ☒ A. Sole Source
- ☒ B. Emergency (pursuant to Administrative Code §6.60 or 21.15)
- ☐ C. Public Entity
- ☐ D. No Potential Contractors Comply – Copy of waiver request sent to Board of Supervisors on:
- ☐ E. Government Bulk Purchasing Arrangement – Copy of waiver request sent to Board of Supervisors on:
- ☐ F. Sham/Shell Entity – Copy of waiver request sent to Board of Supervisors on:
- ☐ G. Local Business Enterprise (LBE) (for contracts in excess of $5 million; see Admin. Code §14B.7.I.3)
- ☐ H. Subcontracting Goals

HRC ACTION

12B Waiver Granted: ✓ 14B Waiver Granted: _____
12B Waiver Denied: _____ 14B Waiver Denied: _____

Reason for Action: Emergency declared under Chapter 6, Section 6.60 of the Administrative Code.

HRC Staff: Tom A. Winchester Date: 5-7-12

HRC Staff: _____ Date: 5/3/12

HRC Director: _____ Date: 5/3/12

DEPARTMENT ACTION – This section must be completed and returned to HRC for waiver types D, E & F.
Date Waiver Granted: _____ Contract Dollar Amount: _____

File No. 120610

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information *(Please print clearly.)*	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

Contractor Information *(Please print clearly.)*	
Name of contractor: California Drilling and Blasting	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use ***additional pages as necessary.***	
Contractor address: PO Box 4607 El Monte, California 91734	
Date that contract was approved: *(By the SF Board of Supervisors)*	Amount of contract: Not to Exceed $319,000
Describe the nature of the contract that was approved: The contractor will stabilize a rock slide on the road to South Fork Adit in Tuolumne County. The scope of work includes: • Remove the remaining hanging rock that is likely to fall in the near future, • Blast the larger rocks on the roadway, into sizes that Hetch Hetchy forces can remove and haul away, and • Place rock bolts and install wire mesh to further help stabilize any remaining rock.	
Comments:	

This contract was approved by (check applicable):

☐ the City elective officer(s) identified on this form

☑ a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

☐ the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

_____
Print Name of Board

Filer Information *(Please print clearly.)*	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer) | Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk) | Date Signed

1) California Drilling & Blasting-Board of Directors:

William M. McCardle
Gloria E. McCardle
Robert L. Marks
Brian M. McCardle

2) Chief Executive Officers:

William M. McCardle

Chief Financial Officer:

Robert L. Marks

Chief Operating Officer:

William M. McCardle

3) Person with 20% or more stock ownership:

Gloria E. McCardle

4) No Subcontractors;

5) No political committee sponsored or controlled by California Drilling & Blasting Co., Inc.