

File No. 120282

Committee Item No. 10
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance SUB-Committee Date: March 28, 2012

Board of Supervisors Meeting Date _____

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Completed by: Victor Young
Completed by: Victor Young

Date: March 23, 2012
Date: _____

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

1 [Authorization to Execute Contracts for Certain Improvements to Port Property for 34th
2 America's Cup Event and Waiver of Competitive Bidding, Solicitation and Certain Other
3 Contracting Requirements]

4 **Ordinance waiving competitive bidding and solicitation requirements of the**
5 **Administrative Code and authorizing the Director of the Port to execute an amendment**
6 **to the Port's contract with Turner Construction Company to perform certain**
7 **improvements to Piers 27-29, Piers 19 and 23, and to Piers 30-32; or alternatively, to**
8 **enter into an agreement with second highest-ranked proposer for the Pier 27 Cruise**
9 **Ship Terminal and Northeast Wharf Plaza Project for the improvements or enter into an**
10 **agreement with the America's Cup Event Authority for assignment of its contract with**
11 **Power Engineering Construction Company to the Port for improvements to Piers 30-32**
12 **related to the 34th America's Cup Event and exempting the assigned agreement from**
13 **contracting requirements of the Administrative Code and Environment Code; and**
14 **further, authorizing the Director of the Port to enter into a contract with AECOM for**
15 **engineering services for improvements to Piers 30-32 related to the 34th America's Cup**
16 **Event.**

17 NOTE: Additions are single-underline italics Times New Roman;
18 deletions are ~~strike-through italics Times New Roman~~.
19 Board amendment additions are double-underlined;
20 Board amendment deletions are ~~strikethrough normal~~.

21 Be it ordained by the People of the City and County of San Francisco:

22 Section 1. Findings.

23 (a) On December 14, 2010, the Board of Supervisors adopted Resolution No. 585-10
24 approving a 34th America's Cup Host City and Venue Agreement (the "HVA") among the City,
25 the America's Cup Event Authority (the "Event Authority") and the San Francisco America's

1 Cup Organizing Committee to host the 34th America's Cup in San Francisco (the "AC34
2 Project") subject to review required by the California Environmental Quality Act (CEQA).

3 (b) On December 31, 2010, the Golden Gate Yacht Club announced the selection of
4 San Francisco as the venue for the 34th America's Cup.

5 (c) On December 15, 2011, the City Planning Commission certified the final
6 environmental impact report for the AC34 Project following analysis and review under CEQA
7 by Motion No. 18514 in Case No. 2010.0493E; and thereafter on December 16, 2011, the
8 Port Commission, by Port Resolution Nos. 11-79 and 11-80, adopted CEQA findings and a
9 Mitigation Monitoring and Reporting Program ("MMRP"), and approved the AC34 Project.
10 The Board of Supervisors upheld the Planning Commission's certification of the final
11 environmental impact report on January 25, 2012, by its Motion No. M12-011.

12 (d) The Board of Supervisors adopted CEQA Findings, including a Statement of
13 Overriding Considerations, and the MMRP, approved a Lease Disposition Agreement ("LDA")
14 between the Port and the Event Authority as an amendment to the HVA, affirmed the HVA as
15 amended, and approved an agreement between the City and the Event Authority regarding
16 the allocation of certain mitigation measures described in the MMRP by resolution adopted on
17 March 27, 2012. This Ordinance is part of the Project approved in Board of Supervisors
18 Resolution No. _____, and the CEQA Findings adopted therein are applicable to the
19 Ordinance. The Board has reviewed and considered the Final EIR and record as a whole,
20 finds that the Final EIR is adequate for its use as the decision-making body for adoption of this
21 Ordinance and incorporates the CEQA Findings contained in Board Resolution No. _____,
22 including the Statement of Overriding Conditions, by this reference thereto as though fully set
23 forth in this Ordinance.

24 (e) The LDA, which amends the HVA, obligates the Port to perform at no cost to the
25 Authority, or to pay the Event Authority, for certain improvements to Port property for the

1 AC34 Project as follows: (i) Improvements at Piers 27-29, including demolition work at Piers
2 27-29, site grading, substructure repairs and storm water drainage improvements; (ii) public
3 access improvements at Piers 19 and 23, to satisfy regulatory permit requirements; (iii)
4 removal of Pier ½ and the remnants of Pier 64, including construction of a new Caspian Tern
5 nesting platform, to satisfy regulatory requirements, and either (a) conduct site improvements
6 to Piers 30-32, including repairs to the marginal wharf, improvements to the Pier 32 deck, pile
7 repairs, and utilities or (b) reimbursing the Event Authority for costs it incurs to conduct this
8 work. The foregoing improvements are collectively referred to as the "Site Improvements."

9 (f) Pursuant to the City's competitive bidding procedures under Section 6.68 of the
10 Administrative Code, the Department of Public Works and the Port Commission previously
11 selected Turner Construction Company ("Turner") as the highest-ranked qualified proposer to
12 provide Construction Manager/General Contractor ("CM/CG") services to construct the San
13 Francisco Pier 27 Cruise Ship Terminal and Northeast Wharf Plaza Project (the "Pier 27 CST
14 Project"); and on June 14, 2011, the Port Commission authorized the award of the CM/CG
15 contract to Turner Construction for the Pier 27 CST Project. The scope of work of Turner's
16 contract consists of constructability review, cost estimating, and organizing the complex
17 sequence of construction activities, including hazardous material abatement, demolition,
18 relocation of the shoreside power equipment, and construction of the "core and shell" of the
19 cruise terminal building for delivery to the Event Authority in 2013 as required by the HVA.
20 Under Administrative Code section 6.68, Turner prequalifies subcontractors, bids out trade
21 packages, and awards the trade packages to the lowest responsive bid from a responsible
22 subcontractor bidder. The costs of the trade package is added to the Turner contract under
23 section 6.68. Under Administrative Code section 6.68, Turner prequalifies subcontractors,
24 bids out trade packages, and awards the trade packages to the lowest responsive bid from a
25 responsible subcontractor bidder. The costs of the trade package is added to the Turner

1 contract under section 6.68. To accomplish Phase I of the CST Project, including adding the
2 cost of trade packages, the Port has amended the CM/CG contract with Turner and increased
3 the amount to \$41,480,748.

4 (g) The Pier 27 CST Project and the America's Cup Event are interrelated and require
5 Turner to construct the cruise terminal in coordination with the Event Authority's uses for the
6 cruise terminal facility and schedule for the AC34 Project; therefore, it would be more efficient
7 and cost-effective to permit the Port to amend its CM/CG contract with Turner to perform all of
8 the Site Improvements which must be completed under an accelerated schedule pursuant to
9 the LDA, rather than to competitively bid a separate contract for these Site Improvements.

10 (h) The America's Cup Event Authority previously entered into a Guaranteed Maximum
11 Price Contract ("GMP Contract") with Power Engineering Construction Company ("Power
12 Engineering") to construct improvements to Piers 30-32 necessary for the AC34 Project.
13 Under the LDA, the Port has discretion to accept an assignment of the Event Authority's GMP
14 Contract with Power Engineering to perform the improvements to Piers 30-32 for which the
15 Port is obligated under the LDA, subject to authorization from the Mayor and the Board of
16 Supervisors, thereby allowing the Port this alternate means to perform improvements to Piers
17 30-32, as required under the HVA and LDA.

18 (i) The Port wishes to expeditiously commence and complete all of the Site
19 Improvements needed for the AC34 Project and satisfy its obligations under the HVA and LDA
20 to meet the accelerated schedule of the HVA.

21 (j) To meet the accelerated schedule required in the LDA and HVA and provide the
22 Port with flexibility to complete the Site Improvements required by the LDA in the most
23 efficient manner, the Port, therefore, recommends the City waive its competitive bidding and
24 solicitation requirements of Chapter 6 of the Administrative Code and authorize the Port to
25 amend its CM/CG Contract with Turner to perform the Site Improvements required by the LDA

1 and, further with respect to all Site Improvements except those to Piers 27-29, to waive the
2 requirement of Administrative Code Section 6.68(H)(1) for Turner to receive bids from at least
3 three of pre-qualified trade subcontractors for the work. If so authorized, the Port intends to
4 work with its contractor to solicit informal bidding for qualified trade contractors for the work.

5 (k) To enable the Port to meet the accelerated schedule required in the LDA and HVA,
6 the Port recommends the City also waive its competitive bidding and solicitation requirements
7 and authorize the Port, in the alternative, to negotiate and execute a contract with the second
8 highest-ranked proposer for the AC34 CST Project, to perform all or a portion of the Site
9 Improvements required by the LDA.

10 (l) To provide the Port with additional flexibility to achieve the greatest efficiency and
11 cost-effectiveness in performing the Site Improvements, the Port recommends the City
12 authorize the Port, in the alternative, to accept an assignment of the Event Authority's GMP
13 Contract with Power Engineering, for purposes of performing the Site Improvements to Piers
14 30-32, should the Port Director find that such contract assignment would be more efficient
15 than amending the Port's contract with Turner Construction to perform Site Improvements to
16 Piers 30-32, in which case, the Port recommends exempting the contract assignment from the
17 contracting requirements of the Administrative Code except as stated in Section 4 below.

18 (m) To perform the Site Improvements to Piers 30-32 as required by the LDA, the Port
19 requires the services of an engineering consulting firm to design the marginal wharf and storm
20 water drainage improvements. To enable the Port to meet the accelerated schedule for these
21 improvements as required by the LDA, it would be most efficient for the Port to contract
22 directly with AECOM, an engineering consulting firm which had contracted with the Event
23 Authority to provide design services for Piers 30-32 and is familiar with the engineering needs
24 of the AC34 Project. The Port believes that AECOM is responsible and qualified to perform
25

1 the engineering services needed for the Piers 30-32 improvements, especially in light of
2 AECOM's prior experience with the AC34 Project over the course of the past year.

3 (n) To meet the accelerated schedule required in the LDA and HVA to complete the
4 improvements to Piers 30-32 in the most efficient manner, the Port recommends the City
5 waive its competitive bidding and solicitation requirements and authorize the Port to enter into
6 a contract with AECOM to design the Site Improvements to Piers 30-32 as required of the
7 Port under the LDA.

8 Section 2. Notwithstanding the competitive bidding and solicitation requirements of
9 Chapter 6 and Chapter 21 of the Administrative Code, the Board of Supervisors hereby
10 authorizes the Port of San Francisco to amend its contract with Turner Construction Company
11 for CM/CG services for the Pier 27 CST Project to perform some or all of the Site
12 Improvements to Piers 27-29, Piers 19 and 23, to Piers 30-32 without competitive bidding or
13 solicitation, and removal of Pier ½ and the remnants of Pier 64 and, further, with respect to all
14 Site Improvements except those to Piers 27-29, the Board of Supervisors waives the
15 requirement of Administrative Code Section 6.68(H)(1) for Turner to receive bids from at least
16 three pre-qualified trade subcontractors for the work. To facilitate this contract and fulfill the
17 purposes of Administrative Code Section 14.19(C)(3), the Executive Director of the Human
18 Rights Commission ("HRC") shall establish a goal for work to be performed by qualified Local
19 Business Enterprises as a percentage of total work to deliver the Site Improvements based on
20 similar Port capital projects for which HRC has recently established goals within five (5) days
21 of the effective date of this ordinance and such goal shall apply to any amendment to the
22 contract with Turner Construction Company for work on the Site Improvements.

23 Section 3. Notwithstanding the competitive bidding and solicitation requirements of
24 Chapter 6 and Chapter 21 of the Administrative Code, the Board of Supervisors hereby
25 authorizes the Port, as an alternative to amending its contract with Turner Construction

1 Company for CM/CG services, to negotiate and execute a contract with the second highest
2 lowest qualified proposer for the Pier 27 CST Project to perform the Site Improvements
3 required by the LDA without competitive bidding or solicitation. To facilitate this contract and
4 fulfill the purposes of Administrative Code Section 14.19(C)(3), the Executive Director of the
5 Human Rights Commission ("HRC") shall establish a goal for work to be performed by
6 qualified Local Business Enterprises as a percentage of total work to deliver the Site
7 Improvements based on similar Port capital projects for which HRC has recently established
8 goals within five (5) days of the effective date of this ordinance and such goal shall apply to
9 the contract with the second highest-ranked proposer for the Pier 27 CST Project for work on
10 the Site Improvements.

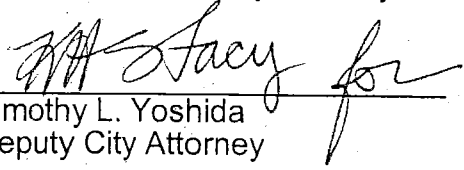
11 Section 4. As a further alternative to the Port's amendment of its contract with Turner
12 contract to perform the Site Improvements to Piers 30-32, the Board of Supervisors hereby
13 further authorize the Port of San Francisco to enter into an agreement with the Event Authority
14 for assignment of the Event Authority's GMP Contract with Power Engineering to the Port for
15 purposes of performing the Site Improvements solely to Piers 30-32, should the Port Director
16 find that such a contract assignment would be more efficient than amending the Port's
17 contract with Turner Construction to perform Site Improvements to Piers 30-32 and more
18 efficient than entering into a contract with the second highest-ranked proposer for the Pier 27
19 CST project; in which case, the Board of Supervisors hereby exempts the assignment of the
20 Power Engineering contract to the Port from the contracting requirements of the
21 Administrative Code and Environment Code Chapters 2, 5, and 8, except as to Administrative
22 Code Sections 6.22(E) and 6.22(G) and Administrative Code Chapter 14B, or to the extent
23 that the Port's agreement to accept the contract assignment obligates Power Engineering, as
24 contractor, to satisfy any other requirements.

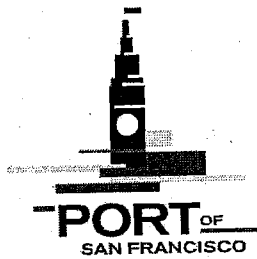
1 Section 5. Notwithstanding the competitive bidding and solicitation requirements of
2 Chapter 6 and Chapter 21 of the Administrative Code, the Board of Supervisors hereby
3 authorizes the Port to enter into a contract with AECOM to design the Site Improvements to
4 Piers 30-32 as required of the Port under the LDA.

5 Section 6. Effective Date. This ordinance shall become effective 30 days from the
6 date of passage.

7
8 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

9
10 By:


11 Timothy L. Yoshida
12 Deputy City Attorney



MEMORANDUM

To: Supervisor Carmen Chu, Chair, Budget and Finance Subcommittee
Supervisor John Avalos, Vice Chair
Supervisor Jane Kim

From: Brad Benson, Port Special Projects Manager

Date: March 23, 2012

Subject: Ordinance Waiving Competitive Bid Requirements for Port Construction
Related to the 34th America's Cup

Executive Summary

This memorandum describes the Port staff rationale to support Budget and Finance Committee consideration of the proposed ordinance authorizing the Port to execute contracts for certain improvements to Port property for the 34th America's Cup Event and a waiver of competitive bidding, solicitation and certain other contracting requirements (File #120282). Mayor Ed Lee submitted this legislation on Tuesday, March 20, 2012 on behalf of the Port.

Under the Lease Disposition Agreement between the City and the America's Cup Event Authority ("LDA"), the Port has the obligation (or in the case of Piers 30-32 work, the right) to conduct capital improvements necessary for the Event as described in Attachment A to this memo. If the LDA is approved by the Board of Supervisors, the agreement will be referred to the Port Commission for its approval. Port staff recommends adoption of File #120282 so that staff can recommend to the Port Commission a public contracting mechanism that will permit timely delivery of improvements by the dates required of the Port in the LDA and associated regulatory permits.

Background

On Friday, March 16, 2012, Port and City staff lodged the LDA which is scheduled to be considered by a Committee of the Whole of the Board of Supervisors on March 27,

2012. The proposed LDA reflects the new consolidated Event plans, amends the HVA accordingly and describes the terms and conditions for delivery of the Port venues. After review of the proposed modifications to the project, the Environmental Planning Division of the San Francisco Planning Department issued a Note to File regarding Changes to the 34th America's Cup & James R. Herman Cruise Terminal and Northeast Wharf Final Environmental Impact Report, Case No. 2010.0493E ("Note to File"), dated March 20, 2012.

Overview of Ordinance

The proposed Ordinance authorizes the following:

- Waive competitive bidding and solicitation requirements of the Administrative Code with respect to the Scope of Work described in Attachment A;
- Authorize the Director of the Port to execute an amendment to the Port's contract with Turner Construction Company to perform certain improvements to Piers 27-29, Piers 19 and 23, and to Piers 30-32 or enter into an agreement with second highest-ranked proposer for the Pier 27 Cruise Ship Terminal and Northeast Wharf Plaza Project for the improvements;
- Or, enter into an agreement with the America's Cup Event Authority for assignment of its contract with Power Engineering Construction Company to the Port for improvements to Piers 30-32 related to the 34th America's Cup Event and exempting the assigned agreement from contracting requirements of the Administrative Code and Environment Code;
- Authorize the Director of the Port to enter into a contract with AECOM for engineering services for improvements to Piers 30-32 related to the 34th America's Cup Event.

Prior Bidding

Cruise Terminal

Attachments 2, 3, and 4 to this memorandum describe the steps Port and Department of Public Works ("DPW") staff have undertaken to bid and award the contract for constructing the James R. Herman Cruise Terminal project to Turner Construction Company ("Turner"), and the further bidding of trade packages by Turner (pursuant to San Francisco Administrative Code Chapter 6).

In anticipation of the proposed Ordinance, Port and DPW staff met with Turner to explore adding additional scope related to the 34th America's Cup improvements. Turner has agreed to conduct the work, with fees and hourly rates consistent with the bids provided for the Cruise Terminal project. The parties are still negotiating proposed

fees for general conditions. Further site due diligence at the various project locations is required to finalize these negotiations.

If the Board of Supervisors adopts the Ordinance, the Port and Turner would utilize an accelerated informal bid process to bid out trade packages associated with the proposed work to further manage costs.

Piers 30-32 Bidding

Attachments 5 and 6 to this memorandum describe the competitive bidding procedures that the Event Authority used to select Power Engineering. Under the Ordinance, the Port could accept assignment of a contract that the Event Authority is negotiating based on the fees and unit costs previously bid by Power Engineering for a larger Piers 30-32 project.

AECOM Design Consulting

If the Board of Supervisors authorizes the Port to enter a contract with Turner, and authorizes the Port to accept assignment of a Power Engineering contract for Piers 30-32, the Port anticipates a need to obtain design services from AECOM, who is in charge of preparing final construction drawings for Piers 30-32. If so authorized by the Board, the Port would negotiate a professional services contract for this work based on hourly rates provided to the Event Authority in prior design phases.

Timelines and Key Dates

If the Board of Supervisors authorizes the Port to enter these contracts, the Port envisions the following key dates:

- Start construction at Piers 30-32 in early May, 2012 (3 month minimum construction period);
- Start construction at other locations from April – June 2012 (varying construction timelines);
- America's Cup World Series in August 2012;
- America's Cup World Series in October 2012; and
- March 31, 2013 – outside delivery date for all improvements, after which the Port would be required to build improvements to Pier 80 (est. cost - \$12 million) if Piers 30-32 is not ready.

Recommendation

Port staff recommends approval of the proposed Ordinance for the following reasons:

1. Until recently, the Port has been relying on a development model to perform the proposed improvements to Port property. In the absence of a development

approach, Port staff does not believe that there is adequate time to utilize the City's standard contracting model to enter public works contracts for the proposed work.

2. With the exception of the AECOM design contract proposal, the proposed contracting vehicles were each subject to a rigorous competitive process, and the proposed contracts would rely on rates bid by low bidders (except for general conditions fees paid to Turner).
3. The Port would work with Turner to bid trade packages for additional scope added to that contract.
4. The Port faces both regulatory timelines and requirements to conduct additional improvements at Pier 80, if construction schedules are not met for improvements to Piers 30-32 under the LDA.

Port staff appreciates the Board of Supervisors' consideration of the proposed Ordinance.

Attachment 1 – Venue Schedule 4, Scope of Work

Attachment 2 – June 9, 2012 Port Commission Staff Report – Cruise Terminal Bid

Attachment 3 – September 8, 2012 Port Commission Staff Report – Early Trade Bids

Attachment 4 – December 9, 2012 Port Commission Staff Report – Phase 1 Trade Bids

Attachment 5 – Recommendation to Oracle 8-8-11

Attachment 6 – Piers 30-32 Report Recommendation 12-12-11

Schedule 4: Scope of Work

This Scope of Work applies to work that is contemplated in the Final Environmental Impact Report for the 34th America's Cup and the James R. Herman Cruise Terminal and Northeast Wharf Plaza, and is in the process of being reviewed and permitted by the U.S. Army Corps of Engineers, NOAA Fisheries Service (NOAA Fisheries), the California Department of Fish & Game, the San Francisco Bay Regional Water Quality Control Board (RWQCB), U.S. Fish and Wildlife Service and the San Francisco Bay Conservation and Development Commission (collectively, the "Agencies").

The Scope of Work describes work that the Port will undertake to prepare Port venues for the Event. As further described herein, the Event Authority may undertake work proposed for Piers 30-32, but the Port may take assignment of an Event Authority contract for such work if authorized by the Mayor and the Board of Supervisors.

Notwithstanding Section 6.2 of the Host and Venue Agreement, the Port will conduct the following improvements before the Match, and not later than March 31, 2013 (or such earlier dates as are provided herein), consistent with the regulatory permit requirements imposed by the Agencies:

Pier 80

If the parties agree that Pier 80 will be the exclusive location for Team Bases in 2012 and 2013, the Port will provide a level surface needed for team bases in 2013 and improve existing utility and stormwater infrastructure in 2012 if in the Port's assessment, it is insufficient to support the Authority's uses at the Venue.

Pier 36

The Port will cause the Army Corps to demolish and remove Pier 36 by no later than January 1, 2013.

Brannan Street Wharf

The Port will complete the Brannan Street Wharf by no later than June 30, 2013.

Shoreside Power

The Port will cause the shoreside power installation for Pier 27 to be reinstalled and available to accommodate the use of the Pier 27 cruise terminal in satisfaction of MMRP mitigation measure M-AQ-4d.

Piers 27 Cruise Terminal

The Port will complete Phase 1 of its Pier 27 Cruise Terminal Project and deliver the new cruise terminal building to the Authority by March 1, 2013, subject to customary uncompleted Punch List Items.

Pier 27-29 Improvements

The Port will make the following improvements to Piers 27-29 by December 15, 2012 (except as noted):

1. Demolish Pier 27 shed.
2. Demolish the Pier 27 Annex Building.
3. Install shallow stormwater catch basins¹ in the ground transportation area, the north park area and the Pier 27 eastern apron according to an approved Stormwater Control Plan for the Piers 27-29 facility.
4. Repair 26 reinforced concrete piles under the Pier 29 substructure.
5. Demolish a portion of Pier 29 shed and construct new Pier 29 shed east/corner wall consistent with Secretary of the Interior's Standards for Treatment of Historic Properties².

Pier 19 Apron Repair and Pier 23 Handrail

To fulfill BCDC public access requirements for the Event, the Port will repair the Pier 19 south apron. This work consists of replacing up to 80 new bearing piles. The work also includes demolishing and disposing 5,000 square ft. of rotted decking and stringers and replacing with new. 1,200 linear feet of cap beams will also be replaced. The Port will install a permanent 760 lf handrail along the Pier 23 north apron.

Pier 23 Electrical Upgrade

The Port will install an electrical transformer to serve the International Broadcast Center.

Pier 64 Pile Removal and Caspian Tern Replacement Nesting Platform and Pier 1/2 Pile and Deck Removal

As a proposed public benefit associated with the proposed use of areas designated by the Bay Conservation and Development Commission and to mitigate for fill and habitat impacts associated with the RWQCB and the NOAA Fisheries Service permitting, by March 31, 2013, the Port will remove a portion of Pier 64 near Mission Rock. This pier consists of a collection of remnant piles adjacent to the Mission Bay Bayfront Park encompassing approximately 234,250 square feet of water area.

¹ Kristar Model FB24 Stormwater Catch Basins.

² The Port may install a temporary Pier 29 end wall if the Authority requires a larger door than previously considered for purposes of storing wing sails in Pier 29. If this occurs, the Port will install a permanent Pier 29 end wall consistent with Secretary of the Interior's Standards for Treatment of Historic Properties after the Match.

It is possible the proposed fill removal at Pier 64 could result in the loss of approximately 1,500 sq ft platform used by Caspian terns. As part of the proposed fill removal project, the Port (or its agent) will create a 1,500 sq ft bird platform that can withstand 100-year base flood conditions and sea level rise to 2050. The platform would require approximately 8 - 16" concrete or steel piles (approximately 12 sq ft of replaced permanent fill). This platform will be a net legacy improvement for Caspian terns since the existing platform is dilapidated and likely would not hold up much longer.

By March 31, 2013, The Port will also remove Pier ½ (25,200 square feet), including piles, caissons and decking.

Consistent with discussions with the RWQCB and other resource agencies, the Port will implement a comprehensive approach for removing piles at Pier 64 and Pier ½. Specifically, the preferred method of removal will be removal of piles through vibratory extraction, followed by direct pull, clamshell removal and cutting, as necessary based on site-specific investigations, consistent with the approaches identified in the Subtidal Habitat Goals Report to remove piles and conditions in resource agency permits.

Piers 32-36 Brannan Street Wharf Open Water Basin

If the City and the Authority agree that Piers 30-32 will be used for Team Industrial Bases, the Port will undertake dredging and pile removal within the Piers 32-36 Open Water Basin to provide sufficient water depth for catamaran access to a crane on Pier 32. Approximately 10,000 to 20,000 cubic yards (cy) of sediment will be dredged from this area. This total consists of a portion of dredging at a depth of approximately -10 feet Mean Lower Low Water (MLLW).

The sediment was characterized and tested for multiple disposal options through the Dredged Material Management Office (UASCE, EPA, BCDC, RWQCB, SLC, state and federal wildlife agencies), which agencies make sediment suitability determinations through the sediment sampling and testing process. If necessary, piles will be removed, including the portion of piles beneath the mudline to the extent feasible.

North of Pier 14

To accommodate temporary berthing of spectator and Event sponsor vessels, the Port will dredge the area north of Pier 14 to a depth of - 12 ft MLLW in 2012. Approximately 24,000 cy will need to be dredged and disposed of through the DMMO regulatory process.

Piers 14-22½ Rincon Point Open Water Basin

If the Authority demonstrates to the Port's satisfaction by March 1, 2013 that it has executed agreements to berth more large spectator vessels than can be accommodated at Pier 27 and north of Pier 14, the Port will dredge the area south of Pier 14 in the Rincon Point Open Water Basin (in an area that will preserve Bay views) to a depth of – 12 ft MLLW before July 1, 2013. Approximately 14,000 cy will need to be dredged and disposed of through the DMMO regulatory process.

Pier 9

If the Authority demonstrates to the Port's satisfaction by March 1, 2013 that it has executed agreements to berth more large spectator vessels than can be accommodated at Pier 27 and north and south of Pier 14, the Port will dredge the area south of Pier 9 in the Broadway Open Water Basin to a depth of – 12 ft MLLW before July 1, 2013. Approximately 10,000 cy will need to be dredged and disposed of through the DMMO regulatory process.

Pier 30-32 Improvements

If Piers 30-32 is used for Team Industrial Bases, the Port approves the following scope of work for this site. The Event Authority will conduct improvements and repairs to Piers 30-32 to support full access and team base operations, as described below. The Port may at its sole discretion take assignment of the Event Authority's contract to perform this work, if authorized by the Mayor and the Board of Supervisors.

The proposed improvements include:

1. Repairs to the marginal wharf.
2. Permanent H20 (16,000 lb wheel load) driveways extending from the Embarcadero to the center in-fill area between Piers 30-32 for emergency vehicle access and truck delivery, comprising approximately 14,000 sf of driveway improvements.
3. A pad for a tower cranes along the southern edge of the Pier 32 to launch and retrieve vessels. Crane access areas will be strengthened to support crane loads.
4. Improvements to approximately 90,000 sf of the Pier 32 deck and supporting structure will be repaired as required to support 250 PSF live load and light vehicles (H10 loading with maximum wheel load of 8,000 lbs) and loads associated with moving racing vessels around on wheeled cradles.
5. Approximately 190,000 sf of the Pier 32 deck area will be slurry sealed or patched with asphalt.

6. Approximately 25,000 lbs of container leveling beams and/or steel plates will be installed temporarily on the Pier 32 deck.

Approximately 12 piles in the Pier 32 area described above will be repaired by installing a new reinforced concrete jacket extending from the pile cap to the seabed (with formwork left in place). A number of piles will receive crack repairs such as epoxy injection or concrete patching at the top near their connection to the beam and slab deck. Portions of the substructure deck framing will be repaired or replaced as needed. Portions of the substructure deck framing will be repaired or replaced as needed.

Utilities

A new electrical transformer will be installed. Existing water and sewer lines under the Piers 30-32 will be repaired or capped, as required by, or subject to approval of the Regional Water Quality Control Board's 401 Water Quality Certification..

Post-construction stormwater BMPs will be installed as part of the deck infill/replacement project to provide additional protections to water quality, as required in connection with the Regional Water Quality Control Board's 401 Water Quality Certification..

Stormwater management features will be constructed consistent with the San Francisco Stormwater Management Guidelines and will be installed in coordination with the San Francisco Public Utilities Commission (SFPUC) as detailed in a Stormwater Control Plan.

MEMORANDUM

June 9, 2011

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Ann Lazarus, Vice President
Hon. Francis X. Crowley
Hon. Doreen Woo Ho
Hon. Leslie Katz

FROM: Monique Moyer
Executive Director

SUBJECT: Request authorization to award the contract for Construction Manager/General Contractor services for the Pier 27 James R. Herman Cruise Terminal and Northeast Wharf Plaza Project to Turner Construction Company in the amount of \$3,581,137, and to create a contract contingency fund of 10% of the contract amount (or \$358,114) for unanticipated contingencies

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Summary

Port staff requests that the Port Commission authorize the award of the contract for Construction Manager/General Contractor ("CM/GC") services for the Pier 27 James R. Herman Cruise Terminal and Northeast Wharf Plaza Project ("Project") to Turner Construction Company, the lowest responsive, responsible bidder. The CM/GC project delivery approach would provide (1) pre-construction support to the Port's Design Team, consisting of the joint venture team of KMD Architects and Pfau Long Architecture, (2) construction management and (3) general contracting services for the Project. The CM/GC contract in the amount of \$3,581,137 with a 10% contract contingency fund of \$358,114 would be funded by a combination of the Port's 2011 Capital Budget appropriation and the Seawall Lot 330 Watermark condominium sales proceeds.

Background

In June 2009, Port Commission Resolution No. 09-33 authorized staff to enter into a Memorandum of Understanding ("MOU") with the San Francisco Department of Public Works ("DPW") to provide project management and design and engineering services for the Project through the schematic design phase.

THIS PRINT COVERS CALENDAR ITEM NO. 10B

On April 12, 2011, Port Commission Resolution No. 11-22 authorized staff to amend the MOU that extended this work from schematics through design development and to utilize the Integrated Project Delivery approach for the procurement of construction services and authorized the DPW to advertise for a CM/GC for this purpose with the direction that this proposed contract does not commit the Port Commission to approval of the Project or grant any entitlements.

The Integrated Project Delivery approach would allow the a contractor to be retained as part of the design process to review and provide comments as to the constructability of the Design Team's architectural and engineering drawings. DPW has stated the CM/GC contracts are its preferred delivery model for complex capital projects as they allow for effective collaboration among client, design professionals, and builders to attain efficiencies and economies that yield lower risk and higher potential for project success.

Selection Process

On behalf of the Port, DPW issued a Request for Qualifications on April 20, 2011 to obtain potential bidders that have experience in the construction of a steel frame building with an accelerated schedule in an urban, marine environment. Twelve firms were pre-qualified. The qualified proposers were required to demonstrate a commitment to meet the subcontracting goal of 17% for Local Business Enterprises ("LBE") for the Project.

On May 16, 2011, DPW invited qualified bidders to submit a response to the Request for Proposals ("RFP") and on June 2, 2011 received eight bids.¹

A three-member selection panel was composed of a project manager from the Port, a project manager from DPW, and a local San Francisco architect.

The eight bidders were requested to submit a proposed fee for pre-construction and construction services defined as follows: a percentage of profit applied against the estimated hard construction cost of \$52 million for Phase 1 and Phase 2 and the cost of General Conditions applied against a prescribed number of weeks for pre-construction services, a 13 month construction duration for Phase 1 and a 6 month schedule for Phase 2.

As stipulated in the RFP, a contract would be awarded to the lowest responsive bidder, unless the next lowest bid or bids were within 10% of the lowest bid. Since there was a bid that was within 10% of the lowest bid, the selection process required that final selection consist of two components: (1) the cost criterion representing 70% and (2) a scored oral interview on non-cost criteria representing 30% of the overall evaluation.

Two firms, Cahill Construction and Turner Construction, qualified for the interview process. The interview criteria included how well each firm responded to the following areas:

¹ The eight firms that submitted bids were: 1) Charles Pankow Builders, Ltd., 2) McCarthy Building Companies, Inc., 3) Swinerton Builders, 4) Plant Construction, L.P., 5) Cahill Contractors, Inc., 6) Turner Construction Company, 7) Hunt Construction Group, Inc., and 8) Webcor Construction LP, dba Webcor Builders.

- Demonstration to complete Phase 1 construction within project schedule and approach to at-risk construction management process;
- Identification of key project staff;
- Demonstration to meet LEED certification from Green Building Council; and
- Approach and commitment to meet LBE requirement and local hiring goals.

A summary of the bid scoring is attached (See Exhibit A, Bid Summary). Based on the bids, Port staff and Human Rights Commission staff have determined that Turner Construction Company is the lowest responsive, responsible bidder for the Project. Turner Construction Company was the overall lowest bidder on the quantitative portion of the bid. They scored slightly more points than Cahill Construction on the qualitative portion of the bid. Turner Construction Company provided the best response on both portions of the evaluation.

Background of Recommended Firm

Turner Construction Company is national firm and is recognized as the leading general builder in the United States, ranking first or second in the major segments of the building construction field. Turner has been based in San Francisco for over 42 years working on a wide range of local construction projects.

Turner has completed projects for the City and County of San Francisco as well as with projects with KMD Architects (who are part of the Port's design team of this Project). They have extensive experience in the Integrated Project Delivery approach.

Turner recently completed relevant projects such as the renovation of the San Francisco Airport's Terminal 2 / Boarding Area D, Oakland International Airport and the Sacramento Terminal - Central B Airside Concourse. Other recent projects include UCSF Community Building, UCSF Genentech Hall, CalPers Headquarters in Sacramento, and San Jose Civic Center.

Turner has proposed using the same construction team that has just completed the San Francisco Airport's Terminal 2 / Boarding Area D project. The proposed Pier 27 construction team will consist of:

Kavinder Singh – Vice President/General Manager
 Victor Perry – Project Executive
 Tina Smith – Senior Project Manager
 Dennis Newman – Senior Project Superintendent
 Bob Murelli – Chief Estimator
 Rich Lavino - Scheduling

CM/GC Scope of Work

The Project consists of two phases: Phase 1 (enhanced building core and shell) and Phase 2 (complete building to make it operational as a cruise terminal and related site work). Phase 1 would result in a building and minimal site improvements to allow the America's Cup Event Authority to install temporary tenant improvements for the America's Cup racing events.

Phase 2 would result in the build-out of offices for the U.S. Customs and Border Protection as well as the installation of glass enclosure in the lobby, additional escalators, certain interior finishes, etc. Phase 2, at the Port's option, may also include related site improvements including the Northeast Wharf Plaza and the ground transportation area, installation of maritime equipment, pier repair work, and interior renovation within a portion of the Pier 29 shed.

The CM/GC would provide pre-construction services for each phase. These services would include:

- 1) Perform on-going review of construction methods and constructability of the evolving design;
- 2) Review site conditions and advise Port to anticipated site challenges and recommended mitigation measures;
- 3) Perform construction operations planning;
- 4) Provide final review of design development documents;
- 5) Develop cost estimates for various trade packages and overall Project cost;
- 6) Identify phased construction opportunities and constraints;
- 7) Prepare a critical path Project schedule;
- 8) Employ detailed constructability reviews, including trade-sequencing optimization using Building Information Modeling technology;
- 9) Participate in coordination including performance evaluation, lifecycle cost analysis and scheduling impacts.

The CM/GC would also perform construction services congruent with those of a general contractor who submits a competitive bid with its own list of subcontractors to perform all of the construction work under a contract, including, but not limited to, construction design value engineering services, construction management, contract administration, cost control, subcontractor procurement, scheduling, coordination, testing, shop drawing development, etc. Responsibilities would include, but not be limited to:

- 1) Coordinate installation of utility work;
- 2) Conduct, jointly with the Port and DPW, a pre-construction conference for the trade subcontractors and design team;
- 3) Provide and update a master Project schedule and review/approve trade subcontractors' schedules;
- 4) Review/approve trade subcontractor's monthly progress payment requests;
- 5) Provide monthly updated cash flow requirement projections;
- 6) Provide separate cost accounting/reporting for Federal grant security requirements;
- 7) Provide direct supervision, scheduling, and problem resolution for trade subcontractors throughout construction;
- 8) Act as liaison between trade subcontractors, inspectors, the design team and the Port and DPW;
- 9) Coordinate the training of Port-designated staff on the operations and maintenance of the building systems;
- 10) Prepare a recommendation for final acceptance of the Project after the trade subcontractors have corrected deficient work and satisfied all contract conditions;

- 11) Provide guidance to the phased turnover of the building for as-builts, warranties, commissioning, and training so that the process is developed and policies established prior to start of subcontractor bidding.

Funding

Proposed fees for the contract are as follows:

Phase 1 Pre-Construction Services:	\$ 288,000
Phase 2 Pre-Construction Services:	135,000
Construction Services:	1,040,000
Phase 1 General Conditions Cost:	872,222
Phase 2 General Conditions Cost:	681,960
Performance and Payment Bond Premium:	<u>563,955</u>
Subtotal:	\$3,581,137
10% Contingency:	\$ 358,114
Total:	\$3,939,251

The CM/GC contract would be funded by a combination of the 2011 Port Capital Budget appropriation and a portion of the Seawall Lot 330 Watermark condominium sales proceeds.

Local Business Enterprise ("LBE") Participation

The LBE participation goal for this contract award is set by the Human Resource Commission as 17%. Turner Construction's bid provides for LBE subcontractor participation of 17%. Cooper Pugeda Management, Inc. will be the subcontractor on this Project. Cooper Pugeda has been involved in a number of local construction management projects such as: UCSF facilities at Mission Bay and San Francisco Airport (Terminal 2).

Local Hire Participation

The Local Hire participation level has been set at 20% for the Project. Turner Construction Company was successful at the San Francisco Airport (Terminal 2) project with local hiring even when there was not a required goal within their contract. Turner Construction believes that this recent experience will allow them to meet the Local Hire participation goal.

Project Update

On May 10, 2011, the San Francisco Board of Supervisors unanimously determined that the Project is fiscally responsible and feasible in accordance with Chapter 29 of the City's Administrative Code. This determination allows the City's Planning Department to proceed with environmental review of the Project under the California Environmental Quality Act.

On June 6, 2011, the Design Team submitted 50% design development drawings. The Design Team is scheduled to complete 100% design development drawings by late July

2011. The selected CM/GC will provide input as to the constructability of the design and will help to provide a more accurate Project budget.

At the upcoming July 12, 2011 Port Commission hearing, staff will present to the Port Commission an updated Project budget based on 50% design development drawings. Staff will also request approval to enter into a second amended Memorandum of Understanding with DPW to extend their scope of work from design development through construction drawings. Construction drawings are expected to be completed by the end of 2011.

Estimated Project Schedule

Assuming a contract award, the anticipated project schedule for the CM/GC would be:

Estimated Notice to Proceed June 20, 2011

Phase 1 (Enhanced Building Core and Shell)

Pre-construction services	June 20 – November 14, 2011
Construction	January 2, 2012 – December 28, 2012
Punch List Work	January 2 - 31, 2013

Phase 2 (Post Event Building Completion)

Pre-construction services	September 7, 2011 – March 6, 2012
Construction	May 1, 2014 – October 10, 2014
Final Certificate of Occupancy	October 24, 2014

CM/GC Contract Risk

Should the Port Commission approve this resolution to award, the CM/GC would commence immediately to perform specific portions of the work that do not require certified environmental review, such as pre-construction services, pre-qualification of trade contractors and ordering a few specific building materials that require long lead items. The staff proposal to proceed with these limited pre-construction services before environmental review is complete may present a financial risk to the Port. Should the City fail to certify the Final Environmental Impact Report ("EIR"), or the Port Commission reject the Project, the Port would be at risk of having already expended a portion of the budget, approximately \$300,000 to \$400,000, in pre-construction services. If the CM/GC contract is terminated at the end of this phase, the Port would not be able to recover these costs.

If the CM/GC contract were to continue after pre-construction services, the CM/GC would begin the procurement process for long lead construction materials such as structural steel, curtain wall (skin façade assembly), and elevators & escalators. These trades require 14-18 weeks of lead time before they begin fabrication. During this period of time, the trade contractors, the CM/GC and the design team develop shop drawings to confirm design intent and quantities needed for materials. If the CM/GC contract is terminated at the end of this process and before fabrication begins, the Port would have spent approximately 7-8% of the estimated construction value, in preparation of shop drawings and additional pre-construction services. The Port would not be able to recover such expenditures.

The Project schedule provides that construction activities would begin only after the environmental review is complete, the Final EIR has been certified and the Project has been approved. The CM/GC contract will contain specific provisions entitling the Port to terminate the contract if the City does not certify the Final EIR, or the Port Commission decides not to approve the Project.

Recommendation

Port staff recommend that the Port Commission authorize the award of CM/GC contract to Turner Construction Company, the lowest responsive, responsible bidder, in an amount of \$3,581,137 for the base bid and further authorize staff to increase the contract amount, if needed for unanticipated contingencies, by an additional \$358,114 (or 10%) through contract modification or change order to a total of \$3,939,251.

Prepared by:

John Doll, Project Manager
Planning & Development

Kim von Blohn, Project Director
Engineering

For:

Byron Rhett, Deputy Director
Planning & Development

Ed Byrne, Chief Harbor Engineer
Engineering

Peter Dailey, Deputy Director
Maritime

Attachment: Exhibit A: Bid Summary

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-45

WHEREAS, On April 12, 2011, by Port Commission Resolution No. 11-22, the San Francisco Port Commission authorized Port staff to utilize the Integrated Project Delivery approach for the procurement of construction services and authorized the San Francisco Department of Public Works (DPW) to advertise for a Construction Manager/General Contractor to help design and manage the Pier 27 James R. Herman Cruise Terminal and Northeast Plaza Project (Project); and

WHEREAS, On April 20, 2011, DPW, on behalf of the Port, issued a Request for Qualifications (RFQ) to select qualified Construction Manager/General Contractors for the Project for responses to a request for proposal; and

WHEREAS, DPW deemed twelve firms responding to the RFQ to be qualified; and

WHEREAS, On May 16, 2011, DPW issued a Request for Proposals (RFP) for a Construction Manager/General Contractor to the twelve pre-qualified firms; and

WHEREAS, On June 2, 2011, DPW received eight bids in response to the RFP; and

WHEREAS, Two of the lowest bids were within ten percent of each other necessitating further evaluation of the two bids using criteria dictated in the RFP; and

WHEREAS, Based on cost and non-cost criteria dictated in the RFP, DPW deemed Turner Construction Company to be the lowest responsive, responsible bidder; and

WHEREAS, The Construction Manager/General Contractor will be required to provide a fully functional, complete and operational Project, including, in accordance with the Integrated Project Delivery approach, certain pre-construction services before Project approval; and

WHEREAS, Construction work will not commence until the review of the Project under the California Environmental Quality Act (CEQA) is completed, the City approves the Project, and the City notifies the contractor that it may begin construction; now, therefore be it

RESOLVED, That the Port Commission hereby authorizes Port staff to award the contract for Construction Manager/General Contractor services for the James R. Herman Cruise Terminal and Northeast Wharf Plaza Project to Turner Construction Company, the lowest responsive, responsible bidder, for the not-to-exceed amount of \$3,581,137; and be it further

RESOLVED, That the Port Commission authorizes Port staff to increase the contract amount, if needed for unanticipated contingencies, by an additional \$358,114 (10% of \$3,581,137) to a total of \$3,939,251 through contract modification; and be it further

RESOLVED, The authorization to award this contract does not commit the Port Commission to approve the Project or grant any entitlements, nor does this action foreclose the possibility of considering alternatives to the proposal, mitigation measures, or deciding not to grant entitlements or approve or implement the Project, after conducting appropriate environmental review under CEQA; and be it further

RESOLVED, That the Port Commission will not take any discretionary actions committing the Port to implement the Project until the Port Commission has reviewed and considered environmental documentation prepared in compliance with CEQA for the Project and finally approves the Project.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 14, 2011.

Secretary

MEMORANDUM

September 8, 2011

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Ann Lazarus, Vice President
Hon. Francis X. Crowley
Hon. Doreen Woo Ho
Hon. Leslie Katz

FROM: Monique Moyer
Executive Director

SUBJECT: Request approval to amend the Construction Manager/General Contractor contract with Turner Construction Company to increase the contract amount for the long lead item trade subcontractor bid package for structural steel by an amount not-to-exceed \$6,050,000, which consists of a base amount of \$5,500,000, and a 10% contingency amount of up to \$550,000 for Project Phase 1 Construction (Resolution No. 11-59)

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

BACKGROUND

In June 2011, Port Commission Resolution No. 11-45 authorized the award of the CM/GC contract to Turner Construction Company. The CM/GC scope of work was outlined in the staff report dated June 9, 2011. Initially, under the contract the CM/GC will provide pre-construction services for each Project phase. During the pre-construction phase, the CM/GC will determine the constructability of the design, develop cost estimates, develop trade subcontractor bid packages, and perform related pre-construction services. If the Project is approved, the CM/GC would then perform Phase 1 and Phase 2 construction services (as described below), utilizing the trade subcontractors whose bids are subsequently accepted. Under Resolution No. 11-45, the Port Commission authorized funding of \$3,939,251 for Phase 1 & 2 pre-construction services, contingent CM/CG construction services, and related costs. However, this funding did not include preparation of the necessary trade subcontractor bid packages (discussed in detail below).

THIS PRINT COVERS CALENDAR ITEM NO. 10A

Due to the integration of site uses to allow the America's Cup Event Authority, LLC ("Event Authority") under the Host and Venue Agreement ("HVA") for the 34th America's Cup ("Event") to utilize Piers 27 and 29 and the new terminal building for the Event, the Port must proceed with the pre-construction schedule and development of trade subcontractor bid packages promptly to remain on schedule, as follows:

Phase 1

Subject to completion and certification of a Final EIR for the Cruise Terminal Project and approval of the Project by the City, the Event Authority would demolish Pier 27 and part of Pier 29. The Port would relocate the existing shore power system, which relocation expense would be funded up to \$2,000,000.00 by the Event Authority. The Port would also construct the core and shell of the cruise terminal building commencing in early 2012 over approximately a one year period for temporary use by the Event Authority commencing in early 2013.

Phase 2

After the Event, the Port would build-out the remaining portions of the cruise terminal building (e.g., the Customs and Border Protection and security rooms), install maritime equipment such as the mobile gangway system, fenders and bollards, complete the battery charging station and operations area within Pier 29, and complete improvements to the Northeast Wharf Plaza and the ground transportation area.

REQUESTED ACTION BY THE PORT COMMISSION

CM/GC Services & Trade Subcontractor Bid Package

In order to meet the dates as stipulated in the HVA, the Port must direct the CM/GC to begin to develop the long-lead trade subcontractor bid packages associated with Phase 1 construction. If the Port Commission approves staff's current request, the CM/GC would begin to bid the long-lead trade subcontractor bid package in September 2011 for Phase 1 structural steel. This long lead, early bid package will encompass: 1) Building framing 2) Deck; and 3) Stairs. This bid will include procurement, fabrication, and, if the Project is approved, installation at the site. As indicated in the table below, no construction work or installation will occur at the site until **after** all regulatory approvals are granted, including environmental review required under the California Environmental Quality Act ("CEQA") and the Port Commission and City have approved the Project. Should the regulatory approvals and the Port Commission's and City's final approvals never occur, the Port temporarily will store the fabricated steel and then employ it elsewhere in the Port's portfolio for other facility needs, such as development of the Backlands.

As proposed by staff, Turner Construction will anticipate awarding this early trade package by November 2011 in order to meet the Project schedule.

The Project schedule assumes mobilization on the Pier 27 site on January 1, 2012 and construction commencement on February 1, 2012. Turnover to the Event Authority of the core and shell of the Cruise Terminal building is scheduled for January 30, 2013 with a Temporary Occupancy Certificate. Punch list items would be completed by the end of February 2013.

During the Phase 1 construction period, if the Project is approved, the CM/GC would award all the subcontractor trade packages and manage all the on-site work. The CM/CG would coordinate with the Event Authority contractors, as necessary, respond to conditions in the field, work order necessary changes, and in general perform all the CM/GC services as stipulated in its contract.

In order for the CM/GC to perform its tasks associated with this long lead trade subcontractor bid package, Port staff requests authorization to amend the CM/CG contract with Turner Construction Company to increase the contract amount by a not-to-exceed \$6,050,000, which consists of a base amount of \$5,500,000, and a 10% contingency amount of up to \$550,000 for Project Phase 1 structural steel. The increased contract amount would fund the following:

<u>Component</u>	<u>Amount</u>	<u>Commitment Date</u>
Shop Drawings	\$225,000	10/15/11 to 12/15/11
Purchase of Steel	\$1,500,000	12/15/11
Fabrication (including delivery)	\$1,075,000	1/1/12 to 3/30/12
Site Erection	<u>\$2,700,000</u>	4/1/12 to 5/30/12
Total	\$5,500,000	
Available as Contingency	\$550,000	
Total Not-to-Exceed	\$6,050,000	

Again, as indicated in the table above, if the Project does not receive regulatory and Port and City approval, the Port will have expended funds on Shop Drawings, which would not be recoverable. The Port will also have expended funds purchasing and fabricating steel, which would be delivered to the Port, stored temporarily and reused in construction of any of the Port's planned (but not yet permitted) new buildings, such as at the Port's Backlands. As noted, the Port will not expend any monies for Site Erection unless and until it has received all approvals, and has completed environmental review under CEQA.

In summary, Port staff proposes to amend the CM/GC Contract with Turner Construction by adding a not-to-exceed amount of \$6,050,000 for a total contract value of not-to-exceed \$9,989,251:

Previously Authorized by Reso. 11-45	\$3,939,251	for CM/GC services
Current Request:	<u>\$6,050,000</u>	for Phase 1 construction long lead steel trade package
Total Proposed NTE Authorization:	<u>\$9,989,251</u>	

For this trade package, the Local Hire participation level has been set at 20% with a goal of no less than 10% of Project work hours to be performed by disadvantaged workers. The Local Business Enterprise (LBE) goal for this Project is 17% of the total value of the entire contract. The goal must be met with LBE firms that are certified as LBE firms by the Human Rights Commission.

The staff proposal to proceed with the bidding and award of the long lead subcontractor trade bid package before the City approves the Project presents a financial risk to the Port. Should the City fail to certify the Final EIR, or the Port Commission or Board of Supervisors disapprove the Project, the Port would be at risk of having already expended a small portion of the budget in services and material that would offer limited future value as described above.

During this period of time between bidding of the trade package and construction, the trade subcontractor, and the CM/GC would develop shop drawings to confirm design intent and quantities needed for materials, procure materials, and commence offsite fabrication. If the CM/GC contract is terminated before procurement and offsite fabrication begins (November – December 2011), the Port will have spent approximately 7-8% of the estimated construction value, in preparation of shop drawings and additional pre-construction services. If the CM/GC contract is terminated after procurement and offsite fabrication of the steel begins the percentage will be larger.

The Project schedule provides that construction activities will begin only after the environmental review is complete, the Final EIR has been certified and the Project has been approved. The CM/GC contract contains specific provisions requiring Port approval to move forward on construction activities and entitling the Port to terminate the contract if the City does not certify the Final EIR, or the Port Commission or Board of Supervisors decides not to approve the Project.

PHASE 1 SOURCES AND USES OF FUNDS

In its April 21, 2011 report to the Board of Supervisors, Port staff estimated the total Phase 1 Project Cost was \$58,187,107, but that did not include the shore power relocation costs which are the responsibility of the America's Cup Event Authority pursuant to the HVA up to an amount of \$2,000,000. The budget below of \$60,162,039 does include an allocation for shore power relocation costs (currently estimated at \$1,974,932), which the Event Authority is obligated reimburse to the Port under the HVA.

Sources and Uses of Funds - Phase 1

USES OF FUNDS	
<u>Construction (following approval of the Project)</u>	<u>\$ 42,790,531</u>
Construction Purchase and Installation	\$ 36,145,753
Construction Contingency (15%)	\$ 5,421,863
Construction Manager/ General Contractor Services	\$ 1,222,915
<u>Design & Engineering, Project Management & Entitlement</u>	<u>\$ 15,396,576</u>
KMD - Architectural/Engineering Design	\$ 7,498,309
DPW - Project Support and Expenditures	\$ 7,898,267
<i>Project Contingency</i>	\$ 400,000
<i>Project Management</i>	\$ 2,081,083
<i>City Administrative Services</i>	\$ 330,000
<i>Regulatory Agency Approvals</i>	\$ 1,379,095
<i>Architectural & Engineering Design Services</i>	\$ 1,651,453
<i>EIR Services</i>	\$ 780,636
<i>Specialized Consulting Services</i>	\$ 280,000
<i>City Construction Management Services</i>	\$ 796,000
<i>Geotechnical, Surveys</i>	\$ 100,000
<i>Commissioning</i>	\$ 100,000
<u>Shoreside Power Relocation (following approval of the Project)</u>	<u>\$ 1,974,932</u>
Relocation - Hard Costs/Contract	\$ 1,800,000
Architectural & Engineering Design	\$ 174,932
Total Uses	\$ 60,162,039

SOURCES OF FUNDS

<u>Secured - Port</u>	<u>\$ 31,876,131</u>
Watermark Sale Proceeds	\$ 20,065,423
Series A&B 2010 Port Revenue Bonds	\$ 10,139,456
Operating Budget -- Workorder, Including Prior Year Carry forward	\$ 295,905
FY11-12 Capital Budget Appropriations	\$ 1,375,347
<u>Secured - Other</u>	<u>\$ 3,141,782</u>
Contribution to Shorepower	\$ 1,974,932
FEMA Security Grant	\$ 1,166,850
<u>Planned - Port</u>	<u>\$ 17,131,453</u>
2012 Port Revenue Bond Debt or Repurposing of Existing 2010 Debt	\$ 15,500,000
FY12-13 Capital Budget Appropriation	\$ 1,631,453
<u>Proposed - Port/Other</u>	<u>\$ 8,012,673</u>
Repurpose Existing 2010 Debt (Repaid Phase II)	\$ 1,512,673
City Contribution	\$ 6,500,000
Total Sources	\$ 60,162,039

FUNDING SOURCES

As proposed by Port staff, funding for the amended CM/GC contract to complete Phase 1 early bid package will be provided by a combination of the Port's 2010 Revenue Bond proceeds, the FY 2011-12 Port Capital Budget, and the Port's share of proceeds from the sale of the Watermark condominiums. Availability and use of the Watermark condominium sale proceeds are subject to the release of \$17,907,635 reserved by the Board of Supervisors' Budget and Finance Committee. Port staff requested the release of the funds and anticipates that the item will be heard by the Board's Finance Committee on September 14, 2011.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

The Port and DPW have initiated environmental review of the Project by the City Planning Department under the CEQA. Staff hopes to complete the CEQA analyses, including the completion of a Final EIR, and to seek certification of the Final EIR and approval of the Project by the end of 2011.

Approval of the proposed amended CM/GC contract would not commit the Port Commission to approve the Project or grant any entitlements for the Project, nor does the proposed action foreclose the possibility of considering alternatives to the proposal, mitigation measures, or deciding not to grant entitlement or implement the Project, after

conducting appropriate environmental review under CEQA. Further, this proposed amended CM/GC contract would not affect the existing provisions entitling the Port to terminate the CM/GC contract if the City does not certify the Final EIR, or if the Port Commission or the Board of Supervisors decides not to approve the Project.

Further, the Project schedule provides that construction activities will begin only after specific authorization from the Port if the environmental review is complete, the Final EIR has been certified and the Project has been approved.

NEXT STEPS

Pursuant to the 34th America's Cup Host and Venue Agreement, the City shall relocate the shore power installation for Pier 27 as required to accommodate the Event Authority's use of Pier 27, if approved by the City. Cost estimates for engineering and construction of the relocation of the system are in progress. After review of these estimates, Port staff may need to further amend the scopes of work for project management and engineering in the DPW MOU and the respective Design Team and CM/GC agreements.

In addition, Port staff will seek approval to bid and award the remainder of the Phase 1 trade subcontractor bid packages at a later Port Commission meeting.

RECOMMENDATION

Port staff request Port Commission approval of an amendment to the Construction Manager / General Contractor contract with Turner Construction Company to provide funding for the long lead trade subcontractor bid package for structural steel, subject to the City's certification of the Final EIR, approval under CEQA, and the City's and Port Commission's approval of the Project.

As proposed by staff, this would be funded by a combination of the Port's 2010 Revenue Bonds proceeds, the FY 2011-12 Port Capital Budget, and the Port's share of proceeds from the sale of the Watermark condominiums.

Prepared by: John Doll, Project Manager
Planning & Development

Kim von Blohn, Project Director
Engineering

For: Byron Rhett, Deputy Director
Planning & Development

Ed Byrne, Chief Harbor Engineer
Engineering

Peter Dailey, Deputy Director
Maritime

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-59

- WHEREAS, On April 12, 2011, by Port Commission Resolution No. 11-22, the San Francisco Port Commission authorized Port staff to utilize the Integrated Project Delivery approach for the procurement of construction services and authorized the San Francisco Department of Public Works (DPW) to advertise for a Construction Manager/General Contractor to help design and manage the Pier 27 James R. Herman Cruise Terminal and Northeast Plaza Project ("Project"); and
- WHEREAS, On April 20, 2011, DPW, on behalf of the Port, issued a Request for Qualifications (RFQ) to select qualified Construction Manager/General Contractors for the Project for responses to a request for proposal; and
- WHEREAS, On June 14, 2011, the Port Commission adopted Resolution No. 11-45, authorizing the contract award for Construction Manager/General Contractor services for the Project to Turner Construction Company for the not-to-exceed amount of \$3,939,251, inclusive of a 10% contingency of \$358,114; and
- WHEREAS, As Construction Manager/General Contractor for the Project, Turner Construction Company will be required to provide a fully functional, complete and operational Project, including, in accordance with the Integrated Project Delivery approach, certain pre-construction services before Project approval; and
- WHEREAS, Construction work for the Project will not commence until the review of the Project under the California Environmental Quality Act (CEQA) is completed, the City approves the Project, and the City notifies the contractor that it may begin construction; and
- WHEREAS, Under the Project schedule, it is appropriate and necessary for the Port to direct the Construction Manager/General Contractor to begin developing the early trade subcontractor bid package for Phase 1 of the Project construction for structural steel; and
- WHEREAS, That if the Project is not approved, the Port will then utilize the structural steel for other Port's projects, such as development of the Backlands; now therefore be it
- RESOLVED That the Port Commission hereby authorizes Port staff to execute an amendment to the Construction Manager/General Contractor contract with Turner Construction Company to increase the contract amount from an amount not to exceed \$3,939,251 to an amount not to exceed \$9,989,251 which consists of an increase of \$6,050,000 inclusive of a 10 percent

contingency for bidding and award of the early trade subcontractor bid package for structural steel for Phase 1, as described in the accompanying staff memorandum; and be it further

RESOLVED That the Port Commission's authorization to amend the Construction Manager/General Contractor contract with Turner Construction Company as provided herein does not authorize Turner Construction Company to proceed with on-site erection of structural steel, which authorization is hereby reserved to the Commission for future action after certification of the Final EIR, and approval of the Project by the Port Commission and the Board of Supervisors; and be it further

RESOLVED, The Port Commission's authorization to amend the Construction Manager/General Contractor contract with Turner Construction Company does not commit the Port Commission to approve the Project or grant any entitlements, nor does this action foreclose the possibility of considering alternatives to the proposal, mitigation measures, or deciding not to grant entitlements or approve or implement the Project, after conducting appropriate environmental review under CEQA; and be it further

RESOLVED, That the Port Commission will not take any discretionary actions committing the Port to implement the Project until the Port Commission has reviewed and considered environmental documentation prepared in compliance with CEQA for the Project and finally approves the Project.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of September 13, 2011.

Secretary

MEMORANDUM

December 9, 2011

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Ann Lazarus, Vice President
Hon. Francis X. Crowley
Hon. Doreen Woo Ho
Hon. Leslie Katz

FROM: Monique Moyer
Executive Director

SUBJECT: (1) Request adoption of California Environmental Quality Act (CEQA) Findings and a Mitigation Monitoring and Reporting Program (MMRP) in connection with the authorization of construction contracts and associated approvals to implement the Pier 27 James R. Herman Cruise Terminal and Northeast Wharf Plaza (Project), located on The Embarcadero at Lombard Street (Resolution No. 11-75)

(2) Request approval of a Third Amended Memorandum of Understanding (MOU) with the San Francisco Department of Public Works (DPW) to increase the MOU funding from the existing amount not-to-exceed \$3,883,664 to a total amount not-to-exceed \$7,778,267, which amounts to an increase of \$3,894,603, for Phase 1 Project construction administration services and other services, and to extend the term from March 30, 2012 to April 1, 2013 (Resolution No. 11-76)

(3) Request approval to amend the Architectural and Engineering contract with the joint venture of Kaplan, McLaughlin, Diaz Architects and Pfau Long Architecture to include services for Phase 1 construction administration, increase the amount of the contract from \$8,110,903 to an amount not-to-exceed \$8,888,292, which amounts of an increase of \$777,389, and authorize a contingency funds of \$285,000 (approximately 3.2%) for unforeseen design and related services and to extend the term from March 30, 2012 to April 1, 2013 (Resolution No. 11-77)

THIS PRINT COVERS CALENDAR ITEM NO. 9A

(4) Request approval to amend the Construction Manager/General Contractor contract with Turner Construction Company to increase the contract amount from \$9,989,251 to an amount not-to-exceed \$41,480,748, which consists of an increase of \$31,491,497, and to increase the contract amount by \$3,927,676 (approximately 9.5%) through contract modification or change order, if needed for unanticipated contingencies to fund the Phase 1 Project construction trade subcontractor packages, including shed demolition and the design-build shoreside power relocation. (Resolution No. 11-78)

DIRECTOR'S RECOMMENDATION: Approve Attached Resolutions

SUMMARY

On December 1, 2011, the San Francisco Planning Department completed a Final Environmental Impact Report ("EIR") for the 34th America's Cup event and the Pier 27 James R. Herman International Cruise Terminal and Northeast Wharf Plaza, prepared pursuant to the California Environmental Quality Act ("CEQA"). Certification of the EIR will be considered by the San Francisco Planning Commission on December 15, 2011. If the EIR is certified, Port staff seeks Port Commission action to approve the following items:

- 1) Adopt CEQA Findings and a Mitigation Monitoring and Reporting Program (MMRP) in connection with the authorization of construction contracts and associated approvals to implement the Pier 27 James R. Herman International Cruise Terminal and Northeast Wharf Plaza Project ("Project");
- 2) Approve the Third Amended MOU with DPW for Phase 1 Project construction administration services increasing the MOU amount to \$7,778,267;
- 3) Approve a contract amendment with the Design Team for Phase 1 Project construction administration services in the amount of \$8,888,292 and a contingency of \$285,000 totaling \$9,173,292 for unforeseen design and related services; and
- 4) Approve an amendment to the CM/CG contract with Turner Construction Company to provide funding of \$41,480,748 and a contingency of \$3,927,676 totaling \$45,408,424 for Phase 1 Project construction trade subcontractor bid packages, including shed demolition and design-build shoreside power relocation.

BACKGROUND

For over twenty years, the Port has actively pursued development of a new cruise terminal. The October 12, 1998 staff report to the Port Commission stated that "a new cruise terminal is required in San Francisco to efficiently meet the current needs of cruise lines and passengers, as well as the expected increase in future cruise business." In 1998 when this staff report was written, 27 cruise ships called at the Port. Since that time, the number and size of cruise ships have more than doubled. The Port has twice attempted to construct a new cruise terminal at Piers 30-32 through public-private partnerships. Both attempts failed. In September 2006, the Port Executive

Director appointed a Mayor's blue ribbon Cruise Terminal Advisory Panel to evaluate locations and propose an implementation strategy for a new cruise terminal project.

In September 2007, the Port Commission accepted the Cruise Terminal Advisory Panel's recommendations which included the creation of a publicly-financed, year-round cruise terminal at Pier 27. The Cruise Terminal Advisory Panel also re-affirmed the development of a Northeast Wharf Plaza at Pier 27 that would attract City residents and visitors to enjoy San Francisco Bay. Pursuant to the Port's Waterfront Land Use Plan and the San Francisco Bay Conservation and Development Commission's Special Area Plan, the Northeast Wharf Plaza will be an open space that will serve as a major waterfront public resource with a design complementing the new cruise terminal. The Northeast Wharf Plaza would support passive recreational enjoyment and expansive public views of San Francisco Bay.

Specific Project details include:

- Conversion of Pier 27 into a year-round cruise terminal and community asset;
- The cruise terminal will meet evolved security and passenger handling demands of the cruise industry while also being reconfigured to allow for use when it is not occupied for cruise purposes;
- Provide user-friendly facilities and services to all potential users, including cruise passengers, waterfront tourists and the general public;
- After removing Pier 27 shed, construction of a major 2.5 acre open space, known as the Northeast Wharf Plaza, so that City residents and visitors will be able to enjoy the presence of cruise ships, maritime activity and views of the Bay and Treasure Island;
- In addition to the Northeast Wharf Plaza, creation of a public access program for the Pier 27-29 site that provides regional public benefit, while respecting cruise operations and security requirements;
- A built-in flexibility in the cruise terminal to allow berthing of different types and sizes of cruise ships and meet the needs of different operational modes;
- Offer cruise passengers a positive experience (i.e., making passengers feel welcome through efficient baggage handling, security screening, check-in embarkation and disembarkation procedures);
- Allow for varied multi-purpose use of the cruise terminal during non-cruise days for public and/or private programming;
- Develop uses that activate the Northeast Wharf Plaza so that it can be used year-round;
- Develop flexibility into the design to meet future needs of the Project;
- Build and manage the cruise terminal to the highest feasible environmental design standards; and
- Create a cruise terminal which will provide an on-going stimulus to the San Francisco economy by attracting visitors and contributing tax revenues to the City's General Fund.

PROJECT PLANNING

The planning work to formulate the Project required the Port to hire services to develop a design for both the cruise terminal and the Northeast Wharf Plaza.

In June 2009, the Port Commission, through a Memorandum of Understanding ("MOU"), retained the City's Department of Public Works ("DPW") to assist in the design and the construction management of the Project. Through the MOU, DPW was enlisted to advertise a contract for a Construction Manager / General Contractor ("CM/CG") that would offer a constructability review and cost estimating services as well as to plan and organize the sequence of construction activities. In addition, DPW was tasked with providing a competitive hiring process to secure an environmental consultant to comply with CEQA requirements. In August 2010, the Port Commission approved the contract award to Environmental Sciences Associates to prepare an environmental impact report.

In November 2009, the Port Commission authorized Port staff to execute an architectural and engineering contract with a design team lead by Kaplan, McLaughlin & Diaz and Pfau Long Architects in association with cruise terminal design consultant, Bermello Ajamil & Partners ("Design Team"). The Design Team and DPW have since developed final design plans for the cruise terminal building as well as prepared design plans for the Northeast Wharf Plaza.

In concert with these efforts, Port staff has conducted a public process to solicit input from waterfront and maritime stakeholders as well as the Port Commission. Port staff has held several public workshops and meetings to present and solicit response on the design and program for both the cruise terminal and the plaza. As part of that effort, the Port's Executive Director appointed a Pier 27 Design Steering Committee to provide ideas and raise issues throughout the development process. Port staff has regularly updated the Port's Maritime and Commerce Advisory Committee ("MCAC"). The MCAC created a subgroup to provide additional input into the design and operation of the Project.

In 2010, the Port, DPW and the Design Team contemplated two options for providing a new cruise terminal: 1) renovation of the existing Pier 27 shed and 2) construction of a new building. By Fall 2010, the City was engaged in discussions with Oracle Racing and the Golden Gate Yacht Club regarding a possible bid to host the 34th America's Cup ("AC34") in San Francisco. The negotiations that ensued, which included the Port, ultimately led to the City's host city proposal which incorporated use of several northern waterfront piers, including Pier 27 as the America's Cup Village, the major entertainment, hospitality and spectator viewing center for the racing event.

On December 14, 2010, the Board of Supervisors endorsed a Host and Venue Agreement ("HVA") with the America's Cup Event Authority LLC ("Event Authority"). On December 31, 2010, the Golden Gate Yacht Club selected San Francisco as the host city.

In light of these developments, the Port Commission on December 14, 2010 authorized Port staff and its Design Team to initiate schematic design on Scheme B2, a design option that would construct a new cruise terminal building.

Under the HVA, the spectator viewing and program requirements of the America's Cup Village provides for the demolition of the Pier 27 shed and a connecting portion of the Pier 29 shed, and a two-phase construction of the Pier 27 cruise terminal, as noted below:

Phase 1

Phase 1 would consist of hazardous material abatement and demolition of the Pier 27 shed, partial demolition of the Pier 29 shed and the Pier 27 Annex office building, relocation of the shoreside power equipment, and preparation of the Pier 27 site to allow the Event Authority under the HVA for the 34th America's Cup ("Event") to install temporary improvements for the duration of the racing events (see Attachment 1). Starting in early 2012, the Port would construct the "core and shell" of the cruise terminal building over approximately a one year period for temporary use by the Event Authority in 2013.

The building would include bathrooms, elevators, partial finishes, lighting, and all systems and features necessary for a Temporary Certificate of Occupancy.

Interior space designated for the U.S. Department of Homeland Security, Customs and Border Protection would be left unfinished.

The exterior landscape and transit areas would be limited to providing safe access in and out of the building.

Phase 2

After the Event and Piers 27 and 29 are returned to the Port, the Port would build-out the remaining portions of the cruise terminal building (e.g., the U.S. Customs and Border Protection offices and security rooms), install maritime equipment such as the mobile gangway system, fenders and bollards, complete the battery charging station and operations area within Pier 29, and complete improvements to the Northeast Wharf Plaza and the ground transportation area. These improvements are hoped to be completed in 2014.

The City's commitment to meet the demolition and construction schedule under the HVA required the Port to accelerate design and construction planning and the regulatory approval process, including modification of the contract with Environmental Science Associates to expand the scope to include AC34 in the preparation of an Environmental Impact Report to meet CEQA requirements

In June 2011, the Port Commission authorized the award of the CM/GC contract to Turner Construction Company. The CM/GC scope of work was outlined in the June 9, 2011 staff report. Under this contract, Turner Construction Company would provide pre-

construction services that consisted of determining the constructability of the design, developing cost estimates, and developing trade subcontractor bid packages. As part of this contract scope of work, Turner Construction Company is bidding and will award a trade subcontractor package for structural steel for the core and shell terminal building.

REQUESTED ACTIONS OF THE PORT COMMISSION

1) CM/CG Services and Trade Subcontractor Bid Packages

During the Phase 1 construction period, the CM/CG would award all the subcontractor trade packages and manage all the on-site work. The CM/CG would coordinate with the America's Cup contractors, as necessary, respond to conditions in the field, work order changes, and in general perform all the CM/CG services as stipulated in its contract.

In order to meet the Phase 1 construction completion in March 2013, the Port must direct Turner Construction Company as the CM/CG to begin to implement the trade subcontractor bid packages associated with Phase 1 Project construction. If the Port Commission approves staff's current request, the CM/CG would award subcontractor bid packages for Phase 1 Project construction.

The Project schedule assumes construction commencement targeted for approximately March 1, 2012, subject to regulatory approvals. The Substantial Completion date for the Phase 1 core and shell of the Cruise Terminal building is scheduled for March 1, 2013. Punch list items would be completed by the end of March 2013 and the structure would be available for Event Authority use in April 2013.

In order for the CM/CG to perform its tasks associated with Phase 1 construction, Port staff requests authorization to amend the CM/CG contract with Turner Construction Company to increase the contract amount from \$9,989,251 to an amount not to exceed \$41,480,748, which consists of an increase of \$31,491,497 and staff requests authority to increase the contract by the further amount of \$3,927,676 (approximately 9.5%) through contract modification, if needed, for unanticipated contingencies, to fund the Phase 1 construction trade subcontractor packages, including shed demolition and the design-build shoreside power relocation. The contract amount plus the contingency would be a total authorization of \$45,408,424.

Previously Authorized:

Resolution 11-45 (6/14/11)	\$ 3,939,251 for CM/CG services
Resolution 11-59 (9/13/11)	<u>\$ 6,050,000</u> for steel trade package
Total Authorization to Date:	\$ 9,989,251

Current Requested Increase

\$31,491,497 for Phase 1 construction trade packages,

Total contract amount: \$41,480,748 not-to-exceed amount

Construction contingency: \$ 3,927,676

Total Proposed Authorization: \$45,408,424

Of the Total Proposed Authorization, \$3,927,676 be reserved for a contingency fund, if needed, for future contract increases due to unanticipated conditions.

For these trade packages, the Local Hire participation level has been set at 20% with a goal of no less than 10% of Project work hours to be performed by disadvantaged workers. The Local Business Enterprise ("LBE") goal for this Project is 17% of the total value of the entire contract, except for work funded by the Federal Emergency Management Agency ("FEMA"). The goal must be met with LBE firms that are certified as LBE firms by the Human Rights Commission.

However, there are certain scopes of work funded by the FEMA security grant which will be procured using federal guidelines. These scopes of work have a Disadvantaged Business Enterprise goal of 25%.

2) DPW Services

The Port has arranged, through the MOU, for DPW to manage the Project through the completion of construction drawings. Port staff now proposes that DPW provide additional services through the completion of Phase 1 Project construction. DPW estimates these additional services to be in the amount of \$3,894,603 or a total revised cost of \$7,778,267. DPW services include:

- Project management services;
- City administrative services, including legal fees, and advertisements for services, including permit fees and special inspections;
- Architectural and engineering design services;
- Specialized consulting services, including geotechnical services and surveys, needed during Phase 1;
- City construction management services;
- Commissioning (i.e., testing and installation) of the Phase 1 mechanical systems; and
- Program contingency.

DPW will continue to manage all of the Project consultants, including the Design Team, through Phase 1 construction completion. To accomplish this, Port staff requests authorization to extend the MOU term to April 1, 2013.

The total amount of proposed DPW services is:

Previously Authorized:

Resolution 09-33 (6/10/09)	\$1,772,147	through design development
Resolution 11-50 (7/12/11)	<u>\$2,111,517</u>	through construction drawings
Total Authorization to Date:	\$3,883,664	

Current Requested Increase to Contract: \$3,894,603 *through Phase 1 construction*

Total Proposed Authorization: \$7,778,267

3) Design Team Services

The Port Commission has approved of Design Team services through Phase 1 and 2 construction drawings. Staff seeks further authorization at this time to amend the agreement with the Design Team to include all additional services needed for bidding and construction administration of the Phase 1 subcontracting process. It is anticipated that Design Team Phase 1 construction administration services would begin in January 2012 and continue through Phase 1 completion in March 2013. In addition, this proposed contract amendment would allow the Design Team to perform all necessary work associated with document and bid preparation for Phase 2 construction. The only work not covered in this proposed contract amendment is the Phase 2 construction administration.

The LBE goal for this Design Team contract is 15% of the total value of the entire contract. As of October 31, 2011, the Design Team has achieved 44.3% LBE participation.

Therefore, Port staff proposes to amend the Design Team contract to include services for Phase 1 construction administration, and increase the contract fee from \$8,110,903 to an amount not to exceed \$8,888,292, which consists of an increase of \$777,389, and Port staff request authority for a contingency fund of \$285,000 (approximately 3.2%), if needed, for unforeseen design and related services. The contract amount plus the contingency funds would equal a total proposed authorization of \$9,173,292.

In addition, to allow the Design Team to perform Phase 1 construction administrative services, as well as document and bid preparation for Phase 2, Port staff requests authorization to extend the contract duration to April 1, 2013.

The total amount of proposed Design Team services is:

<i>Previously Authorized:</i>		
Resolution 09-70 (11/10/09)	\$2,661,384	<i>through schematics</i>
Resolution 11-22 (4/12/11)	\$2,410,070	<i>through design development</i>
Resolution 11-50 (7/12/11)	<u>\$3,039,449</u>	<i>through construction drawings</i>
<i>Total Authorization to Date:</i>	\$8,110,903	

<i>Requested Increase To Contract Fee:</i>	\$ 777,389	<i>through Phase 1 construction,</i>
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<i>Total Contract Amount:</i>	<u>\$8,888,292</u>	<i>not to exceed amount</i>
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<i>Contingency:</i>	\$ 285,000	
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Total Proposed Authorization: \$9,173,292

Of the Total Proposed Authorization, \$285,000 would be reserved as a contingency amount.

PHASE 1 BUDGET: ESTIMATED SOURCES AND USES

In its April 21, 2011 report to the Board of Supervisors, Port staff estimated the total Phase 1 Project Cost was \$58,187,107. With the inclusion of the estimated \$1.9 million cost of shoreside power relocation to support the Event, Port staff presented to the Board of Supervisors¹ a Phase 1 Project budget of \$60,162,039. Under the HVA, the Event Authority is to contribute up to a maximum of \$2 million towards relocation of a portion of the shoreside power system. Port staff now proposes to perform this work, to relocate the shoreside power system, through the CM/GC contract with Turner Construction Company as a subcontractor design-build trade package with the Event Authority providing reimbursement to the Port.

Under the HVA, the Event Authority was responsible for demolition of the Pier 27 shed and the portion of Pier 29 shed. This cost was not included in the April 21, 2011 report to the Board of Supervisors. The April 2011 \$60,162,039 Phase 1 Project budget was estimated by the Design Team based on schematic design.

The proposed Phase 1 project budget has been revised based on more detailed drawings by the Design Team and verified by the CM/GC. As a result of negotiations with the Event Authority, the Phase 1 Project Budget now assumes that the Port will be responsible for the scope and cost of demolition. Based on these assumptions, the estimated cost of the Phase 1 Project Budget is \$61,000,000.² Much of the demolition cost will be absorbed from construction contingency under the CM/GC contract.

However, the \$61,000,000 budget does not include the cost of Phase 2 design work that has already been incurred for the terminal building (i.e., the Design Team has designed and engineered the entire terminal building, but there will be portions such as the U.S. Customs and Border Protection area which will be constructed in Phase 2). Accounting for these Phase 2 design costs, \$1,359,983 has been authorized and expended to date. The total estimated project cost (i.e., Phase 1 design and construction costs plus Phase 2 design costs) is now revised to \$62,359,983.

The budget numbers are estimates based on construction drawings that have been provided by both the Design Team and the CM/GC. When the CM/GC is able to bid and award the subcontractors trade packages will Port staff have precise budget numbers for each package. The budget contingency is intended to resolve unanticipated increases.

¹ Port staff presented these numbers to the Port Commission as an informational item at the April 26, 2011 hearing.

² The Phase 1 Project Budget will be updated once subcontractors' trade packages are awarded.

Table 1: Phase 1 Cruise Terminal Budget: Estimated Sources and Uses

SOURCES OF FUNDS

Secured – Port	\$31,876,131
Watermark Condominium Sale Proceeds	\$20,065,423
Series A&B 2010 Port Revenue Bonds	\$10,139,456
Operating Budget: Workorder, including prior year carry forward	\$295,905
FY 2011-12 Capital Budget Appropriations	\$1,375,347
Secured – Other	\$3,166,850
Event Authority Contribution to shoreside power relocation	\$2,000,000
FEMA Security Grant	\$1,166,850
Planned – Port	\$19,017,002
2012 Port Debt	\$15,500,000
FY 2012-13 Capital Budget Appropriation	\$3,517,002
Proposed - Port/Other	\$8,300,000
Repurpose Existing 2010 Debt*	\$1,800,000
City Contribution	\$6,500,000

Total Sources: **\$62,359,983**

* Costs associated with the Northeast Wharf Plaza park design will be repaid should the voters approve the proposed G.O. Bond in 2012 for Phase 2 use.

USES OF FUNDS

Construction:	\$40,257,833
Construction Contingency:	\$3,927,676
Construction Manager/General Contractor Services	\$1,222,915
Total Construction:	\$45,408,424
Design Team Services	\$9,173,292
Department of Public Works Services	\$7,778,267
Total Soft Costs:	\$16,951,559
<u>Total Uses:</u>	<u>\$62,359,983</u>
Less: Design Team Phase 2 costs included above	\$1,359,983
Uses, less Phase 2 costs	\$61,000,000

FUNDING SOURCES

As proposed by Port staff, increased funding for DPW services under the Third Amendment of the MOU described above, the revised Design Team contract, and the amended Turner contract to complete Phase 1 construction, including trade bid packages, will be provided by a combination of the Watermark condominium sale proceeds, previously issued Port revenue bonds, future debt, a City contribution and other sources noted above.

CEQA

On December 1, 2011, the Environment Planning Division of the San Francisco Planning Department completed a Final Environmental Impact Report ("EIR") for the 34th America's Cup and the Pier 27 James R. Herman Cruise Terminal and Northeast Wharf Plaza project. The San Francisco Planning Commission will consider certification of the Final EIR on December 15, 2011. If the Final EIR is certified, Port staff will seek approval of the Project and the authorization to implement Phase 1 construction for the Project.

Before the Port Commission can approve of any implementation items for the Project, it must review and consider the EIR information and adopt CEQA Findings. The CEQA Findings describe the Project and Final EIR regarding the Project's significant environmental impacts, required mitigation measures, alternatives studied in the EIR, reasons for rejecting alternatives and selecting the Project, and overriding considerations that outweigh any significant environmental effects that could not be remedied by mitigation measures. The CEQA Findings are presented as Attachment A to Resolution No. 11-75 and the Mitigation Monitoring and Reporting Program ("MMRP") is presented as Attachment B to Resolution No. 11-75. The MMRP describes each required mitigation measure and how it would be implemented by the Port or its contractors, to avoid significant environmental impacts during construction and operation of the cruise terminal and Northeast Wharf Plaza.

TENANT RELOCATION

In advance preparation for the 34th America's Cup and the James R. Herman Cruise Terminal / Northeast Wharf Plaza project, Port staff has been in close communications with potentially displaced tenants at the Pier 27-29 site. These issues are addressed in a separate agenda item which also will be considered for Port Commission approval on December 16, 2011.

NEXT STEPS

Regulatory Approvals

The Port has been working closely with the San Francisco Bay Conservation and Development Commission ("BCDC") staff regarding the various approvals required for this Project, coordinated with the BCDC approvals required for the 34th America's Cup because of the phased implementation of the cruise terminal building construction. The

proposed use of Pier 27 for a cruise terminal conflicts with certain policies of BCDC's San Francisco Waterfront Special Area Plan ("SAP"). The Port has submitted proposed SAP amendments to resolve the conflicts, which require approval by BCDC. In addition, the Port must secure a BCDC permit for demolition of the Pier 27 shed, and a Major Permit to allow construction of the cruise terminal and Northeast Wharf Plaza.

The Project has been reviewed by BCDC's Design Review Board ("DRB") and the City's Waterfront Design Advisory Committee ("WDAC") in two meetings to date. The DRB/WDAC jointly recommended approval of the design of the cruise terminal on May 9, 2011. The DRB/WDAC is scheduled to review the Northeast Wharf Plaza and the public access plan on January 9, 2012.

The Port is working with BCDC to secure approval of the Pier 27 demolition work soon after certification of the Final EIR. The SAP amendment process, described below, is currently scheduled to be completed in February, and must occur before a BCDC Major Permit can be approved to allow Phase 1 construction.

In May 2011, Port staff provided the Port Commission a briefing on the SAP amendments, and received authorization to enter into an MOU with BCDC for staff time to process the SAP application. In brief, the core policy issue at the heart of the SAP amendments is the Northeast Waterfront Open Water Basin, between Piers 19 and 27. Current SAP policies require development of the Northeast Wharf Plaza, removal of the eastern end of the Pier 23 shed, and restrictions on the size of ships that berth along Pier 27 to preserve broad public views from the Northeast Wharf Plaza. The Port has proposed that the Pier 23 shed be retained in its entirety. The proposed use of Pier 27 for cruise ships is not consistent with ship size limits set in the SAP. The Port's proposed SAP amendments are included in the Final EIR and focus on the Port's providing a package of public benefits that offset the Project's conflicts with existing policies, as summarized below:

- **Pier 27 Shed and East Wall of Pier 29.** Remove the northeast portion of the Pier 27 shed and reconstruct the east wall of Pier 29 consistent with Secretary of Interior's Standards.
- **Beltline Piazza.** Either in conjunction with construction of Phase 2 improvements to the James R. Herman Cruise Terminal, or at a later date determined jointly by BCDC and the Port, increase the size of Northeast Wharf Plaza to include a Beltline piazza adjacent to the Embarcadero Promenade.
- **Open Space at End of Piers 27-29.** Submit a plan for review by the BCDC Design Review Board and the Waterfront Design Advisory Committee for use of the open space at the end of Piers 27 and 29 resulting from the removal of the northeastern portion of Pier 27 that addresses wind impacts in this location and provides for public assembly, active recreation, water-oriented recreation, or other uses that take advantage of the panoramic views at this location.
- **Phased Public Access Improvements, Piers 27, 29, 31, 33.** Implement phased public access improvements to the Pier 27 and the Pier 29 north apron and provide public access through Pier 29 or Pier 29½ to the Pier 29 apron, including a Bayside History Walk, triggered by a major permit for a new long-term lease or

major rehabilitation project at Pier 29 or Pier 29½ or an earlier date agreed by BCDC and the Port. Implement phased public access improvements to the Piers 31-33 areas, triggered by a major permit for a new long-term lease or major rehabilitation project at Pier 31 or Pier 33 or an earlier date agreed to by BCDC and the Port.

- **Open Water Basin at Piers 29-31.** Submit a plan for review by the BCDC Design Review Board and the Waterfront Design Advisory Committee for a new Open Water Basin at Piers 29-31, and potentially to Pier 33, that provides for water-oriented recreation access, triggered by a major new lease at one or more of these locations.
- **Easternmost Portion of Pier 23 Shed.** If the Open Water Basin at Piers 29-31 (or Pier 33) and the open space at the end of Pier 29 are approved by BCDC, eliminate the requirement to remove the easternmost 315 feet of the Pier 23 shed.
- **Phased Improvements to the Pedestrian and Bicycle Experience.** Develop design standards for phased improvements to the pedestrian and bicycle experience on the east and west side of The Embarcadero from China Basin to Fisherman's Wharf, in consultation with the San Francisco Planning Department, SFMTA, and BCDC, and, for the east side of The Embarcadero, in consultation with the BCDC Design Review Board. These standards would improve the pedestrian experience by building wider sidewalks that allow for improved landscaping, public seating and opportunities for public art, with pedestrian bulb-outs, consistent with the City's *Better Streets* guidelines. On the west side of The Embarcadero, the pedestrian experience would be enhanced by a series of open spaces, triggered by adjacent development.
- **New Openings to View the Bay through Pier 19½.** Implement phased, new openings to view the Bay through Pier 19½, or phased removal of Pier 19½ in its entirety, with the option to build new maritime or other trust-consistent facilities, including structures to support such uses within a portion of the existing footprint of Pier 19½, in the Piers 19-23 basin. Such phased improvements would require reconstruction of the north wall of the Pier 19 bulkhead and the westernmost portion of the Pier 19 shed, consistent with the Secretary of Interior's Standards, and public access along the Pier 19 north apron, the Pier 19½ apron and the Pier 23 south apron, including a Bayside History Walk, timed with a new long-term lease of Piers 19-23 or an earlier date agreed by BCDC and the Port.
- **Pier 43 Promenade and Plaza Project.** By a date to be determined jointly by BCDC and the Port, expand the Pier 43 Promenade Project to incorporate the renovation of the public plaza at the Pier 43 Historic Arch and adjacent areas, consistent with the Secretary's Standards, to further improve public access and views along the Fisherman's Wharf shoreline. For purposes of this requirement, no improvements that trigger a seismic upgrade will be required.

BCDC initiated the SAP amendments in May 2011 which are under review. The amendments are expected to be scheduled for public hearing by the BCDC Commission in January 2012, and action in February 2012, followed by BCDC action on a Major Permit in early March 2012.

Phase 2 Development

When the 34th America's Cup Event has ended and Piers 27 and 29 are returned to the Port, the Port will start the Phase 2 construction of the Project. Phase 2 will consist of completion of the remaining portions of the cruise terminal building (e.g., the U.S. Customs and Border Protection and security rooms), installation of maritime equipment such as the mobile gangway system, fenders and bollards, completion of the battery charging station and operations area within Pier 29, and completion of improvements to the Northeast Wharf Plaza and the ground transportation area.

Funding for Phase 2 development requires additional staff work. In April 2011, Port staff reported to the Port Commission that there are potential fund sources including the FEMA security grant, a planned 2012 Port revenue bond issuance, as well as proposed General Obligations Bond proceeds, Cruise Operator Contribution and a Cruise Passenger Facility Charge. Port staff will prepare a Phase 2 construction budget and a Phase 2 funding plan during 2012 and present it to the Port Commission for review and approval.

The current Project schedule assumes that Phase 2 construction would commence in May 2014 and would require further Port Commission authorization. Phase 2 Project construction is anticipated to be completed by late 2014.

Terminal/Event Management Agreement

The current cruise terminal management agreement with Metro Cruise Services will expire on April 30, 2014. Port staff is exploring options for how the cruise terminal operation will be managed for both Pier 27 and Pier 35. One option under consideration is a new cruise terminal/event management agreement to operate cruise calls as well as to organize and coordinate special events on Pier 27. The second option would be to execute separate agreements for the cruise terminal and event management.

The goal is to maximize the number of cruise calls at the Pier 27 facility, while on non-cruise days optimize the use of the facility and open areas for special events. These events could include off-site convention center activities, corporate parties, fund-raising events, maritime-related events, private parties such as weddings, consumer shows, etc. It is also possible that other special events might be sited within the ground transportation area, such as occasional food trucks, craft makers, outdoor film screenings, boat display shows, etc. Port staff will continue to refine these opportunities and options and will return to the Port Commission for further consideration.

CONCLUSIONS AND RECOMMENDATIONS

The Port's goal to develop a new cruise terminal has a long history, which has been refined and improved in collaboration of the City and the community, particularly with the inclusion of the Northeast Wharf Plaza. The opportunity to integrate the cruise terminal with the 34th America's Cup adds to the creation of another unique destination along its waterfront. With great appreciation to the Port's waterfront stakeholders, Port staff requests Port Commission approval of the following matters:

- 1) Adoption of CEQA Findings and a Mitigation Monitoring and Reporting Program in connection with the authorization of construction contracts and associated approvals to implement the Project;
- 2) Approval of a Third Amended Memorandum of Understanding (MOU) with the San Francisco Department of Public Works (DPW) to increase the MOU funding from the existing amount of \$3,883,664, to a total amount not to exceed \$7,778,267, which amounts to an increase of \$3,894,603, for Phase 1 construction administration services and other services, and to extend the MOU term to April 1, 2013;
- 3) Approval of a contract amendment with the Design Team to include services for Phase 1 construction administration, increase the amount of the contract from \$8,110,903 to an amount not to exceed \$8,888,292, which consists of an increase of \$777,389, to extend the term to April 1, 2013, and authorize a contingency fund of \$285,000 (approximately 3.2%) for unforeseen design and related services; and
- 4) Approval of an amendment to the CM/CG contract to increase the contract amount from \$9,989,251 to \$41,480,748, which consists of an increase of \$31,491,497, and to authorize staff to further increase the contract amount by \$3,927,676 (approximately 9.5%) through contract modification or change order, if needed for unanticipated contingencies, for Phase 1 Project construction trade subcontractor packages, including shed demolition and the design-build shoreside power relocation.

Separate resolutions are attached for each of these actions.

As proposed by staff, these amendments would be funded by a combination of funding sources noted above in Table 1.

Prepared by: John Doll, Project Manager
Planning & Development

Kim von Blohn, Project Director
Engineering

For: Byron Rhett, Deputy Director
Planning & Development

Ed Byrne, Chief Harbor Engineer
Engineering

Peter Dailey, Deputy Director
Maritime

Attachments:

- Phase 1 Site Plan
- Project Site Plan
- Cruise Terminal Building Floor Plan
- Rendering of Cruise Terminal

Resolution 11-75

- Attachment A: CEQA Findings
- Attachment B: Mitigation Monitoring and Reporting Program

Resolution 11-76

Resolution 11-77

Resolution 11-78

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-75

WHEREAS, The James R. Herman Cruise Terminal and Northeast Wharf Plaza ("Project"), sponsored by the Port of San Francisco, will develop a new cruise terminal and 2.5 acre public park, the Northeast Wharf Plaza, at Pier 27-29, a 14.8 acre site located on The Embarcadero at Bay Street, San Francisco, requiring the demolition of the existing Pier 27 shed and a portion of the eastern end of Pier 29 shed; and

WHEREAS, On December 15, 2011, by Motion No. _____, the San Francisco Planning Commission certified the 34th America's Cup & James R. Herman Cruise Terminal and Northeast Wharf Plaza Final Environmental Impact Report ("Final EIR"), Planning Department Case No. 2010.0493E, as complete and its contents and the procedures through which it was prepared, publicized and reviewed complied with the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000 *et seq.*, "CEQA"), the State CEQA Guidelines (Cal. Admin. Code title 14, §§ 15000 *et seq.*, "CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

WHEREAS, The Port Commission has reviewed and considered the information contained in the Final EIR, all written and oral information provided by the Planning Department, the public, relevant public agencies and the administrative files for the Project and the Final EIR; and

WHEREAS, The Project and Final EIR files have been made available for review by the Port Commission and the public, and those files are part of the record before the Port Commission; and

WHEREAS, The Planning Department is the custodian of records, located in Case Number 2009.0418E, and those files are part of the record before this Port Commission; and

WHEREAS, Port staff has prepared proposed findings, as required by CEQA ("CEQA Findings"), which are attached to this resolution as Attachment A, and a Mitigation Monitoring and Reporting Program ("MMRP"), which is attached to this resolution as Attachment B; and

WHEREAS, The CEQA Findings and the MMRP were made available to the public and the Port Commission for the Port Commission's review, consideration and action; now therefore, be it

RESOLVED, The Port Commission has reviewed and considered the Final EIR and hereby adopts the CEQA Findings and for the Project and incorporates

those findings, including the Statement of Overriding Considerations, in this resolution by this reference; and, be it further

RESOLVED, The Port Commission, in exercising its independent judgment, has relied upon and reviewed the information contained in the CEQA Findings, which describe the Project and Final EIR, and hereby rejects alternatives to the Project for the reasons set forth in the CEQA Findings; and, be it further

RESOLVED, The Port Commission hereby adopts the CEQA Findings and the MMRP as the required mitigation measures to be implemented as part of the Project, where the Port Commission finds that: (1) implementation of the Mitigation Measures will eliminate or substantially lessen significant effects of the Project on the environment; and (2) all of the Mitigation Measures are feasible, and hereby adopts all Mitigation Measures as described in Attachment B in support of the approval of the James R. Herman Cruise Terminal and Northeast Wharf Project, including any other actions necessary to secure BCDC and other regulatory approvals to implement the Project, and construction implementation as further described in Resolution Nos. 11-76, 11-77 and 11-78.

I hereby certify that the foregoing resolution was adopted by the port Commission at its meeting of December 16, 2011.

Secretary

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-76

WHEREAS, On June 9, 2009, the San Francisco Port Commission authorized Port staff by Resolution 09-33 to enter into a Memorandum of Understanding ("MOU") with the San Francisco Department of Public Works ("DPW") for the proposed Pier 27 James R. Herman Cruise Ship Terminal and Northeast Wharf Plaza Project ("Project" or "Cruise Terminal Project") in the amount of \$1,772,147 for project management services for the program phases from Project development through completion of schematic design; and

WHEREAS, On April 12, 2011, the San Francisco Port Commission authorized Port staff by Resolution 11-22 to enter into a First Amended MOU, extend the scope of work from schematic design through design development; and

WHEREAS, On July 12, 2011, the San Francisco Port Commission authorized Port staff by Resolution 11-50 to enter into a Second Amended MOU with DPW for increased design and project management services in an additional amount of \$2,111,517 (inclusive of a 10% contingency) through the completion of construction drawings, assuming Project approval following completion of environmental review; and

WHEREAS, The status and schedule of the Project now warrant additional funding for DPW services through the completion of core and shell terminal building construction ("Phase 1"), which will encompass 1) administrative services, coordination with regulatory agencies including permit fees and special inspections; 2) Environmental Impact Report consultant services; 3) other specialized consulting services, including geotechnical services; 4) construction management services and related services, all subject to the Port's right in its sole discretion to terminate the MOU if the Project is not approved after completion of environmental review; and

WHEREAS, Port staff have negotiated with DPW staff for estimated fees in the amount of \$3,894,603, for these services which are reasonable and necessary to complete Phase 1 of the Project; now therefore be it

RESOLVED, That the Port Commission hereby authorizes Port staff to enter into a Third Amended MOU with DPW to increase the MOU funding from the existing authorized amount of \$3,883,664, to a total amount not to exceed \$7,778,267, which amounts to an increase of \$3,894,603, for Phase 1 Project Construction administration services and related services; and be it further

RESOLVED, that the Port Commission hereby authorizes an extension of the term of the MOU to April 1, 2013.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 16, 2011.

Secretary

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-77

- WHEREAS, On November 10, 2009, the San Francisco Port Commission authorized award of a contract to the joint venture team of Kaplan, McLaughlin, Diaz Architects and Pfau Long Architecture ("Design Team") in the amount of \$2,661,384 for architectural and engineering services through schematic design for the proposed Pier 27 James R. Herman Cruise Ship Terminal and Northeast Wharf Plaza Project ("Project"); and
- WHEREAS, On December 14, 2010, the San Francisco Port Commission authorized Port staff by Resolution 10-80 to initiate schematic design on Scheme B2, an option that would create a new terminal building at Pier 27 that meets international cruise terminal standards; and
- WHEREAS, On March 22, 2011, Port staff and the Design Team presented the Project schematic design to the San Francisco Port Commission; and
- WHEREAS, On April 12, 2011, the San Francisco Port Commission authorized Port staff by Resolution 11-22 to increase the contract fees for the Design Team for design development services by the amount of \$2,410,070, inclusive of a contingency of \$195,161; and
- WHEREAS, On July 12, 2011, the San Francisco Port Commission authorized Port staff by Resolution 11-50 to amend the contract with the Design Team to include services for Phase 1 and Phase 2 construction drawings and to increase the contract fee from \$771,454, to the amount \$8,110,903, which consisted of an increase of \$2,763,135, and a 10% contingency funds of \$276,314; and
- WHEREAS, The Design Team has satisfactorily completed design and engineering services to date within the authorized budget; and
- WHEREAS, The Project status and schedule warrant additional architectural and engineering services from the Design Team for bidding and construction administration of the cruise terminal building ("Phase 1") of the Project; now, therefore be it
- RESOLVED, That the Port Commission hereby authorizes Port staff to amend the architectural and engineering contract with the Design Team to include services for Phase 1 construction administration, and increase the amount of the contract from \$8,110,903 to a total amount not to exceed \$8,888,292 which consists of an increase of \$777,389, and the Commission further authorizes a contingency fund of \$285,000

(approximately 3.2%) for future contract amendments, if needed, for unforeseen design and related services, and be it further

RESOLVED, That the Port Commission hereby authorizes an extension of the term of the Design Team contract to April 1, 2013.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 16, 2011.

Secretary

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 11-78

WHEREAS, On April 12, 2011, by Port Commission Resolution No. 11-22, the San Francisco Port Commission authorized Port staff to utilize the Integrated Project Delivery approach for the procurement of construction services and authorized the San Francisco Department of Public Works ("DPW") to advertise for a Construction Manager/General Contractor to help design and manage the Pier 27 James R. Herman Cruise Terminal and Northeast Plaza Project ("Project"); and

WHEREAS, On April 20, 2011, DPW, on behalf of the Port, issued a Request for Qualifications ("RFQ") to select qualified Construction Manager/General Contractors for the Project for responses to a request for proposal; and

WHEREAS, On June 14, 2011, the Port Commission adopted Resolution No. 11-45, authorizing the contract award for Construction Manager/General Contractor services for the Project to Turner Construction Company for the not-to-exceed amount of \$3,581,137, and authorizing staff to increase the contract amount, if needed for unanticipated contingencies, by an additional \$358,114 (10% of \$3,581,137) for a total contract funding of \$3,939,251; and

WHEREAS, As Construction Manager/General Contractor for the Project, Turner Construction Company will be required to provide a fully functional, complete and operational Project, including, in accordance with the Integrated Project Delivery approach, certain pre-construction services before Project approval; and

WHEREAS, On September 13, 2011, the Port Commission adopted Resolution No. 11-59, authorizing Port staff to execute the amendment to the Construction Manager/General Contractor contract with Turner Construction Company to increase the contract amount from an amount not to exceed \$3,939,251 to an amount not to exceed \$9,989,251 which consisted of an increase of \$6,050,000 inclusive of a contingency for bidding and award of the structural steel subcontractor bid package for the construction of the cruise terminal building ("Phase 1"); and

WHEREAS, The Project status and schedule warrant implementation of construction trade subcontractor packages for the core and shell construction of the cruise terminal building ("Phase 1") of the Project; now therefore be it

RESOLVED That the Port Commission hereby authorizes Port staff to execute an amendment to the Construction Manager/General Contractor contract with Turner Construction Company to increase the contract amount from an amount not to exceed \$9,989,251 to an amount not to exceed

\$41,480,748, which consists of an increase of \$31,491,497, and the Commission further authorizes staff to increase the contract amount by \$3,927,676 (approximately 9.5%) through contract modification or change order, if needed for unanticipated contingencies, to fund the Phase 1 construction trade subcontractor packages, including shed demolition and the design-build shoreside power relocation.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 16, 2011.

Secretary

Report and Recommendation

Request for Qualifications

Piling, Pier Repair and Remediation of Piers 30/32 for the 34th America's Cup

San Francisco, California

The following is a summary of the selection criteria and evaluation process for the selection of a contractor for Pier 30/32.

Similar Project Experience

Power had the most directly comparable similar project experience (Pier 15/17 and Pier 1); Dutra and Manson were similar in terms of their experience; and Vortex scored the lowest in similar project experience as they have little demonstrated large pile experience.

The low score for Vortex is in part due to Premier Structures negative experience with them on Piers 1 ½ - 5.

Project Team Qualifications

Power's team is the most qualified due to the highly qualified project management team led by David Mik.

Dutra and Manson scored slightly lower on team qualifications. Vortex was scored the lowest.

Estimated Cost

Vortex and Dutra were the most competitive with their estimated cost for the repair work (\$14,992,653 and \$15,127,783 respectively). Power was next at \$18,748,980 and Manson was the highest at \$23,541,362.

Once exclusions and allowances were factored in and the cost of the 75% seismic upgrade was added to the pricing, the same basic relative relationship of pricing exists as follows.

<u>Bidder</u>	<u>Total Price</u>	<u>Pilings</u>
Dutra	\$42,591,456	\$10,147,992
Vortex	\$42,634,258	\$7,794,770
Power	\$44,241,818	\$10,058,750
Manson	\$49,075,051	\$9,642,615

Vortex quote for the piles was considerably lower than all three of the other respondents; however, Vortex lack of large pile experience raises questions about the reliability of this price.

Vortex and Dutra were awarded 18 points each for estimated cost; Power was awarded 15 points; and Manson was awarded 10 points.

Deficiency Advice

The respondents were not evaluated on this criteria, as none responded adequately.

Schedule

Dutra provided the most detailed schedule and demonstrated that they had thought through the approach to the project. Manson and Power were slightly less thorough.

Vortex proposed a workforce plan that was inadequate and did not match the level of effort required to accomplish the project schedule.

Fee Schedule

Manson provided the lowest percentages for profit and overhead (13% combined); Power and Dutra were next lowest at 16%; and Vortex was the highest at 18.5%. Points were awarded on the basis of the quoted schedules.

Interview presentation score

Dutra was the most impressive during the interview based on preparation, thoroughness and approach; followed by Manson, Power and Vortex.

Recommendation

Premier Structures, Inc. and Lend Lease Construction, Inc. recommend that **Power Engineering (65 points) and Dutra Corporation (65 points)** be shortlisted and further considered for the piling, pier repair and remediation of Pier 30/32. Manson (56 points) and Vortex (48 points) were less responsive to the criteria listed in the Request for Qualifications.

Our analysis indicates that Power and Dutra are the two most responsive and highest ranked firms, based on the 30% design documents, their written responses to the RFQ and subsequent Requests for Information (RFIs), oral interviews conducted in June, 2011 attended by Premier Structures, Lend Lease, Oracle Racing and AECOM, and personal conversations with each firm.

Report and Recommendation

Request for Qualifications

Piling, Pier Repair and Remediation of Piers 30/32 for the 34th America's Cup

San Francisco, California

The following is a summary of the selection criteria and evaluation process for the selection of a contractor for Pier 30/32. The evaluation is based on materials submitted in responses to the Invitation to Bid for Pier 30/32 and Addendums No. 1 and 2 submitted by Power Engineering Construction Co. and Dutra Construction Co.

Similar Project Experience

Power had the most directly comparable similar project experience (Pier 15/17 and Pier 1). Dutra has generalized marine experience but not specifically with repair of substructure structural elements and construction of seismic improvements such as those designed for Piers 30/32

Power received a higher score based on their familiarity with historic pile and substructure structural repair on the San Francisco waterfront.

Project Team Qualifications

The project teams proposed by firms are equally qualified and were scored accordingly. The team proposed by Power Engineering Construction Co. is just completing a project at Piers 15/17 that is almost identical to that planned at Piers 30/32. Attached are two letters of recommendation from Nibbi Brothers General Contractor project executives that Power worked directly with on the Pier 15/17 rehabilitation project. As they state, 'Power Engineering is our premier and preferred contractor for performing marine construction on the San Francisco waterfront.'

Estimated Cost

Once the submitted Power and Dutra bids were compared and adjusted for exceptions and assumptions taken by each, they proved to be very close to each other with respect total price of work.

<u>Bidder</u>	<u>Total Price</u>	<u>100% Seismic</u>
Dutra	\$54,506,989	\$19,130,000
Power	\$54,453,593	\$19,254,000

There is a higher degree of confidence in the pricing from Power due to their approach to the work and recent similar project experience at Pier 15/17.

Deficiency Advice

The respondents were not evaluated on this criterion, although Power was more proactive and diligent in providing advice supporting higher element cost where appropriate.

Schedule

Both Power and Dutra responded with schedules that conform to the project requirements (i.e. substantial completion in 270 days). Two key elements to completing this type of under-pier repair work on time are 1) to provide sufficient access to the work area; and 2) provide management and support for the administration of the work. We have a higher degree that Power will be able to complete the work on time because their proposed price for the work provides for those two key elements.

Fee Schedule

Power's fee schedule was slightly lower than Dutra's (15% vs. 16%). Most notably, Power's price for general liability insurance was considerably lower than Dutra's (\$406,477.75 vs. \$1,384,125). Power received a slightly higher score on this basis.

Interview presentation score

Dutra was the most impressive during the interview based on preparation, thoroughness and approach. They brought all of the senior executives to the meeting as well as the entire project team, and were extremely diligent in their approach to answering questions.

SLBE Participation

Both Power and Dutra responded to the stated goal for small local business participation of 25% in subcontracting, in terms of subcontracting dollars committed as well as good faith outreach efforts.

Power provided a partial list of subcontractors selected to date, but agreed to meet or exceed the 25% goal that was established by the HRC for the project. Dutra provided a more complete list of subcontractors and SLBEs although their SLBE participation was 22.9%, slightly below the goal. It is anticipated that either contractor would exceed the goal if selected.

Local Hire

The initial Invitation to Bid issued in July, 2011 as well as the 60% Invitation to Bid issued in October, 2011 anticipated that hiring of local San Francisco residents would be a requirement of the project. The exact details of the program are still being worked out; thus the contractors responses are informal at this point.

The current draft of the Workforce Development Plan identifies a goal of 20% of workforce hours (in each trade) would be filled by SF residents, of which half would be disadvantaged. There are existing exemptions from the local hire requirements as administered by the Mayor's Office of Economic and Workforce Development (MOEWD) for certain trades including marine pile drivers, which are shown on an attachment.

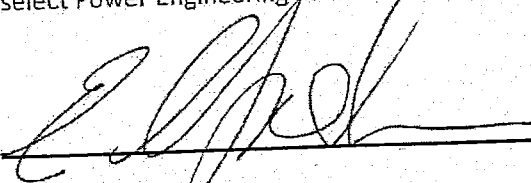
Power estimated that all trades but one would have local hire percentages above the required 20%, but importantly could meet the 20% local hire for marine pile drivers.

Dutra provided different estimates of their local workforce, with several trades below the 20% threshold. Dutra did not estimate the percentage of local resident workers in the exempt trade categories such as marine pile drivers.

Power's response to the local hire issue seemed more consistent with the expectations that the City has (i.e. that all trades would be above 20%, potentially including exempt trades). However, both contractors would be assumed to be responsive to this criteria.

Recommendation

Premier Structures, Inc. and Lend Lease Construction, Inc. recommend that Oracle Racing Property, Inc. select Power Engineering as the General Contractor for Pier 30/32.



12/9/11

Elliot Grimshaw

President, Premier Structures Inc.

**Pier 30/32 Sub-Structure Repairs and 75% Seismic Upgrade Preliminary Estimate Leveling Matrix
Based on 60% Documents**

Contractor	Power		Dutra	
Pricing	Base Price	\$/Unit	Base Price	\$/Unit
Mobilization/Demobilization	\$ 1,586,951	\$2.97	\$ 1,400,776	\$2.62
Sub-Structure Repairs	\$ 11,503,750	\$21.54	\$ 12,613,351	\$23.62
Structural Repairs	\$ 10,687,825	\$20.01	\$ 11,346,414	\$21.25
Other Construction	\$ 1,715,131	\$3.21	\$ 2,555,588	\$4.79
Subtotal Substructure	\$ 25,493,657	\$47.74	\$ 27,916,129	\$52.28
Civil Improvement	\$ 479,794	\$0.90	\$ 1,394,369	\$2.61
Seismic Improvements	\$ 10,270,392	\$19.23	\$ 10,150,252	\$19.01
Subtotal Hard Costs	\$ 36,243,843	\$67.87	\$ 39,460,750	\$73.90
General conditions	\$ 4,652,174	\$8.71	\$404,000.00	\$0.76
Total contractor Hard Costs	\$ 40,896,017	\$76.58	\$39,864,750	\$74.65
Contractor Markups	Cost	%	Cost	%
Profit and Overhead	\$ 6,134,402.55	15%	\$ 6,378,360	16%
Performance and Completion Bond	\$ 335,347.34	0.82%	\$ 227,229	0.57%
Contractors General Liability Insurance	\$ 400,780.97	0.98%	\$ 1,391,280	3.49%
Contingency as 2.5% Subcontract Cost	\$ 108,082	0.26%	\$ 397,401	1.00%
Other Contractor Contingency	None	0.00%	\$ 599,217	1.50%
	\$ 47,874,630		\$ 48,858,237	
Owner Allowances	Amount	\$/Unit	Amount	\$/Unit
Demolition	\$ 50,000	\$0.09	\$ 50,000	\$0.09
Additional Paving/leveling	\$ 250,000	\$0.47	\$ 250,000	\$0.47
Double Stack/Other Event Upgrades	\$ 500,000	\$0.94	\$ 500,000	\$0.94
Remove and Repair Fender Piles	Included		Included	
Storm Water Retention System	\$ 1,000,000		\$ 1,000,000	\$1.87
Marginal Wharf	Included		Included	
Utilities	Included		Included	
Abatement	\$ 100,000		\$ 100,000	\$0.19
Owner Contingency	\$ 5,000,000		\$ 5,000,000	\$9.36
Total Allowances	\$ 6,900,000	\$12.92	\$ 6,900,000	\$12.92
Total Adjusted Base Price	\$ 54,774,630	\$102.57	\$ 55,758,237	\$104.42
Pts Selection Criteria		Points		Points
# Similar Project Experience		20		10
# Project Team Qualifications		10		10
# Estimated Cost		15		12
# Deficiency Advice		0		0
# Schedule		10		10
# Fee Schedule		8		6
# Max Cost GR and TC		0		0
# Interview presentation score		7		10
Total Pts. Earned		70		58
100% Seismic, Utilities, Other Repairs				
62 Piles	\$ 12,834,000	\$ 207,000	\$ 12,710,000	\$205,000
100% Utilities	\$ 2,920,000	\$5.47	\$ 2,920,000	\$5.47
Other Repairs	\$ 3,500,000	\$6.55	\$ 3,500,000	\$6.55
Owners Contingency	\$ 1,925,400	\$3.61	\$ 1,913,000	\$3.58
Total 100%	\$ 19,254,000	\$36.06	\$ 19,130,000	\$35.82
Total with 100% Seismic	\$ 74,028,630	\$138.63	\$ 74,888,237	\$140.24

ATTACHMENTS

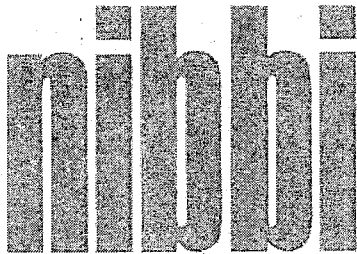
Budget Leveling Matrix and Comparison

Trades Exempted from Local Hire

Local Hire Estimates

Subcontractor Lists

Letters of Recommendation for Power Engineering from Nibbi Brothers



NIBBI BROTHERS
GENERAL CONTRACTORS
180 HUBBELL STREET
SAN FRANCISCO
CALIFORNIA 94107
(415) 863-1620
FAX (415) 863-1150

STATE CONTRACTORS
LICENSE NO. 757362

December 5, 2011

Elliott Grimshaw
Premier Structures, Inc.
Pier 28, The Embarcadero
San Francisco, CA 94105

Subject: Letter of Recommendation for Power Engineering Construction Co.

Dear Mr. Grimshaw,

Per your request, we are pleased to provide this Letter of Recommendation for Power Engineering. Nibbi Brothers has been working with Power Engineering since 1998. Currently, Power Engineering is our major subcontractor on the Exploratorium's new facility at Pier 15 and 17.

Power Engineering is our premiere and preferred contractor for performing marine construction on the San Francisco Waterfront. Their pre-construction and construction efforts for both Pier 1 and Pier 15-17 were first rate and exceeded our expectations.

In addition to their expertise, we truly enjoy working with Power's team. From the home office through the field operations, all are professional, courteous, and dependable.

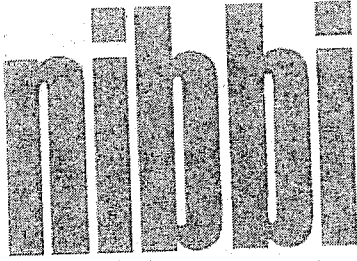
In our view, there is only one marine contractor qualified to meet our expectations in reconstructing the piers along the San Francisco Waterfront. That contractor is Power Engineering Construction.

Sincerely,

Nibbi Brothers


John Kugler

Principal



NIBBI BROTHERS
GENERAL CONTRACTORS
180 HUBBELL STREET
SAN FRANCISCO
CALIFORNIA 94107
(415) 863-1820
FAX (415) 863-1150

STATE CONTRACTORS
LICENSE NO. 757362

December 2, 2011

Elliott Grimshaw, President
Premier Structures, Inc.
Pier 28, Suite 103
The Embarcadero
San Francisco, CA 94111

Re: Letter of Recommendation - Powers Engineering Company

Dear Elliott:

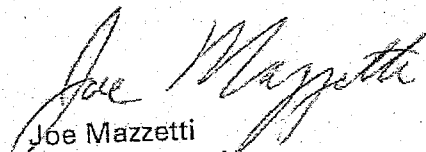
It gives me great pleasure to be writing this letter of recommendation for Power Engineering in reference to your Pier 30/32 project. I have worked with Power Engineering Company (PEC) on projects over the last thirteen (13) years. Back in 2008 we began work together on the Pier One project, and currently I'm working with PEC on The Exploratorium project at Pier 15 & 17. On both projects PEC was the subcontractor responsible for the marine portion of the project. Their work included demolition, pile repair, under deck soffit repair, beam repair and installation, deck replacement, pile driving and a host of activities related to the listed activities.

PEC has a company culture of integrity that I find vitally important as the nature of their work requires making estimates and agreements on limited information. PEC's experience in doing this work allows them to work closely with the project team to arrive at a design and estimate that minimizes the changes that occurs when working with limited information.

Once the work starts, PEC is always committed to meeting or exceeding the schedule. On my Exploratorium project they have met every critical path milestone required of their installation.

Whenever possible, I would always advocate with my firm to use PEC for any marine or heavy construction work activities.

Regards,
NIBBI BROTHERS GENERAL CONTRACTORS


Joe Mazzetti
Project Executive

Power Engineering - Local Hire Hour Estimates by Trade

<u>Trade</u>	<u>Total Hours</u>	<u>% Local</u>	<u>Total</u>
Pile Driver Marine – Exempt		20%	-
Operating Engineer Group 1- Exempt		0%	-
Operating Engineer (Other)	10,000	20%	2,000
Laborers	50,000	20%	10,000
Ironworker	10,000	15%	1,500
Electrician	5,000	20%	1,000
Carpenters	15,000	20%	3,000
Plumbers	10,000	20%	2,000
Total	100,000	19.50%	19,500

Project Name: Pier 30/32 Improvements
Project Location: Pier 30/32, San Francisco, CA 94105
Addendum No. 2 - November 10, 2011

3.2 UNIT PRICES

Regarding the unit prices, the Contractor must fill out and provide pricing for all individual unit price information as requested in the Bid Schedule spreadsheet (in-filling the unit price as "included" will not be allowed) and include a copy in Contractor's returned Request for Pricing Submittal. The unit prices noted will be used to final adjust the GMP amount (up or down) based upon actual verified quantities installed. Unit prices are not inclusive of Contractor's mark-ups. Contractor's mark-ups are included in Bid Form - Section 2.0 under Item No.'s 6, 7, 8, & 9. Mark-ups (positive and negative) shall be applied equally to both increases and decreases in the GMP amount.

3.3 SMALL LOCAL BUSINESS ENTERPRISE (SLBE)

The SLBE participation goal as outlined in Exhibit H is stated as 25% for this package. Bidder hereby attests that bidder will meet the SLBE goal using certified SLBE companies.

Yes No Percent Achieved 25 %

4.0 BIDDER INFORMATION

TYPE OF ORGANIZATION:

Corporation

(Corporation, Partnership, Individual, Joint Venture, etc.)

If a corporation, corporation is organized under the laws:

STATE OF Ca
(State)

NAME OF PRESIDENT OF THE CORPORATION:

Ken Lindberg
(Insert Name)

NAME OF SECRETARY OF THE CORPORATION:

David Mirk
(Insert Name)

**Berth 30/32 60% Permit Submittal
Breakdown of Estimated Workforce by Trade
Dutra Employees**

Trade	Estimated Quantity (MH) [A]	Estimated Percentage that are SF residents [B]	[A] x [B]
Carpenters	50,000	10%	5,000
Laborers	48,000	30%	14,400
Piledrivers	Exempt	0%	0
Non Exempt Operators	7,000	25%	1,750
Total	105,000		

PRIME

SELF PERFORMED:

20.14%

Subcontractor Employees

Trade	Estimated Quantity (MH)	Estimated Percentage that are SF residents	
Electricians	Exempt	0%	0
Traffic Control Laborers	1,000	50%	500
Laborers for Underdeck Mortar Work (EST)	14,000	30%	4,200
Concrete finish laborers	1,000	10%	100
Truck drivers	80	15%	12
Divers	Exempt	0%	0
Demolition Laborers & Operators	8,000	20%	1,600
Total	24,080		0

SUBCONTRACTORS:

26.63%

OVERALL LOCAL HIRE WEIGHTED AVERAGE:

21.35%

Project Name: Pier 30/32 Improvements
Project Location: Pier 30/32, San Francisco, CA 94105
Addendum No. 2 – November 10, 2011

3.2 UNIT PRICES

Regarding the unit prices, the Contractor must fill out and provide pricing for all individual unit price information as requested in the Bid Schedule spreadsheet (in-filling the unit price as "included" will not be allowed) and include a copy in Contractor's returned Request for Pricing Submittal. The unit prices noted will be used to final adjust the GMP amount (up or down) based upon actual verified quantities installed. Unit prices are not inclusive of Contractor's mark-ups. Contractor's mark-ups are included in Bid Form – Section 2.0 under Item No.'s 6, 7, 8, & 9. Mark-ups (positive and negative) shall be applied equally to both increases and decreases in the GMP amount.

3.3 SMAL LOCAL BUSINESS ENTERPRISE (SLBE)

The SLBE participation goal as outlined in Exhibit H is stated as 25% for this package, Bidder hereby attests that Bidder will meet the SLBE goal using certified SLBE companies.

Yes No Percent Achieved 22.63%

4.0 BIDDER INFORMATION

TYPE OF ORGANIZATION:

Corporation

(Corporation, Partnership, Individual, Joint Venture, etc.)

If a corporation, corporation is organized under the laws:

STATE OF California
(State)

NAME OF PRESIDENT OF THE CORPORATION:

Harry K. Stewart

(Insert Name)

NAME OF SECRETARY OF THE CORPORATION:

Molly F. Jacobson

(Insert Name)

PIEA 2024 REP A EMPLOY MATRIX & SCHEDULE

Item	Description	Unit	Quantity	Unit Price	Cost	Overhead	Total	
Other Construction								
31.00	10000	1.00	1.00	\$ 147,826.00	\$ 147,826.00	\$ -	\$ 147,826.00	
31.00	10000	1.00	1.00	\$ 723.13	\$ 723.13	\$ -	\$ 723.13	
31.00	10000	1.00	1.00	\$ 2,119,794.00	\$ 2,119,794.00	\$ -	\$ 2,119,794.00	
SUBTOTALS - BASE BID								
33.00	10000	1.00	1.00	\$ 21,006,152.75	\$ 21,006,152.75	\$ -	\$ 21,006,152.75	
33.00	10000	1.00	1.00	\$ 1,427,292.00	\$ 1,427,292.00	\$ -	\$ 1,427,292.00	
33.00	10000	1.00	1.00	\$ 15,827,160.00	\$ 15,827,160.00	\$ -	\$ 15,827,160.00	
33.00	10000	1.00	1.00	\$ 1,011,394.00	\$ 1,011,394.00	\$ -	\$ 1,011,394.00	
33.00	10000	1.00	1.00	\$ 827,000.00	\$ 827,000.00	\$ -	\$ 827,000.00	
33.00	10000	1.00	1.00	\$ 1,818,110.00	\$ 1,818,110.00	\$ -	\$ 1,818,110.00	
33.00	10000	1.00	1.00	\$ 3,652,809.00	\$ 3,652,809.00	\$ -	\$ 3,652,809.00	
33.00	10000	1.00	1.00	\$ 12,740,040.00	\$ 12,740,040.00	\$ -	\$ 12,740,040.00	
33.00	10000	1.00	1.00	\$ 2,519,612.00	\$ 2,519,612.00	\$ -	\$ 2,519,612.00	
33.00	10000	1.00	1.00	\$ 5,178,261.00	\$ 5,178,261.00	\$ -	\$ 5,178,261.00	
33.00	10000	1.00	1.00	\$ 3,918,322.00	\$ 3,918,322.00	\$ -	\$ 3,918,322.00	
33.00	10000	1.00	1.00	\$ 53,985.00	\$ 53,985.00	\$ -	\$ 53,985.00	
33.00	10000	1.00	1.00	\$ 1,715,111.00	\$ 1,715,111.00	\$ -	\$ 1,715,111.00	
33.00	10000	1.00	1.00	\$ 2,585,588.00	\$ 2,585,588.00	\$ -	\$ 2,585,588.00	
33.00	10000	1.00	1.00	\$ 27,916,128.00	\$ 27,916,128.00	\$ -	\$ 27,916,128.00	
Connected Diners's Incentive Price								
33.00	10000	1.00	1.00	\$ 147,826.00	\$ 147,826.00	\$ -	\$ 147,826.00	
33.00	10000	1.00	1.00	\$ 723.13	\$ 723.13	\$ -	\$ 723.13	
33.00	10000	1.00	1.00	\$ 2,119,794.00	\$ 2,119,794.00	\$ -	\$ 2,119,794.00	
SUBTOTALS - BASE BID								

Item	Description	Unit	Quantity	Unit Price	Cost	Overhead	Total	
A1	Remove ground material and site preparation	1.00	1.00	\$ 217,932.00	\$ 217,932.00	\$ -	\$ 217,932.00	
A2	Asphalt paving and removal of base	8,095.00	8,095.00	\$ 1,741.00	\$ 14,080.00	\$ -	\$ 14,080.00	
A3	Asphalt Paving for Driveway	127.00	127.00	\$ 451.12	\$ 57,292.22	\$ -	\$ 57,292.22	
A4	Asphalt Paving for Driveway	54,119.00	54,119.00	\$ 1.44	\$ 77,931.36	\$ -	\$ 77,931.36	
A5	Asphalt Paving for Driveway	54,119.00	54,119.00	\$ 5.21	\$ 281,858.99	\$ -	\$ 281,858.99	
A6	Asphalt Paving for Driveway	8,702.00	8,702.00	\$ 1.35	\$ 11,747.70	\$ -	\$ 11,747.70	
A7	Asphalt Paving for Driveway	1,000.00	1,000.00	\$ 41.00	\$ 41,000.00	\$ -	\$ 41,000.00	
A8	Asphalt Paving for Driveway	1.00	1.00	\$ 292.00	\$ 292.00	\$ -	\$ 292.00	
A9	Asphalt Paving for Driveway	1.00	1.00	\$ 956.00	\$ 956.00	\$ -	\$ 956.00	
A10	Asphalt Paving for Driveway	1.00	1.00	\$ 16,832.00	\$ 16,832.00	\$ -	\$ 16,832.00	
A11	Asphalt Paving for Driveway	1.00	1.00	\$ 215,812.00	\$ 215,812.00	\$ -	\$ 215,812.00	
A12	Asphalt Paving for Driveway	1.00	1.00	\$ 587,714.00	\$ 587,714.00	\$ -	\$ 587,714.00	
A13	Asphalt Paving for Driveway	1.00	1.00	\$ 318,534.00	\$ 318,534.00	\$ -	\$ 318,534.00	
A14	Asphalt Paving for Driveway	1.00	1.00	\$ 51,923.00	\$ 51,923.00	\$ -	\$ 51,923.00	
A15	Asphalt Paving for Driveway	1.00	1.00	\$ 102,744.00	\$ 102,744.00	\$ -	\$ 102,744.00	
SUBTOTALS - BASE BID - CIVIL SITE IMPROVEMENTS FOR EVENT								
A10	Asphalt Paving for Driveway	1.00	1.00	\$ 459.00	\$ 459.00	\$ -	\$ 459.00	
A11	Asphalt Paving for Driveway	1.00	1.00	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	
A12	Asphalt Paving for Driveway	1.00	1.00	\$ 477,000.00	\$ 477,000.00	\$ -	\$ 477,000.00	
A13	Asphalt Paving for Driveway	1.00	1.00	\$ 206,000.00	\$ 206,000.00	\$ -	\$ 206,000.00	
A14	Asphalt Paving for Driveway	1.00	1.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	
A15	Asphalt Paving for Driveway	1.00	1.00	\$ 1,211,628.00	\$ 1,211,628.00	\$ -	\$ 1,211,628.00	
SUBTOTALS - BASE BID - CIVIL SITE IMPROVEMENTS FOR EVENT								

Item	Description	Unit	Quantity	Unit Price	Cost	Overhead	Total	
B1	Remove ground material and site preparation	1.00	1.00	\$ 317,826.00	\$ 317,826.00	\$ -	\$ 317,826.00	
B2	Asphalt paving and removal of base	4,047.50	4,047.50	\$ 1,741.00	\$ 7,045.00	\$ -	\$ 7,045.00	
B3	Asphalt Paving for Driveway	127.00	127.00	\$ 451.12	\$ 57,292.22	\$ -	\$ 57,292.22	
B4	Asphalt Paving for Driveway	54,119.00	54,119.00	\$ 1.44	\$ 77,931.36	\$ -	\$ 77,931.36	
B5	Asphalt Paving for Driveway	54,119.00	54,119.00	\$ 5.21	\$ 281,858.99	\$ -	\$ 281,858.99	
B6	Asphalt Paving for Driveway	8,702.00	8,702.00	\$ 1.35	\$ 11,747.70	\$ -	\$ 11,747.70	
B7	Asphalt Paving for Driveway	1,000.00	1,000.00	\$ 41.00	\$ 41,000.00	\$ -	\$ 41,000.00	
B8	Asphalt Paving for Driveway	1.00	1.00	\$ 292.00	\$ 292.00	\$ -	\$ 292.00	
B9	Asphalt Paving for Driveway	1.00	1.00	\$ 956.00	\$ 956.00	\$ -	\$ 956.00	
B10	Asphalt Paving for Driveway	1.00	1.00	\$ 16,832.00	\$ 16,832.00	\$ -	\$ 16,832.00	
B11	Asphalt Paving for Driveway	1.00	1.00	\$ 215,812.00	\$ 215,812.00	\$ -	\$ 215,812.00	
B12	Asphalt Paving for Driveway	1.00	1.00	\$ 587,714.00	\$ 587,714.00	\$ -	\$ 587,714.00	
B13	Asphalt Paving for Driveway	1.00	1.00	\$ 318,534.00	\$ 318,534.00	\$ -	\$ 318,534.00	
B14	Asphalt Paving for Driveway	1.00	1.00	\$ 51,923.00	\$ 51,923.00	\$ -	\$ 51,923.00	
B15	Asphalt Paving for Driveway	1.00	1.00	\$ 102,744.00	\$ 102,744.00	\$ -	\$ 102,744.00	
SUBTOTALS - BASE BID - CIVIL SITE IMPROVEMENTS FOR EVENT								
B10	Asphalt Paving for Driveway	1.00	1.00	\$ 459.00	\$ 459.00	\$ -	\$ 459.00	
B11	Asphalt Paving for Driveway	1.00	1.00	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	
B12	Asphalt Paving for Driveway	1.00	1.00	\$ 477,000.00	\$ 477,000.00	\$ -	\$ 477,000.00	
B13	Asphalt Paving for Driveway	1.00	1.00	\$ 206,000.00	\$ 206,000.00	\$ -	\$ 206,000.00	
B14	Asphalt Paving for Driveway	1.00	1.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	
B15	Asphalt Paving for Driveway	1.00	1.00	\$ 1,211,628.00	\$ 1,211,628.00	\$ -	\$ 1,211,628.00	
SUBTOTALS - BASE BID - CIVIL SITE IMPROVEMENTS FOR EVENT								

Data extracted from the Item Pricing tool is correct

PIEA 2024 REP A EMPLOY MATRIX & SCHEDULE

PERN 2022 RFP LEVELING MATRIX -
BID SCHEDULE

30th Auditor's Dig
Per 2022 Implementation

Item	Level 1 Bid Column A Subcontracted Work	Level 2 Bid Column A Subcontracted Work	Level 3 Bid Column A Subcontracted Work	Level 4 Bid Column B Subcontracted Work	Level 5 Bid Column B Subcontracted Work	Total Contingency Owner Assesses	Total Fee/Pawn	Total Fee/Outa
TOTAL UNAD ADJUST'S LIABILITY for these Bids from the PERN Bid Improvement for items above that remain implemented as of 1/1/2022 (1/1/2022)	\$ 31,316,875	\$ 21,692,693	\$ 4,323,272	\$ 15,898,056			\$ 30,242,843	\$ 39,460,749

General Conditions	\$ 4,682,174	\$ 404,000
Subtotal	\$ 40,890,017	\$ 39,886,749
Bonds 0.5%	\$ 335,847	\$ 227,259
Insurance 0.8%	\$ 400,781	\$ 1,391,290
Contingency on Subcontracted Work 2.5%	\$ 108,082	\$ 397,401
Other/Contingency	\$ -	\$ 590,217
Overhead & Profit 15.0%	\$ 6,134,403	\$ 0,376,360
TOTAL GMP PRICE	\$ 47,874,630	\$ 48,668,236

Owner's Bid Form calculated the Contingency on the
Subcontracted Work incorrectly
Duke's Bid Form calculated the Contingency on the
Subcontracted Work incorrectly
\$ (993,608.62)