



# Memorandum

**Date:** 05.30.14 **RE:** Finance Committee  
June 10, 2014

**To:** Finance Committee: Commissioners Cohen (Chair), Wiener (Vice Chair), Chiu, Farrell, Tang and Avalos (Ex Officio)

**From:** Lee Saage – Deputy Director for Capital Projects *LS*

**Through:** Tilly Chang – Executive Director *TC*

**Subject:** **ACTION** – Recommend Award of a Construction Contract to the Lowest Responsible and Responsive Bidder, O.C. Jones & Sons, Inc., in an Amount Not to Exceed \$1,984,468, Authorizing the Executive Director to Negotiate Contract Payment Terms and Non-Material Contract Terms and Conditions for the Construction Contract, Authorizing the Executive Director to Execute All Other Supporting Agreements, and Authorizing an Additional Construction Allotment of \$187,000 for the Folsom Street Off-Ramp Realignment Project

## Summary

The San Francisco Office of Investment and Infrastructure (OCII), Successor Agency to the Redevelopment Agency, has requested that the Transportation Authority be the lead agency in the implementation of the Folsom Street Off-Ramp Realignment Project. This project is a major component of the Streetscape and Open Space Plan for the Transbay Redevelopment Project. On November 19, 2013, OCII approved a \$2.83 million Memorandum of Agreement to fully reimburse the Transportation Authority for project management, administrative, construction management, and construction services for the project. On April 11, 2014, we issued an Invitation to Bid (ITB) for construction services for the project. We held a non-mandatory pre-proposal conference on April 29, 2014. By the due date of May 14, 2014, we received a total of five construction bids. The lowest responsible and responsive bidder is O.C. Jones & Sons, Inc., with a bid of \$1,984,468. The ITB established a 50% Small Business Enterprise goal for the construction contract. O.C. Jones & Sons, Inc. pledged to meet a 38.3% Small Business Enterprise participation goal and submitted Good Faith Effort documentation that was determined to show satisfactory efforts toward achieving the contract goal. The project budget includes \$187,000 for potential change orders to the construction contract and supplemental work. **We are seeking a recommendation to award a construction contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in an amount not to exceed \$1,984,468, authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions for the construction contract, authorizing the Executive Director to execute all other supporting agreements, and authorizing an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment project.**

## BACKGROUND

The San Francisco Office of Investment and Infrastructure (OCII), Successor Agency to the Redevelopment Agency, has requested that the Transportation Authority, as Congestion Management Agency for San Francisco, be the lead agency in the implementation of the Folsom Street Off-Ramp Realignment Project (project). This project is a major component of the Streetscape and Open Space Plan for the Transbay Redevelopment Project Area. The total project cost of \$3.9 million is included on the OCII's Recognized Obligation Payment Schedule, which was approved by the California Department of Finance.

The Folsom Street off-ramp provides a San Francisco exit from the Bay Bridge, currently touching

down at Folsom and Fremont Streets. The OCII has an agreement with Caltrans to realign the ramp to provide for a more functional intersection consistent with the area's redevelopment plan. The reconfigured ramp will be parallel to the Fremont Street exit while remaining within the existing right-of-way.

Under an existing agreement with OCII, the Transportation Authority is responsible for preparing the construction documents for the project, including the management and oversight of a design consultant to provide planning, environmental, and engineering services through final design for the project and coordinating with the California Department of Transportation (Caltrans), San Francisco Municipal Transportation Agency (SFMTA), and San Francisco Department of Public Works (SFDPW) throughout the project development process. The project was found to be categorically exempt from the California Environmental Quality Act. The Transportation Authority completed the final construction documents in March 2014.

On November 19, 2013, OCII approved a \$2.83 million Memorandum of Agreement to fully reimburse the Transportation Authority for project management, administrative, construction management, and construction services for the project. Construction is anticipated to begin in late August 2014 and end in March 2015.

The purpose of this memorandum is to seek a recommendation to award a Construction Contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in the amount of \$1,984,468 for the project, authorize the Executive Director to negotiate contract payment terms and non-material contract terms and conditions, authorize the Executive Director to execute the all other supporting agreements, and authorize an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment Project.

## **DISCUSSION**

**Construction Contract Advertisement and Bid Opening Overview:** On April 11, 2014, we issued an Invitation to Bid (ITB) for construction services for the project. We subsequently issued two addenda to the bid documents.

We conducted active outreach to the contractor community to ensure that robust competition for this procurement opportunity took place. In particular we coordinated with multiple trade and contractor industry organizations to distribute the appropriate notifications of plan availability for this construction bid opportunity. Providing access to contract documents and conducting active outreach to the contractor community to encourage participation from SBE firms were priorities and achieved through the following ways:

- Contract documents placed at seven Plan Rooms/Builders Exchanges and the Transportation Authority Office;
- Legal ad placed San Francisco Examiner;
- Contract announcement placed in five ethnic/community publications: the San Francisco Bay View, El Reportero, Nichi Bei, Small Business Exchange, and The Western Edition; and
- Contact information announcements available on the Transportation Authority website.

We held a pre-bid meeting on April 29, 2014, which provided opportunities for interested small businesses to meet potential prime contractors and form partnerships. A total of 14 firms attended this event, which included representatives from small business enterprises, potential prime contractors, OCII, and the San Francisco Office of Economic and Workforce Development.

As directed by OCII, we established a Small Business Enterprise (SBE) goal of 50% for this ITB, accepting SBE certifications issued by the California Department of General Services, Local Business Enterprise certifications issued by the City and County of San Francisco, and project-specific SBE certifications issued by the Transportation Authority.

On the bid-opening date of May 14, 2014, we received and opened five sealed bids in response to the ITB. Transportation Authority staff and its construction management consultant, S&C Engineers, Inc., reviewed and evaluated the bids. The verified bid results are listed below in Table 1.

**Table 1**

<b>Firm</b>	<b>Bid Amount</b>	<b>SBE Commitment</b>
O.C. Jones & Sons, Inc.	\$1,984,468.00	38.34%
Gordon N. Ball, Inc.	\$2,061,487.00	26.00%
ProVen Management, Inc.	\$2,093,695.00	50.15%
Con-Quest Contractors, Inc.	\$2,164,587.50	89.00%
Ghilotti Bros, Inc.	\$2,825,444.00	50.22%

The Engineer's Estimate for the project's construction cost was \$1,914,912.

The first and second lowest bidders did not meet the SBE goal. Pursuant to the Local Agency Public Construction Act (California Public Contract Code Sections 20100 *et. seq.*), the responsible bidder who submitted the lowest bid shall be awarded the contract, if it is awarded.

**SBE Goal & Good Faith Effort (GFE) Process:** Pursuant to the contract documents, a bidder can meet the SBE goal established in for the project goal either by obtaining sufficient SBE participation or by providing documentation showing that it made adequate good faith efforts to do so. We reviewed SBE goal documentation provided by the apparent lowest bidder, O.C. Jones & Sons, Inc., including GFE documentation. The GFE review included verification of: solicitation through all reasonable and available means; selection of work to be performed by SBEs even if it is normally performed by the prime contractor; negotiation in good faith with SBEs; provision or offer of assistance with technical issues, bonding, and required insurance; and offer to assist interested SBE in obtaining necessary equipment, supplies, materials, or related assistance or services. Upon completion of this review, we found that O.C. Jones & Sons, Inc., has met good faith effort requirements for this contract.

We have determined that O.C. Jones & Sons, Inc. appears to be the lowest responsible and responsive bidder, bidding at \$1,984,468.00. A detailed bid item list is included in Attachment 1, and is approximately 3.6% over the Engineer's Estimate. The Engineer's Estimate for the Project's construction cost was \$1,914,912. We issued the Preliminary Recommendation for Award of Contract letters to all bidders on May 30, 2014.

**Change Orders Budget:** In order to construct the project, the Transportation Authority must also enter into agreements with the California Highway Patrol, the San Francisco Public Utilities Commission, and other agencies. In addition, construction projects are constantly dealing with unforeseen circumstances, thus project sponsors must always prepare for the unexpected. Based on the engineer's estimate for the project, the construction phase budget for the project includes \$187,000 for potential change orders to the construction contract.

**Funding:** This consultant contract will be 100% reimbursed by OCII per a Memorandum of Agreement

with OCII for the Transportation Authority to provide project management, administrative, construction management, and construction services for the project, approved by the Commission on OCII on November 19, 2013.

**We are seeking a recommendation to award of a construction contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in an amount not to exceed \$1,984,468, authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions for the construction contract, authorizing the Executive Director to execute all other supporting agreements, and authorizing an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment Project.**

## **ALTERNATIVES**

1. Recommend Award of a construction contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in an amount not to exceed \$1,984,468, authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions for the construction contract, authorizing the Executive Director to execute all other supporting agreements, and authorizing an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment Project, as requested.
2. Recommend Award of a construction contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in an amount not to exceed \$1,984,468, authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions for the construction contract, authorizing the Executive Director to execute all other supporting agreements, and authorizing an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment Project, with modifications.
3. Defer action, pending additional information or further staff analysis.

## **CAC POSITION**

The subject request was not presented to the CAC for consideration at its May 28, 2014 meeting since the selection process was still underway when the CAC agenda was mailed out.

## **FINANCIAL IMPACTS**

This consultant contract will be 100% reimbursed by OCII. The first year's activities are included in the Transportation Authority's adopted budget for Fiscal Year 2014/15. Sufficient funds will be included in future fiscal year budgets to cover the remaining cost of this contract.

## **RECOMMENDATION**

Recommend Award of a construction contract to the lowest responsible and responsive bidder, O.C. Jones & Sons, Inc., in an amount not to exceed \$1,984,468, authorizing the Executive Director to negotiate contract payment terms and non-material contract terms and conditions for the construction contract, authorizing the Executive Director to execute all other supporting agreements, and authorizing an additional construction allotment of \$187,000 for the Folsom and Fremont Street Off-Ramp Realignment Project.

Attachment

1. Construction Services for the Folsom and Fremont Off-Ramp Realignment Project Bid Item List

Attachment 1

Folsom and Fremont Street Off-Ramp Realignment Project

Bid Item List

O.C. Jones & Sons, Inc

Item No.	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Amount
1	PERMIT ALLOWANCE	LS	LUMP SUM	\$18,000.00	\$18,000.00
2	PROGRESS SCHEDULE (CRITICAL PATH METHOD)	LS	LUMP SUM	\$1,500.00	\$1,500.00
3	PRE AND POST CONSTRUCTION SURVEY AND MONITORING	LS	LUMP SUM	\$4,000.00	\$4,000.00
4	ENGINEER'S OFFICE FACILITIES	LS	LUMP SUM	\$20,000.00	\$20,000.00
5	CONSTRUCTION AREA SIGNS	LS	LUMP SUM	\$10,000.00	\$10,000.00
6	TRAFFIC CONTROL SYSTEM	LS	LUMP SUM	\$40,000.00	\$40,000.00
7	TYPE III BARRICADE	EA	15	\$100.00	\$1,500.00
8	TEMPORARY PAVEMENT MARKING (PAINT)	SQFT	130	\$5.00	\$650.00
9	TEMPORARY TRAFFIC STRIPE (TAPE)	LF	1,430	\$3.00	\$4,290.00
10	TEMPORARY TRAFFIC STRIPE (PAINT)	LF	2,110	\$1.00	\$2,110.00
11	CHANNELIZER (SURFACE MOUNTED)	EA	41	\$35.00	\$1,435.00
12	TEMPORARY PAVEMENT MARKER	EA	130	\$5.00	\$650.00
13	TEMPORARY TERMINAL SECTION (TYPE K MODIFIED)	EA	1	\$5,000.00	\$5,000.00
14	PORTABLE CHANGEABLE MESSAGE SIGN	LS	LUMP SUM	\$11,000.00	\$11,000.00
15	TEMPORARY RAILING (TYPE K)	LF	1,200	\$22.00	\$26,400.00
16	TEMPORARY ALTERNATIVE CRASH CUSHION	EA	2	\$2,500.00	\$5,000.00
17	TEMPORARY TRAFFIC SCREEN	LF	760	\$4.00	\$3,040.00
18	JOB SITE MANAGEMENT	LS	LUMP SUM	\$28,000.00	\$28,000.00
19	PREPARE WATER POLLUTION CONTROL PROGRAM	LS	LUMP SUM	\$1,500.00	\$1,500.00
20	TEMPORARY COVER	SQYD	1,320	\$4.50	\$5,940.00
21	TEMPORARY DRAINAGE INLET PROTECTION	EA	19	\$250.00	\$4,750.00
22	TEMPORARY GRAVEL BAG BERM	LF	1,035	\$6.00	\$6,210.00
23	TEMPORARY CONCRETE WASHOUT	LS	1	\$4,000.00	\$4,000.00
24	TEMPORARY CONSTRUCTION ENTRANCE	EA	1	\$3,300.00	\$3,300.00
25	STREET SWEEPING	LS	LUMP SUM	\$30,000.00	\$30,000.00
26	REMOVE YELLOW THERMOPLASTIC TRAFFIC STRIPE (HAZARDOUS WASTE)	LF	770	\$3.00	\$2,310.00
27	REMOVE FENCE	LF	220	\$10.00	\$2,200.00
28	REMOVE TRAFFIC STRIPE	LF	3,510	\$1.00	\$3,510.00
29	REMOVE PAVEMENT MARKING	SQFT	610	\$4.00	\$2,440.00
30	REMOVE PAVEMENT MARKER	EA	220	\$1.00	\$220.00
31	REMOVE ROADSIDE SIGN	EA	11	\$140.00	\$1,540.00
32	REMOVE CULVERT	LF	328	\$45.00	\$14,760.00
33	REMOVE INLET	EA	3	\$1,400.00	\$4,200.00
34	REMOVE RETAINING WALL	LS	LUMP SUM	\$85,000.00	\$85,000.00
35	SALVAGE FRAME AND COVER	EA	1	\$425.00	\$425.00
36	SALVAGE FRAME AND GRATE	EA	4	\$300.00	\$1,200.00
37	RELOCATE ROADSIDE SIGN	EA	4	\$250.00	\$1,000.00
38	ADJUST MANHOLE	EA	2	\$1,800.00	\$3,600.00
39	MODIFY INLET	EA	1	\$2,000.00	\$2,000.00
40	RECONSTRUCT TRENCH DRAIN	EA	1	\$10,000.00	\$10,000.00
41	COLD PLANE ASPHALT CONCRETE PAVEMENT	SQYD	130	\$24.00	\$3,120.00
42	REMOVE CONCRETE BARRIER	LF	120	\$75.00	\$9,000.00
43	REMOVE CONCRETE (CURB, GUTTER, AND SIDEWALK)	CY	43	\$180.00	\$7,740.00
44	BRIDGE REMOVAL (PORTION)	LS	LUMP SUM	\$8,000.00	\$8,000.00
45	SALVAGE CRASH CUSHION	EA	1	\$5,500.00	\$5,500.00
46	ROADWAY EXCAVATION	CY	3130	\$62.00	\$194,060.00
47	LEAD COMPLIANCE PLAN	LS	1	\$2,000.00	\$2,000.00
48	FIBER ROLLS	LF	530	\$4.50	\$2,385.00
49	DRAINAGE INLET PROTECTION	EA	2	\$500.00	\$1,000.00
50	CLASS 4 AGGREGATE SUBBASE	CY	180	\$78.00	\$14,040.00
51	CLASS 3 AGGREGATE BASE	CY	120	\$110.00	\$13,200.00
52	CONCRETE BASE	CY	270	\$327.00	\$88,290.00
53	ASPHALT TREATED PERMEABLE BASE	CY	43	\$250.00	\$10,750.00
54	HOT MIX ASPHALT (TYPE A)	TON	470	\$160.00	\$75,200.00
55	PLACE HOT MIX ASPHALT (MISCELLANEOUS AREA)	SQYD	190	\$32.00	\$6,080.00
56	MECHANICALLY STABILIZED EMBANKMENT	SQFT	3,060	\$116.00	\$354,960.00
57	STRUCTURAL CONCRETE, BARRIER SLAB	CY	115	\$1,200.00	\$138,000.00

Attachment 1

Folsom and Fremont Street Off-Ramp Realignment Project

Bid Item List

O.C. Jones & Sons, Inc

Item No.	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Amount
58	STRUCTURAL CONCRETE, APPROACH SLAB (TYPE R)	CY	30	\$1,200.00	\$36,000.00
59	MINOR CONCRETE (MINOR STRUCTURE)	CY	12	\$1,100.00	\$13,200.00
60	ANTI-GRAFFITI COATING	SQFT	4,350	\$1.00	\$4,350.00
61	JOINT SEAL ASSEMBLY (MR 3")	LF	27	\$525.00	\$14,175.00
62	FURNISH SINGLE SHEET ALUMINUM SIGN (0.080"-UNFRAMED)	SQFT	33	\$15.00	\$495.00
63	METAL (RAIL MOUNTED SIGN)	LB	296	\$27.00	\$7,992.00
64	ROADSIDE SIGN – ONE POST	EA	1	\$350.00	\$350.00
65	INSTALL SIGN OVERLAY	SQFT	7	\$50.00	\$350.00
66	INSTALL SIGN (MAST-ARM HANGER METHOD)	EA	1	\$8,000.00	\$8,000.00
67	18" ALTERNATIVE PIPE CULVERT	LF	236	\$145.00	\$34,220.00
68	3" PLASTIC PIPE (EDGE DRAIN)	LF	220	\$27.00	\$5,940.00
69	10" VITRIFIED CLAY PIPE	LF	14	\$30.00	\$420.00
70	6" COATED WELDED STEEL PIPE (.105" THICK)	LF	30	\$275.00	\$8,250.00
71	DRAINAGE INLET (TYPE CCSF)	EA	1	\$3,000.00	\$3,000.00
72	MINOR CONCRETE (MISCELLANEOUS CONSTRUCTION)	CY	1	\$3,500.00	\$3,500.00
73	CONCRETE (CURB AND GUTTER)	CY	20	\$500.00	\$10,000.00
74	CONCRETE (SIDEWALK)	CY	13	\$750.00	\$9,750.00
75	MISCELLANEOUS IRON AND STEEL	LB	1,191	\$3.00	\$3,573.00
76	TEMPORARY FENCE (TYPE CL-6)	LF	360	\$20.00	\$7,200.00
77	CHAIN LINK FENCE (CL-6)	LF	300	\$28.00	\$8,400.00
78	CONCRETE BARRIER (TYPE 732 MODIFIED)	LF	254	\$270.00	\$68,580.00
79	4" THERMOPLASTIC TRAFFIC STRIPE	LF	1,960	\$2.00	\$3,920.00
80	6" THERMOPLASTIC TRAFFIC STRIPE	LF	560	\$2.00	\$1,120.00
81	8" THERMOPLASTIC TRAFFIC STRIPE	LF	1,270	\$4.00	\$5,080.00
82	THERMOPLASTIC PAVEMENT MARKING	SQFT	1,490	\$4.00	\$5,960.00
83	4" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 17-7)	LF	1,120	\$1.00	\$1,120.00
84	THERMOPLASTIC TRAFFIC STRIPE (SPRAYABLE)	LF	700	\$2.00	\$1,400.00
85	PAINT TRAFFIC STRIPE (1-COAT)	LF	900	\$1.00	\$900.00
86	PAINT PAVEMENT MARKING (2-COAT)	SQFT	11	\$8.00	\$88.00
87	PAVEMENT MARKER (NON-REFLECTIVE)	EA	70	\$4.00	\$280.00
88	PAVEMENT MARKER (RETROREFLECTIVE)	EA	170	\$5.00	\$850.00
89	SIGNAL AND LIGHTING (LOCATION 1)	LS	LUMP SUM	\$140,000.00	\$140,000.00
90	SIGNAL AND LIGHTING (LOCATION 2)	LS	LUMP SUM	\$35,000.00	\$35,000.00
91	SIGNAL CONTROLLER AND CONTROLLER CABINET ALLOWANCE (SFMTA FURNISHED)	LS	LUMP SUM	\$30,000.00	\$30,000.00
92	LIGHTING AND SIGN ILLUMINATION	LS	LUMP SUM	\$10,000.00	\$10,000.00
93	MOBILIZATION (10%)	LS	LUMP SUM	\$195,000.00	\$195,000.00

Total Bid Amounts :

<b>\$ 1,984,468.00</b>
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