

**THIS STAFF REPORT COVERS CALENDAR ITEM NO.: 9  
FOR THE MEETING OF: November 1, 2010**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to award a Trade Subcontract to **Transworld Construction, Inc.** as the responsible bidder submitting the lowest responsive bid in the amount of **\$663,478** for TG19.1 – 301 Mission Interim Screen Wall, and thereby increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, ¶5.01B), from \$4,796,301 to \$5,459,779 and increasing the authorized Construction Services Fixed Fee from \$374,591.11 to \$428,996.30.

**EXPLANATION:**

On September 22, 2010 the CM/GC issued a Request for Qualifications (RFQ) and Invitation for Bids (IFB) for the 301 Mission Interim Screen Wall scope of work to be performed as part of the Transbay Transit Center Building. Three qualification packages were received and evaluated by a panel of CM/GC, TJPA, and PMPC staff prior to the bid opening, and two firms were deemed to be qualified.

The 301 Mission Street Interim Wall scope is required to facilitate removal of the current 301 Mission Wall for the continuation of deep footing demolition of the existing Transbay Terminal Center. A new screen wall will be constructed, and the existing wall demolished, as part of this package. The screen wall is located at the back of the 301 Mission Millennium Towers property, off of Fremont Street between Mission and Howard Streets. The scope of the package includes all on and off site coordination, traffic control, and pedestrian protection in facilitating required scope. The time allowed for completion is 181 calendar days from issuance of notice to proceed to the Trade Subcontractor. The projected start date of the work is early December 2010. The demolition of the existing wall will occur after the south side of the new wall is complete.

Three Addenda were issued during the bid period to clarify specifications and respond to questions from bidders. The engineer's estimate provided on September 3, 2010 was \$551,699. A total of two bids was received and opened on October 20, 2010:

<u>Bidder</u>	<u>Bid Amount</u>
1. Transworld Construction, Inc. 1178 Folsom Street San Francisco, CA 94103	\$663,478
2. Centric Construction, Inc. 229 Ellis Street San Francisco, CA 94102	\$708,787

The lowest responsible bid of \$663,478 is \$111,779 or 20% above the engineer's estimate. However, the CM/GC provided a contractor's estimate on July 15, 2010 when the plans were submitted for review in the amount of \$695,775, which is 5% above the lowest responsible bid. Webcor was the contractor that constructed the existing development and estimated a higher cost based on their experience of working with the owner. The fact that only two bids were received decreases the competitive nature of pricing. The work is to be performed on a constricted site, which is mostly on private property under an easement agreement between the TJPA and an owner who expects the highest quality of work with the least disruption of vehicle access to a high rise luxury residential tower.

As Transworld Construction was pre-qualified via the RFQ process that ran concurrently with the bid period, CM/GC, TJPA and PMPC staff is satisfied that the company possesses the requisite experience to perform the scope of work for this subcontract. Transworld Construction complied with the instructions to bidders and submitted all required forms and certifications, including certification that it is signatory to a recognized apprenticeship and/or training program under Chapter 4 of the California Code as certified by the State of California Division of Apprenticeship Standards.

Transworld Construction is an SBE, certified by the San Francisco Human Rights Commission. Four SBE subcontractors are also included in the bid. This Trade Subcontract will have 100% SBE participation.

This Trade Subcontract will be funded by the American Recovery and Reinvestment Act funding granted to the TJPA by the Federal Railroad Administration.

#### Bid Protests

At the time of the writing of this staff report, no bid protests had been received.

#### **RECOMMENDATION:**

Staff recommends that the TJPA Board of Directors authorize amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture to award a Trade Subcontract to Transworld Construction, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$663,478 for TG19.1 – 301 Mission Interim Screen Wall, and thereby increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, ¶5.01B), from \$4,796,301 to \$5,459,779 and increasing the authorized Construction Services Fixed Fee from \$374,591.11 to \$428,996.30.

#### **ENCLOSURE:**

1. Resolution
2. Contract Amendment

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**Resolution No. \_\_\_\_\_**

WHEREAS, On March 12, 2009, the TJPA awarded a contract to Webcor/Obayashi Joint Venture as Construction Manager/General Contractor ("CM/GC") for the Transbay Transit Center Building and Related Structures (Contract No. 08-04-CMGC-000 (the "Contract")). Under the Contract, the CM/GC must competitively procure Trade Subcontractors. The Contract provides for the incorporation of Trade Packages by amendment to (a) authorize award of a Trade Subcontract, (b) authorize the associated increase in allowable Direct Costs under the Contract (Agreement (Section 00 05 20), ¶5.01), and (c) authorize the CM/GC to charge a Construction Services Fee invoiced at a rate of 8.2% of Direct Costs; and

WHEREAS, On September 22, 2010; the CM/GC advertised for bids for TG19.1 – 301 Mission Interim Screen wall ("TG19.1"), which is part of the Transbay Transit Center Program and which involves the Transbay Transit Center Building; and

WHEREAS, Under TG19.1, the Trade Subcontractor will perform Installation of a new screen wall and demolition of existing wall; and

WHEREAS, On October 20, 2010, two bids were received and opened publicly; and

WHEREAS, CM/GC and TJPA have determined that Transworld Construction, Inc. of San Francisco, California, is the responsible bidder submitting the lowest responsive bid, with a bid of \$663,478; and

WHEREAS, Funds for this contract are available from the American Recovery and Reinvestment Act funding granted to the TJPA by the Federal Railroad Administration and

WHEREAS, The time allowed for completion of the work under this contract is 181 calendar days after issuance of the Notice to Proceed; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes Webcor/Obayashi Joint Venture to award a Trade Subcontract to Transworld Construction, Inc. as the responsible bidder submitting the lowest responsive bid in the amount of \$663,478; and be it

FURTHER RESOLVED, That upon award of TG19.1, the Trade Subcontract shall be deemed part of the Contract Documents under Contract No. 08-04-CMGC-000; and be it

FURTHER RESOLVED, That Contract No. 08-04-CMGC-000 is hereby modified to incorporate the authorized amount of Trade Subcontract TG19.1 – 310 Mission Interim Screen Wall, by increasing authorized Direct Costs under Contract No. 08-04-CMGC-000 (Section 00 05 20 Agreement, ¶5.01B), from \$4,796,301 to \$5,459,779 and increasing the authorized Construction Services Fixed Fee from \$374,591.11 to \$428,996.30.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of November 1, 2010.

\_\_\_\_\_  
Secretary, Transbay Joint Powers Authority

**AGREEMENT**  
**AMENDMENT NO. 09**  
**BETWEEN**  
**TRANSBAY JOINT POWERS AUTHORITY**  
**AND**  
**WEBCOR/OBAYASHI, J.V.**

THIS AMENDMENT for AGREEMENT is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and between the TRANSBAY JOINT POWERS AUTHORITY ("TJPA") and Webcor/Obayashi, J.V. (the "CM/GC"). By this Amendment No. 09 the TJPA and the CM/GC hereby modify the Agreement dated March 17, 2009 (the "Agreement"), only to the extent expressly provided in this Amendment No. 09. All other terms and conditions of the Agreement shall remain in full force and effect.

**Recitals**

**A.** On March 12, 2009, the TJPA Board awarded the Agreement to the CM/GC to perform pre-construction and construction services for the Transbay Transit Center Building and Related Structures Project (the "Project").

**B.** As detailed in the Agreement CM/GC is required to procure construction services through the award of Trade Packages, at which time the TJPA shall adjust the value of the Contract Sum to reflect the amount of the awarded Trade Work Subcontract plus the proportionate CM/GC's Construction Services Fee in accordance with Article 5.01 of the Agreement.

**C.** The CM/GC issued an Invitation for Bids for TG19.1 – 301 Mission Interim Screen Wall on September 22, 2010, and received and publicly opened two bids on October 20, 2010.

**D.** Transworld Construction, Inc. was the responsible bidder submitting the lowest responsive bid in the amount of \$663,778.

**Terms and Conditions**

**1.** By this Amendment the TJPA authorizes an increase in the CM/GC scope of work and the value of the Contract Sum by \$717,883.20 (Trade Package Direct Costs of work \$663,478 and CM/GC Fee, calculated at 8.2 percent of Direct Costs, of \$54,405.20), and the award of Trade Subcontract No. TG19.1 to Transworld Construction, Inc. for performance of TG19.1 – 310 Mission Interim Screen Wall package.

**2.** The detailed scope of work and schedule incorporated by this Amendment is provided in the Invitation for Bid Documents dated September 22, 2010 and all associated Addenda.

IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 09 on the day first mentioned above.

TRANSBAY JOINT POWERS AUTHORITY

\_\_\_\_\_  
Maria Ayerdi-Kaplan  
Executive Director

Transbay Joint Powers Authority  
Board of Directors  
Resolution No. \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Attest:

\_\_\_\_\_  
Secretary, TJPA Board

Approved as to Form:

Dennis J. Herrera, City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

WEBCOR/OBAYASHI, JOINT VENTURE

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title