



Agenda Item No. 3

To: Building and Operating Committee/Committee of the Whole
Meeting of October 26, 2006

From: James P. Swindler, Deputy General Manager, Ferry Division
Celia G. Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO AWARD OF CONTRACT NO.
2007-FT-7, VESSEL REFURBISHMENT, TO BAY SHIP & YACHT CO.**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2007-FT-7, *Vessel Refurbishment*:

1. Award Contract No. 2007-FT-7 to Bay Ship & Yacht Co. Alameda, CA in the amount of \$6,199,632, which is a not to exceed price for the work outlined in the Request For Proposal; and,
2. Authorize a contingency budget of \$225,000 to address unanticipated items; and,
3. Authorize a budget increase in the amount \$700,000 to be funded with \$560,000 in additional grant funds and \$140,000 from District reserves, subject to the concurrence of the Finance-Auditing Committee,

with the understanding that funds for this project have been included in the Fiscal Year 2006/2007 Ferry Division Capital Budget.

This matter will be presented to the Finance-Auditing Committee at its October 26, 2006, meeting for concurrence and to the Board of Directors at its October 27, 2006 meeting for appropriate action.

Summary

This past spring the District issued an Invitation for Bids (IFB) for Contract No. 2006-FT-6 (previous contract number), *Vessel Refurbishment*, and received no responses. The District then contacted all known shipyards on the West Coast in an effort to encourage participation and reissued the IFB in late September 2006, mailing contract specifications to 11 shipyards.

On Thursday, October 12, 2006, the District received only a single bid in response to the subject contract. The bid is to complete all of the Category "A" items for a price of \$5,522,746 and all

the Category "B" (optional) items for a price of \$1,228,345, with a total bid price of \$6,751,091. The IFB requires that all Category "A" items be completed, but the District may choose to complete all or only a portion of the Category "B" items. Taking into consideration budget constraints, the District intends to authorize only a portion of the Category "B" (optional) items, amounting to \$676,886, bringing the total contract price to \$6,199,632.

In addition to the cost of the Category "A" and "B" items, we anticipate that a contingency budget of \$225,000 will be necessary to address unexpected discrepancies and changes that may be necessary over the course of the refurbishment.

Because this project is funded through the Federal Transit Administration, and only one competitive bid was received, it was necessary to conduct a cost analysis of the sole bid to ensure that the rates and cost structure were justified and reasonable. Staff conducted an on-site audit with the full cooperation of the sole bidder and has determined that the bid price is reasonable.

The vessel will be delivered to the Contractor's shipyard in Alameda, CA on or about November 1, 2006, and be redelivered to the District sometime in late March 2007. This time frame is necessary because during the baseball season the District requires use of all three Spaulding vessels.

Fiscal Impact

This project is included in the Fiscal Year 2006/2007 Ferry Division Capital Budget in the amount of \$6,500,000 and is 80% grant funded. To date, approximately \$699,300 has been spent on consultant costs and staff time. A capital budget increase, subject to the concurrence of the Finance-Auditing Committee, in the amount of \$700,000 (funded with \$560,000 additional Federal Transit Administration grant funds and \$140,000 from District reserves) is required to fully fund this project at the estimated total cost of \$7,200,000. The detailed budget is as follows:

Design and bid support (consultants and staff)	\$699,300
Contract 2007-FT-7	\$6,199,632
Construction Contingency	\$225,000
Miscellaneous (staff time, travel, mailing, etc.)	<u>\$76,068</u>
TOTAL BUDGET	\$7,200,000

Background

The Spaulding class vessels (M.S. Sonoma, San Francisco, and Marin) were built for the District between 1974 and 1977 in San Diego, CA for a total price of \$ 12,600,000.00. The vessels were necessary to begin the Larkspur/San Francisco ferry service.

Since their construction the vessels have undergone two re-powerings; the first, to convert the vessels from their original design of gas turbine propulsion to diesel engines, and the second, to install new more modern and efficient diesel engines. Over the years, while the District has invested twice in updating the main propulsion, other than routine maintenance and repairs, there

has been little done to upgrade/refurbish the interior and exterior passenger spaces. Consequently the vessel's passenger spaces are in desperate need of upgrade. The work to be completed under this contract will focus primarily on passenger space furnishings and systems i.e. seating; deck coverings; lighting; ceilings and other passenger amenities, including a new modern handicap lift to ensure the vessel complies with anticipated Americans with Disabilities Act (ADA) rules for passenger vessels.

Because this vessel will be used primarily on the San Francisco/Sausalito route, special attention was given to accommodating bicycles. As a result, an area on the lower (main) deck aft has been reserved and will be designated for bicycle stowage.

During the design process we solicited input from the Ferry Passenger Advisory Committee (FPAC) and arranged for them to meet with both the Naval Architects and Interior Designer to view preliminary drawings and comment on various aspects of the refurbishment. The results of this meeting were positive.