



Agenda Item No. 2.a.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of June 22, 2006

From: Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
a) **BUDGET INCREASE RELATIVE TO THE AWARD OF CONTRACT
NO. 2007-B-2, MERCHANT ROAD IMPROVEMENTS AND
REALIGNMENT, TO GRANITE ROCK COMPANY, DBA PAVEX
CONSTRUCTION DIVISION**

Recommendation

This matter is being presented to the Finance-Auditing Committee to receive the Committee's concurrence for a budget increase relative to Contract No. 2007-B-2, *Merchant Road Improvements and Realignment*:

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2007-B-2:

1. Award a contract in the amount of \$1,318,861 to Granite Rock Company, dba Pavex Construction Division, and authorize a contingency fund in the amount of \$131,886, equal to 10% of the contract award, contingent upon concurrence with the award by the Presidio Trust, and with the understanding that Presidio Trust will pay approximately \$539,325 of the construction cost.
2. Authorize a budget increase in the amount of \$581,500 to be funded with \$254,870 additional grant funds and \$326,630 from District reserves, subject to the concurrence of the Finance-Auditing Committee.

This matter will be presented to the Board of Directors at its June 23, 2006, meeting for appropriate action.

Summary

The District applied for and received a grant from the San Francisco County Transportation Authority in the amount of \$283,000 to design and implement bicycle lanes, street lighting, signage and other improvements at the Merchant Road.

The Presidio Trust, in cooperation with the National Park Service (NPS), would like to realign and improve the Merchant Road to facilitate its Environmental Remediation of Presidio of San Francisco "Area A" Property Project.

The District staff, in cooperation with the Presidio Trust and the NPS staff, evaluated the effectiveness of combining the two projects and determined that the combined project would provide a cost saving, expedite the environmental review, and enhance the coordination, compatibility and efficiency among the agencies. The project improvements include new concrete curb, gutter and sidewalk, AC pavement, dedicated bicycle lanes, storm drains, street lights, in-roadway warning lights, landscaping and signage for the new Merchant Road; a new paved parking lot of 50 spaces south of the engineering trailers; a new paved NPS trail to connect with the trail at the historic bunkers; and realignment of Merchant Road with Storey Road in the Presidio Trust to form a new 4-way stop at Lincoln Blvd.

The District and Presidio Trust staffs have negotiated a Cooperative Agreement providing for the District assuming the responsibility for overseeing the contract, in consultation with the Presidio Trust and NPS. Presidio Trust will pay the District a construction administration fee (15% of the contract) as well as pay for its allocated share of the construction cost, determined by a designated percentage of each bid item, and other assigned costs.

Staff prepared the plans and specifications to implement the proposed road improvements and realignment to be constructed under Contract No. 2007-B-2, *Merchant Road Improvements and Realignment*. The design plans, specifications and bid documents were submitted to the Presidio Trust and NPS for review and received their comments and approval prior to advertisement. Contract No. 2007-B-2 was advertised for bids on May 16, 2006. On June 13, 2006, the following three bids were received, opened and publicly read:

	<u>COMPANY</u>	<u>AMOUNT</u>
1.	Granite Rock Company, dba Pavex Construction Division San Jose, CA	\$1,318,861
2.	Mitchell Engineering San Francisco, CA	\$1,411,190
3.	Ghilotti Bros., Inc. San Rafael, CA	\$1,491,491

The Engineering staff, DBE Program Administrator and Attorney have evaluated the bids and concluded that the apparent responsive, responsible low bidder is Granite Rock Company, dba Pavex Construction Division, with a bid price of \$1,318,861.

No specific Disadvantaged Business Enterprise (DBE) participation goal was established for this Contract; however, bidders were urged to obtain DBE participation and were required to document their activities in the solicitation and selection of subcontractors and suppliers to ensure that the bidding process was carried out in a nondiscriminatory manner. The DBE Program Administrator has determined that Granite Rock Company, dba Pavex Construction

Division, has complied with the DBE requirements applicable to the Contract. At this time, no DBE participation is anticipated during the performance of this project.

Fiscal Impact

This project is included in the Fiscal Year 2006/2007 Bridge Division Capital Budget in the amount of \$494,000 and is 57.28% grant funded. To date, \$5,000 has been spent on design and bid support services. A capital budget increase, subject to the concurrence of the Finance-Auditing Committee, in the amount of \$581,500 is required to fully fund the District's share of this project at the estimated total cost of \$1,075,500. The detailed budget for the District's share for this project is as follows:

Design & bid support costs spent (staff)	\$	5,000
Pre-design & surveying (reimburse 20% Presidio Trust cost)		16,000
Contract No. 2007-B-2 (62.82%)		828,566
Construction Contingency (62.82%)		82,857
Construction administration, testing & inspection (62.82%) (staff, and testing & electrical consultants)		136,713
Tree removal cost (reimbursement to Presidio Trust)		3,812
Miscellaneous (printing, advertising, mailing, etc.) (50%)		2,500
TOTAL BUDGET	\$	\$1,075,448

Award of this contract requires a project budget increase of \$581,500 to be funded with \$254,870 additional grant funds and \$326,630 from District reserves. The balance of the project cost will be borne by Presidio Trust, in the amount of \$686,723.