



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Water Supply & Treatment Division AGENDA NO. 15b
 MEETING DATE July 14, 2009

Construction Award: Consent Calendar
Project Manager: Bijan Ahmadzadeh

Contract No. WD-2597, Award Lawrence Livermore Laboratory & Ph II Thomas Shaft Improvement Project

Summary of Proposed Action:	Approve the plans and specifications, and award combined Water Enterprise Water System Improvement Program (WSIP) and Repair and Replacement (R&R) Program-funded Contract No. WD-2597, Lawrence Livermore Laboratory & Ph II Thomas Shaft Improvement Project, in the amount of \$3,044,700, to the lowest, qualified, responsible and responsive bidder, NTK Construction, Inc., to supply required potable water to Lawrence Livermore National Laboratory (LLNL) Site 300 and provide facility improvements and upgrades to the existing Thomas Shaft Facility to better meet current operational needs.
Background:	<p>The San Francisco Public Utilities Commission (SFPUC) operates the Thomas Shaft Chlorination Facility which is located in San Joaquin County about three miles southwest of the City of Tracy. In 1960 and 1987, the SFPUC entered into contractual agreements with LLNL to deliver drinking water to LLNL premises, Site 200 and Site 300. Currently, the SFPUC provides water only to LLNL Site 200 because the water at Thomas Shaft does not meet all applicable drinking water regulations.</p> <p>Improvements will be built as part of the WSIP, Lawrence Livermore Water Quality Improvements Project (CUW36401) to supply required potable water to LLNL Site 300 from the Thomas Shaft in the Coast Range Tunnel of the Hetch Hetchy (HH) Aqueduct.</p>

APPROVAL:

DEPARTMENT / BUREAU _____ COMMISSION SECRETARY <u>Mike Housh</u> _____	FINANCE <u>Todd L. Rydstrom</u> GENERAL MANAGER <u>Ed Harrington</u> _____
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	<p>Improvements and upgrades to the existing Thomas Shaft Facility will also be provided to better meet current operational needs as part of the R&R Program, Thomas Shaft Chlorination Facility Improvements – Ph II Project (CUW20801).</p> <p>Construction for both CUW36401 and CUW20801 was combined into Contract No. WD-2597 because they are in the same location, their scope of work are related, and their construction schedule are at the same time.</p>
Budget & Costs:	<p>Baseline Budget: \$3,200,000 Engineer’s Estimate: \$3,500,000 Award: \$3,044,700 Funding: WSIP Project No. CUW36401, Lawrence Livermore Water Quality Improvement, and R&R Project No. CUW20801, Thomas Shaft Chlorination Facility Improvements – Ph II Project.</p>
Result of Inaction:	<p>A delay or denial awarding this contract will impact SFPUC’s contractual agreements with LLNL to deliver potable water that meets all the applicable drinking water regulations.</p>
Schedule:	<p>NTP: August 24, 2009 End: May 12, 2010 Duration: Two Hundred Sixty Days (260) consecutive calendar days (8-1/2 months)</p>
HRC goals:	<p>Set: 13% LBE Submitted: 27.9% LBE</p>
Environmental Review:	<p>The San Francisco Planning Commission certified a Final Environmental Impact Report (FEIR) for San Joaquin Regional Water Quality Improvement Project on December 18, 2008. Lawrence Livermore Water Quality Improvements Project, (CUW36401), is part of the San Joaquin Regional Water Quality Improvement Project.</p> <p>Thomas Shaft Chlorination Facility Improvements – Ph II Project (CUW20801) was determined to be categorically exempt as a Class 1 (b), Class 3 (e) and Class 4 Categorical Exemption under the California Environmental Quality Act (CEQA) on April 3, 2008.</p>

Bid History:	Advertised: April 9, 2009				
	Bids Received: Sealed bids were received from five (5) firms on June 2, 2009, as follows:				
	Bid Rank	Bid Amount	Bid Preference	Adjusted Bid	Adjusted Rank
	1. Sierra Mountain Construction, Inc.	\$2,329,248	10%	\$2,096,323	1
	2. GSE Construction Company, Inc.	\$2,760,000	0%	\$2,760,000	4
	3. Trinet Construction, Inc.	\$2,929,000	10%	\$2,636,100	2
	4. NTK Construction, Inc.	\$3,044,700	10%	\$2,740,230	3
5. Steve P. Rados, Inc.	\$3,085,000	0%	\$3,085,000	5	
<p>Application of bid preferences in accordance with Chapter 14B.7 (E) of the San Francisco Administrative Code changed the final ranking of the 2nd, 3rd, and 4th low bidder. Trinet Construction moved from 3rd to 2nd, and NTK Construction moved from 4th to 3rd place.</p> <p>The lowest bidder, Sierra Mountain Construction, Inc., did not submit the correct Schedule of Bid Prices, and was deemed nonresponsive and consequently, the bid was rejected by the City. The 2nd lowest bidder, Trinet Construction, was also deemed nonresponsive to Human Rights Commission's (HRC) good faith requirements because they did not submit supporting documentation of their outreach efforts at the time of the bid. Therefore, the 3rd lowest bidder, NTK Construction, is considered for award of this contract.</p> <p>Project Review Checklist: The attached Project Review Checklist documents all the reviews performed during the planning and design phases of WSIP Project No. CUW-36401, Lawrence Livermore Water Quality Improvement.</p> <p>Protest: After reviewing the bid documents, HRC determined that, at the time of bid, Trinet Construction, Inc. (TCI) failed to submit adequate</p>					

	<p>documentation demonstrating that they completed the good faith outreach requirements. TCI submitted a letter of protest on June 9, 2009 regarding HRC's determination. HRC met with TCI on June 11, 2009 to address their protest. Following the meeting, HRC still concluded that TCI's bid is non-responsive, resulting in the next lowest bidder, NTK Construction being considered for award of this contract.</p>
Description of Scope of Work:	<p>Contract work is to take place at the Thomas Shaft Facility, which is located 1.5 mile south of Coral Hollow Road, Tracy, California, 95377.</p> <p>The Contract work consists of water treatment and supply improvements that will allow for the delivery of potable water to LLNL. The work includes the following improvements at the Thomas Shaft Facility: installation of new submersible well pumps, UV reactors, a surge tank and associated piping and valves; the addition of instrumentation and control components; security upgrades; a prefabricated valve enclosure to house the well head and well train; heat trace tape; a concrete pad for the UV reactors; and drainage systems.</p>
Recommendation:	<p>SFPUC staff recommends that the Commission adopt the attached resolution.</p>
Attachments:	<ol style="list-style-type: none">1. SFPUC Resolution2. HRC Memo3. Project Review Checklist

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 09-0112

WHEREAS, Contract No. WD-2597, Lawrence Livermore Laboratory & Ph II Thomas Shaft Improvement Project was advertised on April 9, 2009; and

WHEREAS, The baseline budget amount is \$3,200,000 and the Engineer's Estimate is \$3,500,000 for this construction contract work to supply required potable water to Lawrence Livermore National Laboratory (LLNL) and to upgrade components of the existing Thomas Shaft Facility; and

WHEREAS, The contract duration is 260 consecutive calendar days; and

WHEREAS, five (5) bids were received and opened publicly on June 2, 2009; and

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff and Human Rights Commission (HRC) review of the bids for qualifications, responsibility, responsiveness and application of bid preferences resulted in the establishment of NTK Construction, Inc. as the lowest, qualified, responsible and responsive bidder; and

WHEREAS, An HRC subcontracting goal of 13% Local Business Enterprise (LBE) participation has been established for this contract; and

WHEREAS, NTK Construction, Inc. has proposed to meet the HRC subcontracting goal with LBE participation totaling 27.9%; and

WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Failure to reach successful agreement on contract terms and conditions within 60 days of the date of the Commission award may result in award of the contract to the next lowest, responsible and responsive bidder, or re-bidding of the contract at the discretion of the City; and

WHEREAS, Funds are available from both Water System Improvement Program (WSIP) Project No. CUW36401, Lawrence Livermore Water Quality Improvement Project and Repair and Replacement (R&R) Project No. CUW20801, Thomas Shaft Facility Improvement - Ph II Project; and

WHEREAS, The Thomas Shaft Facility Improvement – Ph II Project (CUW20801) was determined to be categorically exempt as a class 1 (b), Class3 (e) and Class 4 Categorical Exemption under the California Environmental Quality Act (CEQA) on April 3, 2008; and

WHEREAS, an Environmental Impact Report (EIR) was prepared for the San Joaquin Regional Water Quality Improvement Project (SJRWQIP) and Lawrence Livermore Water

Quality Improvement, Project No. CUW36401, is part of SJRWQIP; and

WHEREAS, the Final EIR (FEIR) was certified by the Planning Commission on December 18, 2008 by Motion No. 17784; and

WHEREAS, on December 18, 2008, this Commission by Resolution No. 08-0234, approved the Project and adopted findings (CEQA findings) and a Mitigation Monitoring and Reporting Program (MMRP) required by the CEQA; and

WHEREAS, the Project files, including the FEIR and SFPUC Resolution No. 08-0234 have been made available for review by the SFPUC and the public, and those files are part of the record before this Commission; and

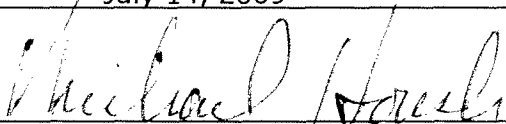
WHEREAS, This Commission has reviewed and considered the information contained in the FEIR the findings contained in SFPUC Resolution No. 08-0234 and all written and oral information provided by the Planning Department, the public, relevant public agencies, SFPUC and other experts and the administrative files for the Project; now, therefore, be it

RESOLVED, This Commission has reviewed and considered the FEIR and record as a whole, finds that the FEIR is adequate for its use as the decision-making body for the action taken herein with respect to the construction and implementation of the Project, and incorporates the CEQA findings contained in Resolution No. 08-0234 by this reference thereto as though set forth in this Resolution; and be it

FURTHER RESOLVED, This Commission further finds that since the FEIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR; and be it

FURTHER RESOLVED, That this Commission hereby approves the plans and specifications and awards combined Water Enterprise Water System Improvement Program and R&R Program-funded Contract No. WD-2597, Lawrence Livermore Water Quality Improvement & Thomas Shaft Facility Improvement – Ph II Project, in the amount of \$3,044,700, to the lowest, qualified, responsible and responsive bidder, NTK Construction, Inc.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ / July 14, 2009



Secretary, Public Utilities Commission



Gavin Newsom
Mayor

Contract Compliance
Dispute Resolution/Fair Housing
Small and Micro Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Chris Iglesias
Executive Director

MEMORANDUM

Date: June 25, 2009
To: Bijan Ahmadzadeh, City Regional Construction Manager, SFPUC
Yolanda Quisao, Project Manager, SFPUC
Pauline Lam, Senior Administrative Analyst, SFPUC
From: Alaric Degrafinried, Contract Compliance Officer, HRC
Subject: HRC Award Memo (WD-2597)
Lawrence Livermore Laboratory & Phase II Thomas Shaft Improvement Project

The Human Rights Commission (“HRC”) has received the bids for the above referenced project and has conducted an evaluation for compliance with HRC requirements. A Local Business Enterprise (LBE) subcontracting participation goal of 13% was established for this project.

Bid Calculations

Five (5) firms submitted bids for the above referenced project. Pursuant to Chapter 14B.7 (E) of the San Francisco Administrative Code, when applicable, contract awarding authorities shall apply a 10% bid discount to any bid received from an HRC-certified Local Business Enterprise. The above referenced project is subject to the provisions of 14B.7 (E); therefore, the adjusted bid results are as follows:

Bidder	LBE Status	Base Bid	Bid Discount	Adjusted Bid
Sierra Mountain	SF LBE-MBE	\$2,329,248	10%	\$2,096,323
Trinet Construction	SF LBE-WBE	\$2,929,000	10%	\$2,636,100
NTK Construction	SF LBE-MBE	\$3,044,700	10%	\$2,740,230
GSE Construction	-	\$2,760,000	-	\$2,760,000
Steve P. Rados	-	\$3,085,000	-	\$3,085,000

Sierra Mountain’s Bid (Non-Responsive)

Upon a review of Sierra Mountain’s bid documents, the San Francisco Public Utilities Commission (“SFPUC”) discovered that the Schedule of Bid Prices (document 00410) that Sierra Mountain submitted was not correct as revised by Addendum No. 3. As such, SFPUC deemed Sierra Mountain’s bid non-responsive.



Trinet Construction's Bid (Non-Responsive)

HRC has completed its review of Trinet Construction's HRC 14B submittals. Based on that review, HRC has determined that Trinet Construction is non-responsive because Trinet Construction failed to submit the required supporting documentation for HRC Form 2B by the bid due date/time.

Although Trinet Construction did submit HRC Form 2B, it did not submit the required supporting good faith documentation with that form. Trinet Construction has confirmed that they did not submit the supporting good faith documentation with their bid because they mistakenly thought it was due with the 5-day submittal packages.

HRC Form 2B states that "This Good Faith Outreach" form, along with the required supporting documentation must be completed and submitted per the instructions in this form..." In addition, HRC Attachment 6, Part I, Section 1.02 (B) clearly states the following:

FORM 2B: HRC "Good Faith Outreach" Requirements Form: Bidder shall meet the specified LBE subcontractor participation goal and demonstrate adequate good faith efforts to meet the LBE subcontracting goal. Bidder is required to submit Form 2B and all good faith documentation as specified therein. Failure to meet the LBE subcontracting goal and demonstrate/document adequate good faith efforts shall cause the Bid to be determined non-responsive and rejected.

This information is also reiterated in Part III, Section 3.01(A) of HRC Attachment 6.

The HRC items that must be submitted at the time of the bid as opposed to the HRC items that must be submitted five business days after bid opening are clearly defined in HRC Attachment 6, Part I, Section 1.02 (B) and (C). Except for Item #6 on HRC Form 2B, the good faith outreach supporting documentation must be submitted with the bid. Only that documentation identified in Item #6 may be submitted with the 5-Day Submittal Package.

Based on the aforementioned, Trinet Construction is deemed non-responsive because it failed to submit the supporting documentation required under HRC Form 2B at the time of the bid.

NTK Construction's Bid

The bid received from NTK Construction (\$3,044,700) includes LBE participation totaling 27.9% from four firms with various scopes of work including:

Subcontractor	Service	LBE Status	LBE %
Brown Sheet Metal & Mechanical, Inc.	HVAC	SFPUC LBE-OBE	3.2%
Control Line Electric, Inc.	Electrical	SFPUC LBE-OBE	11.2%
Pump Repair Service Company	Pump Removal & Install	SF LBE-OBE	10.4%
Tom's Metal Specialist	Miscellaneous Metal	SF LBE-MBE	3.1%
Total			27.9%

Based on the information noted above, HRC has determined that NTK Construction is the lowest responsive bidder, has complied with the pre-award HRC 14B requirements and is eligible for award of this contract.

Thanks for your help and should you have any additional questions and/or concerns please feel free to contact me at 415-554-3103.

WSIP Construction Contract/Bid Documents - Review and Approval Checklist

PROJECT/CONTRACT INFORMATION

Project No.: CUW 364 Project Name: Lawrence Livermore Water Quality Improvement
 Contract No.: WD-2587 Contract Name: Lawrence Livermore Laboratory and PH II Thomas Shaft Impro

ENGINEER OF RECORD




Project Designed by (check all that apply): EMB DPW Consultant(s) - List below

Name of Prime Consultant(s): N/A

Name (and Firm/Organization) of Engineer of Record: DPW

RESPONSIBLE FOR OVERSEEING PREPARATION OF DESIGN DOCUMENTS

I hereby confirm that I have reviewed the design documents (drawings and specifications) for the WSIP project referenced herein and that I find them to be complete and ready to be advertised.


TITLE	PRINT NAME	SIGNATURE	DATE
Project Manager (PM)	Bijan Ahmadzadeh		6/19/09
Regional Project Engineer (RPE)	Ramon Garcia		6/18/2009
Project Engineer (PE)	Kim W. Lau		6/17/2009

VERIFICATION OF REVIEWS OF DESIGN DOCUMENTS

I hereby confirm that (1) the design documents (drawings and specifications) for the WSIP project referenced herein are complete and ready to be advertised, (2) the design documents have been reviewed thoroughly by key WSIP Team members, including those listed below, and (3) all review comments were incorporated in the final design documents or were addressed separately.



- | | |
|---|---|
| <input checked="" type="checkbox"/> EMB Manager | <input checked="" type="checkbox"/> Environmental PM (EPM)* |
| <input checked="" type="checkbox"/> Regional Construction Manager (RCM) | <input type="checkbox"/> WSIP Shutdown Coordinator* |
| <input checked="" type="checkbox"/> WE Operations Representative | <input type="checkbox"/> WSIP ROW Manager* Not Applicable |

* Only review section(s) relevant to area of responsibility.

TITLE	PRINT NAME	SIGNATURE	DATE
Regional PM (RPM)	Chris Nelson		6/23/09

FINAL APPROVAL OF DESIGN DOCUMENTS

I hereby approve the submittal of the design documents (drawings and specifications) to the Contract Administration Bureau (CAB) for advertisement of the bid package.

TITLE	PRINT NAME	SIGNATURE	DATE
WSIP Pre-Const. Deputy Director	Jeet Bajwa		6/23/09
WSIP Construction Deputy Director	Harvey Elwin		6/24/09