

THIS PRINT COVERS CALENDAR ITEM NO.: 10.5

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Capital Programs and Construction

BRIEF DESCRIPTION:

Awarding SFMTA Contract No. 1308R, L Taraval Improvement Project - Sunset Boulevard to West Portal, to NTK Construction, Inc. to construct capital improvements along the L Taraval corridor from Sunset Boulevard to West Portal, in the amount of \$57,264,139, and for a term of 930 days to substantial completion.

SUMMARY:

- On January 16, 2021, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1308R, L Taraval Improvement Project – Sunset Boulevard to West Portal (Project).
- The Project is for installation of new transit islands and pedestrian bulb-outs and the upgrade of existing track, overhead wire, sewer, and water line infrastructure.
- On July 1, 2021, the SFMTA received and publicly opened two bids for Contract No. 1308R. NTK Construction, Inc. (NTK), was the responsible bidder that submitted the lowest responsive bid.
- On July 16, 2021, Mitchell Engineering (Mitchell), the other bidder, filed a protest against the bid submitted by NTK . On August 5, 2021, the SFMTA determined that NTK’s bid is responsive and rejected Mitchell’s protest.

ENCLOSURES:

1. SFMTAB Resolution
2. Project Budget and Finance Plan
3. SFMTA Resolution No. 14-041 <https://www.sfmta.com/sites/default/files/agendaitems/3-28-14%20Item%206%20TEP%20CEQA%20approval%20resolution.pdf>
4. TEP FEIR <https://sfplanning.org/project/muni-forward-transit-effectiveness-project-tep-environmental-review-process>
5. Mitigation Monitoring and Reporting Program for Modified Expanded TTRP.L https://sfmta.sharepoint.com/:w:/r/sites/projects/TransitPlanning/_layouts/15/Doc.aspx?sourcedoc=%7B24421B9F-766D-4743-8838-AF8E49872674%7D&file=TEP%20CEQA%20%20MMRP_revised%20for%20TTRP.L.docx&action=default&mobileredirect=true

APPROVALS:

DIRECTOR



SECRETARY



DATE

September 29, 2021

September 29, 2021

ASSIGNED SFMTAB CALENDAR DATE: October 5, 2021

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PURPOSE

The purpose of this calendar item is to award SFMTA Contract No. 1308R, L Taraval Improvement Project - Sunset Boulevard to West Portal, to NTK Construction, Inc. to construct capital improvements along the L Taraval corridor from Sunset Boulevard to West Portal, in the amount of \$57,264,139, and for a term of 930 days to substantial completion.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The Work to be performed under Contract No. 1308R supports the following goals and objectives in the SFMTA Strategic Plan and Transit First Policy Principles:

- Goal 1: Create a safer transportation experience for everyone
 - Objective 1.1: Achieve Vision Zero by eliminating all traffic deaths.
 - Objective 1.2: Improve the safety of the transit system.

- Goal 2: Make transit and other sustainable modes of transportation the most attractive and preferred means of travel.
 - Objective 2.1: Improve transit service.

- Goal 3: Improve the environment and quality of life in San Francisco
 - Objective 3.2: Advance policies and decisions in support of sustainable transportation and land use principles.
 - Objective 3.3: Guide emerging mobility services so that they are consistent with sustainable transportation principles.

This item supports the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
3. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.
4. Transit priority improvements, such as designated transit lanes and streets and improved signalization, shall be made to expedite the movement of public transit vehicles (including taxis and vanpools) and to improve pedestrian safety.
5. New transportation investment should be allocated to meet the demand for public transit

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generated by new public and private commercial and residential developments.

DESCRIPTION

The L Taraval Improvement Project (Project) is part of the SFMTA's Muni Forward Program, formerly known as the Transit Effectiveness Project (TEP), to reduce travel times and enhance the reliability across the Muni transit network. The Project includes transit enhancements that are part of the L Taraval Rapid Project and infrastructure upgrades as part of the San Francisco Public Utilities Commission's sewer and water main replacement projects.

The L Taraval light rail line, part of Muni's Rapid Network, provides an important connection between the Sunset/Parkside district and downtown San Francisco and carries over 33,000 daily riders. The surface portion of the L Taraval operates at an average speed of under eight miles per hour due to close transit stop spacing, frequent stop signs, and traffic delay. Taraval Street is also a high-injury corridor for pedestrians, with 46 pedestrian injury collisions in five years, 22 of which involved passengers boarding or alighting the L Taraval light rail at stops without a boarding island. Most of the existing track and overhead contact system infrastructure was last replaced in the late 1970s and is due for replacement.

To reduce transit travel times and improve reliability of the L Taraval light rail line, the Project implements transit-only lanes on Taraval Street to help Muni bypass traffic congestion, and rebalances existing stop spacing to reduce the time required for trains to move through the corridor.

The majority of parking and traffic modifications for this Project were approved in September 2016, with additional modifications approved in December 2017 and July 2018. Early implementation of pedestrian safety zones and passenger loading zones using paint have been in place since early 2017. Since the implementation of the passenger loading zones, no boarding or alighting passengers were involved in vehicle-pedestrian collisions at transit stops on Taraval Street.

This Project includes installation of new transit islands and pedestrian bulb-outs, and upgrades to the existing track, overhead wire, sewer, and water line infrastructure.

The Project is being constructed under two phases. Phase 1 was constructed under SFMTA Contract No. 1306 and included improvements from SF Zoo to Sunset Boulevard. Contract No. 1306 reached substantial completion on March 25, 2021. The federal funds assigned to the Project were allocated to Contract No. 1306. Phase 2 will be constructed through SFMTA Contract No. 1308R and includes improvements from Sunset Boulevard to West Portal. As the federal funds were used in Phase 1 of the Project, the federal procurement process was required to be followed for Contract No. 1308R.

BIDS RECEIVED

On January 16, 2021, the Director of Transportation notified the SFMTA Board of Directors

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that he had authorized a bid call for Contract No. 1308R in accordance with Board Resolution No. 191203-153, which delegated, among other things, the authority to issue bid calls to the Director of Transportation.

On July 1, 2021, the SFMTA received and publicly opened the following two bids:

No.	Bidders	Total Bid Price	Bid Price for SW-45 and WD-15	Evaluated Bid Price
1	NTK Construction, Inc.	\$57,264,139	\$138,100	\$57,402,239
2	Mitchell Engineering	\$77,684,792	\$92,568	\$77,777,360

The bidders were required to provide a bid for two additional bid items (SW-45 and WD-15). Through these special bid items, the utility companies (PG&E, AT&T, and Comcast) have agreed to pay the Contractor directly for additional excavation and backfill due to parallel utility crossings encountered during sewer and water work. Bid items SW-45 and WD-15 are used for evaluation purposes only to determine the lowest bid. This Contract will only be awarded in the amount of the Total Bid Price, as stated in the table above.

The engineer’s estimate for the work was \$89,796,250. The bid submitted by NTK is 36 percent below the engineer’s estimate.¹ SFMTA Contract No. 1308R is a re-bid, and NTK and Mitchell both submitted a bid on this contract previously. However, in the first bid, NTK’s bid price was approximately \$73 million and Mitchell’s bid price was approximately \$47 million. The current bids show the reverse, indicating that both NTK and Mitchell were trying to bid more competitively. Staff believes that NTK’s experience from the previous contract afforded it the opportunity to be more aggressive in its bid, as it has a better understanding of the risks. In addition, NTK will self-perform track installation and a majority of the sewer and water replacement work, which may account for its lower bid. Staff has concluded that the SFMTA has obtained a fair and reasonable price.

The time allotted to substantially complete construction of the Project is 930 days from the date of the written Notice to Proceed. The Contractor shall complete all remaining work within 90 days from substantial completion.

Following is a listing of subcontractors participating in this contract.

Subcontractor	Status	Value
Reliance Engineering Inc.	SBE	\$3,317,000
Subterra Construction Inc.	SBE	\$100,000
Bauman Landscape and Construction Inc.	SBE	\$736,000
CMC Traffic Control Specialists, Inc.	DBE	\$1,700,000

¹ Similarly, NTK’s bid on Phase 1 of this Project (SFMTA Contract No. 1306, L Taraval Improvement Project – SF Zoo to Sunset Boulevard) was approximately 28 percent below the engineer’s estimate. NTK was awarded the contract for Phase 1 and was able to complete the work within budget.

On The Level Concrete	DBE	\$4,397,000
Ronan Construction Inc	SBE	\$1,032,650
Catmex	SBE	\$1,012,915
Bay Tech Engineering, Inc.	SBE	\$2,111,300
Phoenix Electric Co.	N/A	\$6,700,000
SAK Construction	N/A	\$833,585

On July 16, 2021, the SFMTA received a protest from Mitchell Engineering. Mitchell’s protest alleged that NTK’s bid was non-responsive on the basis that it: (1) failed to meet the contract’s Small Business Enterprise/Disadvantaged Business Enterprise (SBE/DBE) goal requirements contained in the solicitation by listing CMC Traffic Control Specialists as a DBE subcontractor; (2) failed to meet the SFMTA’s SBE/DBE good faith requirements for securing SBEs/DBEs to participate on this contract by not advertising in a timely manner; and (3) made an error in its Schedule of Bid Prices, which Mitchell claims allow NTK to gain an unfair advantage. The SFMTA investigated the allegations and found them to be without merit. The SFMTA notified Mitchell and NTK of the SFMTA’s finding on August 5, 2021. Mitchell did not file an appeal.

The SFMTA’s Contract Compliance Office (CCO) reviewed the bid proposals and determined that NTK met the SBE/DBE subcontracting participation goals of 15% SBE, 3% African American-Owned DBE and 3% Women-Owned DBE established for this Contract. The CCO also confirmed that NTK has committed to meet the Nondiscrimination / Equal Employment requirements of the contract and is in compliance with the City’s Equal Benefits Ordinance.

BIDDER’S SAFETY RECORD

To be eligible to submit a bid for this Contract, all bidders were required to submit a Safety Prequalification Form, with supporting documents, at least 10 days before the bid date. Prior to the bid date, the SFMTA received the safety prequalification forms from six potential bidders, including the two bidders listed above and four contractors who either decided not to submit a bid or were not prequalified to do so.

The SFMTA’s independent safety consultant evaluated the bidders’ safety prequalification forms and prequalified NTK and Mitchell to be eligible to bid.

TRANSIT SERVICE IMPACT

L Taraval service will continue during construction. Shuttle buses will serve the end of the line between SF Zoo and West Portal for approximately eleven months while infrastructure is replaced. There will be no impact to transit service in the Muni system overall.

Following construction, service reliability and safety will improve due to the refurbishments and enhancements constructed under the Project.

STAKEHOLDER ENGAGEMENT

The SFMTA Outreach staff engaged the community through a variety of methods over several years. Outreach was done in English and Chinese, with other language assistance being offered as needed.

Staff made substantial changes and modifications based on comments received and conversations with various stakeholder groups. In addition to the community stakeholders, the Supervisors in District Four and District Seven provided feedback during regular briefings, which was incorporated into the final design of the Project.

Specifically, outreach began in September 2015 with two focus group meetings comprised of key stakeholders (riders, residents, merchants), followed by a round of door-to-door merchant outreach to gather input on the initial Project proposal. Following this, staff held open houses in October and December of 2015 and in February 2016. An additional pop-up open house on Taraval Street at the 23rd Avenue stop was held on November 4, 2015. In between the series of open houses, the outreach team attended multiple meetings of the merchant group representing Taraval Street (People of Parkside Sunset), met with schools and organizations in the area, and conducted a walking tour with residents and merchants.

Following the final open house, an additional series of small group meetings took place in April 2016. These three small group meetings served as an opportunity for staff to gather additional input from community leaders on the Project elements, while providing an opportunity for the community to weigh in on future outreach for the Project, including the content of the letter mailed to the community. The feedback from these small group meetings reflected broader community feedback about stop removal, transit-only lanes, parking, pedestrian safety, and traffic signals.

Another open house was hosted in conjunction with Public Works to provide design proposals for elements such as trees, landscaping, public art, and wayfinding. Members of the community were invited to explore design ideas and give input on preferences by filling out a survey which was also made available online. Based on community feedback results, the project team was able to finalize the aesthetic designs.

In preparation for Phase 2, the project team engaged with community stakeholders, including businesses and residents to determine staging areas. A series of three open houses were held to consult with these stakeholders. Engagement was also conducted with the Taraval Police Station, surrounding schools, Stern Grove Concert event planners and the Recreation and Parks Department. Staging locations were finalized with the community in December 2019. And as a follow-up, an email was sent in January 2020 to notify the community of the confirmed staging locations. In addition to an email message, 500+ notices were hand-delivered door-to door to neighbors and Project updates posted on the project website. The finalized staging areas will be located at: Santiago Street between 22nd and 24th avenues, 20th Avenue between Ulloa and Wawona streets, Wawona between 21st and 23rd avenues, 36th Avenue between Taraval and Ulloa streets, and Taraval between 12th and 15th Avenues.

ENVIRONMENTAL REVIEW

The L Taraval Improvement Project – Sunset Boulevard to West Portal is subject to the California Environmental Quality Act (CEQA).

Muni Forward/Transit Effectiveness Project

The Transit Effectiveness Project (TEP) Final Environmental Impact Report (FEIR) was certified by the San Francisco Planning Commission in Motion No. 19105 on March 27, 2014. Subsequently, on March 28, 2014, in Resolution No. 14-041, the SFMTA Board of Directors approved all of the TEP proposals including Service-Related Capital Improvements and Travel Time Reduction Proposals (TTRP) to improve transit performance along various Muni routes. As part of Resolution No. 14-041, the SFMTA Board of Directors adopted findings under CEQA, the CEQA Guidelines, and Chapter 31 of the Administrative Code (CEQA Findings) and a Mitigation Monitoring and Reporting Program (MMRP). Many of the Project elements are within the scope of the TTRP.L: L Taraval Expanded Alternative as defined in the TEP FEIR. For those elements not included in the TEP FEIR, on August 10, 2016, the Planning Department issued a Note to File (Case Number 2011.0558E, Modification to Travel Time Reduction Proposal L for the L Taraval [TTRP.L] along Taraval Street between the intersections of 15th Avenue and 46th Avenue, on 15th Avenue from Taraval Street to Ulloa Street, and on 46th Avenue from Taraval Street to Ulloa Street) to the TEP FEIR, concluding the proposed changes (Muni Forward Modified Expanded TTRP.L) would not cause new significant impacts not identified in the FEIR or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts.

A subset of the TEP MMRP that is pertinent to the TTRP.L: L Taraval is on file with the Secretary of the SFMTA Board of Directors.

L-Taraval Rail Replacement and Overhead Rehabilitation Project

On December 15, 2017, the Planning Department determined (Case Number 2017-015308ENV) that the proposed transit infrastructure improvements (“SFMTA - L-Taraval Rail Replacement and OH Rehab Project Project”) are categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301.

San Francisco Public Utilities Commission’s Sewer Replacement Project

On April 14, 2017, the Planning Department determined (Case Number 2017-004381ENV) that the proposed sewer work (“SFPUC - L-Taraval Transit Improvements Sewer Replacement Project”) is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301.

San Francisco Public Utilities Commission’s Water Main Installation Project

On May 24, 2018, the Planning Department determined (Case Number 2017-016132ENV) that the proposed water main replacement (“SFPUC - Water Main Installation Project on Taraval (sic) from 14th to 48th Ave. and various other streets”) is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15302.

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Copies of the above CEQA determination are on file with the Secretary to the SFMTA Board of Directors and may be found in the records of the Planning Department at <https://sfplanning.org/> and 49 South Van Ness Avenue, Suite 1400 in San Francisco, and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City Attorney has reviewed the calendar item.

No other approvals are required to award this contract.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors award SFMTA Contract No. 1308R, L Taraval Improvement Project - Sunset Boulevard to West Portal, to NTK Construction, Inc., to construct capital improvements along the L Taraval corridor from Sunset Boulevard to West Portal, in the amount of \$57,264,139 and for a term of 930 days to substantial completion.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, SFMTA Contract No. 1308R, L Taraval Improvement Project - Sunset Boulevard to West Portal, Phase 2 of the L Taraval Rapid Project (the Project), is part of the SFMTA's Muni Forward Program (formerly, the Transit Effectiveness Program), with a goal of reducing travel times and enhancing reliability across the SFMTA's transit network; and,

WHEREAS, The L Taraval light rail line, part of Muni's Rapid Network, provides an important connection between the Sunset/Parkside district and downtown San Francisco and carries over 33,000 daily riders; and,

WHEREAS, The SFMTA's Muni Forward Program Report identified a variety of Travel Time Reduction Proposals, drawing from the Transit Preferential Streets toolkit, which included engineering strategies oriented to specifically address the delays transit vehicles experience along rapid routes; and,

WHEREAS, On January 16, 2021, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1308R in accordance with Board Resolution No. 191203-191, which delegates, among other things, the authority to issue bid calls to the Director of Transportation; and,

WHEREAS, On July 1, 2021 the SFMTA received and publicly opened two bids in response to the bid call for Contract No. 1308R, from NTK Construction, Inc. (NTK), and Mitchell Engineering, Inc. (Mitchell); and,

WHEREAS, On July 16, 2021, the SFMTA received a protest from Mitchell, the second low bidder, and determined that it was without merit; and,

WHEREAS, The SFMTA determined that NTK is the responsible bidder that submitted the lowest responsive total bid price of \$57,264,139; and,

WHEREAS, The Contract Compliance Office (CCO) reviewed and determined that NTK Construction, Inc., met the required commitment by listing subcontractors to meet the 15% Small Business Enterprise, 3% African American-Owned and 3% Women-Owned Business subcontracting participation goals established for this contract; the CCO also confirmed that NTK Construction, Inc., has committed to meet the Nondiscrimination / Equal Employment Requirements of the Contract and is in compliance with the City's Equal Benefits Ordinance; and,

WHEREAS, Funding for the construction services under this Contract comes from the SFPUC Wastewater Revenue Bond, SFPUC Water General Obligation Bond, Prop A GO Bond, Prop AA Vehicle Registration Fee, Prop K Sales Tax, Developer Fees, and the General Fund of the City and County of San Francisco;

WHEREAS, The capital improvements and construction activities described in this staff report are subject to the California Environmental Quality Act (CEQA); and,

WHEREAS, The Transit Effectiveness Project (TEP) Final Environmental Impact Report (FEIR) was certified by the San Francisco Planning Commission in Motion No. 19105 on March 27, 2014; subsequently, on March 28, 2014, in Resolution No. 14-041, the SFMTA Board of Directors approved all of the TEP proposals, including Service-Related Capital Improvements and Travel Time Reduction Proposals (TTRP) to improve transit performance along various Municipal Railway routes; and,

WHEREAS, As part of Resolution No. 14-041, the SFMTA Board of Directors adopted findings under CEQA, the CEQA Guidelines, and Chapter 31 of the Administrative Code (CEQA Findings), as well as a Mitigation Monitoring and Reporting Program (MMRP); many of project elements are within the scope of the TTRP.L: L Taraval Expanded Alternative as defined in the TEP FEIR; and,

WHEREAS, For those elements not included in the TEP FEIR, on August 10, 2016, the Planning Department issued a Note to File (Case Number 2011.0558E, Modification to Travel Time Reduction Proposal L for the L Taraval [TTRP.L] along Taraval Street between the intersections of 15th Avenue and 46th Avenue, on 15th Avenue from Taraval Street to Ulloa Street, and on 46th Avenue from Taraval Street to Ulloa Street) to the TEP FEIR, concluding the proposed changes (Muni Forward Modified Expanded TTRP.L) would not cause new significant impacts not identified in the FEIR or result in a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures would be necessary to reduce significant impacts; and,

WHEREAS, On December 15, 2017, the Planning Department determined (Case Number 2017-015308ENV) that the proposed transit infrastructure improvements (SFMTA - L-Taraval Rail Replacement and OH Rehab Project Project) are categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, On April 14, 2017, the Planning Department determined (Case Number 2017-004381ENV) that the proposed sewer work (SFPUC - L-Taraval Transit Improvements Sewer Replacement Project) is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, On May 24, 2018, the Planning Department determined (Case Number 2017-016132ENV) that the proposed water main replacement (SFPUC - Water Main Installation Project on Taraval (sic) from 14th to 48th Ave. and various other streets) is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15302; and,

WHEREAS, Copies of the CEQA determination are on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at

<https://sfplanning.org/> and 49 South Van Ness Avenue, Suite 1400 in San Francisco, and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors has reviewed and considered the Transit Effectiveness Program Environmental Impact Report and record as a whole, and finds that the proposed approvals herein are within the scope of the Transit Effectiveness Program, and incorporates the CEQA findings contained in Resolution No. 14-041, including the Statement of Overriding Considerations, by this reference as though fully set forth, and be it further

RESOLVED, That SFMTA Board of Directors awards San Francisco Municipal Transportation Agency Contract No. 1308R, L Taraval Improvement Project - Sunset Boulevard to West Portal, to NTK Construction, Inc., as the responsible bidder which submitted the lowest responsive bid, to construct capital improvements along the L Taraval corridor from Sunset Boulevard to West Portal, in the amount of \$57,264,139, and for a term of 930 days to substantial completion.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of October 5, 2021.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

ENCLOSURE 2

L Taraval Improvement Project - Sunset Boulevard to West Portal

San Francisco Municipal Transportation Agency, Contract No. 1308R

Project Budget and Financial Plan

Cost	Amount
Construction Phase Construction Contract, Contingency, and Staff Support	\$103,741,354
Total Cost	\$103,741,354

Funding	Amount
GO Bond (Prop A)	\$32,715,078
Prop AA	\$3,664,159
Revenue Bond	\$1,885,762
Prop K Sales Tax	\$16,695,363
Developer Fees	\$5,470,664
General Fund	\$7,470,024
SFPUC Water General Obligation Bond	\$14,483,804
SFPUC Wastewater Revenue Bond	\$21,356,500
Total Funding	\$103,741,354