

**THIS PRINT COVERS CALENDAR ITEM NO.: 12**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Capital Programs and Construction

**BRIEF DESCRIPTION:**

Awarding SFMTA Contract No. 1313R1, 16<sup>th</sup> Street Improvement Project, to JMB Construction, Inc., to install traffic signals, overhead wires, pedestrian and transit bulbs, and to replace the sewer on 16<sup>th</sup> Street between Church Street and Potrero Streets, in the amount of \$16,269,609, and for a term of 550 days to Substantial Completion.

**SUMMARY:**

- On June 22, 2021, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1313R1, 16<sup>th</sup> Street Improvement Project (Project).
- The Project is for the installation of traffic signals, overhead wires, pedestrian and transit bulbs, and related work, including replacement of the sewer along the 22-Fillmore route on 16<sup>th</sup> Street between Church Street and Potrero Streets.
- On August 12, 2021, the SFMTA publicly opened five bids for the Project. JMB Construction was the responsible bidder that submitted the lowest responsive bid.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Project Budget and Finance Plan
3. SFMTA Resolution No. 14-041 <http://www.sfmta.com/sites/default/files/agendaitems/3-28-14%20Item%206%20TEP%20CEQA%20approval%20resolution.pdf>
4. TEP FEIR <http://www.sf-planning.org/index.aspx?page=2970>
5. Mitigation Monitoring and Reporting Program  
<https://www.sfmta.com/sites/default/files/agendaitems/3-28-14%20Item%207%20TEP%20Service%20Changes%20-%20MMRP.pdf>

**APPROVALS:**

**DATE**

DIRECTOR



October 13, 2021

SECRETARY



October 13, 2021

**ASSIGNED SFMTAB CALENDAR DATE:** October 19, 2021

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### **PURPOSE**

The purpose of this calendar item is to award SFMTA Contract No. 1313R1, 16<sup>th</sup> Street Improvement Project to JMB Construction, Inc., to install traffic signals, overhead wires, pedestrian and transit bulbs, and to replace the sewer on 16<sup>th</sup> Street between Church Street and Potrero Streets, in the amount of \$16,269,609, and for a term of 550 days to Substantial Completion.

### **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

The work to be performed under Contract No. 1313R1 supports the following SFMTA Strategic Plan Goals and Objectives:

- Goal 1: Create a safer transportation experience for everyone.
  - Objective 1.2 Improve the safety of the transportation system.
  
- Goal 2: Make transit and other sustainable modes of transportation them most attractive and preferred means of travel.
  - Objective 2.1 Improve transit service.
  
- Goal 3: Improve the quality of life and environment in San Francisco and the region.
  - Objective 3.2 Advance policies and decisions in support of sustainable transportation and land use principles.
  - Objective 3.4 Provide environmental stewardship to improve air quality, enhance resource efficiency, and address climate change.

The work to be performed under Contract No. 1313R1 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. New transportation investment should be allocated to meet the demand for public transit generated by new public and private commercial and residential developments.

### **DESCRIPTION**

The Project is the second construction contract of the 16th Street Improvement Project, which is part of the SFMTA's Muni Forward Program (formerly, the Transit Effectiveness Program [TEP]), to reduce travel times and enhance safety and reliability across the SFMTA's transit network. The first construction contract, which covered the segment along 16<sup>th</sup> street between Potaro street and 3<sup>rd</sup> street, was awarded in August of 2018 and reached substantial completion in July of 2020. This

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second contract covers the segment along 16<sup>th</sup> street between Church Street and Potrero Street.

The TEP report identified Travel Time Reduction Proposals (TTRPs) for several Muni transit lines. These TTRPs are engineering strategies oriented to specifically address the delays transit vehicles experience along rapid routes. The TTRPs draw from the Transit Preferential Streets Toolkit, which includes different engineering measures to improve transit service. The 22-Fillmore was one of the transit lines for which a TTRP was identified.

The 22 Fillmore trolley bus line, as identified in the TEP report, is a “Transit Priority” route. It is an important connector between the Marina District to Potrero Hill and the Dogpatch neighborhood. The line carries almost 18,000 passengers daily, at an average travel speed of seven miles per hour during peak periods. Sources of delay include closely spaced bus stops and traffic congestion.

The Project will realign a portion of the 22-Fillmore route to continue along 16<sup>th</sup> Street onto Third Street and terminate at Mission Bay Boulevard North at 3<sup>rd</sup> Street instead of at 3<sup>rd</sup> and 20<sup>th</sup> Streets. The segment of the project corridor covers approximately one and a half miles along 16<sup>th</sup> Street between Church and Potrero Streets.

The SFMTA's Capital Programs and Construction Division (CP&C) previously advertised this work as Contract 1313 on November 14, 2019. The SFMTA received two bids on January 31, 2020. An examination of the lowest bidder's safety record revealed that the bidder did not meet the minimum qualifications criteria. Therefore, the SFMTA rejected the lowest bid, resulting in objections and requests for hearing, which could have potentially been subject to expensive and lengthy litigation.

On May 18, 2020, the Director of Transportation notified the SFMTA Board of Directors that he had authorized staff to reject all bids received.

CP&C re-advertised this work as Contract 1313R on August 25, 2020. The SFMTA received five bids on October 29, 2020. After receipt of bids, the Agency received several protests regarding bidders' qualifications to perform the work. It appeared that the bidders were unclear about the minimum qualifications in the contract documents. Additionally, while evaluating all the bids, the team performed a value engineering analysis on the project scope and functionality of the key elements, based on the most recent data. The value engineering effort resulted in a cost reduction of approximately 30% and schedule reduction of approximately 25%.

As a result, on January 27, 2021, the Director of Transportation notified the SFMTA Board of Directors that he had authorized staff to reject all bids received. The SFMTA issued the notification rejecting all Bids on the same day.

## **BIDS RECEIVED**

On June 22, 2021, the Director of Transportation reissued a bid call for the Project as Contract No. 1313R1.

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On August 12, 2021, the SFMTA received the following five bids:

| No. | Bidders                                 | Total Bid Price |
|-----|---|-----------------|
| 1   | NTK Construction, Inc.                  | \$24,778,253.00 |
| 2   | Mitchell Engineering                    | \$17,367,055.00 |
| 3   | Esquivel Grading and Paving, Inc.       | \$17,321,292.84 |
| 4   | JMB Construction, Inc.                  | \$16,269,609.00 |
| 5   | Bauman Landscape and Construction, Inc. | \$14,047,754.90 |

The engineer's estimate for the work was \$15,156,000.

On August 17, 2021 the SFMTA received a letter from Bauman Landscape & Construction, Inc. (Bauman), requesting to withdraw its bid due to several clerical errors in filling out the bid amount in the Schedule of Bid Prices. Public Contract Code (PCC) Section 5101 allows the awarding authority to consent for the bidder to be relieved of its bid on the ground of mistake provided that all the elements of PCC Section 5103 are satisfied.<sup>1</sup> On August 20, 2021, the SFMTA determined that Bauman's bid satisfied the requirements of PCC Sections 5101 and 5103. On August 20, 2021, the SFMTA granted Bauman's request to withdraw its.

The bid submitted by JMB Construction (JMB) was seven percent above the engineer's estimate. Staff concluded that although there is variation in some of the individual bid items, the SFMTA obtained a fair and reasonable price for the Project.

The time allotted to substantially complete construction of the Project is 550 days from the date of the written Notice to Proceed to Substantial Completion. The Contractor must complete all remaining work within 90 days from Substantial Completion, with the exception of the maintenance and plant establishment period. The Contractor will have to maintain the landscaping for 1,095 days after the City establishes the commencement of the maintenance period.

Bidders are required by the California Subletting and Subcontracting Fair Practices Act (Public Contract Code section 4104) to list all subcontractors that will perform more than one-half of one percent of the value of the Contract. JMB listed the following subcontractors:

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<sup>1</sup> The elements in Section 5103 are:

- (a) A mistake was made.
- (b) [The bidder] gave the public entity written notice within five working days, excluding Saturdays, Sundays, and state holidays, after the opening of the bids of the mistake, specifying in the notice in detail how the mistake occurred.
- (c) The mistake made the bid materially different than he or she intended it to be.
- (d) The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.

| <b>Subcontractor</b>          | <b>Status</b> | <b>Value</b> |
|-------------------------------|---------------|--------------|
| Ronan Construction, Inc.      | LBE           | \$485,704    |
| The Professional Tree Company |               | \$37,800     |
| Nor-Cal Pipeline Service      |               | \$1,420,558  |
| RK Engineering, Inc.          | LBE           | \$1,471,412  |
| Phoenix Electric Company      |               | \$2,220,660  |
| Bay Tech Engineering          | LBE           | \$1,813,240  |
| Reliance Engineering          | LBE           | \$155,000    |
| Hernandez Engineering         | LBE           | \$500,000    |
| Marina Landscape, Inc.        |               | \$481,700    |

The Contract Compliance Office reviewed the bid proposals and determined that JMB has made a commitment to achieve the 22% Local Business Enterprise (LBE) subcontracting participation goal established for this contract.

The Contract Compliance Office also confirmed that JMB has committed to meeting 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. The SFMTA's independent safety consultant evaluated the bidders' safety prequalification forms and prequalified all six potential bidders, including JMB, to be eligible to bid.

### **TRANSIT SERVICE IMPACT**

22 Fillmore trolleybus service will continue during construction.

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

### **STAKEHOLDER ENGAGEMENT**

SFMTA staff conducted extensive outreach on the Project TTRP proposals starting in 2015. Outreach that began in 2015 included the following:

- Over 10,000 mailers sent to residents on the corridor about open houses and surveys
- 3 public open houses prior to project approval
- Direct engagement with over 25 neighborhood groups
- Posters at bus stops to engage riders about the open houses and surveys

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- Door-to-door outreach to merchants along the corridor prior to approval
- Additional door-to-door outreach in 2018 to merchants to gauge loading needs
- Briefings with community organizations to discuss the project and prepare for construction
- Additional community open house focused on construction in spring 2019
- Regular email updates to the project email list and community groups in advance of construction
- Partnered with BRIDGE Housing and MHDC to win \$5 million Affordable Housing and Sustainable Communities Program grant to help fund construction of over 150 affordable units at 1950 Mission Street

Through these efforts, the SFMTA received considerable public input about the proposed enhancements. In general, the community noted support for implementation of transit-only lanes and improved pedestrian safety along the corridor.

Several stops were preserved due to community feedback, including Valencia and Dolores streets. Left turn restrictions were made part-time only at most locations due to concern from motorists.

Further public outreach will be scheduled both prior to and throughout the duration of construction to alert and engage communities within the Project area in multiple languages when needed. This will include door-to-door outreach to merchants, neighbors, and community-based organizations, and will include a variety of tactics in order to reach the widest base of people. These tactics will include a dedicated Project email and hotline; multilingual mailers, media ads, email alerts, flyers and multilingual posters along the corridor, merchant and neighborhood association presentations, and other methods based on future community feedback. Our goal is to inform the community about the Project, while educating them about the benefits of the Project components and provide dedicated outreach staff to help resolve construction-related concerns. SFMTA staff will continue District Supervisors briefings ahead of major milestones and continue to copy them on Project updates.

As part of SFMTA's Construction Mitigation Plan for the Project, Project staff are working with local businesses to help minimize construction impacts. In partnership with the Office of Economic and Workforce Development (OEWD) and a Small Business Working Group consisting of merchants representing the diverse needs of the corridor, the SFMTA is facilitating meetings to choose a marketing package that will help support small businesses and encourage foot traffic during construction. OEWD will also conduct door-to-door outreach to businesses on the corridor and provide one-on-one consulting services to merchants who request business support and/or technical assistance.

## **FUNDING IMPACT**

This contract is funded by several sources: 2014 Transportation and Road Improvement General Obligation Bond (2014 GO Bond), developer impact fees, SFPUC Wastewater General Obligation Bond funds, and the City's General Fund.

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Total approved funding for this project is \$67.3M. Of which approximately \$39M has already been spent on Phase I.

The budget and financial plan for this Project is presented in Enclosure 2.

## **ENVIRONMENTAL REVIEW**

The proposed construction of capital improvements as described in the Transit Effectiveness Program is subject to the California Environmental Quality Act (CEQA). The TEP Final Environmental Impact Report (TEP 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 the TTRP and Service-Related Capital Improvements, 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 also adopted a Mitigation Monitoring and Reporting Program.

In January 2016, the San Francisco Planning Department Environmental Planning Division reviewed proposed modifications to the TTRP.22 Expanded Alternative, referred to as the Modified Expanded Alternative. On January 8, 2016, the Planning Department issued a Note to File (TEP Checklist) to the TEP FEIR (Case Number 2011.0558E) for the proposed traffic signals, overhead wires, transit islands, and pedestrian and transit bulbs. On December 11, 2017, the Planning Department issued a Note to File (Case Number 2011.0558E) to the TEP FEIR for the proposed pedestrian improvements. Both Notes to File concluded that the proposed changes 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.

On November 28, 2017, the Planning Department determined (Case Number 2017-015444ENV) that the proposed 16<sup>th</sup> Street sewer work (SFPUC - 16th Street Sewer Main Replacement Project on 16th St. from Dolores St. to Missouri St.) is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15302.

The work under proposed Contract No. 1313R1 is within the scope of the TEP FEIR Notes to File and 2017 SFPUC - 16th Street Sewer Main Replacement Project on 16th St. from Dolores St. to Missouri St. Categorical Exemption.

Copies of the CEQA documents are on file with the Secretary to the SFMTA Board of Directors and are incorporated herein by reference.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney's Office has reviewed the calendar item. No other approvals are required.

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**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors award San Francisco Municipal Transportation Agency Contract No. 1313R1, 16<sup>th</sup> Street Improvement Project, to JMB Construction, Inc., to install traffic signals, overhead wires, pedestrian and transit bulbs, and to replace the sewer on 16<sup>th</sup> Street between Church Street and Potrero Street, in the amount of \$16,269,609, and for a term of 550 days to Substantial Completion.



SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, SFMTA Contract No. 1313R1, 16<sup>th</sup> Street Improvement Project (Project), is part of the SFMTA's Muni Forward Program (formerly, the Transit Effectiveness Program or TEP), with a goal of reducing travel times and enhancing reliability across the SFMTA's transit network; and,

WHEREAS, On June 22, 2021, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1313R1 in accordance with Board Resolution No. 191203-153, which delegated, among other things, the authority to issue bid calls to the Director of Transportation; and,

WHEREAS, On August 12, 2021, the SFMTA received and publicly opened five bids in response to its Invitation for Bids; and,

WHEREAS, The SFMTA determined that JMB Construction Inc., located at 132 South Maple Avenue, South San Francisco, CA 94080, is the responsible contractor that submitted the lowest responsive bid in the amount of \$16,269,609; and,

WHEREAS, The Contract Compliance Office reviewed the bid proposals and confirmed that JMB Construction, Inc., made a commitment to achieve the Local Business Enterprise (LBE) subcontracting goal of 22% established for this contract and will commit to meeting the nondiscrimination and equal employment requirements of the Contract; and,

WHEREAS, Funding for the construction services under this Contract comes from the 2014 Transportation and Road Improvement General Obligation Bond, developer impact fees, SFPUC Wastewater General Obligation Bond funds, and proceeds from San Francisco's General Fund; and,

WHEREAS, This Project was analyzed in the TEP Final Environmental Impact Report (TEP FEIR) certified by the San Francisco Planning Commission in Motion No. 19105 on March 27, 2014; and,

WHEREAS, Approval for traffic and parking modifications to implement various projects along the 22 Fillmore route included in the Service-Related Capital Improvements of the Muni Forward program relies on said TEP FEIR, and information pertaining to the TEP FEIR is set forth in SFMTA Resolution No 14-041, adopted on March 28, 2014, which is on file with the Secretary to the SFMTA Board of Directors and incorporated herein by reference; and,

WHEREAS, As part of Resolution No. 14-041, the SFMTA Board of Directors adopted findings under the California Environmental Quality Act (CEQA), the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, and also adopted a Mitigation Monitoring and Reporting Program (MMRP); these documents are on file with the Secretary to the SFMTA Board of Directors and are incorporated herein by reference as though fully set forth; and,

WHEREAS, The SFMTA Board concurs with the CEQA Finding, and the Statement of

Overriding Consideration, and most specifically as they relate to the 16<sup>th</sup> Street Improvement Project, as identified in Resolution No. 16-013, adopted by the SFMTA Board on January 19, 2016; and,

WHEREAS, On January 8, 2016, the Planning Department issued a Note to File (Case Number 2011.0558E) to the TEP FEIR for the proposed traffic signals, overhead wires, transit islands, and pedestrian and transit bulbs; and, on December 11, 2017, the Planning Department issued a Note to File (Case Number 2011.0558E) to the TEP FEIR for the proposed pedestrian improvements, concluding for both Notes to File that the proposed changes 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 November 28, 2017, the Planning Department determined (Case Number 2017-015444ENV) that the proposed 16<sup>th</sup> Street sewer work (SFPUC - 16th Street Sewer Main Replacement Project on 16th St. from Dolores St. to Missouri St.) is categorically exempt from CEQA as defined in Section 15302 of Title 14 of the California Code of Regulations; and

WHEREAS, The proposed Contract No.1313R1 is within the scope of the TEP FEIR Notes to File and 2017 SFPUC - 16th Street Sewer Main Replacement Project on 16th St. from Dolores St. to Missouri St. Categorical Exemption; and,

WHEREAS, Copies of all CEQA documents and determinations, including a subset of the TEP MMRP pertinent to the Project, are on file with the Secretary to the SFMTA Board of Directors, and are 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 California Environmental Quality Act findings contained in Resolution No. 14-041, including the Statement of Overriding Considerations, by this reference thereto as though fully set forth, and be it further

RESOLVED, That SFMTA Board of Directors awards San Francisco Municipal Transportation Agency Contract No. 1313R1, 16<sup>th</sup> Street improvement Project, to JMB Construction, Inc., to install traffic signals, overhead wires, pedestrian and transit bulbs, and to replace the sewer on 16<sup>th</sup> Street between Church Street and Potrero Streets, in the amount of \$16,269,609, and for a term of 550 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 19, 2021.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

ENCLOSURE 2

16<sup>th</sup> Street Improvement Project

San Francisco Municipal Transportation Agency, Contract No. 1313R1,

Project Budget and Financial Plan

| Cost  | Amount              |
|---|---------------------|
| Detail Design Phase<br>Staff Support (SFMTA and Other City Services)        | \$5,000,000         |
| Construction Phase<br>Construction Contract, Contingency, and Staff Support | \$62,373,604        |
| <b>Total Cost</b>   | <b>\$67,373,604</b> |

| Funding   | Amount            |
|---|-------------------|
| Cap & Trade Grant   | 2,500,000         |
| General Fund Subsidy (Population Based Baseline)            | 6,861,494         |
| Transportation and Road Improvement General Obligation Bond | 33,225,319        |
| Development Impact Fees                                     | 16,985,528        |
| SFMTA Operating   | 2,200,892         |
| Sales Tax (Prop K) Funding                                  | 5,600,371         |
| <b>Grand Total</b>  | <b>67,373,604</b> |