

THIS PRINT COVERS CALENDAR ITEM NO. : 13

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Capital Programs and Construction

BRIEF DESCRIPTION:

Awarding SFMTA Contract No. 1306, L Taraval Improvement Project - SF Zoo to Sunset Boulevard, to NTK Construction, Inc., as the lowest responsive and responsible bidder, to construct capital improvements along the L Taraval corridor between SF Zoo and Sunset Boulevard, in an amount not to exceed \$29,039,357, and for a term of 600 days to substantial completion.

SUMMARY:



- Under this project the Contractor will install new transit islands and pedestrian bulb-outs and will upgrade existing track, overhead wire, sewer and water line infrastructure.
- On January 10, 2019, the SFMTA received and publicly opened five bids for Contract No. 1306. NTK Construction, Inc., was the responsible bidder that submitted the lowest responsive bid for \$29,039,357, which was 28% below the Engineer's estimate of \$40,499,699.
- The proposed action is the Approval Action under SF Administrative Code Chapter 31.

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 for Modified Expanded TTRP.L https://sfmta.sharepoint.com/:w:/r/sites/projects/TransitPlanning/layouts/15/Doc.aspx?source=doc=%7B24421B9F-766D-4743-8838-AF8E49872674%7D&file=TEP%20CEQA%20-%20MMRP_revised%20for%20TTRP.L.docx&action=default&mobileredirect=true

APPROVALS:

DATE

DIRECTOR		February 25, 2019
SECRETARY		February 25, 2019

ASSIGNED SFMTAB CALENDAR DATE: March, 5, 2019

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PURPOSE

The purpose of this calendar item is to award SFMTA Contract No. 1306, L Taraval Improvement Project - SF Zoo to Sunset Boulevard, to NTK Construction, Inc., as the lowest responsive and responsible bidder, to construct capital improvements along the L Taraval corridor between SF Zoo and Sunset Boulevard, in an amount not to exceed \$29,039,357, and for a term of 600 days to substantial completion.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The work to be performed under Contract No. 1306 supports the following SFMTA Strategic Plan Goals and Objectives:

- 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 transportation 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 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. 1306 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 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

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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 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.

This L Taraval Improvement Project (Project) is part of the SFMTA’s Muni Forward Program formerly known as 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.

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.

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

SFMTA Contract No. 1306 is the first of two contracts for improvements in the L Taraval corridor. The second contract will include improvements from Sunset Boulevard to West Portal Station and is expected to be advertised in 2019.

BIDS RECEIVED

On September 30, 2018, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1306 in accordance with Board Resolution No. 09-191, which delegated, among other things, the authority to issue bid calls to the Director of Transportation.

On January 10, 2019, the SFMTA received and publicly opened the following five bids:

No.	Bidders	Total Bid Price
1	Balfour-Beatty Infrastructure, Inc.	\$37,719,695.50
2	Proven Management, Inc	\$39,477,777.00
3	NTK Construction, Inc.	\$29,039,357.00
4	Con-Quest Contractors, Inc.	\$32,244,606.00

5	Mitchell Engineering1	\$31,031,658.00
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The engineer’s estimate for the work was \$40,499,699. The bid submitted by NTK Construction, Inc. (NTK) is 28 percent below the engineer’s estimate. While all bids are lower than the engineer’s estimate, three out of five bidders are in a similar range as the low bidder. In addition, NTK will self-perform track installation and water replacement work, which may account for its lower bid. Staff believes that the SFMTA has obtained a fair and reasonable price.

The time allotted to substantially complete construction of the Project is 600 days from the date of the written Notice to Proceed. The Contractor shall complete all remaining work within 90 days from substantial completion, with the exception of ongoing maintenance and landscaping work.

NTK’s Subcontractors List included, Empire Engineering & Construction, Inc. (Empire), an African American Disadvantaged Business Enterprise (DBE). Empire has been suspended by the U.S. Small Business Administration from federal contracting and is ineligible to work on federally funded contracts. Empire’s participation in this contract was meant to contribute to the African American DBE goal of 5% for this contract.

Since NTK had reasonably relied on the California Unified Certification Database (the California DBE database), which listed Empire as a viable DBE certified firm, the SFMTA allowed NTK to substitute Empire with a subcontractor eligible to participate in federally assisted contracts. NTK Construction, Inc. submitted supplemental documents to substitute Empire with On the Level Concrete to perform the same scope of work. Following is a listing of subcontractors participating in this contract.

Subcontractor	Status	Value
Phoenix Electric Co.	SBE	\$5,525,000
Priority Graphics	DBE	\$49,250
Reliance Engineering	SBE	\$1,978,010
Bauman Landscape	SBE	\$1,405,666
On The Level Concrete	DBE	\$1,583,638
TLK Steel	SBE	\$188,000
CMC Traffic	DBE	\$930,000
F. Ferrando & Company	DBE	\$493,900
Aileen Barr	N/A	\$82,060
F3+Associates	N/A	\$208,280
C.F. Archibald	N/A	\$486,125
Sanex n Water	N/A	\$259,075

1 The SFMTA determined that Mitchell Engineering’s bid was non-responsive due to its failure to price every item on the Schedule of Bid Prices. The SFMTA notified Mitchell Engineering on January 14, 2019 that its bid was rejected.

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On January 24, 2019, CCO determined that NTK Construction, Inc. met the Small Business Enterprise (SBE)/ Disadvantaged Business Enterprise (DBE) subcontracting participation goals of 10% SBE, 5% African American-Owned DBE and 5% Women-Owned DBE established for this Contract. The Contract Compliance Office also confirmed that NTK Construction, Inc. has committed to meet the Non-discrimination Equal Employment Requirements of the contract and is in compliance with the City's Equal Benefits ordinance.

BIDDER'S SAFETY RECORD

Under the Contract, the lowest responsive and responsible bidder must meet the following requirements to demonstrate a satisfactory record of health and safety to qualify for award of the Contract.

1. In the past three years, the contractor is required to have an average workers' compensation experience modification rate (EMR) of 1.0 or less; and
2. The contractor shall not have a finding of more than a certain number of "serious," "willful," "repeat," or "serious and willful" health or safety violations/penalties from the State of California Occupational Safety and Health Administration (OSHA) or Federal OSHA based on the following:
 - a. If contractor's average gross revenue for the past three years is above \$50 million, the contractor shall not have six or more "serious," "willful," "repeat," or "serious and willful" health or safety violations/penalties from OSHA.
 - b. If contractor's average gross revenue for the past three years is below \$50 million, the contractor shall not have three or more "serious," "willful," "repeat," or "serious and willful" health or safety violations/penalties from OSHA.

The SFMTA researched NTK's health and safety record and verified that: (1) NTK Construction, Inc.'s EMR for the past three years is 0.72; and (2) it did not have any health or safety violations/penalties in the past three years from OSHA. As a result, NTK Construction, Inc. satisfied the health and safety requirements, and is deemed responsible on that basis for award of this Contract.

TRANSIT SERVICE IMPACT

L Taraval service will continue during construction. Shuttle buses will serve the end of the line between the SF Zoo and Sunset Boulevard for approximately six months while infrastructure is replaced in that area. 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.

More recently, an 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. This survey was also available online and will inform final aesthetic designs in the coming months.

FUNDING IMPACT

The cost of this Project is \$58.7 M, including \$29.0 M for this Contract. This Contract is funded by several sources: 2014 Transportation and Road Improvement General Obligation Bond (2014 GO Bond), SFPUC Wastewater Revenue Bond, SFPUC Water General Obligation Bond, FTA State of Good Repair funds, and the City's General Fund.

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

ENVIRONMENTAL REVIEW

The capital improvements and construction activities described in this staff report are subject to the

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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 Municipal Railway routes. 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 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 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.

The proposed sewer and water actions constitute the Approval Action as defined by S. F.

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Administrative Code Chapter 31.

Copies of the above CEQA determinations are on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

No other approvals are required.

The City Attorney's Office has reviewed the calendar item.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors award SFMTA Contract No. 1306, L Taraval Improvement Project - SF Zoo to Sunset Boulevard, to NTK Construction, Inc., as the lowest responsive and responsible bidder, to construct capital improvements in the L Taraval corridor in an amount not to exceed \$29,039,357, and for a term of 600 days to substantial completion.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, SFMTA Contract No. 1306, L Taraval Improvement Project - SF Zoo to Sunset Boulevard, the first construction segment of the L Taraval Rapid Project (the Project), is part of 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 Transit Effectiveness Program report identified a variety of Travel Time Reduction Proposals, drawing from the Transit Preferential Streets Toolkit, which includes engineering strategies oriented to specifically address the delays transit vehicles experience along rapid routes; and,

WHEREAS, On September 30, 2018, the Director of Transportation notified the SFMTA Board of Directors that he had authorized a bid call for Contract No. 1306 in accordance with Board Resolution No. 09-191, which delegated, among other things, the authority to issue bid calls to the Director of Transportation; and,

WHEREAS, On January 10, 2019, the SFMTA received and publicly opened five bids in response to its Invitation for Bids; and,

WHEREAS, The SFMTA determined that NTK Construction, Inc., located at 501 Cesar Chavez Street, Suite 115, San Francisco, CA 94124, is the responsible contractor that submitted the lowest responsive bid of \$29,039,357; and,

WHEREAS, The Contract Compliance Office (CCO) reviewed and determined that NTK Construction, Inc., met the required commitment by listing subcontractors to meet the 10% Small Business Enterprise, 5% African American-Owned and 5% Women-Owned Business subcontracting participation goals established for this contract; the CCO also confirmed that NTK Construction, Inc., has committed to meet the Non-discrimination 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 2014 Transportation and Road Improvement General Obligations Bond, SFPUC Wastewater Revenue Bond, SFPUC Water General Obligation Bond, State of Good Repair funds from the Federal Transit Administration, and the General Fund of the City and County of San Francisco; and,

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; 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) is 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, The proposed action for the sewer and water work is the Approval Action as defined by S. F. Administrative Code Chapter 31; and,

WHEREAS, Copies of all California Environmental Quality Act documents and determinations, including a subset of the Transit Effectiveness Program Mitigation Monitoring and Reporting Program pertinent to the project, is on file with the Secretary to the SFMTA Board of Directors, 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. 1306, L Taraval Improvement Project - SF Zoo to Sunset Boulevard, to NTK Construction, Inc., as the lowest responsive and responsible bidder, to construct capital improvements along the L Taraval corridor between SF Zoo and Sunset Boulevard, in an amount not to exceed \$29,039,357, and for a term of 600 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 March 5, 2019.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

ENCLOSURE 2

L Taraval Improvement Project - SF Zoo to Sunset Boulevard

San Francisco Municipal Transportation Agency, Contract No. 1303R,

Project Budget and Financial Plan

Cost	Amount
Detail Design Phase Staff Support (SFMTA and Other City Services)	\$3,137,511
Construction Phase Construction Contract, Contingency, and Staff Support	\$50,707,424
Total Cost	\$58,681,143

Funding	Amount
GO Bond (Prop A) Series 2015	\$ 1,677,814
GO Bond (Prop A) Series 2018	\$ 8,505,723
GO Bond (Prop A) Series 2020	\$ 11,447,353
FTA-5337-FG-FY18	\$ 3,750,000
Population Based FY19	\$2,288,676
Revenue Bond Interest-Series 2013	\$1,519,335
Revenue Bond Interest-Series 2012	\$ 366,427
FTA-5337-FG-FY18	\$ 10,002,337
SFPUC Water General Obligation Bond	\$ 10,639,659
SFPUC Wastewater Revenue Bond	\$ 8,250,000
General Fund	\$ 200,000
Total Funding	\$ 58,681,143