



Agenda Item No. (3)

To: Building and Operating Committee/Committee of the Whole Meeting of March 21, 2024

From: John R. Eberle, Deputy District Engineer  
Ewa Z. Bauer-Furbush, District Engineer  
Denis J. Mulligan, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO AWARD OF CONTRACT NO. 2023-BT-072, SAN RAFAEL BUS FACILITY PARKING LOT IMPROVEMENTS AND SOLAR PANEL INSTALLATION, TO GHILOTTI BROS., INC**

### **Recommendation**

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2023-BT-072, *San Rafael Bus Facility Parking Lot Improvements and Solar Panel Installation*, as follows:

1. Approve award of Contract No. 2023-BT-072, to Ghilotti Bros., Inc, of San Rafael, CA, in the amount of \$9,199,199;
2. Establish a construction contingency for Contract No. 2023-BT-072 in the amount of \$919,919 equal to 10% of the contract award amount; and,
3. Authorize an increase in the amount of \$7,025,618 in the FY 23/24 Bus Division Capital Budget for Project #1431, *D1 Resurface Employee Parking Lot and Solar Panels*, for a revised total project budget of \$12,155,618.

This matter will be presented to the Finance-Auditing Committee at its March 21, 2024, meeting for concurrence, and to the Board of Directors at its March 22, 2024, meeting for appropriate action.

### **Summary**

The Golden Gate Bridge, Highway and Transportation District's (District) Bus Division operates commuter bus service out of four (4) dispatch, parking, and maintenance facilities, namely, the San Rafael Bus Facility (D1), the Novato Bus Facility (D2), the Santa Rosa Bus Facility (D3) and the San Francisco Bus Facility (D4).

The San Rafael Facility is the District's primary bus facility where the majority of the bus maintenance activities occur and where many of the District's administrative staff work. In addition to the main bus lot, the facility includes an employee parking lot and a visitor parking lot.

The construction of the employee and visitor parking lots in 1969 involved the placing of approximately 7-foot-deep fill over 50-foot-deep compressible Bay Mud. The lots were last paved in 1991. Since then, the soft undelaying ground has caused settlement to occur throughout the parking lots resulting in extensive damage to the pavement. Engineering staff has determined that the existing asphalt concrete surfacing is at the end of its useful life and should be replaced.

In addition to the pavement replacement design, an investigation of the feasibility of installing a photovoltaic (solar) system on a carport structure over the employee parking lot was performed. The investigation determined that a solar carport at the employee parking lot could provide enough power to offset the power usage at the San Rafael Bus facility and provide for employee electric vehicle charging and limited electric bus charging. A solar carport system was then added to the employee parking lot improvement project.

The District developed a construction contract, Contract No. 2023-BT-072, *San Rafael Bus Facility Parking Lot Improvements and Solar Panel Installation*. The project scope involves, in general, the following:

- Removing the existing asphalt concrete surfacing in both the visitor parking lot and the employee parking lot and placing new hot mix asphalt pavement;
- Constructing new drainage facilities;
- Installing new pavement striping and delineation in both lots;
- Constructing an ADA compliant concrete walkway from the visitor parking lot to the Administration Building;
- Constructing concrete sidewalks, curbs and gutters;
- Constructing a new solar panel carport system, including cast-in-drilled hole piling, steel framing, and solar panels, in the employee parking lot;
- Providing new LED lighting in the employee parking lot;
- Installing electric vehicle charging stations in the employee parking lot;
- Installing six electric bus charging stations;
- Removing the existing PG&E supplied transformer located inside the bus parking lot and installing a new transformer at the employee parking lot;
- Constructing new power supply from PG&E service line to the new transformer, and new distribution lines throughout the site; and,
- Constructing new electrical, water and sewer infrastructure for a future modular office.

The construction will include weekend and extended-shift and night-shift work schedules to minimize impacts to Bus operations.

On January 9, 2024, the bid solicitation documents were posted on Bonfire, the District's public procurement portal. In addition, the solicitation was advertised several times in the Marin Independent Journal and the Small Business Exchange. A courtesy message notifying disadvantaged and small businesses was sent to approximately 492 email addresses. Eighteen firms downloaded the solicitation documents from the District's procurement portal. On the bid opening date of February 15, 2024, two (2) bids were received, opened, and publicly read:

|    | <u>COMPANY</u>                              | <u>TOTAL BID PRICE</u> |
|----|---|------------------------|
| 1. | Ghilotti Bros., Inc,<br>San Rafael, CA      | \$9,199,199.00         |
| 2. | Maggiora & Ghilotti, Inc,<br>San Rafael, CA | \$9,362,140.00         |

The Engineering staff, the District's Disadvantaged Business Enterprise (DBE) Program Office and District's Attorney evaluated the bid proposals based upon the criteria that was specified in the bid solicitation.

The two construction bid proposals are within 2% of each other but they are substantially exceeding the original engineer's estimate that was used to establish the original project budget. Engineering staff analyzed pricing included in both bids and compared the bids to the engineer's estimate and to pricing of recent Caltrans projects. Engineering staff also reached out to a number of firms that downloaded the bid solicitation documents but did not submit a bid and found that various business reasons accounted for the lack of a bid submission, including project location being far from their main office and yard; already having projects scheduled to be starting this summer and not having resources that can be assigned to this project; and, difficulties receiving bids from subcontractors. None of the reasons provided were related to the specifications being too restrictive or limiting competition. Staff determined that the complexities associated with the new solar carports, including power distribution, the difficult geotechnical site conditions with high groundwater, the requirements of weekend and extended and night-shift work schedules, and the inflationary pressures of the current local construction market conditions are the reasons of the much higher bid pricing. Staff has determined that Ghilotti Bros., Inc.'s pricing reflects the current market conditions and is fair and reasonable.

A Small Business Enterprise (SBE) contract-specific goal of 22% was established for this contract. Bidders were required to document their activities in the solicitation and selection process of subcontractors, subconsultants, and suppliers to ensure that this process was carried out in a nondiscriminatory manner. The DBE Program Office has determined that Ghilotti Bros., Inc., fell short of meeting the 22% SBE goal; however, Ghilotti Bros., Inc., provided sufficient good faith efforts to actively solicit DBE/SBE subcontractors and suppliers in a nondiscriminatory manner. In accordance with Title 49 Code of Federal Regulations, Part 26, a bidder must not be denied a contract award if adequate good faith efforts have been documented. At this time, SBE participation of approximately 6.53%, including 3.77% DBE participation is anticipated during the performance of this contract.

The Engineering staff and Attorney reviewed the bid proposals for completeness and conformance with the bid solicitation requirements and determined that Ghilotti Bros., Inc., with a bid price of \$9,199,199, is the lowest responsive and responsible bidder. Staff recommends award of Contract No. 2023-BT-072 to Ghilotti Bros., Inc.

It is recommended that a contingency in an amount of \$919,919, or 10% of the construction contract's total price, be established for Contract No. 2023-BT-072 considering possibility of unforeseen circumstances arising during construction of this Project.

Engineering staff has performed an analysis of the level of effort necessary for staff to perform construction management and administration during the project construction and have estimated that the project’s staff budget should be increased by \$1,300,000 (labor, fringe and indirect costs).

**Fiscal Impact**

Project #1431, *D1 Resurface Employee Parking Lot and Solar Panels* is included in the FY 23/24 Bus Division Capital Budget in the amount of \$5,130,000 and is 80% Federal Transit Administration (FTA) funded and 20% District-funded.

The proposed actions relative to the award of construction Contract No. 2023-BT-072 would result in a \$7,025,618 increase to the total project budget as shown in Table 1 below. The revised total project budget of \$12,155,618 will be 80% FTA-funded and 20% District-funded.

**TABLE 1: PROJECT BUDGET – #1431, D1 Resurface Employee Parking Lot and Solar Panels**

| <b>DESCRIPTION</b>                                      | <b>CURRENT PROJECT BUDGET</b> | <b>PROPOSED ADJUSTMENT</b> | <b>TOTAL PROPOSED PROJECT BUDGET</b> |
|---|-------------------------------|----------------------------|--------------------------------------|
| <b>District Staff Labor/Fringe</b>                      | \$396,500                     | \$850,000                  | \$1,246,500                          |
| <b>Indirect Costs</b>                                   | \$210,000                     | \$450,000                  | \$660,000                            |
| <b>General Project Expenditures</b>                     | \$3,500                       | \$1,500                    | \$5,000                              |
| <b>Printing &amp; Advertising</b>                       | \$7,000                       | \$0                        | \$7,000                              |
| <b>Prelim Invest/Design Consultant</b>                  | \$28,000                      | \$0                        | \$28,000                             |
| <b>Permit and Fees (PG&amp;E)</b>                       | \$60,000                      | \$0                        | \$60,000                             |
| <b>Prime Construction Contract</b>                      | \$4,000,000                   | \$5,199,199                | \$9,199,199                          |
| <b>Prime Construction Contract Contingency (10%)</b>    | \$400,000                     | \$519,919                  | \$919,919                            |
| <b>Construction Engineering (Electrical Consultant)</b> | \$10,000                      | \$0                        | \$10,000                             |
| <b>Material Testing Services (Consultant)</b>           | \$15,000                      | \$5,000                    | \$20,000                             |
| <b>TOTAL</b>  | <b>\$5,130,000</b>            | <b>\$7,025,618</b>         | <b>\$12,155,618</b>                  |