



Agenda Item No. 2

To: Building and Operation Committee/Committee of the Whole
Meeting of May 22, 2008

From: Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia G. Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HDR ENGINEERING, INC., RELATIVE TO REQUEST FOR PROPOSAL NO. 2006-B-3, GOLDEN GATE BRIDGE SEISMIC RETROFIT PHASE IIIA, ENGINEERING SUPPORT SERVICES**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Request for Proposal No. 2006-B-3, *Golden Gate Bridge Seismic Retrofit Phase IIIA Engineering Support Services*:

1. Approve a finding of public interest and authorize execution of a Professional Service Agreement with HDR Engineering, Inc., Walnut Creek, CA, as the only qualified firm to perform the services in light of HDR's responsibility for the design of Phase IIIA and its unique capacity to assure that the construction conforms to the overall structural integrity of the design, and find that it is in the District's best interest to waive a competitive procurement of these services;
2. Authorize the General Manager to execute a Professional Service Agreement with HDR Engineering, Inc., Walnut Creek, CA, in an amount not to exceed \$3,300,000, subject to the District receiving approval from the Federal Highway Administration and California Department of Transportation's approvals of the agreement; and,
3. Authorize a contingency fund for Contract No. 2006-B-3 in an amount of \$400,000,

with the understanding that sufficient funds are available in the Phase IIIA Project budget to finance this cost.

Summary

The Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon, Project involves construction of seismic retrofit measures at the North Anchorage Housing and North Pylon, such as strengthening the North Anchorage Housing and North Pylon foundations

and external walls; strengthening the North Anchorage Housing internal concrete frame system; replacing, under continuous traffic, the Anchorage Housing concrete roof that serves also as a bridge roadway and sidewalks; and performing various modifications to utilities.

The Phase IIIA Project is federally funded and the District follows the rules and procedures set forth in the California Department of Transportation (Caltrans) Local Assistance Procedures Manual for federally assisted projects. Hence, the District prepared and obtained Federal Highway Administration and Caltrans' approvals of the Phase IIIA Construction Contract Administration Plan. The Plan states that administration and management of the Phase IIIA construction by the District will require, consistent with Caltrans' practice, engagement of the Phase IIIA design consultant to review, check, and indicate approval status for Contractor's technical submittals, working drawings, structural steel shop drawings, and requests for substitution and alternative construction schemes; to provide written responses to Contractor Requests for Information regarding the design; to provide recommendations for the resolution of structural detail issues during construction and, if required, to prepare plans and specifications for construction Contract Change Orders covering changes to the structural details.

FHWA regulations, reflected in Caltrans' Local Assistance consultant contract procurement procedures, allow award of a non-competitively procured, negotiated Professional Services Agreement (PSA) after a finding of public interest determination of such award is made provided that at least one of the three special conditions exists as follows:

- One firm being the only qualified firm,
- Emergencies of such magnitude that do not permit delay, or
- Inadequate competition.

The District's Procurement Manual also allows the competitive procurement requirements to be waived when the Board determines it is in the best interests of the District.

The District commissioned HDR Engineering, Inc., to prepare the structural analyses, design plans, and technical specifications for the Golden Gate Bridge Seismic Retrofit Phase IIIA Project in June 2004 after an extensive competitive consultant selection process. The consultant staff is uniquely qualified, as the engineers who performed the structural analyses and calculations and developed the structural details and specifications for Phase IIIA, to assure that contractor's submittals conform to the design and are consistent with the supporting structural calculations so that the contractor does not violate the overall structural integrity of the design.

Accordingly, staff recommends that the Board approve a finding of public interest to award the PSA for the Phase IIIA Engineering Support Services to the Phase IIIA design consultant, HDR Engineering, Inc., as the only firm uniquely qualified and capable to perform the scope of work and find that it is in the best interests of the District to waive a competitive procurement of these services.

The Board of Directors, at its March 28, 2008, meeting awarded the contract to construct the Phase IIIA Project, Contract No. 2006-B-1, to Shimmick/Obayashi JV in the amount of \$82,320,672. The construction contract time is three years. By the same resolution, the Board approved the total Phase IIIA project budget of \$119,231,219, which includes the estimated cost of the consultant services.

On April 18, 2008, the District issued a Request for Proposal No. 2006-B-3, *Golden Gate Bridge Seismic Retrofit Phase IIIA Engineering Support Services*, to HDR Engineering, Inc. The District received the HDR's scope of work and cost proposal on April 29, 2008. The District staff negotiated with HDR a not-to-exceed \$3,300,000 cost of the services for the agreed to scope of services. Staff has determined that this not-to-exceed price is reasonable based on the historic scope of work and cost data for engineering support services provided by consultants for Phase II of the Seismic Retrofit Project and Caltrans' seismic retrofit projects of other toll bridges. The consultant will be compensated for actual time expended and expenses incurred plus a fixed fee not to exceed the authorized amount. Consultant's labor rates, overhead and fixed fee will be audited by Caltrans prior to the award as indicated below.

No contract-specific DBE goal was established for this PSA. However, consultants were strongly encouraged to obtain DBE participation. The DBE Program Administrator has determined that HDR Engineering, Inc., has complied with the DBE requirements applicable to the PSA. At this time, a 44% DBE participation is anticipated during the performance of these services.

It is proposed that the General Manager will be given authority to award the PSA to HDR Engineering, Inc., immediately upon receiving FHWA and Caltrans' approvals of the agreement to allow for timely engagement of the consultant. In accordance with FHWA and Caltrans requirements for Federal aid fund participation, consultants' proposals must be audited prior to execution of contracts for professional services to verify that the consultants' accounting systems, rates, knowledge of FHWA's cost eligibility, documentation requirements and proposed contract language are satisfactory. The audits and resolution of audit findings are prerequisites for FHWA and Caltrans' approvals of consultant services contracts. The District has requested that Caltrans Office of External Audits and Investigations perform a pre-award audit of the HDR proposal. It is anticipated that the Notice to Proceed with the construction will be issued to the contractor in June 2008. It is also anticipated that the pre-award audit will be completed prior to the start of construction. Assistance of the Engineering Support consultant will be needed immediately upon the issuance of the Notice to Proceed to the contractor.

Staff also recommends that the PSA contingency reserve in the amount of \$400,000 be established for any additional or changed scope that may develop while work proceeds.

Fiscal Impact

The Board of Directors, at its March 28, 2008, meeting approved the total Phase IIIA project budget of \$119,231,219 (to be financed with \$112,447,958 of federal funds and \$6,783,261 of District reserves) and amended the Fiscal Year 2007/2008 Bridge Capital Expenditures Budget to reflect the approved Phase IIIA Project budget. The total not-to-exceed cost of the Engineering Support PSA for Phase IIIA, including the PSA contingency reserve, is 3,700,000. Sufficient funds are available in the Phase IIIA Project budget to finance this cost.