



Agenda Item No. (5)

To: Building and Operating Committee/Committee of the Whole
Meeting of June 23, 2022

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. 2022-F-083, LARKSPUR FERRY TERMINAL BERTHS AND CHANNEL MAINTENANCE DREDGING, TO MANSON CONSTRUCTION, INC.**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to award of Contract No. 2022-F-083, *Larkspur Ferry Terminal Berths and Channel Maintenance Dredging*, as follows:

1. Approve award of Contract No. 2022-F-083 to Manson Construction, Inc., of Seattle, WA, in the amount of \$13,975,500, with the Contract to be executed on or after July 1, 2022, which is consistent with Project #2340, *Larkspur Ferry Terminal Berth and Channel Dredging – Construction* being budgeted in Fiscal Year 2022/23;
2. Establish a construction contingency for Contract No. 2022-F-083 in the amount of \$2,096,325 equal to 15% of the contract award amount; and,
3. Authorize a budget adjustment to reduce Project #2340, *Larkspur Ferry Terminal Berth and Channel Dredging – Construction* project budget from \$23.5 million to \$17.9 million in the proposed FY 22/23 Ferry Division Capital Budget.

This matter will be presented to the Finance Committee at its June 23, 2022, meeting for concurrence and to the Board of Directors at the June 24, 2022, meeting for appropriate actions.

Summary

The Golden Gate Bridge, Highway and Transportation District (District) operates Golden Gate Ferry on four ferry routes connecting Marin County and the City and County of San Francisco: the San Francisco/Larkspur route to central Marin County, the San Francisco/Sausalito route to southern Marin County, the San Francisco/Tiburon route to central Marin County and the San Francisco/Angel Island route.

The Larkspur Ferry Terminal is located at 101 East Sir Francis Drake Blvd, Larkspur, at the terminus of the Corte Madera Creek. The Larkspur Ferry Terminal berths, turning basin and navigational channel require periodic maintenance dredging to remove sediments that accumulate in the waterway from natural sedimentation processes associated with runoff from the adjacent Corte Madera Creek and wave action in the adjacent tidal flats and the San Francisco Bay. The four berths, turning basin and two-mile-long navigation channel were last dredged in 2015. In September 2021, the District performed a bathometric survey of the waterway and staff determined that the extent of sediment accumulation necessitated performing maintenance dredging during the 2022 dredging season. Contract No. 2022-F-083, *Larkspur Ferry Terminal Berths and Channel Maintenance Dredging*, will include maintenance dredging of the four berths, the turning basin, and the navigational channel at the Larkspur Ferry Terminal and disposal of the dredge material at in-bay disposal locations and at permitted upland beneficial re-use locations.

The construction contract, Contract No. 2022-F-083, was advertised for bids on April 12, 2022. The project advertisement was posted three times in two (2) newspapers, three times on the builder's exchange, and was emailed to 431 Small Business Enterprise (SBE) firms. Eighteen (18) firms downloaded the bid package from the District's procurement portal. On May 3, 2022, a pre-bid conference was held at the Larkspur Ferry Terminal. On June 1, 2022, the following bids were received, opened and publicly read:

<u>COMPANY</u>	<u>TOTAL BID PRICE</u>
1. Lind Marine San Rafael, CA (*corrected \$10,906,120)	\$10,898,768*
2. Manson Construction, Inc. Seattle, WA	\$13,975,500
3. The Dutra Group San Rafael, CA	\$16,868,840

The Engineering staff, Disadvantaged Business Enterprise (DBE) Program Administrator and Attorney have evaluated the bids.

Engineering staff reviewed the bid proposals for completeness and conformance with the bid solicitation requirements and determined that the apparent low bidder, Lind Marine's proposal did not contain all the information required by the bid solicitation. The bid solicitation required that the Bidder retain an Independent Surveyor to perform the Monthly Payment Surveys, as described in Technical Specifications Section 3, Hydrographic Surveys, Part 1.02, C. The Independent Surveyor is also defined in the bid documents as, "A California-registered, third-party hydrographic surveyor that is hired by the Contractor, but whose organization, equipment, and crew are separate from the Contractor's" (Technical Specifications Section 1, Part 1.04, J).

The purpose of the bid solicitation requirement that an Independent Surveyor perform these hydrographic surveys is to ensure the neutrality of the results, avoid any potential conflict of interest from the District or from the Contractor related to the measurement of volumes for

payment, meeting the minimum Required Dredge Elevation and not exceeding the maximum allowable elevation allowed by the regulatory agencies.

Lind Marine did not list an Independent Surveyor and stated in its bid proposal that it intended to perform the surveys with its own personnel. Engineering staff and the Attorney determined that Lind Marine was not responsive to the bid solicitation.

Engineering staff reviewed the two other bid proposals for completeness and conformance with the bid solicitation requirements and determined that they both comply with the requirements.

An SBE contract-specific goal of 2.1% 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 Administrator has determined that Manson Construction, Inc., the 2nd low bidder, has complied with the DBE/SBE Program requirements applicable to this contract. Manson Construction, Inc., is not a DBE or SBE, but has committed to subcontract with another SBE firm. At this time, SBE participation of approximately 13.8% is anticipated during the performance of this contract.

Engineering staff and its design consultant performed a cost analysis of the bid from Manson Construction, Inc., comparing the bid pricing to the engineer's estimate and to previous dredging projects with similar work. All three bids are below the engineer's estimate and Engineering staff has determined that Manson Construction, Inc.'s pricing for the work is fair and reasonable. The Engineering staff and District's Attorney determined that Manson Construction, Inc., with a bid price of \$13,975,500, is the lowest responsive and responsible bidder and recommends award of Contract No. 2022-F-083 to Manson Construction, Inc.

It is recommended that a contingency in an amount of \$2,096,325, or 15% of the construction contract's total price, be established for Contract No. 2022-F-083 to account for uncertainties in the amount of sediment volume present in the channel which may need to be removed in order to achieve the depths necessary to maintain ferry operations.

Fiscal Impact

Project #2340, *Larkspur Ferry Terminal Berth and Channel Dredging – Construction*, is currently included in the proposed FY 22/23 Ferry Transit Division Capital Budget in the amount of \$23,500,000 and is funded with \$18,800,000 Federal Transit Administration (FTA) grant funds and \$4,700,000 District funds (80% FTA/20% District).

Staff recommends reducing the Project #2340 budget to \$17,900,000, funded with \$14,320,000 in federal funds (80% FTA) and \$3,580,000 in District funds (20% District). The cost savings from the remaining \$5,600,000 may be redirected to other eligible projects.

The detailed budget for this Project is as follows:

<u>PROJECT BUDGET ITEM</u>	<u>COST</u>
Construction	
Construction Contract No. 2022-F-083	\$13,975,500
Construction Contract Contingency (15%)	2,096,325
Construction Administration – District Staff	580,000
Indirect Costs (ICAP) District Staff – Estimated	250,000
Engineering Support Services During Construction – Consultant	156,530
General Project Expenditures	100,000
Environmental Compliance	50,000
In-Bay Sediment Disposal Fees (Water Board)	150,000
Other Sediment Disposal Fees	400,000
Project Reserves	141,645
TOTAL BUDGET	\$17,900,000