

**STAFF REPORT FOR CALENDAR ITEM NO.: 9  
FOR THE MEETING OF: December 10, 2015**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Amending Contract No. 08-04-CMGC-000, authorizing Webcor/Obayashi Joint Venture (the CM/GC) to modify the Trade Work Subcontract with Architectural Design & Signs, Inc. (ADS), for TG17.1: Signage/Graphics/Directory Systems Design-Build Services (TG17.1) in an amount of \$4,553,729, thereby increasing authorized Direct Costs by \$4,553,729 and increasing the authorized Construction Services Fixed Fee by \$159,381, under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B. The award amount is for the construction services portion only of a design-build contract for the Signage, Graphics and Directory Systems of the Transbay Transit Center. The design has been completed, and a fair and reasonable total cost for construction services has been developed, negotiated and agreed upon. This amount includes the cost for 240 monitors to be incorporated into signage elements built under this Trade Work Subcontract. The scope of work included in this trade package is to provide wayfinding and required signage to effectively and efficiently operate the Transit Center by properly orienting Transit Center users, providing them with sufficient information to easily reach their destination, and to meet all code and life safety requirements. This package does not include scope for sponsorship or promotional platforms that may be added by the master lessee in the future to enhance revenue.

**EXPLANATION:**

On May 14, 2015, the TJPA Board authorized award of a Trade Work Subcontract to ADS for the design services portion of the TG17.1 trade package, in the amount of \$118,750 (direct cost). ADS' proposal for design services had previously received the highest ranking based on qualifications and price in a competitive Request for Proposals process that was conducted between March and May 2015. A notice to proceed was issued to ADS on May 20, 2015 to proceed with the design services under TG17.1.

Following award, ADS worked collaboratively with the entire TJPA team, including the TJPA's design professionals, the CM/GC, and other trade subcontractors, to provide approaches and alternatives for the design of the Signage, Graphics and Directory Systems consistent with the original design intent, certain performance specifications, and the TJPA's budget.

Throughout the design process, ADS provided cost estimates and schedule information to the team. Anticipated construction costs were reviewed and evaluated on an "open book" basis, requiring ADS to submit cost estimates and proposals from its vendors and material suppliers to the TJPA for review. On August 28, 2015, negotiations for a Total Construction Cost of \$3,013,300 for the Base Scope were successfully completed with ADS in conformance with the detailed design schedule set forth in the solicitation.

Digital display monitors for the Transit Center were originally anticipated to be procured as part of the IP Network trade package. However, the design team determined, in conjunction with the TJPA and the CM/GC, it would be preferable for the TG17.1 Trade Subcontractor to procure the monitors, as they will be incorporated into the signage elements provided under this Trade Work Subcontract. On December 2, 2015, negotiations for the 240 digital display monitors were

completed; the \$946,464 price negotiated with ADS is below the engineer’s estimate for these monitors.

The Total Construction Cost includes all direct construction costs for the fabrication and installation of the Signage, Graphics and Directory Systems plus the Construction Fee and Construction Overhead costs based on the percentages submitted in ADS’ proposal:

<b>Cost Elements</b>	<b>Cost</b>
Base Scope direct construction costs	\$3,013,300
Added digital display monitors direct construction costs	\$946,464
Construction Fee (10% x direct construction costs)	\$395,977
Construction Overhead (5% x direct construction costs)	\$197,988
<b>Total Construction Cost</b>	<b>\$4,553,729</b>

The construction scope of work under this trade package includes constructing the graphics, signage, and directory systems for the Transit Center to meet the specified performance requirements and design criteria and intent for the construction cost of \$4,553,729, as negotiated. The scope includes cast and etched graphics, dimensional lettering signage, pylon signage, illuminated panel signage, non-illuminated panel signage, floating signage, glass signage, interpretive graphics, and informational kiosks with digital display monitors. The construction scope also includes developing the shop drawings for tenant space signage that will be procured by the retail tenants as part of their tenant space build-out.

The scope of work recommended for award today is for all construction services related to the Signage, Graphics and Directory Systems, including all labor, materials, equipment, tools, transportation, disposal fees, incidentals, and any other costs/fees necessary to complete the Signage, Graphics and Directory Systems in accordance with the Contract Documents. All necessary work from mobilization to handover to the next trade subcontractor is included in the scope of work.

The construction services portion of the TG17.1 trade package has a Small Business Enterprise (SBE) utilization goal of 20%. The actual participation will be 100%, as ADS is a Small Business certified by the State of California.

TJPA’s current interim baseline budget includes \$3,465,301 (\$3,013,300 plus 10% fee and 5% overhead) for the Base Scope of the construction phase services of TG17.1. Staff recommends funding the cost of the added digital display monitors of \$1,088,434 (\$946,464 plus 10% fee and 5% overhead) from the Program Reserve, as the addition of the monitors to this trade package was anticipated during development of the Interim Revised Baseline Budget for Phase 1 and accounted for in the Program Reserve balance of \$4,974,614. The Program Reserve balance will become \$3,886,180 after award of this package, and the estimate for the IP Network trade package will be reduced accordingly.

The initial notices to proceed for this Trade Work Subcontract are anticipated to be funded with a OneBayArea Grant.

**RECOMMENDATION:**

TJPA staff recommends that the TJPA Board authorize amending Contract No. 08-04-CMGC-000, authorizing the CM/GC to modify the Trade Work Subcontract with Architectural Design & Signs, Inc., in the amount of \$4,553,729 for the construction services for TG17.1: Signage/Graphics/Directory Systems Design-Build Services, thereby increasing the authorized Direct Costs by \$4,553,729 and increasing the authorized Construction Services Fixed Fee by \$159,381, under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B.

**ENCLOSURES:**

1. Resolution
2. Contract Modification

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**Resolution No. \_\_\_\_\_**

WHEREAS, On March 12, 2009, the Transbay Joint Powers Authority (TJPA) awarded a contract to Webcor/Obayashi Joint Venture as Construction Manager/General Contractor (the CM/GC) for the Transbay Transit Center Building and Related Structures (Contract No. 08-04-CMGC-000 or the Contract). Under the Contract, the CM/GC must competitively procure Trade Subcontractors. The Contract provides for the incorporation of Trade Packages by amendment to (a) authorize award of a Trade Work Subcontract; (b) authorize the associated increase in allowable Direct Costs under the Contract; and (c) authorize the CM/GC to charge a Construction Services Fixed Fee invoiced at a rate of 3.5% of Direct Costs (Contract, Section 00 05 20, ¶5.01); and

WHEREAS, On May 14, 2015, the TJPA Board of Directors authorized the CM/GC to award a Trade Work Subcontract for TG17.1: Signage/Graphics/Directory Systems Design-Build Services (TG17.1) for the Transbay Transit Center Program to design and potentially construct the complete Signage, Graphics and Directory Systems in accordance with the Contract Documents to Architectural Design & Signs, Inc. (Trade Subcontractor); and

WHEREAS, Under TG17.1, the Trade Subcontractor will perform all Signage, Graphics and Directory Systems design and construction-related activities for the Transbay Transit Center; and

WHEREAS, On August 28, 2015, negotiations for the construction services under TG17.1 were successfully completed with the Trade Subcontractor; and

WHEREAS, It was subsequently determined to be in the best interest of TJPA to add procurement of digital display monitors to the scope of work under TG17.1; and

WHEREAS, On December 2, 2015, negotiations for the added digital display monitors under TG17.1 were successfully completed with the Trade Subcontractor; and

WHEREAS, Funds for the initial notices to proceed for construction under this Trade Work Subcontract are available from a OneBayArea Grant; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the CM/GC to modify the Trade Work Subcontract with Architectural Design & Signs, Inc., for construction services for the Signage, Graphics and Directory Systems as set forth in TG17.1 in an amount of \$4,553,729; and be it

FURTHER RESOLVED, That upon modification of the Trade Work Subcontract with Architectural Design & Signs, Inc., the modified Trade Work Subcontract shall be deemed part of the Contract Documents under Contract No. 08-04-CMGC-000; and be it

FURTHER RESOLVED, That Contract No. 08-04-CMGC-000 is hereby modified to incorporate the authorized amount of the Trade Work Subcontract awarded to Architectural Design & Signs, Inc. for TG17.1 by increasing the authorized Direct Costs by \$4,553,729 and increasing the authorized Construction Services Fixed Fee by \$159,381 (Direct Costs of \$4,553,729 multiplied by the Construction Services Fee of 3.5%) under and in accordance with Contract No. 08-04-CMGC-000, Section 00 05 20, ¶5.01B.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of December 10, 2015.

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Secretary, Transbay Joint Powers Authority

**AGREEMENT**  
**AMENDMENT NO. 62**  
**BETWEEN**  
**TRANSBAY JOINT POWERS AUTHORITY**  
**AND**  
**WEBCOR/OBAYASHI JOINT VENTURE**

THIS AMENDMENT for AGREEMENT is entered into as of the 10<sup>th</sup> day of December, 2015, by and between the TRANSBAY JOINT POWERS AUTHORITY (TJPA) and Webcor/Obayashi Joint Venture (the CM/GC). By this Amendment No. 62, the TJPA and the CM/GC hereby modify the Agreement dated March 17, 2009 (the Agreement), only to the extent expressly provided in this Amendment No. 62. All other terms and conditions of the Agreement shall remain in full force and effect.

**Recitals**

**A.** On March 12, 2009, the TJPA Board awarded the Agreement to the CM/GC to perform pre-construction and construction services for the Transbay Transit Center Building and Related Structures Project (the Project).

**B.** As detailed in the Agreement, the CM/GC is required to procure construction services through the award of Trade Packages, at which time TJPA shall adjust the value of the Contract Sum to reflect the amount of the awarded Trade Work Subcontract plus the proportionate CM/GC's Construction Services Fixed Fee in accordance with Article 5.01 of the Agreement.

**C.** On May 14, 2015, the TJPA Board approved the award of Trade Work Subcontract TG17.1 to Architectural Design & Signs, Inc. (ADS) for performance of Signage/Graphics/Directory Systems design services.

**D.** On August 28, 2015, successful negotiations were completed with ADS for the construction services portion of Trade Work Subcontract TG17.1.

**E.** On December 2, 2015, successful negotiations were completed with ADS for adding digital display monitors to the construction services portion of Trade Work Subcontract TG17.1.

**F.** Based on the TJPA's staff recommendation, the CM/GC shall modify the Trade Work Subcontract with ADS for Signage/Graphics/Directory Systems construction services, as set forth under TG17.1, for an amount of \$4,553,729.

**Terms and Conditions**

**1.** By this Amendment, the TJPA authorizes an increase in the CM/GC's scope of work and the value of the Contract Sum by \$4,713,110 (Trade Package Direct Costs of \$4,553,729 and CM/GC Fixed Fee, calculated at 3.5 percent of Direct Costs, of \$159,381), and the modification of Trade Work Subcontract No. TG17.1 with ADS for performance of Signage/Graphics/Directory Systems construction services.

2. The detailed scope of work and schedule incorporated by this Amendment is provided in the Contract Bid Documents dated December 16, 2014, and all associated Addenda.

IN WITNESS WHEREOF, the parties hereto have executed this contract Amendment No. 62 on the day first mentioned above.

TRANSBAY JOINT POWERS AUTHORITY

\_\_\_\_\_  
Maria Ayerdi-Kaplan  
Executive Director

Transbay Joint Powers Authority  
Board of Directors  
Resolution No. \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Attest:

\_\_\_\_\_  
Secretary, TJPA Board

Approved as to Form:

By: \_\_\_\_\_  
TJPA Legal Counsel

WEBCOR/OBAYASHI, JOINT VENTURE

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title