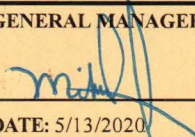
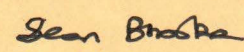
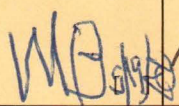
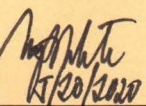
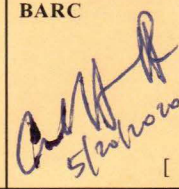




EXECUTIVE DECISION DOCUMENT

| | | | | |
|---|--|---|---------------------------|---|
| GENERAL MANAGER APPROVAL:  5/26/2020 | | GENERAL MANAGER ACTION REQ'D: | | |
| DATE: 5/13/2020 | | BOARD INITIATED ITEM: No | | |
| Originator/Prepared by: Sean Brooks Dept: Real Estate & Prop Development  Signature/Date: 5/20/20 | General Counsel  | Controller/Treasurer  5/20/2020 [] | District Secretary [] | BARC  5/20/2020 [] |

Design-Build of BART Headquarters

PURPOSE:

To authorize the General Manager to award Contract No. 6M4706 for Design-Build of the BART Headquarters ("Contract") for \$58,467,851.37 to Turner Construction Company subject to the District's protest procedures.

DISCUSSION:

Contract No. 6M4706 is for the Design-Build of the new BART Headquarters at 2150 Webster Street, Oakland.

In September 2019, the BART Board authorized the General Manager to purchase a ten-story office building located at 2150 Webster Street, Oakland, CA 94612. BART purchased the building on December 10, 2019. The building's core mechanical components were renovated by the previous owner but the tenant improvements were not designed or constructed.

As discussed with the Board on March 12, 2020, BART selected a Progressive Design-Build approach to procure and deliver this tenant improvement project within the District's schedule and budget.

The Progressive Design-Build approach uses a process whereby the District "progresses" towards a design and price for the work to be performed with the Contractor. The District has provided information on the District's requirements for the new headquarters. This information included things such as technology requirements, sustainability initiatives,

training needs, laboratory uses, ergonomic features and brand identity. As a condition of proposing, each Proposer has committed to completing the work within the schedule and budget provided. Liquidated damages are assessed if the schedule is not achieved and profit and fees are reduced by cost overruns. Liquidated damages are also assessed if the Small Business Participation Commitment is not met.

The District issued the Request for Qualifications ("RFQ") on February 12, 2020 (RFQ No. 6M4706Q), for Design-Build of BART Headquarters. The District provided advanced notice to seventy-two (72) firms on February 12, 2020. The RFQ was advertised in nine (9) publications, starting on February 12, 2020 and continued through February 26, 2020. The RFQ was also posted to the BART Procurement Portal on February 12, 2020. A Pre-Proposal Meeting was held on February 18, 2020. A total of fifty-seven (57) firms attended. A total of one hundred eighteen (118) firms downloaded copies of the Request for Qualifications. On March 3, 2020, the RFQ submittals were due and the District received a total of five (5) submittals of qualifications from the following firms:

1. BCCI Construction Company ("BCCI"), San Francisco, CA, proposed with Gensler, Oakland, CA
2. Quezada Architecture, San Francisco, CA (also proposed as designer for Dome)
3. DLR Group, San Francisco, CA (proposed without a builder)
4. Turner Construction Company ("Turner"), Oakland, CA, proposed with RIM Architecture, San Francisco, CA
5. Dome Construction ("Dome"), San Francisco, CA, accompanied by Quezada Architecture, Sn Francisco, CA

BCCI, Dome, and Turner were deemed to be responsive and were advanced to propose in the next step of the process, the Request for Proposal ("RFP"). The RFP was formally released on March 27, 2020 (RFP No. 6M4706). A Pre-Submittal Conference was held on March 31, 2020, via WebEx and there were approximately 75 attendees. On April 3, 2020, the 3 Prospective Proposers hosted independent teleconference based networking sessions for the RFP. Participation per Prospective Proposer was as follows:

1. Dome Construction networked with 22 firms (16 firms were Small Businesses)
2. BCCI Construction networked with 35 firms (21 firms were Small Businesses)
3. Turner Construction networked with 29 firms (20 firms were Small Businesses)

Two (2) Addenda to the RFP were issued on April 17, 2020 and April 24, 2020, respectively.

On May 5, 2020, two proposals were received from BCCI and Turner. Dome withdrew from the process citing timing issues related to COVID-19. BCCI's proposal was deemed non-responsive due to numerous exceptions made in its proposal.

Turner's proposal was deemed responsive and was provided to the Source Selection Committee for review. The Source Selection Committee was comprised of nine (9) senior managers within the District and was well-rounded for both experience on the subject matter and diversity. Since Turner was the only qualified Proposer, the Source Selection committee awarded Turner 100% of the points available for its price proposal and small business participation commitment (a commitment of 32%, which was 2% over the Contract's Small Business goal of 30%).

Turner's Total Price Proposal is \$58,467,851.37.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights set a 30% Small Business (SB) Subcontractor Participation Goal for this Contract. Proposers who meet the SB Subcontractor Participation Goal are eligible for a Small Business Preference of 5% of the lowest responsible Proposer's bid or price, with a cap of \$150,000. Turner committed to subcontracting 32% to SBs, making it eligible for the Small Business Preference of 5% for this Contract for evaluation purposes.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Contract are as follows:

- Architecture & Engineering: 21.9% Minority Business Enterprise (MBE) and 13.5% Women Business Enterprise (WBE)
- Construction: 18.2% MBE and 9.3% WBE

Turner committed to 0% MBE and 0% WBE participation. Turner did not meet either the MBE or WBE Availability Percentages; therefore, Turner was requested to provide the Office of Civil Rights with supporting documentation to determine if it had discriminated on the basis of race, national origin, color, gender or ethnicity. Based on the review of the information submitted by Turner, the Office of Civil Rights found no evidence of discrimination.

FISCAL IMPACT:

The \$58,467,851.37 is to be authorized for the design and construction of the tenant improvements to the District's new corporate headquarters and will be funded as described below.

The table below lists funding assigned to the referenced project and is included to track funding history against spending authority. Funds needed to meet this request will be

expended from the following sources:

| Proposed Funding | |
|--------------------------------------|----------------------|
| 8211 - 2019A Sales Tax Revenue Bonds | \$227,000,000 |
| TOTAL | \$227,000,000 |

As of May 18, 2020, \$227,000,000 is the total budget for this project. BART has expended \$138,681,583, committed \$1,203,914, and reserved \$1,183,545 to date. This action will commit \$58,467,851, leaving an available fund balance of \$27,463,107 in these fund sources for this project.

The Office of Controller/Treasurer certifies that funds are currently available to meet this obligation.

This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves.

FUNDING ALLOCATION:

| Proposed Funding by FY | |
|-------------------------------|------------------------|
| FY 21 | \$50,000,000.00 |
| FY 22* | \$8,467,851.37 |
| Total | \$58,467,851.37 |

***FY22 funding is not for a full Fiscal Year.**

ALTERNATIVES:

Do not authorize the General Manager to award the Contract. The District would have to rebid the Contract, and would not make its deadline to move to its new headquarters at 2150 Webster prior to the expiration of its lease at 300 Lakeside in July 2021.

RECOMMENDATION:

It is recommended that the Board adopt the following Motion.

MOTION:

The General Manager is authorized to award Contract No. 6M4706 for the Design-Build of BART Headquarters, in the total amount not to exceed \$58,467,851.37 to Turner Construction Company, subject to the District's protest procedures.