



# BART'S NEW CORPORATE HEADQUARTERS @ 2150 Webster St, Oakland, CA

PROJECT UPDATE &  
BOARD ACTION ON CONTRACT NO. 6M4706



# BART'S NEW HEADQUARTERS

2150 Webster St, Oakland, CA

## Project Update



# BART'S NEW CORPORATE HEADQUARTERS

## Our Goals

- Align Workspace & Workforce Needs
- Invest In Current & Future Employees
- Improve Health & Sustainability of Workplace Environment
- Modernize Business Practices
- Relocate Employees from Lakeside by Mid-2021
- Promote Financial Stability



# BART'S NEW CORPORATE HEADQUARTERS

## Project Milestones to Date

- Retained Jones Lang LaSalle (“JLL”) to provide brokerage services for Corporate Headquarters - April 2018
- Conducted workplace utilization studies, interviews, focus group meetings, office tours, and due diligence activities – May 2018 – January 2019
- Released RFP for office space in February 2019
- Negotiated with respective parties from April 2019 – September 2019
- Received Board authority to purchase 2150 Webster - September 2019
- Proceeds of Sales Tax Revenue Bonds received to fund Project – October 2019
- Finalized purchase and closing – December 2019
- Released RFQ on February 2020 and RFP in March 2020 for tenant improvements



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## Approved by the Board to Date

- September 12, 2019
  - Authorization to execute a Purchase and Sale Agreement with W/L 2150 Webster Holdings VIII, L.P. (Lane Partners and Walton Street Capital) for purchase of 2150 Webster Street
  - Total amount not to exceed \$142,000,000 (including closing costs)
  - Authorization to execute any and all agreements and other documents in order to effectuate the purchase
  - Direction to set aside \$85,000,000 for use in connection with the planning, design and construction of tenant improvements
- March 12, 2020
  - Authorization to extend and amend agreements for property management and other related building services not to exceed \$970,000 to RiverRock Real Estate Group and other building service providers.

# BART'S NEW CORPORATE HEADQUARTERS

## Where are we now?

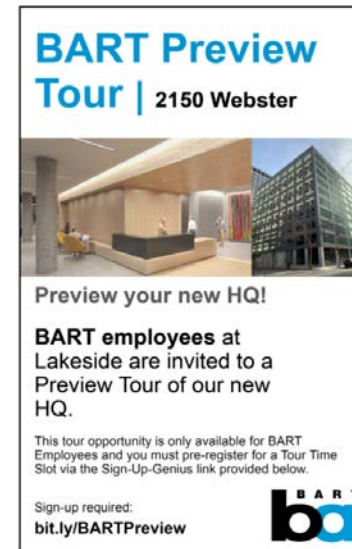
- Engagement of JLL
  - Change Management
  - Program Management
- Construction Period Property Management RFP
  - RiverRock Real Estate Group
- Request for Qualifications of Progressive Design-Build Contract
- Request for Proposal of Progressive Design-Build Contract
  - Proposals Received May 5, 2020

# BART'S NEW CORPORATE HEADQUARTERS

## Stakeholder Engagement

- Internal Stakeholder Engagement *So Far...*

- Meetings with Union Representation
- Open-House Tours
- Townhall Meetings
- Newsletters
- Project Website
- Employee Surveys
- Change Team Network
- Numerous Stakeholder Interviews



# BART'S NEW CORPORATE HEADQUARTERS

## Stakeholder Engagement

- Internal Stakeholder Engagement *to Come...*

- More Townhalls
- Meetings with Union Representation
- Storage & Digitization Task Force, and Training
- Change Team Network
- Website Updates
- Bi-Monthly Newsletters

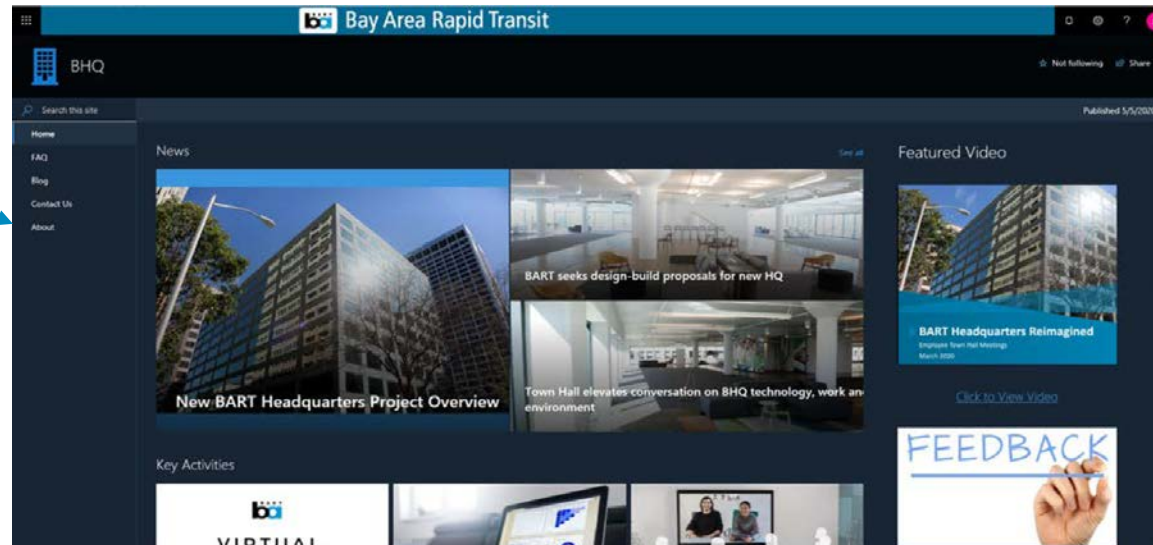


**BHQ Team Launches Newsletter**

The BART Headquarters team has launched this monthly newsletter to keep employees informed about the project and the move to 2150 Webster. Our future headquarters now has a stagger acronym that everyone can remember: BHQ. The project name has also been shortened from "2150 Webster" to "BHQ".

The BHQ team meets multiple times each week to manage the project and to review feedback submitted by employees from each phase of the process. The BHQ project is everyone's opportunity to reimagine what we'd like in a workplace, while serving as change leaders to reassess how we do business daily. These changes are meant to encourage us to examine how our behaviors impact our workflow, collaboration, and our environment. We are excited to see BART leading the way in creating a workplace that values you, your environment, and your work as we continue to serve the San Francisco Bay Area region.

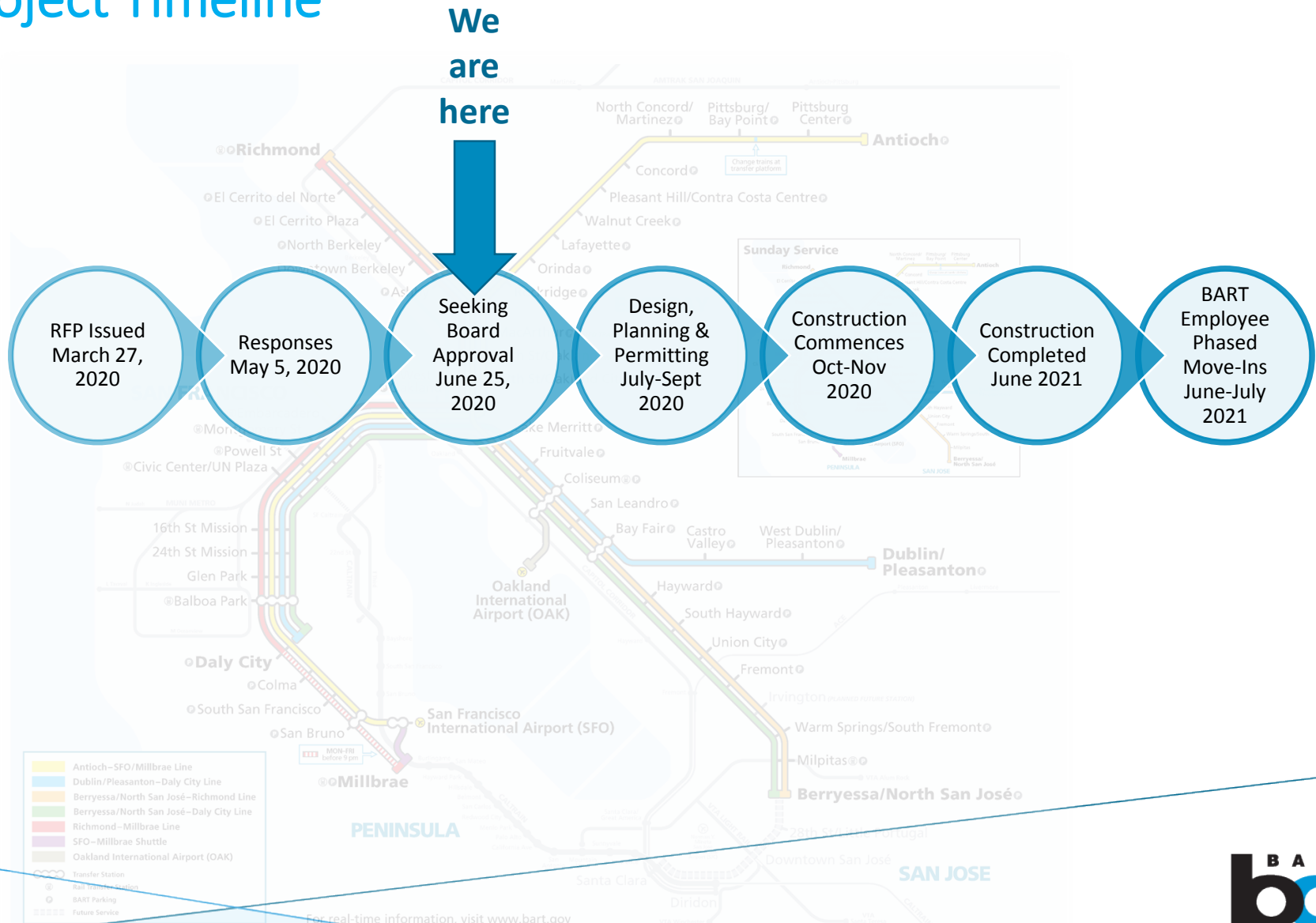
Please continue to share your thoughts, suggestions, and questions with the BHQ team by emailing [bhq@bart.gov](mailto:bhq@bart.gov). If you already sent an email to our old email address at [2150webster@bart.gov](mailto:2150webster@bart.gov), don't worry, we still have it.





# BART'S NEW CORPORATE HEADQUARTERS

## Project Timeline



# BART'S NEW HEADQUARTERS 2150 Webster St, Oakland, CA

Board Action on Contract No. 6M4706



# BART'S NEW CORPORATE HEADQUARTERS

## Proposed Design-Builder

Who they are in their own words.....



- **Turner Construction Company**



- Turner is a North America-based, international construction services company and is a leading builder in diverse market segments. The company has earned recognition for undertaking large, complex projects, fostering innovation, embracing emerging technologies, and making a difference for their clients, employees and community.
- With a staff of 10,000 employees, the company completes \$12 billion of construction on 1,500 projects each year. Turner offers clients the accessibility and support of a local firm with the stability and resources of a multi-national organization.
- Turner's Vision
  - To be the highest value provider of global construction services and technical expertise.

- **RIM Architecture**

- RIM has provided professional architectural services since 1986. We have developed into a firm established globally and rooted in the ability to provide exceptional design for our local communities and clients. Our comprehensive portfolio validates our experience and proficiency in various markets in both public and private sectors. We have 70 dedicated design professionals to showcase our capacity and skills to surpass the expectations of you, our client.
- RIM's Vision
  - RIM is the trusted design partner providing inspired solutions, enriching communities across continents. Together, we shape the future.

# BART'S NEW CORPORATE HEADQUARTERS

## Design-Builder Submission Review

	BCCI/Gensler	Dome/Quesada	Turner/RIM
Evaluation by Procurement & Legal			
Exceptions (Taken to District's Contract)	<ul style="list-style-type: none"> <li>Wants a Delay in the Date When Liquidated Damages (LDs) Are Assessed</li> <li>Wants Extension of Time Until Incentive Bonus Could Be Earned</li> <li>Wants LDs for unmet Small Business participation goals limited to \$10,000 total</li> <li>Requested Warranty Changes</li> </ul>	Did Not Submit Proposal Due To: "current business environment"	None
Responsive / Non-Responsive	Non-Responsive	N/A	Responsive
Evaluation by Source Selection Committee			
Technical Proposal	N/A	N/A	
Oral Interview	N/A	N/A	
Price Proposal	N/A	N/A	\$58,467,851
Small Business Participation (Project Goal 30%)	N/A	N/A	32%



# BART'S NEW CORPORATE HEADQUARTERS

## SBEs, MBEs, WBEs Participation

- BART Small Business Program encourages the participation of Small Businesses in BART Contracts
  - Turner's letter to GM dated June 10, 2020 stated:

*"The RFP documents issued by BART included available percentages for this project. (Design availability 21.9% MBE and 13.5% WBE; Construction availability 18.2% MBE and 9.3% WBE) Turner anticipates meeting these requirements in the delivery of the overall project."*
- Small Business(SB) participation goal for this Contract was 30% of the entire Contract. Turner committed to 32% small business participation
- Liquidated Damages are equal to the dollar-for-dollar shortfall of unmet SB Participation Goal Commitment
  - OCR will monitor SB participation and assess liquidated damages for SBs where applicable
  - OCR to report MBE and WBE Participation

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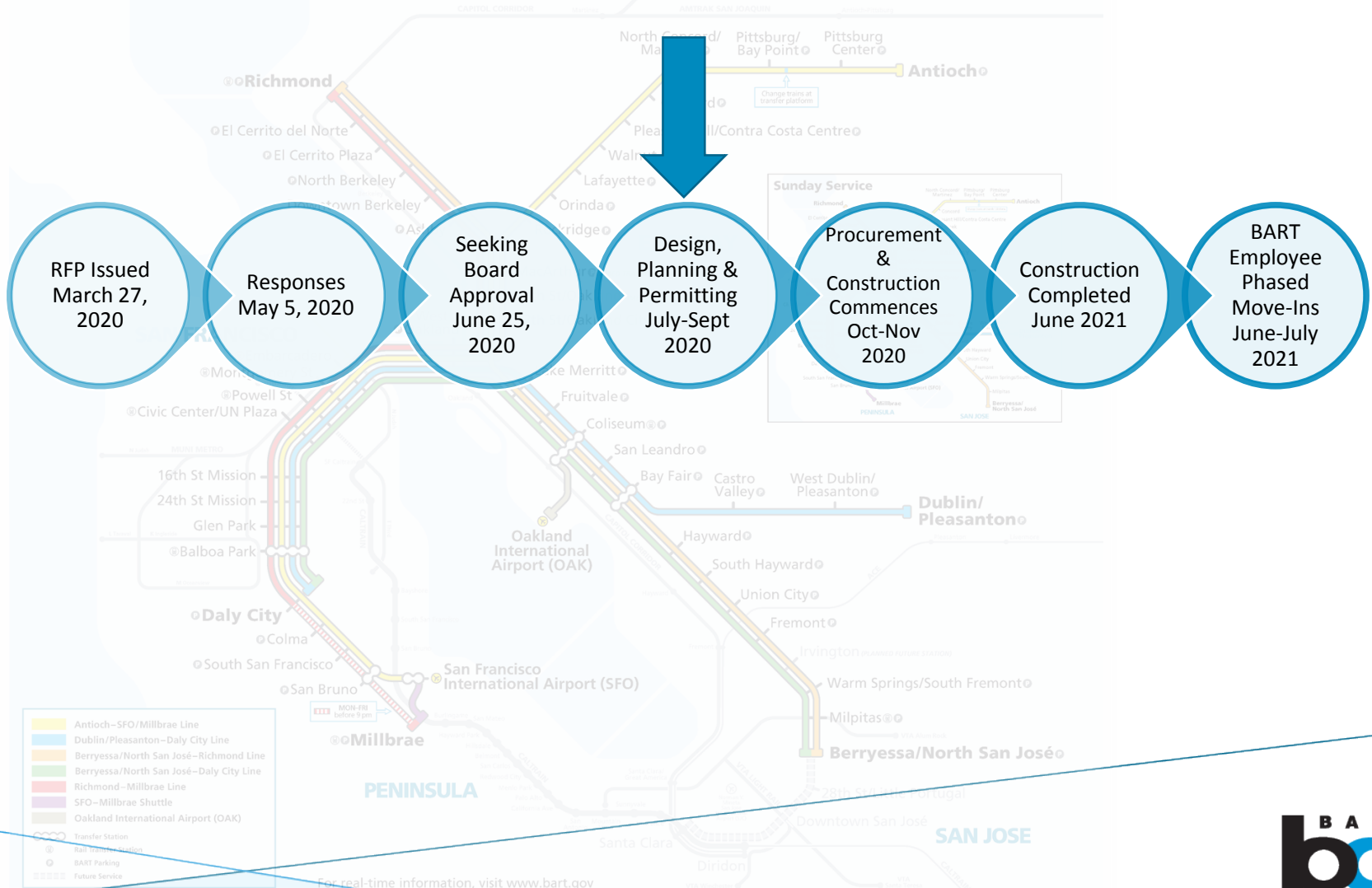
## Design-Builder Evaluation

	Bid Quantity	Turner/RIM
Estimated Direct Cost of Construction	Allowance	\$52,000,000
Bond Premium	Lump sum	\$632,440
Programming Fee	Lump sum	\$599,686
Management Fee for Design, Construction, Activation and Closeout Phases	Lump sum	\$2,034,605
Design-Build Percentage Fee	%	6.156%
Estimated Design-Build Fee	Lump sum	\$3,201,120
<b>Total Price Proposal for Evaluation</b>	<b>Allowance</b>	<b>\$58,467,851*</b>

\*All proposed amounts were within budgeted range

# Project Timeline

## Post-Award Mobilization Plan



# BART'S NEW CORPORATE HEADQUARTERS

## Post Award Design-Build Mobilization Plan

- Notice to Proceed (“NTP”) issued one day after execution of the Contract
- Kick-Off Meeting Immediately following NTP
- Programming During the First 60 Days
  - Most of the information needed has already been gathered
  - Project Team continues to nuance the plans with the Change Team Network
  - Furniture selections will focus on shorter lead-time items
- Design-Development & Construction Documents Will Run Concurrently
- Phased Permitting & Phased Construction



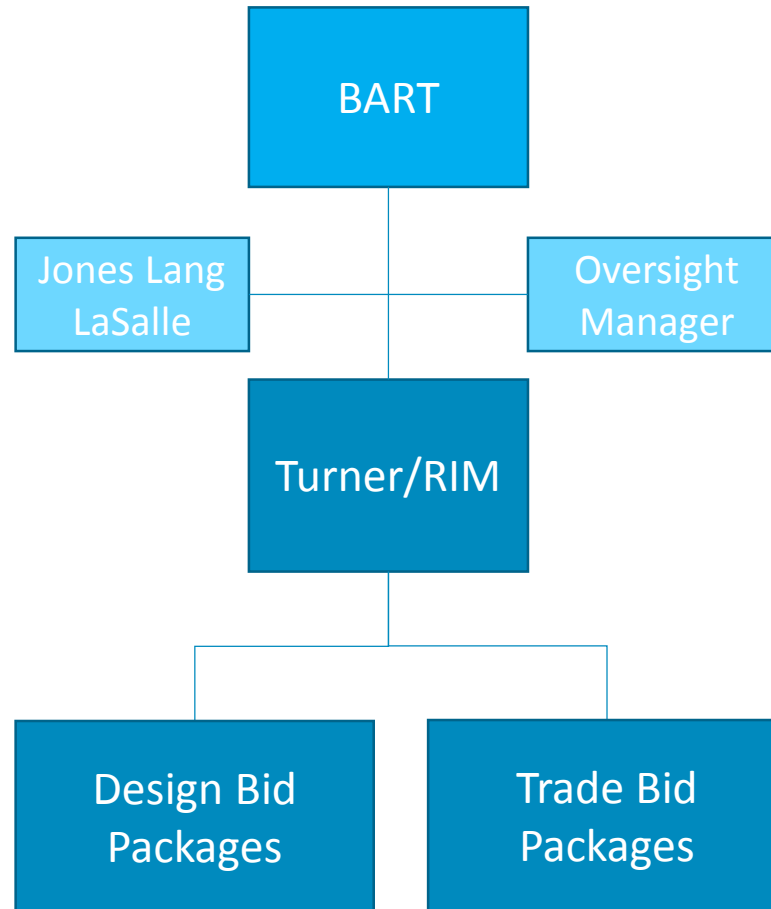
# BART'S NEW CORPORATE HEADQUARTERS

## Conceptual Project Approach

- **Middle-Level Floors** - Design and Build Packages for Programmatic Floors
  - Floors that are standardized and can be delivered on time
  - Most likely the Middle floors will run ahead of the other floors
  - Lobby and Core Enhancements
- **Upper-Level Floors** - Multi-Tenant Corridor Floors
  - GM, DGM, & Director Offices
  - Human Resources Areas
  - Training Rooms
  - Board Appointed Officers
- **Lower-Level Floors** – Specialty Areas
  - Maintenance & Engineering Labs
  - Board Room
  - Retail Area

# BART'S NEW CORPORATE HEADQUARTERS

## Project Organization Chart



# DESIGN-BUILD OF BART HEADQUARTERS

## CONTRACT NO. 6M4706

### 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.