

## Memorandum

### Agenda Item 2c

TO: Bay Area Headquarters Authority

DATE: September 20, 2017

FR: Executive Director

W. I. 9130

RE: Contract – Cubic Tenant Improvements: Swinerton Builders (\$250,000)

This memorandum asks for Authority approval of a contract with Swinerton Builders (“Swinerton”) in an amount not to exceed \$250,000 to begin construction of the tenant improvements for Cubic Transportation Systems, Inc. (“Cubic”) on Level 3 of the Metro Center.

#### Background:

In January 2017, staff selected Swinerton from a competitive procurement for the Metropolitan Transportation Commission (MTC) and Bay Area Conservation and Development Commission (BCDC) tenant improvements on Level 5. The selection was based on best value, with cost as one of several factors. The scope of the procurement included the ability to use the contractor for other tenant improvements in the building for a period of three years using the same fee structure from the proposal.

In March 2017, BAHA authorized the Executive Director to enter into a lease with Cubic for approximately 2,991 rentable square feet of space on Level 3 at a cost not to exceed \$450,000 for tenant improvements and \$44,000 for real estate broker commissions. The Letter of Intent has Cubic responsible for completing design drawings and BAHA delivering the space turnkey, with Cubic responsible for all costs exceeding \$450,000. Staff expects the lease to be formally executed in the next week.

To advance the project, staff is requesting \$250,000 to cover the cost of initial construction services, including preconstruction services, completion of submittals, and procurement of long lead items. The funds for this contract are included in the FY 2017-18 Commercial Development Fund. Swinerton is neither a small business nor a disadvantaged business enterprise. Attachment A includes a summary of Swinerton and its project team’s small business and disadvantaged business enterprise status.

#### Recommendation:

Staff recommends that the Authority authorize the Executive Director or his designee to negotiate and enter into a contract with Swinerton in an amount not to exceed \$250,000 to start construction of tenant improvements for Cubic on Level 3 of the Metro Center, contingent on the lease execution delegated to the Executive Director at the March 2017 BAHA meeting.

  
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Steve Heminger

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## Attachment A

			DBE* Firm			SBE** Firm		
	Firm Name	Role on Project	Yes	If Yes, List #	No	Yes	If Yes, List #	No
Contractor	Swinerton Builders	General Contractor			x			x
Subconsultant	Red Hawk Fire and Security	Fire Alarm			x			x

\*Denotes certification by the California Unified Certification Program (CUCP).

\*\*Denotes certification by the State of California.

## REQUEST FOR AUTHORITY APPROVAL

### Summary of Contract

Contractor:	Swinerton Builders, San Francisco, CA
Work Project Title:	Cubic Tenant Improvements
Purpose of Project:	Construct the tenant improvements for Cubic on Level 3 of the Metro Center
Brief Scope of Work:	Preconstruction and construction services related to these tenant improvements.
Project Cost Not to Exceed:	\$250,000
Funding Source:	FY 2017-18 Commercial Development Fund
Fiscal Impact:	Funding is included in the FY 2017-18 BAHA Commercial Development Fund
Motion by Authority:	That the Executive Director or his designee is authorized to issue a contract to Swinerton Builders as described above and in the Executive Director's memorandum dated September 20, 2017 and the Treasurer and Auditor is directed to set aside funds in the amount of \$250,000 for such contract as specified above.

BAHA Chair:

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Jake Mackenzie

Approved:

Date: September 27, 2017