

### **MEMORANDUM**

June 6, 2025

TO: MEMBERS. PORT COMMISSION

Hon. Gail Gilman, President

Hon. Stephen Engblom, Vice President

Hon. Willie Adams Hon. Steven Lee Hon. Ken McNeely

FROM:

Executive Director

SUBJECT: Request authorization to award Construction Contract No. 2858, Pier 90

> Buildings and Wharf Demolition, to Silverado Contractors, Inc., in the amount of \$3,199,000, and authorization for a contract contingency fund of 10% of the contract amount (or \$319,900) for unanticipated conditions, for a total

authorization not to exceed \$3,518,900.

**DIRECTOR'S RECOMMENDATION:** Approve the Attached Resolution No. 25-31

### **EXECUTIVE SUMMARY**

Port staff requests the Port Commission authorize the award of Construction Contract No. 2858, Pier 90 Buildings and Wharf Demolition (the "Project") to Silverado Contractors, Inc. ("Silverado"), in the amount of \$3,199,000, and authorization for a contract contingency fund of 10% of the contract amount (or \$319,900) for unanticipated conditions, for a total authorization not to exceed \$3,518,900. Silverado is a marine demolition contractor and has experience performing projects on Port property as well as throughout the San Francisco Bay Area.

The project site is located on the south side of Islais Creek along Amador Street. (See Attachment A for the Area of Work Location Map). The goal of the Project is to minimize the risk of trespassers entering the silos and endangering themselves or vandalizing the site, while also taking steps towards preparing the site for future development opportunities by demolishing abandoned structures. There are currently insufficient funds to demolish all

vacant structures on the landside and waterside, so the Project was separated into a base bid and three additive bid alternates that will demolish prioritized specific buildings and structures on the site. Removing these ancillary buildings on site will significantly reduce the entry points for trespassers. The project is funded by American Rescue Plan Act Funds

### STRATEGIC OBJECTIVE

The Project supports the Port's Strategic Plan through the following goals:

### **Equity**

Create a diverse, equitable, and inclusive organization and waterfront, and empower Black, Indigenous, and other People of Color ("BIPOC") in Port operations and opportunities through equitable policies and practices.

Demolition of the hazardous conditions will provide opportunity for economic growth for the community in the Southern Waterfront.

### Resilience

Reduce seismic and climate change risks to protect the waterfront, City neighborhoods, and infrastructure.

Demolition of the wharf and some of the buildings at Pier 90 are included in the US Army Corps Draft Plan for Coastal Resilience.

### Sustainability

Advance environmental stewardship to limit climate change and protect the Bay. The Project will remove the dilapidated timber wharf and asphalt paving that has been deteriorating and falling into Islais Creek.

### **Evolution**

Evolve the waterfront to respond to changing public and Port needs.

The Project will take steps to prepare a waterfront site for future development and tenants.

### **BACKGROUND**

The Port property at Pier 90 housed grain mill operations from 1923 until the early 1990s. The site includes three sets of concrete-reinforced grain silos, grain elevators, steel ship loading towers, steel conveyor bridges connecting these structures, and ancillary buildings and structures, which include rail sheds, control buildings, a timber wharf, and five concrete pile-supported dolphin structures supporting the ship loading towers. Attachment A identifies the distinct components of the site. The grain silos have been vacant since 1992, and have attracted trespassers, resulting in vandalism and accumulated trash throughout the site. Security and maintenance of this property have been a net operating loss to the Port without any economic benefit to the community. The timber wharf adjacent to the silos has fallen into a state of disrepair. Piles and timber framing have deteriorated over time, and sections of wood deck and asphalt paving have fallen into Islais Creek. There are currently insufficient funds to demolish all vacant structures on the land side and waterside. To accomplish the greatest amount of work with the available funds, the Project

was separated into a base bid and three additive bid alternates. Port staff and the consultant team determined that demolition of the nine ancillary buildings on site should be prioritized to significantly improve safety and security of the site since these buildings are the main access points for trespassers. The silos will be more easily secured once the other connected buildings and entry points are demolished. The waterside demolition of the steel loading towers and timber wharf was included as additive bid alternates to mitigate waterside access and hazards. This scope will minimize the risk of trespassers entering the silos and endangering themselves or vandalizing the site.

### **PROJECT SCOPE**

The Port will be awarding the scope of work below, which includes all the bid alternates:

- Demolish all the landside buildings and structures on Pier 90 with the exception of the grain silos themselves, abandonment of underground utilities in place, and hazardous material abatement (base bid);
- Demolition of six, pile-supported steel loading towers (additive bid alternate 1);
- Demolition of the dilapidated timber wharf deck and pilings. Note that the six concrete, pile-supported dolphin structures will remain in place on the waterside as they are in good condition and may have potential maritime use in the future (additive bid alternate 2);
- Installing additional security fencing (additive bid alternate 3).

### **SELECTION PROCESS**

On March 11, 2025, the Port Commission authorized staff to advertise for bids for the Project (Resolution 25-12). Port staff published the advertisement for the Project on March 12, 2025. The Project was advertised with a base bid and three alternative additive bids. The published Engineer's Estimate for the contract's base bid items was \$5,200,000. Two bids were received on the bid opening date of April 17, 2025. Selection is based on a project budget and alternate prioritization announced at bid opening. The lowest bid including as many alternates as possible that fit within the announced Project budget is the apparent low bidder. For the solicitation, both bids including all alternates fell within the Project budget. The Port did not receive any protests during the 5 working day bid protest period that ended on April 24, 2025.

Port staff determined that the lowest responsive and responsible bidder, Silverado Contractors, Inc., met the Project's minimum experience qualifications to demonstrate that they have previously performed similar work which includes landside and in-water demolition. Silverado is licensed by the California Contractors State License Board (Contractor License No. 782547) and headquartered in Emeryville. Silverado has extensive experience working in the City of San Francisco and on projects with similar scopes of work, including Port projects. Some of their projects include Pier 45 Shed C Fire Demo and Disposal, Phase I of Mission Bay Ferry Landing, demolition of pier aprons as part of the Port's as-needed hazardous materials management contract, Sausalito Drift Removal Facility Project, Terminal 4 Wharf, Warehouse, and Piling Removal Project in Richmond, CA.

Silverado also qualifies as a responsible party pursuant to the safety evaluation procedures required by Chapter 6 of the Administrative Code, as implemented by the City Administrator.

The final bid rankings are shown in Table 1, and in Attachment B – Bid Tabulation.

Table 1: Project Bid Ranking

Bidder	Base Bid	Bid Rank
Silverado Contractors, Inc.	\$3,199,000	1
Ferma Corporation	\$8,541,000	2

### LOCAL BUSINESS ENTERPRISE

The City Contract Monitoring Division's (CMD) Contract Compliance Officer reviewed the bids and concluded that the lowest bidder's submittals complied with the LBE subcontracting requirements and met the minimum LBE requirement of 5% LBE subcontractor participation with a commitment of 8.32%. The CMD memorandum is presented in Attachment C.

### **OUTREACH EFFORTS**

The advertisement was posted to the Port website and San Francisco City Partners which is widely accessed by contractors and vendors. Port staff conducted outreach via email to companies representing the trades for this contract during the advertising period. This solicitation included Local Business Enterprise ("LBE") Certified contractors. The virtual pre-bid meeting held on March 20, 2025, had 21 different contractors attending (7 LBEs), and the optional site visit the following day had 16 attendees. There were over 40 project plan holders registered on the Port's website.

### **REGULATORY PERMITS & APPROVALS**

Below is a table of the regulatory permits and approvals applicable to work for the Project. A Port Building Permit will be secured prior to issuance by the Port of the notice to proceed.

**Table 2: Permitting & Approval Summary** 

Agency	Permit or Approval Required and Status
San Francisco Planning Department (CEQA)	In-water work: "Port's CEQA Categorical Exemption Determination filed by the San Francisco Planning Department on June 4, 2021 (2021-003773ENV) for work to be performed pursuant to the Port's Engineering and Facilities Maintenance Directive 2021-01 (Directive) and Best Management Practices

Agency	Permit or Approval Required and Status
	(BMPs) detailed in the Port-wide Maintenance Manual, Revision 2, April 2021."
	Landside work: "Addendum #3 to Waterfront Plan Environmental Impact Report, Pier 90 Buildings and Grain Silo Demolition," 2019-023037ENV-02, dated December 13, 2024, and "Mitigation Monitoring and Reporting Program," dated December 2024.
Army Corps of Engineers	Port of San Francisco Regional General Permit (RGP) for Maintenance, Repair, and Replacement of in-water structures and shoreline protection dated, Permit No. 2015-00016S, December 15, 2016; National Marine Fisheries Service Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response dated March 7, 2024; U.S. Fish and Wildlife Service Informal Section 7 Conference, File No. 2023-0060760-S7-001, dated March 11, 2024.
	Note: A new Army Corps of Engineers permit application is under review and concurrence letters from the National Marine Fisheries and U.S. Fish and Wildlife Service have been received. It is written into the contract that the Contractor may not proceed with in-water work until authorized by Army Corps of Engineers permit, to be provided by the Port.
Bay Conservation and Development Commission (BCDC) Major Permit	Abbreviated Regionwide Permit No. ARWP-1. (As Amended Through February 5, 2009), dated May 9, 2025, authorized under Notice of Intent to Proceed No. ANOI2024.009.00.
San Francisco Bay Regional Water Quality Control Board	San Francisco Bay Regional Water Quality Control Board Programmatic Section 401 Certification and Water Quality Certification Order R2-2016-0039 for the Port of San Francisco, Maintenance Program, San Francisco County, dated September 22, 2016, and the Administrative Extension of Order R2-2016-0039, dated April 12, 2024.
Port of San Francisco Building Permit	Permit to be secured prior to issuance of the Notice to Proceed.

### SCHEDULE

The anticipated contract schedule is as follows:

Port Commission Approval of Award of Contract	June 2025
Notice to Proceed	July/August 2025
Substantial Completion	December 2026

### **FUNDING**

Funding for base bid construction including all three additive bid alternates and a 10% contingency is shown in Table 3 below:

**Table 3: Contract Cost and Funding** 

Contract Cost	Amount
Total Base Bid and Three Alternate Bids	\$3,199,000
10% Contingency	\$319,900
Project Total	\$3,518,900

Funding Source	Amount
American Rescue Plan Act (ARPA) funds	\$3,518,900

### SUMMARY AND RECOMMENDATION

Port staff recommend the Port Commission approve the attached resolution authorizing staff to award Construction Contract No. 2858, Pier 90 Buildings and Wharf Demolition, to Silverado Contractors, Inc., in the amount of \$3,199,000, and authorization for a contract contingency fund of 10% of the contract amount (or \$319,900) for unanticipated conditions, for a total authorization not to exceed \$3,518,900. Port staff also recommend that the Port Commission authorize the Executive Director to accept the work once it is complete.

Prepared by: Erica Petersen, Project Manager

Engineering

For: Wendy Proctor, Interim Deputy Director

Engineering

Attachments: Attachment A: Area of Work Location Map

Attachment B: Bid Tabulation
Attachment C: CMD Memorandum

# PORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

### **RESOLUTION NO. <u>25-31</u>**

WHEREAS,	Port staff seeks Port Commission authorization to award construction
	Contract No. 2858, Pier 90 Buildings and Wharf Demolition (the "Contract");
	and

- WHEREAS, The scope of work for the Contract includes demolition of all the landside buildings and structures on the Pier 90 site with the exception of the grain silos, abandonment of underground utilities in place and hazardous material abatement, demolition of the waterside steel loading towers, timber wharf, and construction of additional security fencing; and
- WHEREAS, On March 11, 2025, the Port Commission authorized Port staff to advertise for and accept competitive bids for construction Contract No. 2858 (Resolution No. 25-12); and
- WHEREAS, Port staff advertised the proposed Project with a base bid and three additive bid items with an invitation for bids for the Contract on March 12, 2025, held an optional pre-bid meeting on March 20, 2025, and received two bids on April 17, 2025; and
- WHEREAS, Port staff reviewed the bids and determined that Silverado Contractors, Inc., is the lowest responsive and responsible bidder for the Contract; and
- WHEREAS, Silverado Contractors, Inc.'s total price for the Project base bid and all additive bid items is \$3,199,000 plus a 10% contract contingency fund of \$319,900, for a total of \$3,518,900; and
- WHEREAS, The Project is fully funded by American Rescue Plan Act funds; and
- WHEREAS, The Contract Monitoring Division's Contract Compliance Officer reviewed and determined Silverado Contractors, Inc.'s bid satisfied the LBE participation goal of 5%; and
- WHEREAS, The Port obtained a CEQA Exemption Determination filed by the San Francisco Planning Department on June 4, 2021 (2021-003773ENV) for work to be performed pursuant to the Port's Engineering and Facilities Maintenance Directive 2021-01 (Directive) and Best Management Practices (BMPs) detailed in the Port-wide Maintenance Manual, Revision 2, April 2021 for the in-water work, and a CEQA Addendum from the Waterfront Plan Environmental Impact Report ("EIR") dated December 13, 2024 (2019-023037ENV-02) and "Mitigation Monitoring and Reporting Program," dated December 2024 for the landside work, Bay Conservation and Development

Commission Abbreviated Regionwide Permit No. ARWP-1. (As Amended Through February 5, 2009), dated May 9, 2025, authorized under Notice of Intent to Proceed No. ANOI2024.009.00, and San Francisco Bay Regional Water Quality Control Board Programmatic Section 401 Certification and Water Quality Certification Order R2-2016-0039 for the Port of San Francisco, Maintenance Program, San Francisco County, dated September 22, 2016, and the Administrative Extension of Order R2-2016-0039, dated April 12, 2024; and

- WHEREAS, The Port will obtain a U.S. Army Corps Permit and a Port Building Permit prior to construction; now, therefore be it
- RESOLVED, That the Port Commission hereby authorizes the award of construction Contract No. 2858, Pier 90 Buildings and Wharf Demolition, to Silverado Contractors, Inc., the lowest responsive and responsible bidder, for the not-to-exceed amount of \$3,199,000; and be it further
- RESOLVED, That the Port Commission authorizes Port staff to increase the Contract amount, as necessary for unanticipated conditions, by an additional \$319,900 (10% contingency) through contract modification or change orders; and be it further
- RESOLVED, That the Port Commission hereby authorizes the Executive Director to accept the work once it is complete; and be it further
- RESOLVED, That the Port Commission authorizes Port staff to take further action in connection with the award of Construction Contract No. 2858 as necessary to achieve the purposes described in this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 10, 2025.

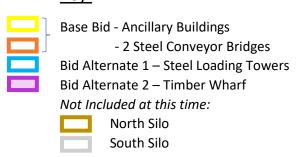
Secretary	

### ATTACHMENT A

Area of Work Location Map



### Key:



### **ATTACHMENT B**

### Bid Tabulation



### BID TABULATION

BID OPENIN	G DATE	04/17/2025 @ 1:00 PM;	VIA TEAMS CONFERENCE CALI		
CONTRACT NUMBER 2858					
PROJECT NAME PIER 90 BUILDINGS AND WHARF DEMOLITION					
ALTERNATE	ALTERNATE PRIORITIES: A1, A2, A3				
LBE GOAL:	5%	DURATION:	LANDSIDE WORK: 320 CONSECUTIVE CALENDAR DAYS WATERSIDE WORK: MUST BE COMPLETE BY NOVEMBER 30, 2026	ANNOUNCED CONSTRUCTION ESTIMATE BUDGET:	\$12,200,000.00
NUMBER OF BIDDERS:	2	ENGINEER'S ESTIMATE:	\$5,200,000.00	APPARENT LOW TOTAL BID PRICE:	\$3,199,000.00

BIDDER ID #	01	02
BID ITEM #	SILVERADO CONTRACTORS, INC 2200 POWELL STREET, SUITE 800 EMERYVILLE, CA 94608 JOSEPH M. CAPRIOLA, PRESIDENT 510-658-9960 BIDS@SILVERADOCONTRACTORS.COM	FERMA CORPORATION 6639 SMITH AVENUE NEWARK, CA 94560 TIM RUFF, C.O.O 341-233-0340 ADRUMM@FERMACORP.COM
1	\$30,000.00	\$50,000.00
2	\$400,000.00	\$680,000.00
3	\$420,000.00	\$551,000.00
4	\$15,000.00	\$15,000.00
BASE BID TOTAL	\$865,000.00	\$1,296,000.00
A1	\$1,183,000.00	\$5,476,000.00
A2	\$1,076,000.00	\$1,571,000.00
A3	\$75,000.00	\$198,000.00
BID TOTAL	\$3,199,000.00	\$8,541,000.00
APPARENT BID RANK	1	2

### SCHEDULE OF BID PRICES

Bid Item No.	Bid Item Description	Estimated Quantity	Unit	Unit Price	Extension
1	Mobilization/Demobilization (Maximum 5% of the sum of Bid Items 2 through 3)	1	LS	N/A	\$
2	Site Demolition	1	LS	N/A	\$
3	Hazardous Materials Abatement	1	LS	N/A	\$
4 Allowance for Partnering		1	AL	\$15,000	\$15,000
TOTAL BASE BID PRICE			\$		

Alternate Bid Item No.	Bid Item Description	Estimated Quantity	Unit	Unit Price	Extension
A1	ADDITIVE: Steel Loading Tower Demolition	1	LS	N/A	\$
A2	ADDITIVE: Wharf Deck and Piles Demolition	1	LS	N/A	\$
A3	ADDITIVE: Fence Work	1	LS	N/A	\$
TOTAL BASE BID PRICE			\$		

\*Note: LS = Lump Sum; EA= Each; LF = Linear Feet; SF = Square Feet; CY = Cubic Yards; AL = Allowance

## SUBCONTRACTOR LIST <SILVERADO CONTRACTORS, INC.>

### BASE BID WORK

BIDDER ID NO.	NAME AND LOCATION	CERTIFIED LBE		
01	SITECO SERVICES INC. PO BOX 882583 SAN FRANCISCO, CA 94188	YES; OBE, MICRO	STTE DEMOLITION	
01	CASTELLANOS TRUCKING 3327 23 <sup>RD</sup> STREET SAN FRANCISCO, CA	YES; OBE, MICRO	TRUCKING	\$20,000
01	SHEEDY DRAYAGE CO 1215 MICHIGAN STREET SAN FRANCISCO, CA 94107	YES; OBE, SMALL	CRANE RENTAL	\$23,000
01	ECO BAY SERVICES, INC. 1501 MINNESOTA ST. SAN FRANCISCO, CA 94107	NO	HAZARDOUS MATERIALS ABATEMENT	\$340,000
TOTAL 01				\$412,000

### ALTERNATE BID ITEMS

BIDDER ID NO.	NAME AND LOCATION	CERTIFIED LBE	DESCRIPTION OF PORTION OF WORK SUBCONTRACTED	AMOUNT
01	SITECO SERVICES INC. PO BOX 882583 SAN FRANCISCO, CA 94188	YES; OBE, MICRO	WHARF DECK AND PILES DEMOLITION, FENCE WORK	\$152,000
01	CASTELLANOS TRUCKING 3327 23 <sup>RD</sup> ST SAN FRANCISCO, CA	YES; OBE, MICRO	· L'I'RUCKING	
01	ECO BAY SERVICES, INC. 1501 MINNESOTA ST. SAN FRANCISCO, CA 94107	NO	STEEL LOADING TOWER DEMOLITION	\$20,000
TOTAL 01				\$202,000



## SUBCONTRACTOR LIST <FERMA CORPORATION>

#### BASE BID WORK

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BIDDER ID NO.	NAME AND LOCATION	CERTIFIED LBE	DESCRIPTION OF PORTION OF WORK SUBCONTRACTED	AMOUNT			
02	BAY-TECH ELECTRICAL INC 1485 BAYSHORE BLVD SAN FRANCISCO, CA 94124	YES; MBE	ELECTRICAL SAFE-OFF	\$15,000			
02	HVYW8 1485 BAYSHORE BLVD SAN FRANCISCO, CA 94124	YES; MICRO	TRUCKING	\$30,000			
TOTAL 02				\$45,000			

### ALTERNATE BID ITEMS

BIDDER ID	NAME AND LOCATION	CERTIFIED	AMOUNT	
NO.	NAME AND LOCATION	LBE	LBE WORK SUBCONTRACTED	
	ARMOUR FENCE			
02	192 FAIR OAKS LANE	YES; OBE	INSTALLATION OF NEW FENCE	\$157,000
	ATHERTON, CA			
TOTAL 02				\$157 <b>,</b> 000

# **ATTACHMENT C** *CMD Memorandum*

City & County of San Francisco Daniel Lurie, Mayor



Office of the City Administrator Carmen Chu, City Administrator

Contract Monitoring Division Stephanie Tang, Director

#### MEMORANDUM

May 5, 2025 Date:

To: Erica Petersen, Project Manager, Port of San Francisco

Tim Leung, Construction Contracts & Procurement Manager, Port of San Francisco

From: Melinda Kanios, Contract Monitoring Division

Subject: CMD Review of Bids Submitted on April 17, 2025 for 2858 Pier 90 Buildings & Wharf

### Silverado Contractors ("Silverado") is the apparent low bidder after the bid discount.

The bid discount was applied to bidders who are certified by the Contract Monitoring Division, ("CMD") as an LBE in the type of work that is specified for the bidder by the Contract Awarding Authority. None of the bidders are entitled to the LBE bid discount. Port will award one contract to the responsible bidder who submits the lowest responsive bid, based on the total price of the base bid plus alternates. Port elected to use all three alternates (A1, A2, A3) for this contract.

Bidder	LBE Status	Base Bid	LBE Bid Discount	Total Bid with Alternates
Ferma Corporation	Non-LBE	\$1,296,000.00	N/A	\$8,541,000.00
Silverado Contractors	Non-LBE	\$865,000.00	N/A	\$3,199,000.00

### Silverado satisfactorily demonstrated how they will meet the LBE subcontractor participation requirement.

A combination of Micro-LBE and Small-LBE participation will count toward LBE subcontractor participation compliance. Silverado's commitment for this contract:

	Requirement %	Commitment %
Micro/Small LBE	5.00%	8.32%

In their bid, Silverado listed the following subcontractors on this contract.

Page 2

Supplier Name	Scope of Work	LBE	LBE Size	LBE Percent	Percent Of Work	Amount
Siteco Services	*2	LBE	MICR	100%	3.35%	\$29,000.00
Castellanos Trucking	*2	LBE	MICR	100%	2.31%	\$20,000.00
Sheedy Drayage	*2	LBE	SML	100%	2.66%	\$23,000.00
Eco Bay Services	*3				6.34%	\$340,000.00

<sup>\*</sup> Base Bid Item:

### In their bid, Silverado listed the following subcontractors for alternate work on this contract.

Supplier Name	Scope of Work	LBE	LBE Size	LBE Percent	Percent Of Work	Amount
Siteco Services	*A2 and A3	LBE	MICR	100%	6.51%	\$152,000.00
Castellanos Trucking	* A2	LBE	MICR	100%	1.28%	\$30,000.00
Eco Bay Services	* A1				0.86%	\$20,000.00

<sup>\*</sup> Alternate Bid Item:

### Silverado satisfied the "Good Faith Efforts" requirement.

Silverado utilized Approach A by exceeding the LBE subcontracting requirement by 35%.

CMD finds Silverado Contractors is responsive to pre-award requirements of Chapter 14B. Once awarded, the contract will be monitored for compliance with the LBE subcontractor participation commitment, as well as other 14B requirements.

Primary CMD contact for the contract: Melinda Kanios, Melinda.Kanios@sfgov.org

CMD must be contacted immediately for:

- Subcontractor addition/substitution;
- Contract modification that cumulatively increases the original contract value by 20%;
- Prompt payment issues;
- Any other issues pertaining to LBE subcontractor participation

Noncompliance may result in penalties, including monetary fines. Please communicate with CMD early.

<sup>2:</sup> Site demolition

<sup>3:</sup> Hazardous materials abatement

A1: Additive steel loading tower demolition

A2: Demolition

A3: Additive fence work

### Page 3

The Port of San Francisco has specifically requested that CMD include in the Award Memo the specific ethnicity of each LBE bidder and the subcontractors of the apparent low-bid, where available. CMD does not require businesses to self-identify the ethnicity of the business owner, but any business may choose to do so. CMD reiterates to the Port and any other agency that ethnicity information in no way factor into the evaluation or award of this or any other contract. CMD recommends against the publication or announcement of the ethnicity information provided below, including but not limited to Commission meetings.

Castellanos Trucking: OBE
 Eco Bay Services: N/A
 Ferma Corporation: N/A
 Sheedy Drayage: OBE
 Silverado Contractors: N/A
 Siteco Services: OBE

ΜK