



# Memorandum

**Date:** 03.04.14 **RE:** Finance Committee  
March 11, 2014

**To:** Finance Committee: Commissioners Cohen (Chair), Wiener (Vice Chair), Chiu, Farrell, Tang and Avalos (Ex Officio)

**From:** Lee Saage – Deputy Director for Capital Projects *LS*

**Through:** Tilly Chang – Executive Director *TC*

**Subject:** **ACTION** – Recommend Exercising the First One-Year Option of the Memorandum of Agreement (MOA) with the Office of Economic and Workforce Development and to Increase the MOA Amount by \$167,700, to a Total Amount Not to Exceed \$335,400, for CityBuild Services to Promote Workforce Development for Phase II of the Presidio Parkway Project and Authorizing the Executive Director to Modify Agreement Payment Terms and Non-Material Agreement Terms and Conditions

## Summary

The Transportation Authority has collaborated with the Office of Workforce Development (OEWD) to track local opportunities related to construction projects within the City and County of San Francisco. On February 22, 2012, through approval of Resolution 12-46, the Transportation Authority authorized a Memorandum of Agreement (MOA) with OEWD for a one-year period with two additional one-year extension options, in an amount not to exceed \$167,700, for CityBuild services to enhance local hire for Phase II of the Presidio Parkway project implementation. The Transportation Authority and OEWD wish to further this relationship and provide a structure where OEWD will provide valuable local outreach and develop a skilled workforce to enhance the opportunities for San Francisco residents to become aware of and qualified for construction jobs relating to the implementation of Phase II of the Presidio Parkway project. This agreement will be funded by Prop K funds previously appropriated through Resolution 10-66. **We are seeking a recommendation to exercise the first one-year option of the MOA with OEWD, and to increase the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to promote workforce development for Phase II of the Presidio Parkway project and to authorize the Executive Director to modify agreement payment terms and non-material agreement terms and conditions.**

## BACKGROUND

Doyle Drive serves as the South Access to the Golden Gate Bridge and is part of US-101 that provides a crucial regional link between the City and County of San Francisco (City) and North Bay Area counties. The Transportation Authority has been leading the effort since 1994, in close cooperation with the California Department of Transportation (Caltrans), to replace the existing Doyle Drive structure. The Transportation Authority has forged a partnership with a host of federal, state and local agencies involved with this complex undertaking. These agencies include the Federal Highway Administration, Presidio Trust, Department of Veterans Affairs, National Park Service, Caltrans, Golden Gate Bridge Highway and Transportation District, Transportation Authority of Marin, Sonoma County Transportation Authority, State Historic Preservation Office and others.

Construction of the Presidio Parkway project to replace Doyle Drive is organized into two phases. Phase I was delivered under a traditional design-bid-build process consisting of Contracts 1 through 4 for environmental mitigation, utility relocation, and the construction of portions of the permanent new

parkway, one of four short tunnels under the Presidio, and a detour. Phase II includes construction of a new northbound bridge and Battery Tunnel, the Main Post Tunnels, and the Doyle Drive/Girard Road/Marina Boulevard/Richardson Avenue interchange as well as final landscaping. Phase II is to be delivered under a public-private partnership (P3) agreement, and is expected to be open by mid-2016 with a construction cost of approximately \$272 million.

The Transportation Authority has collaborated closely with the Office of Workforce Development (OEWD) to track local opportunities related to construction projects within the City on several project from the inception of the agency. OEWD currently provides local workforce program planning, management, and operations including recruitment, assessment, referral, retention support for local resident job seekers, and community interface for the City on several large scale projects under construction through various City entities such as the San Francisco Public Utility Commission.

In July 2011, the Transportation Authority and OEWD began discussing the opportunities to collaborate on and facilitate the implementation of a workforce development program, as required in the Phase II contract of the Presidio Parkway project with the developer, Golden Link Concessionaire (GLC). Since May 2012, OEWD has been supporting the Phase II of the Presidio Parkway project by recommending qualified resources from its pool of CityBuild program graduates under a cooperative agreement with GLC to hire local labor for the construction activities. These efforts, similar to those provided by OEWD to support construction contracts 1-4 during Phase I, are supported by Prop K funding that the Transportation Authority disburses to OEWD under the current Memorandum of Agreement (MOA) between our two agencies.

The purpose of this memorandum is to seek a recommendation to exercise the first one-year option to the MOA with OEWD and to increase the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to continue to enhance local hire for the Phase II of the Presidio Parkway project implementation.

## **DISCUSSION**

On March 27, 2012, through approval of Resolution 12-46, the Transportation Authority Board authorized an MOA with OEWD for a one-year period with two additional one-year extension options in an amount not to exceed \$167,700, for CityBuild services to enhance local hire for the Phase II of the Presidio Parkway project implementation.

For the Presidio Parkway project, OEWD will continue to provide an Employment Liaison Specialist(s), who will work with GLC, to provide outreach to CityBuild's network of community based organizations to identify, assess, and screen potential workers for referral to the Presidio Parkway project; facilitate the referral and hiring process with union locals and GLC; and provide onsite support to GLC and project subcontractors as required.

This approach will utilize the core skills held by each party, improving the efficiency of establishing and maintaining the local hire program. CityBuild has the primary relationship with various on-going training programs and can ensure that the workforce with required skills becomes available in a timely manner to benefit both the project and the City's employable workforce.

This one-year extension to the MOA will further the collaborative relationship between the Transportation Authority and OEWD and provide a structure where OEWD will provide valuable local outreach and help develop a skilled workforce to enhance the opportunities for City residents to become aware of and qualified for construction jobs relating to the implementation of Phase II of the Presidio Parkway project.

**We are seeking a recommendation to exercise the first one-year option to the MOA with OEWD, and to increase the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to promote workforce development for Phase II of the Presidio Parkway project and to authorize the Executive Director to modify agreement payment terms and non-material agreement terms and conditions.**

## **ALTERNATIVES**

1. Recommend exercising the first one-year option to the MOA with OEWD, and increasing the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to promote workforce development for Phase II of the Presidio Parkway project and authorizing the Executive Director to modify agreement payment terms and agreement terms and conditions, as requested.
2. Recommend exercising the first one-year option to the MOA with OEWD, and increasing the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to promote workforce development for Phase II of the Presidio Parkway project and authorizing the Executive Director to negotiate modify agreement payment terms and agreement terms and conditions, with modifications.
3. Defer action, pending additional information or further staff analysis.

## **CAC POSITION**

This item was included on the consent calendar for the February 26, 2014 CAC meeting. The CAC unanimously adopted a motion of support for the staff recommendation.

## **FINANCIAL IMPACTS**

This MOA amendment will be funded by Prop K funds previously appropriated through Resolution 10-66. This year's activity was included in the Transportation Authority's adopted Fiscal Year 2013/14 budget. An additional option year may be exercised in the future contingent on available project funding and the Transportation Authority's need for continued OEWD coordination efforts on the project.

## **RECOMMENDATION**

Recommend exercising the first one-year option to the MOA with OEWD, and increasing the MOA amount by \$167,700, to a total amount not to exceed \$335,400, for CityBuild services to promote workforce development for Phase II of the Presidio Parkway project and authorizing the Executive Director to modify agreement payment terms and agreement terms and conditions.