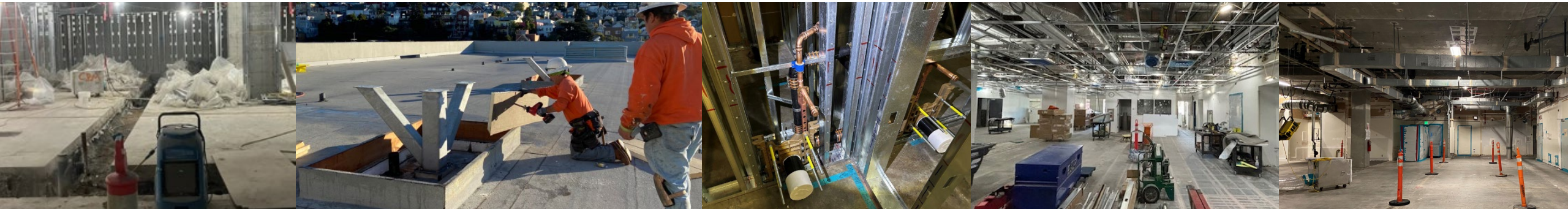




July 22, 2024

Zuckerberg San Francisco General (ZSFG) Building 5 Seismic Upgrade and Renovation - Contract Modification

Joe Chin
Public Works Program Manager



ZSFG Building 5 Seismic Upgrade and Renovation

Increase to Contract Contingencies

Recommend Commission:

Approve increases to contract cost and duration contingencies and authorize Public Works to approve future modifications for the ZSFG Building 5 Seismic Upgrade and Renovation Construction Contract

Revised Contract Amount (Current):

\$94,662,958.09

Increase Contract Cost and Duration Contingencies by:

\$25,923,076 and 572 consecutive calendar days

Contractor:

Charles Pankow Builders, Ltd.

Reason:

Allows for the completion of the trade package bidding/buyout and allows for the execution of change orders, including time extensions, to complete the projects

ZSFG Building 5 Seismic Upgrade and Renovation

Location

Zuckerberg San Francisco General (ZSFG), Building 5

1001 Potrero Ave.

District 10

More info:

- sfpublicworks.org/publichealthbond
- zuckerbergsanfranciscogeneral.org/about-us/current-projects/



Contract Overview

Client: San Francisco Department of Public Health
Program: 2016 Public Health and Safety Bond
Other Funding: 2020 Health and Recovery Bond; General Funds; & SFGH Foundation Gift/Donation Funds
Architect(s): Public Works Bureau of Architecture (BOA)
MEI Architects
Contractor: Charles Pankow Builders, Ltd. (Pankow)
Completion Date: 1Q, 2026 (Target)

Scope:

- 2016 Public Health and Safety Bond Program – ZSFG Building 5 Component. Long-term vision is to convert Building 5 into the new Outpatient Care Center by consolidating many of the outpatient specialty clinics located throughout different buildings on the ZSFG campus or offsite into Building 5. All of the projects under this contract are critical in realizing DPH’s vision.
- Construction Manager/General Contractor (CMGC) Construction Contract (Integrated Project Delivery Method) – chosen because of complexity of healthcare construction; other factors including development of critical and complicated construction phasing and sequencing plans, site logistics planning and coordination, constructability review, and coordination of intersecting base scope work between multiple projects.
- Contract includes the delivery of six major renovation projects all within Building 5: (1) Seismic Upgrade; (2) Dialysis Relocation; (3) Public Health Laboratory; (4) IT Infrastructure; (5) Psychiatric Emergency Services; and (6) Clinical Laboratory Automated Track Replacement

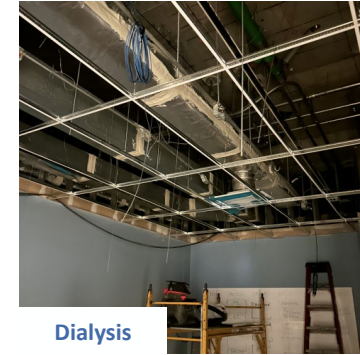


Aerial View of ZSFG Building 5

ZSFG Building 5 Seismic Upgrade and Renovation – Project Status

- **Dialysis**

- ❑ 65% overall completed. Target completion 2Q, 2025
 - Proceeding with taping and mudding new walls
 - Started to paint walls and ceiling soffits
 - Continuing with overhead electrical and fire alarm installation
 - Continuing with dialysis equipment (reverse osmosis) plumbing and tubing installation



Dialysis

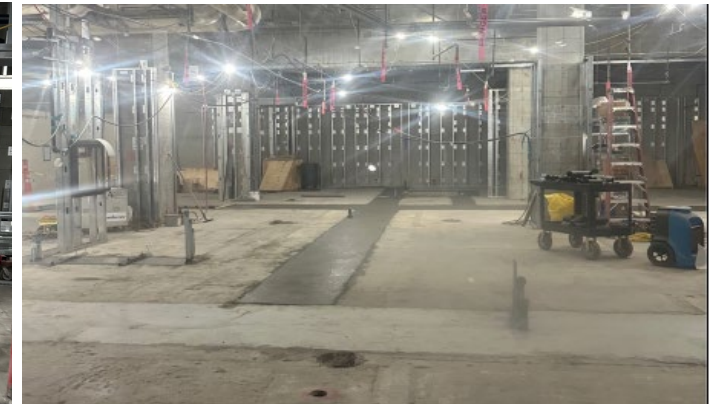


- **Public Health Laboratory (PHL)**

- ❑ 47% overall completed. Target completion 3Q, 2025
 - 90% of underslab plumbing excavation and installation completed
 - Proceeding with metal framing in all areas and new plumbing layout
 - Proceeding with above ceiling fire sprinkler demolition



PHL

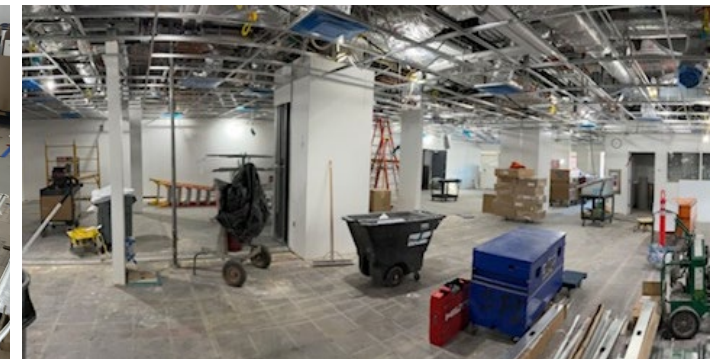


- **Clinical Laboratory Automated Track Replacement**

- ❑ 90% overall completed. Target completion 3Q, 2024
 - Main Space – 90% of utility piping and ductwork completed
 - New clin lab track equipment targeted to be delivered by end of August 2024; office furniture being installed



ClinLab



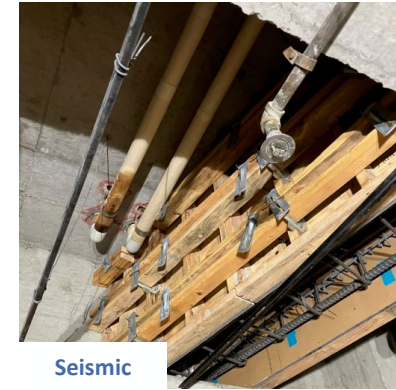
ZSFG Building 5 Seismic Upgrade and Renovation – Project Status

- **Seismic Upgrade**

- 52% overall locations completed (110 of 211 locations)

Target completion 1Q, 2026

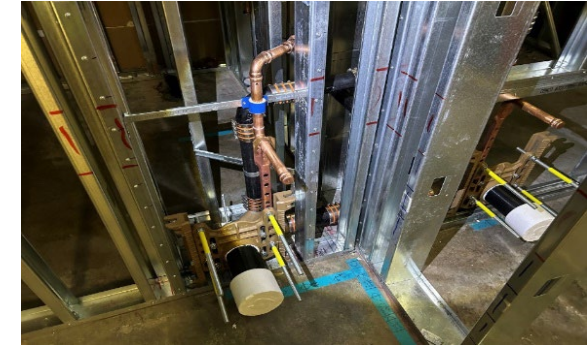
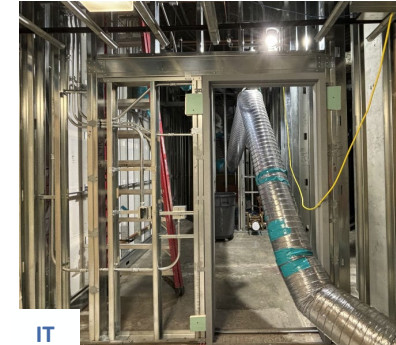
- Over 22 locations in progress
- Ground level & L1- Column enlargement in progress at four locations
- Ward 3M/L3 Seismic Joint – Completed all 3M structural improvements, including new flexible piping connections at the new seismic joint and new steel beams and columns to support concrete slab. 3M/L3 corridor reopened on July 15
- Ward 4M/L4 Seismic Joint – Targeting to start at the end of July



- **IT Infrastructure**

- 19% overall completed. Target completion 1Q, 2025

- Majority of wall framing at two restrooms/showers is completed
- Final field coordination to start installation of chilled water piping (CHWL)
- Finalizing negotiation/bidding of the reduced mechanical, plumbing and electrical scopes



- **Psychiatric Emergency Services (PES) (Main Renovation)**

- Construction NTP issued on May 13, 2024. Target completion 1Q, 2026

- Proceeding with hazardous material abatement; demolition will start in 1X64 and 1X66 radiology rooms and new wall layout in main space
- Finalizing bidding/buyout of architectural and finish scopes



ZSFG Building 5 Seismic Upgrade and Renovation

Summary of Construction Contract and Approved Modifications

Contract Cost Amount	Amounts
Original Construction Contract Amount:	\$86,410,253
Approved Change Orders to Date (COs #1-23):	\$8,252,705.09
Revised Contract Amount:	\$94,662,958.09
Approved Contingency Reserve to Date (10%):	\$8,641,025
Approved Contingency Reserve Remaining (as of 7/1/2024):	\$388,319.91
Contract Duration	Calendar Duration
Original Contract Duration:	1429
Approved Contract Duration to date (COs #1-23):	0
Revised Contract Duration:	1429
Approved Contingency Reserve to Date (10%):	143
Approved Contingency Reserve Remaining (as of 7/1/2024):	143

ZSFG Building 5 Seismic Upgrade and Renovation

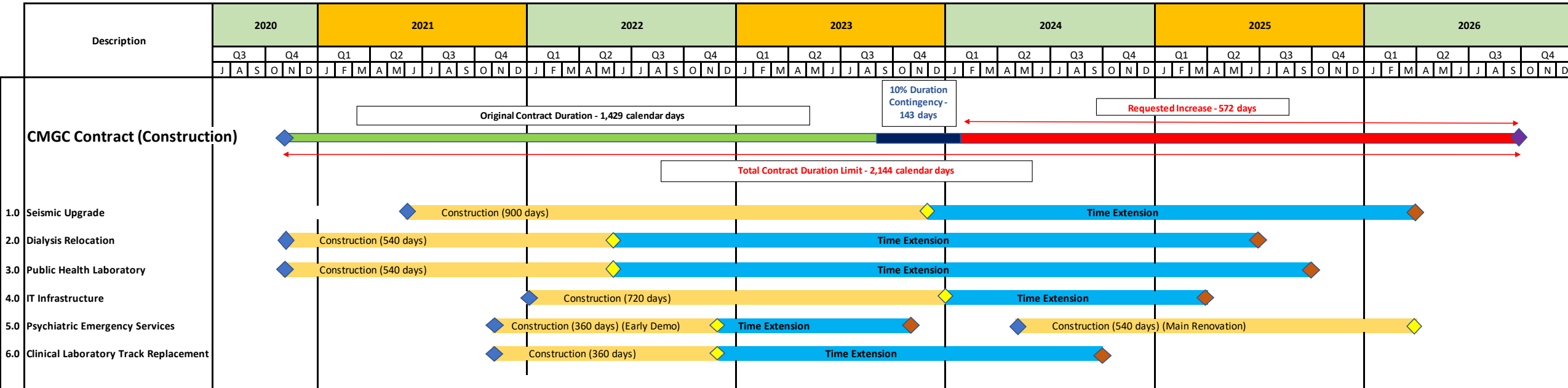
Summary of Requested Contract Cost and Duration Contingency Increases

Contract Duration	Calendar Days
Original Contract Duration:	1429
Original Contingency Duration (10%):	143
Previously Approved Contingency Reserve:	0
Additional Contingency Reserve Requested (40%):	572
Authorized Contract Duration Limit:	2,144 (New End Date - 9/21/2026)

Contract Cost Amount	Amounts
Original Contract Amount:	\$86,410,253
Original Contingency Amount (10%):	\$8,641,025
Previously Approved Contingency Reserve:	0
Additional Contingency Reserve Requested (30%):	\$25,923,076
Authorized Contract Cost Limit:	\$120,974,354

Contract Duration Contingency Calculation Summary

ZSFG Building 5 CMGC Contract Duration



Legend	
	Notice to Proceed (NTP) Milestone
	Original Contract End Date Milestone
	Revised Completion Date Milestone
	Revised Contract Duration Contingency End Date Milestone
	Original Contract Duration
	Approved/Projected Time Extension

Reasons for Increasing Contract Cost and Duration Contingencies



Aerial view of Building 5 (New Hospital in the background to the left).

- Contract value and duration needs to be increased because of CMGC cost and time true-up reconciliation; higher bid prices received during trade package bidding/buyout; and change order work
- Allows Public Works to complete the trade package bidding/buyout of remaining scopes of work for Psychiatric Emergency Services (PES) and IT Infrastructure
- Allows Public Works to issue future contract modifications for all approved change order work
- Additional contract duration is needed for contractor to complete all six projects: Seismic Upgrade and PES are targeted to be completed by 1Q, 2026; the other four projects are targeted to be completed in 2025

ZSFG Building 5 Seismic Upgrade and Renovation

Increase to Contract Contingencies

Recommend Commission:

Approve increases to contract cost and duration contingencies and authorize Public Works to approve future modifications for the ZSFG Building 5 Seismic Upgrade and Renovation Construction Contract

Revised Contract Amount (Current):

\$94,662,958.09

Increase Contract Cost and Duration Contingencies by:

\$25,923,076 and 572 consecutive calendar days

Contractor:

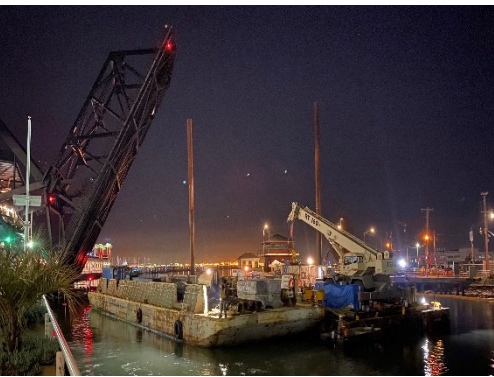
Charles Pankow Builders, Ltd.

Reason:

Allows for the completion of the trade package bidding/buyout and allows for the execution of change orders, including time extensions, to complete the projects



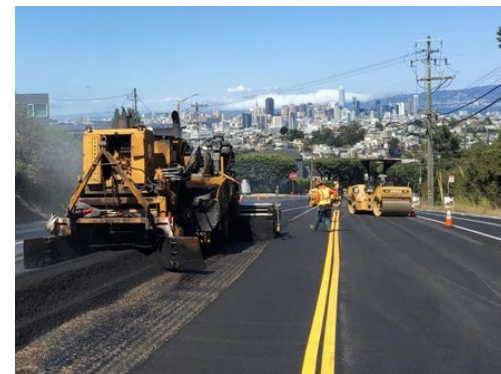
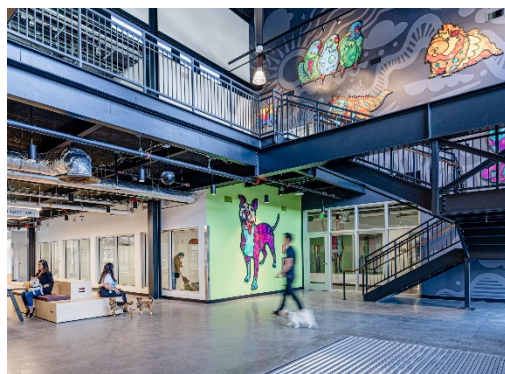
QUESTIONS



July 22, 2024

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3, Approval of Contract Modification

Lindsay Hu
Public Works Project Manager



ZSFG Building 5 Rehabilitation Department Relocation – Phase 3 Increase to Contract Contingencies

Recommend Commission:

**Approve increases to contract cost and duration contingencies and
authorize Public Works to approve future modifications for the
ZSFG Building 5 Rehabilitation Department Relocation – Phase 3 Construction Contract**

Approved Contract Amount (Current):

\$4,103,914.54

Increase Contract Cost and Duration Contingencies by:

\$559,624.71 and 395 consecutive calendar days

Contractor:

KLW Construction, Inc.

Reason:

Allows for the execution of change orders, including time extensions, to complete the project.

Contract Overview

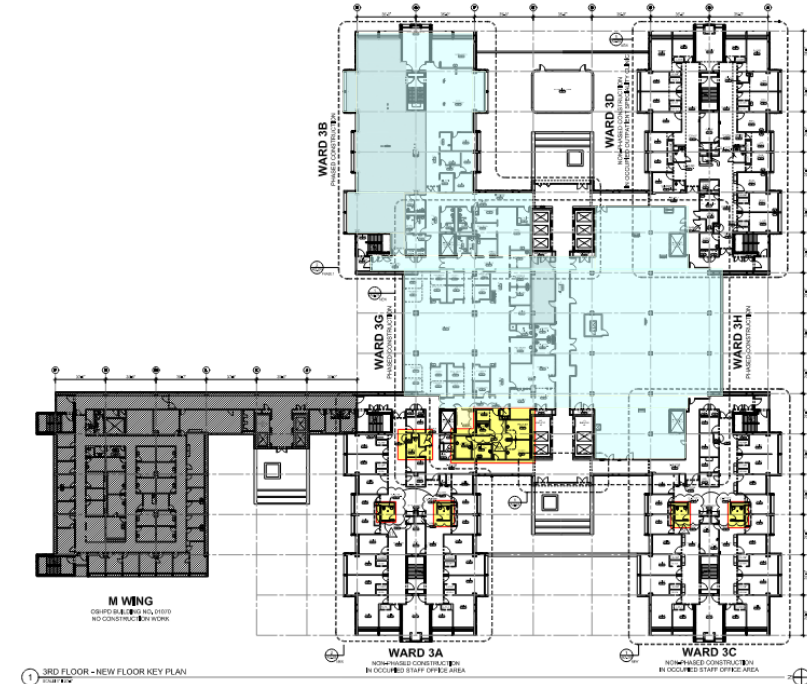
Client: San Francisco Department of Public Health
Program: 2016 Public Health and Safety Bond
Other Funding: SFGH Foundation Grant/Gift Donation Funds
Architect: Public Works Bureau of Architecture (BOA)

Contractor: K LW Construction, Inc.
Construction NTP: October 24, 2022, 490 Calendar Day Duration
Completion Date: Original April 25, 2024, Projection to 2Q 2025

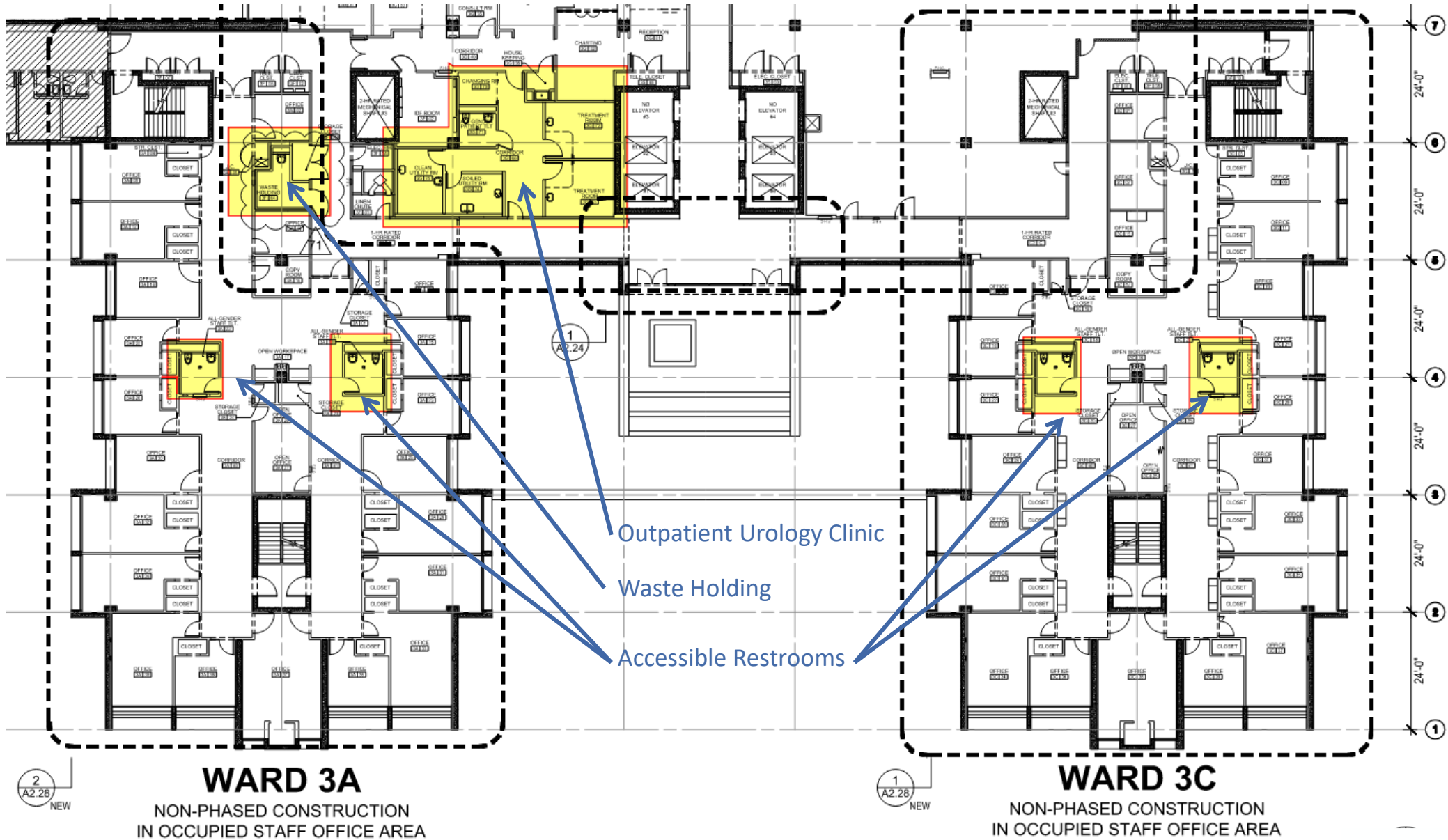
Scope:
The ZSFG Building 5 Rehabilitation Department Relocation - Phase 3 Project is the third and final phase of this project that is permitted by the Department of Health Care Access and Information (HCAI)

Phases 1 and 2 were completed under a separate Public Works contract with a separate Contractor.

The Phase 3 work includes the construction of the new Outpatient Urology Clinic, Waste Holding area, and new Ward 3A and Ward 3C Accessible Restrooms.



Aerial and Plan View of ZSFG Building 5



WARD 3A
NON-PHASED CONSTRUCTION
IN OCCUPIED STAFF OFFICE AREA

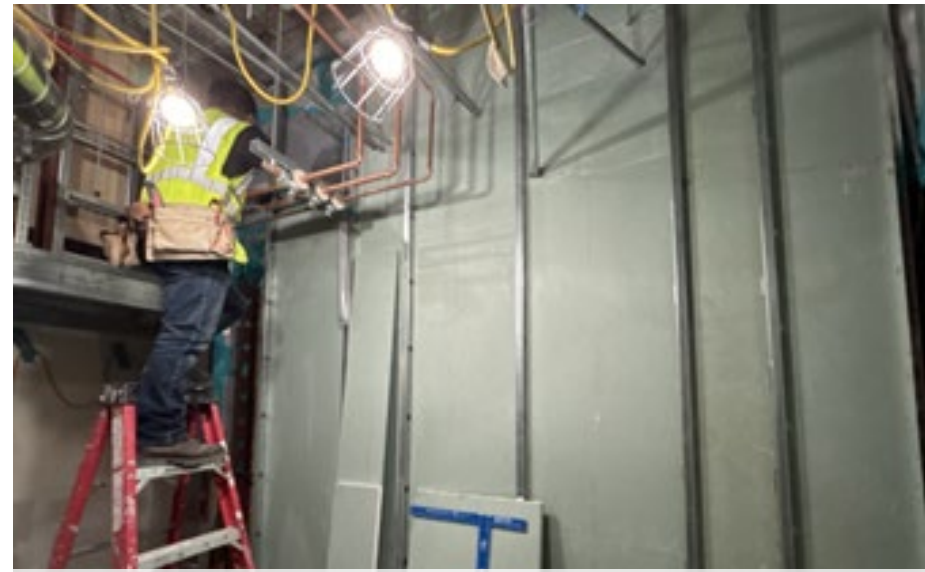
WARD 3C
NON-PHASED CONSTRUCTION
IN OCCUPIED STAFF OFFICE AREA

Project Status

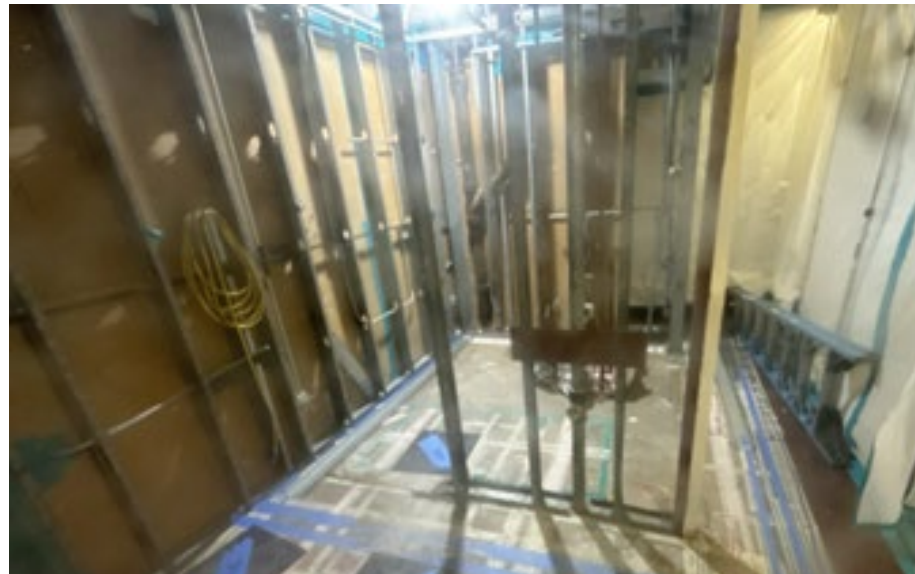
- Overall Estimated Value Complete 51%



Urology – Partition Wall and HVAC Installation



Waste Holding – Partition Wall Installation



3A Accessible Restroom – Framing Installation



3C Accessible Restroom – Temp Construction Barrier Installation

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3

Summary of Construction Contract and Approved Modifications

Contract Cost Amount	Amounts
Original Construction Contract Amount:	\$3,730,831.40
Approved Change Orders to Date (COs #1-3):	\$258,417.16
Revised Contract Amount:	\$9,989,248.56
Approved Contingency Reserves to Date (10%):	\$373,083.14
Approved Contingency Reserve Remaining (as of 7/1/2024):	\$114,665.98

Contract Duration	Calendar Duration
Original Contract Duration:	550
Approved Contract Durations to date (COs #1-3):	0
Revised Contract Durations:	550
Approved Contingency Reserves to Date (10%):	55
Approved Contingency Reserve Remaining (as of 7/1/2024):	55

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3

Summary of Requested Contract Cost and Duration Contingency Increases

Contract Cost Amount	Amounts
Original Contract Amount:	\$3,730,831.40
Original Contingency Amount (10%):	\$258,417.16
Previously Approved Contingency Reserve:	-
Additional Contingency Reserve Requested (15%):	\$559,624.71
Authorized Contract Cost Limit:	\$4,663,539.25

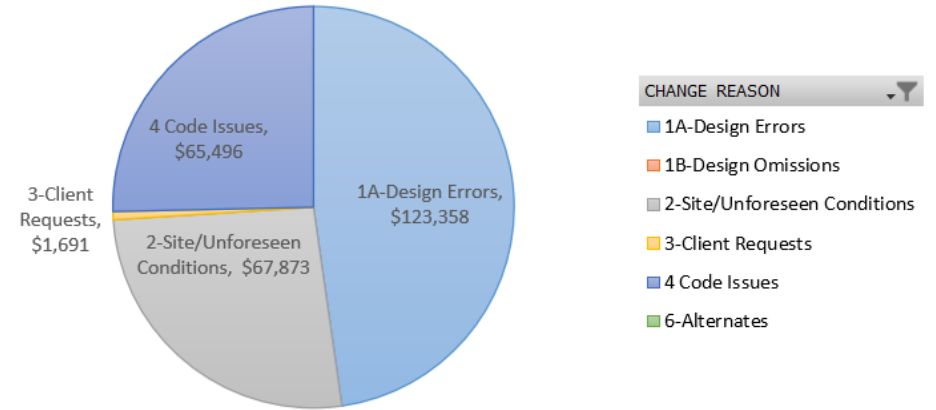
Contract Duration	Calendar Days
Original Contract Duration:	550
Original Contingency Duration (10%):	55
Previously Approved Contingency Reserve:	0
Additional Contingency Reserve Requested:	395
Authorized Contract Duration Limit:	1,000 (5/20/2025)

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3

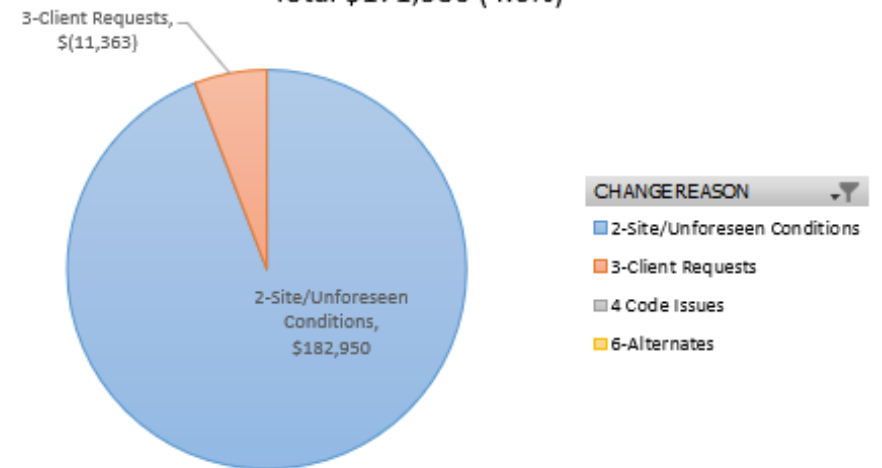
Approved and Potential Change Orders

CO	CO Amount	Time Extension (CDs)	Status
001	\$ 67,186.71	0	Executed
002	\$ 62,136.86	0	Executed
003	\$ 129,093.59	0	Executed
Executed Subtotal	\$ 258,417.16	0	
004	\$ 171,586.11	211	Pending Commission Approval
Potential	\$ 450,000.00	120	Potential Exposure / Projected CO
Total Executed, Approved, Potential	\$ 880,003.27	331	

Executed Change Orders
Total \$258,417 (6.9%)



Approved Pending Change Orders
Total \$171,586 (4.6%)

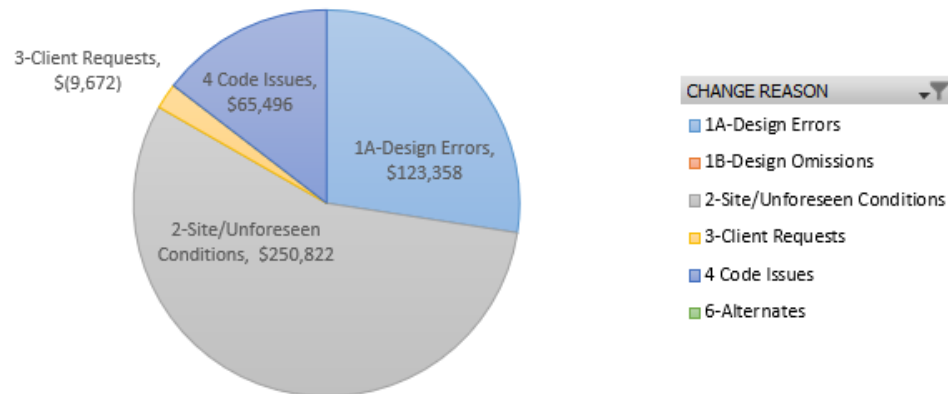


Total Executed and Approve Change Orders
\$430,003 (11.5%)

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3

Approved and Potential Change Orders

CO Type	CO Amount	% Base Contract
1 – Design Error	\$ 123,358	3.3%
2 – Unforeseen Condition	\$ 250,822	6.7%
3 – Client Request	\$ (9,672)	-0.3%
4 – Code Issue	\$ 65,496	1.8%
Total Executed, Approved	\$ 430,003	11.5%



Row Labels	Sum of APPROVED AMOUNT
1A-Design Errors	\$ 123,358
HCAI Approved ACD0074_ Added Exam Light in Treatment Rooms	\$ 39,623
HCAI Approved ACD009_ Addition of HS/HR Piping for RHC 3G20, 3G21	\$ 83,734
2-Site/Unforeseen Conditions	\$ 250,822
Framing Over Existing Abandoned Doorway	\$ 4,662
HCAI Approved ACD0072_Infill Framing and Extending gypsum board to Underside of slab	\$ 58,615
HCAI Concurred NMA 03(ASI055)_ Shifting Walls in Urology to avoid PT cable	\$ 880
Opening existing Fire Damper in close position and re-read air flow at Urology and Waste Holding Space	\$ 3,522
Reconnect Light Fixture in 3F-01 Room	\$ 995
Revised Door width to 3F-04	\$ 5,167
Time Extension	\$ 163,324
Updated wall location due to site condition and updated ceiling heights	\$ 1,544
Waste Holding Corridor Studs	\$ 8,252
Waste Holding Shower Piping Demo	\$ 3,861
3-Client Requests	\$ (9,672)
Additional cost due to second Resilient Flooring color	\$ 1,691
HCAI Concurred NMA 013 (ASI 0660_ Removal of Rated Barriers at 3A	\$ (11,363)
4 Code Issues	\$ 65,496
Fire Alarm Supervisory for supply Fans (S211521-38-00)	\$ 65,496
Grand Total	\$ 430,003

Reasons for Increasing Contract Cost and Duration Contingencies

- Complex and challenging renovation construction project in operational hospital. Change orders often exceed the standard 10% construction cost and duration contingency.
 - Continued operations, limit impact to clinical care
 - Existing 1970's reinforced concrete building with post tension slab/beams require expertise in scanning
 - Unforeseen conditions related to mechanical, electrical, plumbing infrastructure and existing architectural components
 - Stringent environmental health and safety procedures and infection control plans delay start of field work and require repairs throughout construction
 - Rehab Phase 3 started 190 calendar days (35%) after NTP
 - HCAI oversight requires review and approval of material alterations, field walks and review from the HCAI Field Staff Officers, daily oversight from HCAI Inspector of Record
- Allows Public Works to future contract modifications for all approved change order work

ZSFG Building 5 Rehabilitation Department Relocation – Phase 3 Increase to Contract Contingencies

Recommend Commission:

**Approve increases to contract cost and duration contingencies and
authorize Public Works to approve future modifications for the
ZSFG Building 5 Rehabilitation Department Relocation – Phase 3 Construction Contract**

Approved Contract Amount (Current):

\$4,103,914.54

Increase Contract Cost and Duration Contingencies by:

\$559,624.71 and 395 consecutive calendar days

Contractor:

KLW Construction, Inc.

Reason:

Allows for the execution of change orders, including time extensions, to complete the project.



QUESTIONS