

ATTACHMENT B
PRE-CONSTRUCTION SCOPE OF SERVICES

Transbay Block 4 West, San Francisco, CA
 Mercy Housing California and Young Community Developers

SECTION 1

PURPOSE AND OVERVIEW

- 1.1 This Attachment B sets forth the Pre-Construction Scope of Services (the "Pre-Construction Services") to be provided by the selected General Contractor ("Contractor") in connection with the Transbay Block 4 West project ("Project"). These services shall be performed under the Preconstruction Services Agreement ("Agreement") entered into between the Owner—Mercy Housing California and Young Community Developers (collectively, "Owner" or "Sponsor")—and the Contractor.
- 1.2 The scope described herein covers all pre-construction activities from the date of Contractor selection through execution of a Guaranteed Maximum Price ("GMP") construction contract. Pre-Construction Services costs shall be incorporated into the GMP upon execution of the construction contract. If no construction contract is executed, the Owner will compensate the Contractor on a Time and Materials, Not-to-Exceed basis consistent with the pre-construction budget submitted by the Contractor as part of this RFP.
- 1.3 The Contractor acknowledges that the pre-construction phase may extend beyond the durations reflected in the Anticipated Project Schedule due to the complexities of affordable housing financing, OCII approvals, and regulatory permitting timelines. The pre-construction fee shall not be subject to increase due to schedule delays, extended pre-construction timelines, or changes in project funding timelines. Respondents should price their services accordingly.
- 1.4 Selection under this RFP is for pre-construction services only and does not constitute an award or guarantee of a construction contract. The Owner intends to negotiate a GMP contract with the selected Contractor upon successful completion of pre-construction but reserves the right to competitively bid the construction phase or select a different contractor if the pre-construction collaboration does not meet the Owner's expectations for cost, schedule, or quality.

SECTION 2

DESIGN PHASE MILESTONES AND ESTIMATING SCHEDULE

- 2.1 The Contractor shall provide cost estimating, value engineering, and constructability review services at a minimum at each of the following design milestones. Deliverables at each milestone are described in Section 4 of this Attachment.

Design Milestone	Primary Contractor Deliverables
Concept Design (RFP Response)	<ul style="list-style-type: none"> • Conceptual cost estimate submitted in two independently priced parts: (1) Residential Building Construction; (2) Tehama Street Improvements • Preliminary structural system and building type recommendations

	<ul style="list-style-type: none"> • Design-build and full design-build delivery narrative • Site staging and logistics plan • Cost savings and value engineering narrative • Pre-construction services fee budget (Not-to-Exceed)
Updated Concept Design (~2 Months Post-Award)	<ul style="list-style-type: none"> • Updated cost estimate reflecting any design revisions • Identification of long-lead items and procurement risks • Initial MEPF design-build subcontractor outreach initiated
100% Schematic Design	<ul style="list-style-type: none"> • Detailed cost estimate with CSI-format breakdown • Formal value engineering log submitted to Owner for review • Updated construction schedule and phasing plan • MEPF design-build Letters of Recommendation (LORs) for Owner approval
100% Design Development	<ul style="list-style-type: none"> • Updated cost estimate reflecting DD-level design • Written constructability review report • Subcontractor pre-qualification and bidding strategy • Updated Tehama Street scope and cost estimate
50% Construction Documents	<ul style="list-style-type: none"> • Complete cost estimate used as GMP benchmark (must be within 5% at 90% CD to proceed to GMP negotiation) • Major trade subcontractor bid packages issued • GMP reconciliation memorandum submitted to Owner
90% CDs / GMP Submission	<ul style="list-style-type: none"> • Final GMP proposal including all trades, general conditions, general requirements, fee, and contingencies • Subcontractor LOR package for all major trade awards • Final project schedule through construction completion and Tehama Street opening

- 2.2 If the Contractor and Owner are unable to negotiate a GMP within 5% of the approved 50% Construction Documents cost estimate, the Owner reserves the right to competitively re-bid the project or select another contractor with whom to negotiate.

SECTION 3

COST ESTIMATING

- 3.1 The Contractor shall prepare and deliver cost estimates at each milestone identified in Section 2 using the template provided in Attachment K. All estimates shall be submitted in Excel format in addition to the full PDF proposal response.
- 3.2 All cost estimates shall be submitted in two independently priced components:
- (a) Part 1 -- Residential Building Construction: all costs associated with the 24-story residential building and associated site work; and
 - (b) Part 2 -- Tehama Street Improvements: all costs associated with the Tehama Street extension and public right-of-way improvements.
- 3.3 The following assumptions apply to all cost estimates unless otherwise directed by the Owner:

- (a) The building will be all-electric with PG&E service (not SFPUC).
 - (b) Foundation soils will be improved; soils below the groundwater level will not be susceptible to liquefaction; Site Class D is appropriate for general estimates.
 - (c) A deep foundation system will be used; liquefiable soil will remain below the basement/ground slab; Site Class F and site-specific response spectra will be required for deep foundation design.
 - (d) For additional costing assumptions, refer to Attachment L (Design Standards).
- 3.4 Each estimate shall include a narrative explanation of key assumptions, inclusions, and exclusions; an escalation methodology; and identification of which line items are supported by subcontractor feedback versus Contractor-internal estimates.
- 3.5 Estimates shall address cost implications of both the base MEPF design-build delivery approach and a full design-build delivery scenario, presented as a separate narrative or line-item comparison where applicable.

SECTION 4

VALUE ENGINEERING AND CONSTRUCTABILITY REVIEW

- 4.1 The Contractor shall provide ongoing value engineering and constructability input throughout the pre-construction phase, with formal written deliverables at each design milestone. The Contractor shall maintain a running value engineering log tracking each identified opportunity by trade, estimated savings, design impact, and Owner decision status.

4.2 Structural System and Building Type

- 4.2 The Contractor shall provide written recommendations for the optimal Type I construction approach for the 24-story building, including:
- (a) Concrete versus steel structural systems; post-tensioned versus conventionally reinforced options; and construction sequencing implications for each.
 - (b) Vertical transportation strategy (elevator count, type, and placement) and its impact on cost and schedule.
 - (c) Foundation system recommendations, with input from the geotechnical team on deep foundation design in relation to liquefiable soil conditions.

4.3 Building Envelope

- 4.3 The Contractor shall clearly articulate the proposed building envelope system and provide direct comparable project experience. The Contractor shall identify curtain wall, precast, or alternative cladding options with comparative cost and schedule impacts.

4.4 Design-Build Delivery

- 4.4 As described in the RFP, the Development Team is evaluating full design-build delivery for the Project. The Contractor shall provide written input at each design milestone addressing:
- (a) The optimal point in the predevelopment process for the Contractor to assume design responsibility and the design document status required to support a successful transition.
 - (b) Mechanisms for achieving cost certainty under design-build, including contractual, process-based, and risk-allocation approaches.
 - (c) The Contractor's experience managing design coordination alongside an Owner-retained architect; KAP and SCB will remain as design team of record under any delivery approach.

- (d) In-house design team capacity and proposed deployment on this Project.
- (e) How design liability and professional services insurance (E&O) would be structured under the proposed design-build approach.

SECTION 5

MEPF DESIGN-BUILD MANAGEMENT

5.1 Regardless of the overall project delivery method selected, Mechanical, Electrical, Plumbing, and Fire Protection (MEPF) systems will be procured on a design-build basis. The Contractor shall manage the MEPF design-build program as a core pre-construction responsibility.

5.2 MEPF Subcontractor Procurement

5.2 The Contractor shall:

- (a) Solicit and evaluate design-build proposals from qualified MEPF subcontractors in compliance with OCII's SBE requirements and prevailing wage standards.
- (b) Prepare a Letter of Recommendation ("LOR") for each MEPF trade package for Owner review and written approval prior to releasing any MEPF subcontractor for design-build engineering services. Each LOR shall include: (i) scope description; (ii) recommended subcontractor; (iii) Bid Tabulation itemizing Design/Engineering, BIM Detailing and Coordination, and Construction Scope as separate line items; (iv) total GMP budget; (v) qualifications and assumptions; and (vi) SBE/LBE participation documentation.
- (c) Issue MEPF design subcontracts in the design-only amount upon Owner approval of the LOR. The construction-phase subcontract shall be issued separately once a final GMP budget is agreed upon.

5.3 MEPF Budget Management

5.3 The Contractor shall:

- (a) Maintain each MEPF trade's Design-Build budget using the LOR framework and provide budget updates to the Owner at each design and estimating milestone.
- (b) Require MEPF subcontractors to validate any cost increases or decreases with supporting documentation. Should a subcontractor's costs increase greater than 1% of the previously accepted budget without adequate justification (excluding Owner allowances, escalations, Owner-directed design changes, or schedule delays not caused by the design-build subcontractor), the Owner reserves the right to terminate that subcontractor's services and re-bid the trade. The Contractor and Owner shall retain the terminated subcontractor's design documents for re-bid purposes.
- (c) Require each MEPF subcontractor to submit monthly invoices or notifications documenting hours and progress. Pre-construction design fees shall be billed as incurred and paid within 45 days of an approved pay application.

5.4 MEPF Design Coordination

5.4 The Contractor shall:

- (a) Manage BIM coordination among MEPF design-build subcontractors, the Architects (KAP and SCB), and structural and civil consultants throughout the pre-construction phase.
- (b) Ensure all MEPF construction documents are submitted to Owner and Architect for written approval within a reasonable period of time prior to submittal to the City's Building

Department. Owner or Architect approval of construction documents does not relieve the Contractor or any MEPF subcontractor of responsibility for accuracy or adequacy.

- (c) Require all MEPF design documents to be prepared, stamped, and signed by qualified, registered, licensed engineers authorized to practice in the State of California.

SECTION 6

SCHEDULING AND SITE LOGISTICS

6.1 Project Schedule

- 6.1 The Contractor shall prepare and maintain a detailed master pre-construction schedule encompassing all design phases, estimating milestones, MEPF procurement, permitting, and GMP development. The Contractor shall submit an initial construction schedule as part of its RFP response identifying total construction duration and key interim milestones, and shall update this schedule at each design milestone.
- 6.2 The Contractor shall acknowledge in writing, as a condition of the Preconstruction Services Agreement, that the anticipated construction start date may shift by one or more years from the dates shown in the Anticipated Project Schedule, and that the Contractor shall not be entitled to additional pre-construction fees due to such delays. Respondents should assume a full three years from selection to start of construction when pricing their pre-construction services.

6.3 Site Logistics and Staging Plan

- 6.3 The Contractor shall prepare a comprehensive site logistics and staging plan for the dense urban Transbay District context, addressing:
 - (a) Tower crane strategy for a 24-story building in a dense urban setting, including crane type, jump schedule, tower crane foundation integration with the building structure, and temporary opening provisions in structural slabs.
 - (b) Material staging areas, temporary construction haul routes, construction fencing, and protection of adjacent public areas and open spaces.
 - (c) Use of Tehama Street as a staging resource during construction, consistent with the requirement that Tehama Street improvements be completed and opened simultaneously with housing construction completion.
 - (d) Sequencing strategy for the Tehama Street extension relative to building construction, including coordination with the City and utility agencies on any concurrent infrastructure work in the area.

SECTION 7

SUBCONTRACTOR BIDDING AND OCII COMPLIANCE

- 7.1 At the completion of the construction documents, the Contractor shall competitively bid the Project in compliance with OCII's requirements. The Contractor shall develop and maintain a subcontractor outreach and pre-qualification program consistent with the OCII Small Business Enterprise ("SBE") Policy (Attachment F) and a 50% SBE participation goal. The selected General Contractor will be required to comply with the Small Business Enterprise Policy (Attachment F) rules and enable the Owner to meet the requirements of the Construction Workforce Agreement (Attachment G).

- 7.2 The Contractor shall actively solicit and evaluate Joint Venture or Association proposals from non-SBE firms paired with SBEs, consistent with OCII's JV program requirements (see Attachment F). San Francisco-based SBEs shall be given first consideration as JV partners. Non-San Francisco-based SBEs shall be used to satisfy participation goals only if San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher.
- 7.3 The Contractor shall comply with OCII's Construction Workforce Policy (Attachment G), which has a goal that fifty percent (50%) of construction workforce hires for each trade be made available to residents of the City and County of San Francisco, and shall designate a local workforce coordinator as a named member of the project team.
- 7.4 The Contractor shall ensure compliance with State prevailing wage requirements. All subcontractors will be required to pay State prevailing wage levels on a trade-by-trade basis pursuant to wage determinations issued by the California Department of Industrial Relations. Certified payroll reports will be required and submitted weekly through LCPtracker. See Attachment H for more information.
- 7.5 The Contractor shall provide the Owner with regular SBE participation tracking reports, documenting good-faith efforts and actual participation against the 50% goal.

SECTION 8

TEAM COORDINATION AND COMMUNICATION

- 8.1 The Contractor shall attend regularly scheduled project team meetings (currently anticipated bi-weekly) with appropriate personnel, and shall participate in conference calls, virtual meetings, and Owner-requested reviews as needed to support the Project's design and development process.
- 8.2 The Contractor shall maintain a project-specific pre-construction log tracking open items, decisions needed, Owner approvals, and pending subcontractor actions, and shall share this log with the Owner on an agreed-upon cadence.
- 8.3 The Contractor shall proactively identify design or budget issues that may impact the Project's financial feasibility and shall escalate such issues to the Owner promptly upon identification.
- 8.4 The Contractor shall provide the Owner and its designated representatives with access to the Contractor's internal project cost tracking system for purposes of verifying pre-construction hours and expenses. The Contractor shall maintain records pertaining to the performance of this Agreement for a minimum of three (3) years after completion of the Project, and shall allow audit access during normal business hours.

SECTION 9

KEY PERSONNEL

- 9.1 The following personnel shall be assigned and actively engaged throughout the pre-construction phase. Personnel proposed in the Contractor's RFP submission are a key evaluation criterion and shall not be substituted without prior written approval from the Owner. The Contractor risks being dropped from the team if key personnel are substituted without such approval.
- 9.2 Required pre-construction personnel include:

- (a) **Project Executive.** Project Executive responsible for overall accountability for the Contractor's performance and the Owner relationship;
 - (b) **Pre-Construction Lead,** responsible for day-to-day management of pre-construction activities, design team coordination, and milestone deliverables;
 - (c) **Cost Estimator,** responsible for all cost estimates, value engineering exercises, and Attachment K submissions (may be the same individual as the Pre-Construction Lead);
 - (d) **Project Manager,** designated to transition to field project management at construction commencement, with direct experience in high-rise residential construction of comparable height and density;
 - (e) **Site Superintendent,** designated to lead field operations, with direct experience in high-rise residential construction of comparable height and density; and
 - (f) **Local Workforce Coordinator,** responsible for SBE outreach, LBE/SBE compliance reporting, and first-source local hiring coordination per OCII requirements.
- 9.3 If selected for an interview, the Project Executive, Pre-Construction Lead, Cost Estimator, Project Manager, and Superintendent must attend.

SECTION 10

PRE-CONSTRUCTION FEE AND COMPENSATION

- 10.1 The Contractor shall submit a proposed pre-construction services budget on a Not-to-Exceed basis as part of its RFP response. The pre-construction fee shall not be subject to increase due to schedule delays, extended pre-construction timelines, or changes in project funding timelines.
- 10.2 The pre-construction services fee shall be incorporated into the GMP as part of the Contractor's overall fee or General Conditions upon execution of the construction contract. If the Owner does not execute a construction contract with the Contractor for this Project, the Owner will compensate the Contractor for pre-construction services actually performed, up to the approved Not-to-Exceed maximum, on a Time and Materials basis.
- 10.3 The Contractor shall provide monthly invoices documenting hours of pre-construction services rendered. The lack of a monthly invoice shall not alleviate the Owner's obligation to pay for services tracked and reported on the Contractor's internal project cost tracking system (time sheets).
- 10.4 In the event the Agreement is terminated prior to completion of pre-construction services, the Contractor shall be compensated for all actual costs incurred up to the date of termination, subject to the Not-to-Exceed limit.

SECTION 11

DELIVERABLE SUMMARY

- 11.1 The following table summarizes required deliverables and anticipated submission timing. Additional deliverables may be agreed upon by Owner and Contractor during the pre-construction phase.

Deliverable	Responsible Party	Timing
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Conceptual Cost Estimate (2 parts -- Residential Building and Tehama Street)	Contractor	With RFP Response
Cost Savings / Value Engineering Narrative	Contractor	With RFP Response
Design-Build Delivery Narrative	Contractor	With RFP Response
Site Staging and Logistics Plan and Schedule	Contractor	With RFP Response
Pre-Construction Services Fee Budget (Not-to-Exceed)	Contractor	With RFP Response
Updated Concept Design Cost Estimate	Contractor	~2 Months Post-Award
MEPF Subcontractor Outreach Log	Contractor	Ongoing / Monthly
100% SD Cost Estimate and Value Engineering Log	Contractor	100% SD Milestone
MEPF Letters of Recommendation (Fire, Plumbing, HVAC, Electrical)	Contractor	Per MEPF Procurement Schedule
100% DD Cost Estimate and Constructability Review Report	Contractor	100% DD Milestone
50% CD Cost Estimate (GMP Benchmark)	Contractor	50% CD Milestone
Major Trade Subcontractor Bid Packages	Contractor	50% CD Milestone
GMP Proposal and Supporting Documentation	Contractor	90% CD / GMP Milestone
Final Construction Schedule	Contractor	With GMP Submission
SBE / LBE Participation Reports	Contractor	Monthly
Monthly Pre-Construction Hours and Invoice	Contractor	Monthly

This Attachment B is incorporated by reference into the Preconstruction Services Agreement (Attachment C) and the terms of this RFP. Capitalized terms used but not defined herein have the meanings set forth in the Agreement.