

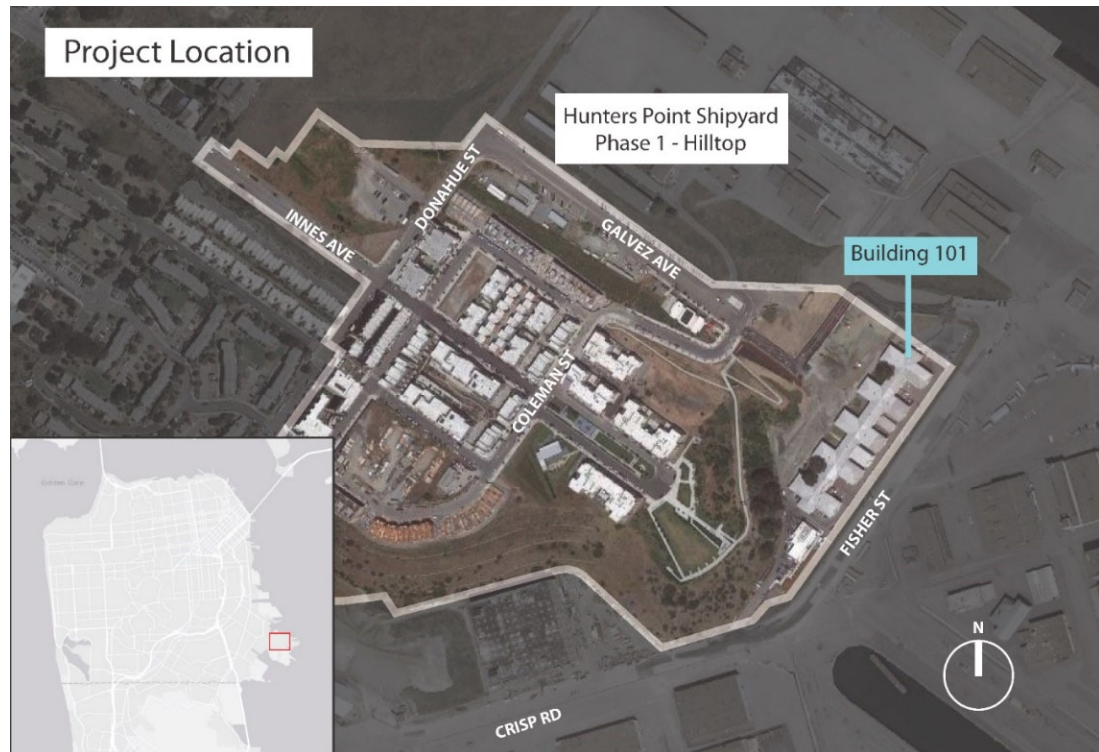
**Memorandum of Understanding
Second Amendment with Public Works
Building 101 Improvements**

October 18, 2022



Requested Action

- Approval of Second Amendment to Memorandum of Understanding with the Department of Public Works
 - Building 101 Project at the Hunters Point Shipyard:
 - Amendments:
 - Include fire damage restoration.
 - Increase budget by \$640,000.
 - Extend term for one additional year.



Building 101

- Built by Navy in 1947
- Two stories / 121,000 square feet
- Approximately 160 artists' studios
- OCII asset



Economic Development Administration (EDA) Grants #4 and #5

- **EDA Grants total: \$9,288,890**
 - Grants awarded: Grant #4 in 2006 & Grant #5 in 2007
- **Previously expended:\$3,657,313**
 - Previous improvements to Building 101
 - Design and construction of Hunters Point Shipyard Site Office Building (HPS CAC Support)
- **Remaining for Building 101 Improvements:**
 - **\$5,631,677**

Memorandum of Understanding with Department of Public Works (“MOU”)

First Phase MOU

- Scoping
- EDA Grant #5 Funded (\$50,000)
 - Site investigations and scope of work identified with Shipyard artists
- Building 101 Improvements Scope
 - Gallery conversion: Lecture hall to multipurpose art gallery space
 - Restrooms: Convert to all-gender wheelchair accessible restroom
 - Emergency egress: Replace wooden ladders. Fireproof metal stairs
 - Main-entry: Install wheelchair ramp and replace courtyard paving
 - Fire life safety systems. Replace fire separation doors and install fire sprinkler system serving the art gallery

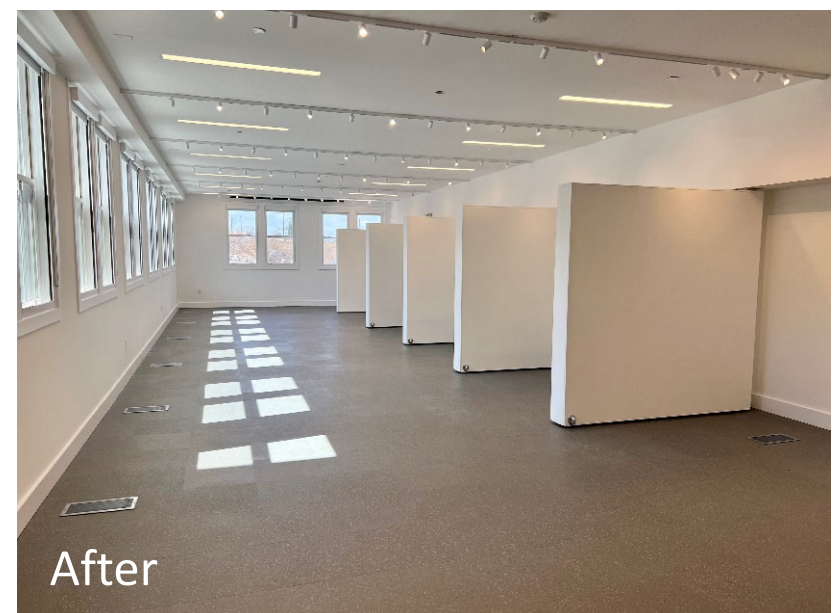
Memorandum of Understanding with Department of Public Works (“MOU”)

Second Phase MOU

- Project delivery and construction
- EDA Grants #4 and #5 Funded (\$5,581,677)
 - \$1,152,999: Public Works Project Delivery
 - Design, bidding and construction management services
 - \$4,330,478: Construction
 - Bid to Arana Group (Bayview based Micro-LBE)
 - \$98,200 Contingency
- **Second Phase MOU: *First Amendment***
 - EDA request to reallocate contingency budget line, \$98,200
 - \$4,330,478: Construction (unchanged)
 - \$1,251,199 Public Works Project Delivery

Building 101 Improvements

- Completed September 2022



Building 101 Improvements

- **Construction Started February 1, 2021**
- **Original Anticipated Completion: October 31, 2021**
- **Completed: September 2022**
- **Delays and increased construction duration (11 months)**
 - Unanticipated field conditions due to war-era construction methods and lack of information of existing conditions
 - COVID-19 Pandemic supply chain and available labor impacting procurement and fabrication
- **Delays led to \$460,000 in additional Public Works expenditures for staff time and third-party consultants**
 - Design, construction management, third-party air monitoring and code-required welding inspectors

Building 101 Fire

- **January 21, 2022 - small fire occurred**
 - caused by faulty wiring and isolated one of the 2nd floor studios with minor drywall damage to surrounding hallway
 - San Francisco Fire Department responded and extinguished the fire
 - Unrelated to the Building 101 Improvements
- **Emergency remediation work completed and restoration is needed**
- **Public Works estimates a restoration budget of \$180,000**
 - \$120,000 Construction
 - \$60,000 Public Works services (permitting, contractor procurement, and construction management)



Proposed MOU Second Amendment

- **Increase the total budget amount by \$640,000**
 - Total not to exceed amount of \$5,581,677 to \$6,221,677
 - \$460,000 for additional Public Works costs Building 101 Improvements
 - design, construction management, air monitoring and code-required welding inspectors
 - \$180,000 to repair the Building 101 Fire Damage
 - \$120,000 Construction
 - \$60,000 Public Works design, contractor procurement and construction management
- **Add restoration of the Building 101 Fire Damage to the scope**
- **Extend term for one additional year terminating on November 1, 2023**

Proposed Amendment Funding

- **Second Amendment Funding source (\$640,000)**
 - Lease revenue from Shipyard Public Safety Building to San Francisco Police Department
 - Recognized Obligation Payment Schedule (“ROPS”) line 76
- **Amendment to the ROPS period January 1, 2023 to June 30, 2023 to include additional rent funds**
 - Oversight Board workshop September 12, 2022
 - Commission workshop: September 20, 2022
 - Oversight Board action: approved on September 26, 2022
 - Submitted to the California Department of Finance on September 26, 2022
 - Pending DOF determination

Next Steps

- **Pending Commission approval and Department of Finance determination**
 - Building 101 Improvements: Reimburse Public Works \$460,000 for staff time and third-party consultants - January 1, 2023
 - Fire Restoration: Public Works and their contractor complete fire damage restoration
 - Permitting – 6 weeks
 - Construction – 11 weeks
 - Project Closeout – 4 weeks (May 2023)

Questions and Comments



*You are watching a Live meeting of the
Commission on Community
Investment and Infrastructure*

PUBLIC COMMENT CALL-IN:

Dial: 1(415) 655-0001 **Access Code:** 2490 847 6737

Press #, then press # again

- Press *3 to submit your request to speak
- Wait for your line to be unmuted
- You will have 3 minutes to provide a comment