

Synergy's Op-Ed to the San Francisco Examiner

The Central Subway Project is a 1.7-mile extension of the T Third line from Caltrain to Chinatown. The Project is stimulating growth in the local economy by providing numerous contracting opportunities and thousands of jobs to local workers, while ultimately improving public transit service that will enhance connections for the entire City for decades to come. As the awarded winner of the first two Utility Relocation construction contracts and a member of the team for the third contract, the \$233 million Tunnel contract, Synergy is proud to be involved in this important project.

Synergy Project Management is a local San Francisco small business incorporated in 2006. We originally opened our office on a construction yard in a trailer in the Bayview Hunters Point community. We are currently certified as a local SBE/LBE under the City's Human Rights Commission. As a result of hard work, perseverance, and successful completion of several major public works projects throughout San Francisco, we have been able to expand our business and increase local employee hires. We pride ourselves on our workmanship and ability to deliver public works projects on time and on budget.

In 2010, we landed the first construction contract for the Central Subway Project being the lowest responsible bidder in a highly competitive process. As a heavy civil construction company, Synergy's role for the first two contracts of the Central Subway Project has been to relocate underground utilities in the South of Market and Union Square areas along the project alignment to make way for the new tunnel and future Moscone Station. Synergy works closely and has developed a positive on-going relationship with the SFMTA, City Engineers, PGE, AT&T, many other local utilities, and dozens of subcontractors to make this project a success. Utility relocation in SoMa was completed in June and the second construction contract, utility relocation along Stockton Street in Union Square, is currently ahead of schedule. In addition, I applaud our team for an excellent safety record on both jobs.

The Central Subway Project gives small businesses like ours the opportunity to provide jobs and pump money into the local community. Since beginning these contracts, Synergy has employed dozens of local workers through the City's First Source Hire, City Build, and Local 261 hiring programs. In several cases we have been instrumental in giving new labor workers a chance to join the Union and participate in the various apprenticeship programs which will enable them to develop additional skill set and certifications to advance within the local labor unions. Nearly 80 percent of our workforce is disadvantaged or displaced workers. We are proud to give these employees the opportunity to earn an honest living and provide for their families.

In today's economic climate small businesses need support and access to contracting opportunities. The Central Subway Project will provide nearly \$1 billion in construction contracts over the life of the project. This is a huge shot in the arm for the economic vitality of our City. Since Synergy has been working on the Central Subway Project we have been able to subcontract to nearly 30 small firms, the majority of them being local San Francisco-based businesses, and we have exceeded our SBE subcontracting goals by over 50 percent overall.

Too often I hear project opponents saying the project will go over budget and City taxpayers will be on the hook to cover cost overruns. However I would like to point out that the largest construction contract package, for tunnel construction, has been awarded \$13.2 million under budget. In addition, the Federal Transit Administration (FTA), which is closely monitoring and overseeing the project, has required the SFMTA to add an additional \$280 million contingency

into the overall budget to cover any potential cost overruns. The FTA has committed to \$180 million of this contingency.

Although Synergy is not large enough to bid on the tunnel contract package as a Prime, we are ecstatic to be a part of the winning team of Barnard Impregilo Healy. More importantly, we are pleased that this will keep our employees working on this project for at least two more years. We feel that having worked on the first two construction packages puts us in a good position to assist the Prime contractor on this contract, as we already have built relationships with various city agencies and know the landscape and environment in which we'll be working.

Synergy also makes a big effort to connect with the community and business owners in the areas of construction. Union Square is the site of the second construction package and is also one of the most prestigious shopping districts in the country. With significant pedestrian and vehicular traffic, maneuvering heavy construction equipment has been a challenge. The merchants of the area along with the Union Square Business Improvement District (BID) have been very understanding of the inherent difficulties of construction in a heavily trafficked area. We will continue to work with merchants impacted by construction to respect their business needs and priorities. An important item to note is that all construction activities in Union Square will come to a halt from Thanksgiving until after New Years to allow for holiday shopping. Construction will resume on Jan. 2.

As a local business, Synergy is proud to be involved in this improvement of our City's public transportation infrastructure system. The whole Synergy team is pleased to be contributing to the growth of San Francisco and enhancing the quality of life for our employees, neighbors, and fellow citizens.

From: Javad Mirsaidi, PE, CCM
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