

AGENDA REPORT

Resolution: Approve a Project Design Budget of \$830,000 for Demolition Design Services for the former Oakland Maintenance Center (OMC) and Other Obsolete Structures at the North Field (**Aviation/Engineering**)

MEETING DATE: 6/13/2019

AMOUNT: \$830,000 (non-operating) Expense Expenditure (FY 2020)

PARTIES INVOLVED: AE3 Partners, Inc., Oakland, CA
Douglas Davis, Principal

SUBMITTED BY: Bryant L. Francis, Director of Aviation
Rob Andrews, Acting Director of Engineering

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

This Agenda Report seeks Board approval for a project design expense budget of \$830,000 for demolition design services to demolish six structures at the Oakland International Airport, including the former Oakland Maintenance Center (OMC) and five other obsolete structures at various North Field locations.

BACKGROUND

Oakland Maintenance Center (OMC)

The OMC (Building M-110) is a 304,000-square foot, former maintenance facility occupying 37.6 acres and was originally constructed in 1973 by World Airways to service its aircraft. The hangar was designed to be large enough to accommodate four Boeing 747 aircraft simultaneously and was used by World Airways through 1986. United Airlines took over the facility in 1988 and utilized the hangar for maintenance operations through May 2003. The hangar has not been used for aircraft maintenance since 2003. Following United's departure, the Port staff actively solicited other airlines for interest in the facility and

commissioned a "Site Reuse Study." No interested party came forward to occupy the facility and the study recommended demolition of the building in favor of other airport-related uses.

The OMC has been used for outdoor advertising and temporary office functions. All office and storage functions have been removed from the building. There is no market demand at the airport for the heavy aircraft maintenance functions that were once performed in the hangar. A 2011 report (ACRP Synthesis #25) estimated that following the departure of United Airlines, the Port had spent over \$7 million maintaining the structure through the year 2011. Port staff recommends demolishing the structure due to the lack of a suitable tenant or re-use and the cost of on-going building maintenance while the building is left standing. The OMC location is shown below in Figure 1.

FIGURE 1 Location of the OMC Hangar to be Demolished



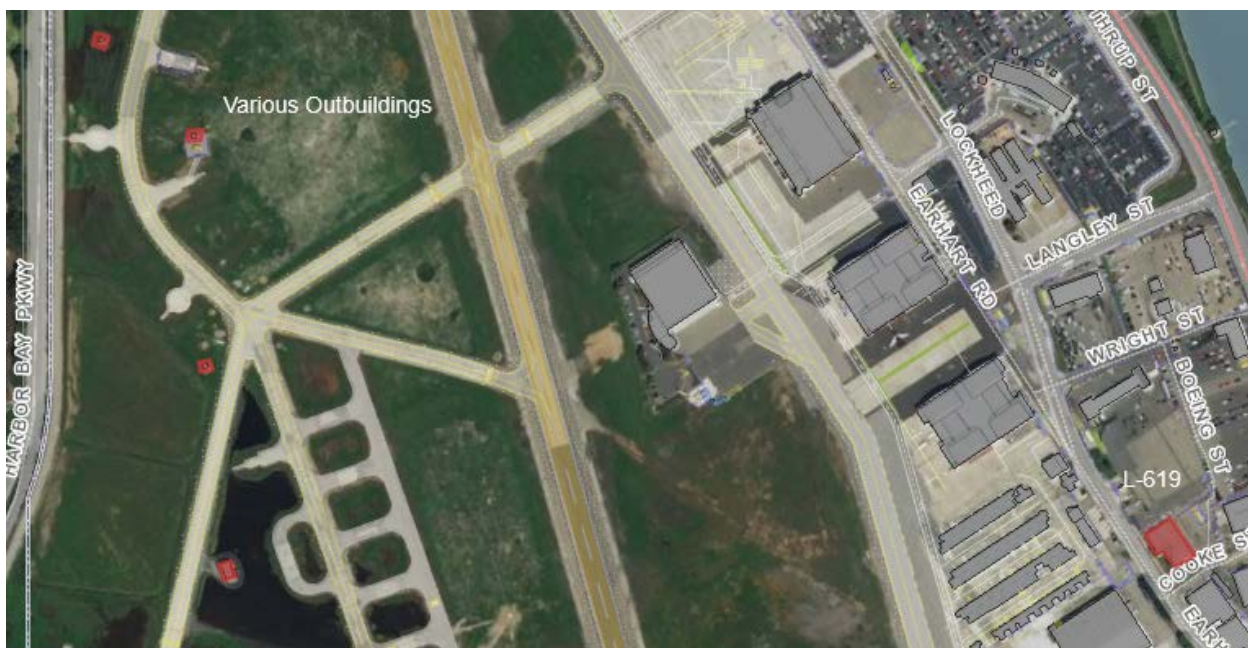
North Field Structures

The five other structures slated for demolition are located on the North Field of the Airport. These structures were all constructed by the federal government for various functions but are obsolete and have been vacated for many years. The largest of these structures is Building L-619 which was the former Federal Aviation Administration (FAA) Flight Service

Station. The building is adjacent to the Oakland Aviation Museum and has street frontage along Earhart Road. The FAA has moved its functions to other facilities and the building has been vacant for approximately 15 years.

The other four structures slated for demolition are all small outbuildings located on the airfield within the Aircraft Operations Area (AOA). These four buildings (L921, L922, L923 and L924) were constructed by the Navy during World War II era and served as storage and logistics structures. They have all been vacated since the Navy left the North Field in 1961. These buildings are obsolete and have become a maintenance nuisance. The location of these five buildings are depicted in red in FIGURE 2 below.

FIGURE 2 Location of Northfield Buildings to be Demolished



ANALYSIS

The buildings identified for demolition are all obsolete and vacated. Even though vacant, the buildings require nominal maintenance as well as on-going Security and Facilities staff time and resources to monitor and secure the premises. Removal of these buildings will eliminate these on-going costs.

On May 24th, 2018 the Board of Port Commissioners (Board) approved executing a contract with AE3 Partners, Inc. (AE3) for On-Call Demolition Design Services at the airport. As described at the May 24th Board meeting, staff intend to utilize the AE3

contract to prepare construction documents for the demolition of these buildings. The On-Call Demolition Design Services Contract with AE3 is for a not-to-exceed amount of \$1,500,000, but requires that the Board approve a specific project budget before commencing with work under the contract. Following Board approval of this budget, the Port will issue a Technical Service Order to AE3 in an amount not to exceed \$830,000 to prepare construction documents for the demolition of the six buildings discussed above.

The OMC is a large and complex structure with three internal building cores within the hangar housing former offices, maintenance shops, testing equipment, and storage facilities. Safe and efficient removal of this building will require preparation of construction documents (Plans and Specifications) that clearly articulate the full scope of demolition and the 'leave behind' condition of the site following demolition. This requires extensive investigation of the building, mapping of the utility systems, and modeling of the structural system. Although the contractor will ultimately be responsible for preparing a demolition/deconstruction plan, the Port (utilizing AE3) will need a complete understanding of the structural systems in order to determine the viability of the demolition plan to be submitted by the contractor. The scope of AE3's work on the OMC demolition design therefore includes:

- Review of existing plans and compilation of base files.
- Physical survey of structure via building walks and LIDAR survey.
- Physical survey of mechanical and electrical equipment.
- Formulation of deconstruction methodology for mechanical, electrical, and plumbing (MEP) and Structural components.
- Design of Post Demolition site conditions.
- Producing 30%, 70%, and 100% design drawings and specifications.

Demolition design for the North Field structures is far less complex due to the smaller size and conventional construction of these buildings. None of these buildings require modeling of their structural systems and representation of the buildings on contract plans will be simpler than the OMC. AE3 will prepare construction contract documents for the removal of these buildings, but, as reflected in the fee, this effort is significantly less than what is needed for the OMC.

BUDGET & STAFFING

The demolition design is estimated to cost \$830,000 and is included in the proposed FY 2020 Non-Operating Expense Budget. Staff estimates the total project cost for both design and actual demolition to be approximately \$11,440,000 and will be funded with Port cash. After bidding, staff will return to the Board for demolition services budget approval.

The timing of demolition of the OMC is subject to the completion of the environmental review and approval.

The proposed consultant budget for the demolition design is shown below in TABLE 1.

TABLE 1 Proposed Project Demolition Design Budget

Description	Design Consultant
OMC	\$700,000
NF Buildings	\$130,000
Total	\$830,000

The total design cost, including estimated engineering labor cost (which is funded through Engineering's Operating Budget) is about \$1,130,000.

There is no anticipated staffing impact associated with the requested authorization.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) does not apply because this contract is for professional services that are not within the craft jurisdiction of the unions signatory to the MAPLA.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Strengthen Safety and Security

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), will apply to the professional services of this contract, since it is more than \$50,000 and the service provider employs 21 or more employees. In addition, construction prevailing wage requirements will apply if the project moves to the construction phase.

SUSTAINABILITY

Port staff have reviewed the Port's 2000 Sustainability Policy and completed the Sustainability Opportunities Assessment Form. First, this Project enhances the energy efficiency of the Port by removing facilities that require lighting, maintenance, and other energy-consuming activities. Second, the resulting materials from the demolition effort will be recovered and re-used to the extent possible. Once the demolition design is complete, the Port will have more precise information on the percentage of demolition debris that may be recovered.

ENVIRONMENTAL

This action to enter into a contract with AE3 Partners to provide demolition design support was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA). The general rule in Section 15061(b)(3) of the CEQA Guidelines states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that design services will result in a physical change in the environment, and therefore is not subject to CEQA. Port staff will conduct further CEQA analysis and environmental review on the demolition of the various buildings once the planning and design services are complete.

GENERAL PLAN

This project conforms to the City of Oakland General Plan in accordance with Section 727 of the City of Oakland Charter.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

Professional service agreements are not subject to the Port's Owner Controlled Insurance Program (OCIP) as professional services are not construction activities.

OPTIONS

The following are options for the Board's consideration:

- 1) Approve the action as outlined in this agenda report. This is the recommended action.
- 2) Do not approve the budget for demolition design services. The Port will continue to accrue monthly costs for maintenance of the former OMC and North Field structures and the obsolete and vacant structures will further degenerate.
- 3) Approve a budget for the North Field structures only. The Port will continue to accrue monthly costs for maintenance of the former OMC while it remains vacant.

RECOMMENDATION

Staff recommends that the Board:

Approve a project design expense budget expenditure of \$830,000 for Demolition Design Services for the former Oakland Maintenance Center (OMC) and Other Obsolete Structures at the North Field.