



AGENDA REPORT

PROPOSED ACTION: Resolution: Approve and Authorize the Executive Director to Award and Execute Two On-Call Public Works Contracts with: (a) Industrial Railway Company for Maintenance of Railroad Track and Crane Rail in an Aggregate Amount Not to Exceed \$990,000 Commencing January 1, 2026 and Ending December 31, 2026, with Two One-Year Extension Options; and (b) AIMS PVC CA, LLC dba AIMS Companies for Sanitary Sewer and Storm Water Lines Inspection and Cleaning in an Aggregate Amount Not to Exceed \$750,000 Commencing January 1, 2026 and ending December 31, 2026, with Two One-Year Extension Options; and (2) Find that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Maritime)**

Submitted By: Bryan Brandes, Director of Maritime; Kristi McKenney, Executive Director

Parties Involved:

Craig Nolen, Vice President
Industrial Railway Company
Benicia, California

Michael Lewis, Branch Manager
AIMS PVC CA, LLC dba AIMS
Companies
San Leandro, California

Amount: \$1,740,000 (operating expense)

EXECUTIVE SUMMARY: Port of Oakland (Port) Staff are responsible for performing preventative maintenance and as needed maintenance and repairs on Port (1) rail facilities and (2) sanitary sewers and stormwater drain systems. The use of on-call services for this work allows for the timely completion of needed work. Staff solicited bids through a formal competitive process, and based on this process, Staff recommends executing contracts with Industrial Railway Company in the amount of \$990,000 and with AIMS Companies in the amount of \$750,000.

BACKGROUND & ANALYSIS

Port Staff at Harbor Facilities are responsible for managing the maintenance, rehabilitation, and repair of certain railroad tracks and wharf crane rails. Port Staff at both Harbor and Oakland San Francisco Bay Airport (Airport) Facilities are responsible ensuring inspecting and cleaning sanitary sewer and storm drain lines and including, but not limited to, minor sewer and storm drain pipeline repairs. By establishing on-call contracts, Port Staff at both Harbor Facilities (rail and sanitary/storm) and Airport Facilities (sanitary/storm) can ensure maintenance and related repair activities occur timely and

cost effectively. As such, on-call contracts are essential to meeting the Port's operational and capital needs in a timely manner.

Request for Bids

Port Staff solicited bids for both scopes of work through a formal public works construction bidding process in accordance with Port Ordinance No. 4576. Pre-bid meetings were held to provide potential bidders with information about the contract including the Port's Non-Discrimination and Small Local Business Utilization Policy (NDSLBP), insurance requirements, and any other special working conditions for this contract. Bids were opened publicly for both solicitations in October of 2025, as further discussed below. Port Staff reviewed the bids to determine if (a) the bids were responsive to the requirements of the bidding documents and (b) the bidders were qualified as responsible. The Port's Social Responsibility Division also performed a preference points analysis of the responsive and responsible bids, which can be used to help determine the lowest responsive bidder through a scored ranking system.

For the *On-Call Reconditioning, Maintaining, and Repairing Railroads Tracks and Crane Rails*, the Port received two bids, as listed below. This contract requires an on-call emergency response capability with specialized qualifications that are essential to maintaining safe and compliant rail operations. Upon review of bidder qualifications, McGuire & Hester, Inc. was determined to be non-responsive as they could not demonstrate the critical requirements for this contract, including: (1) an FRA qualified on-call rail crew within a 50-mile radius equipped with the specialty equipment necessary for emergency response, (2) ownership or access to required rail equipment, and (3) an FRA qualified track inspector on staff. Additionally, their bid indicated a misunderstanding of the on-call emergency services agreement structure (vs. a standard project-based contract).

Port Staff notified McGuire & Hester, Inc. verbally and in writing that their bid was non-responsive. Industrial Railways Company demonstrated all required qualifications and was thus deemed to be the lowest responsive, responsible bidder. The price reflects the significant investment required to maintain dedicated on-call emergency capabilities with specialized equipment and qualified personnel. The bid is based on percent markup.

Bidder Name	Location	Bid Amount
McGuire & Hester, Inc.	Oakland, CA	11.5%
Industrial Railways Co.	Benicia, CA	350%

For the *On-Call Sanitary Sewer and Storm Drains Inspection and Cleaning*, the Port received three bids, as listed below. AIMS PVC CA, LLC dba AIMS Companies was determined to be the lowest responsive, responsible bidder for the Sanitary Sewer Contract.

Bidder Name	Location	Bid Amount
AIMS PVC CA, LLC dba AIMS Companies	San Leandro, CA	\$213,518.75
Pipe and Plant Services, Inc.	Hayward, CA	\$250,520.00
NorCal Pipeline Services	Roseville, CA	\$2,426,900.00

Proposed Contracts

Staff seeks authority to award two on-call public works contracts as shown in the table below, for a total value of \$1,740,000. The initial term of each contract will commence in January 2026 and end December 31, 2026; thereafter, Port Staff will have the option to extend the contract(s) in one-year increments through (at the latest) December 31, 2028. If a contract is extended, the rate escalator(s) will be dictated by the amounts outlined in the bid documents. Staff currently expects that annual expenditures under the contract(s) will be approximately equal; that is, each year approximately one-third of the contract amount would be spent.

Under each proposed contract, each instance of work would be managed through a Work Authorization, which is negotiated with the contractor and must contain a detailed scope of work, maximum compensation amount, and schedule for the work to be performed.

On-Call Public Works Contracts Proposed

Contract	Contractor	Aggregate Amount	Max Term	Type	# of Contracts
On-Call Maintenance Railroad Tracks and Crane Rails	Industrial Railways Company	\$990,000	3	Public Works	1
On-Call Sanitary Sewer Inspection and Cleaning	AIMS PVC CA, LLC dba AIMS Companies	\$750,000	3	Public Works	1

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- ☒ Categorically exempt under the following CEQA Guidelines Section:
15301 (Existing Facilities)
- ☐ "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).
- ☐ Other/Notes:

BUDGET

- ☐ Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR
- ☒ Operating ☐ Non-Operating ☐ Capital

Analysis: The proposed contract amounts, pro-rated for FY 2026, are included in the adopted FY 2026 Maritime Expense Budget. Future expenditures under the contracts will be included in future Maritime operating expense budgets.

STAFFING

- ☒ No Anticipated Staffing Impact.
- ☐ Anticipated Change to Budgeted Headcount.
Reason:
- ☐ Other Anticipated Staffing Impact (e.g., Temp Help).
Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

- ☐ Additional Notes:

LIVING WAGE (City Charter § 728):

Applies?

No (Public Works) – proposed action is a construction contract covered by state or federal prevailing wages that are higher than those under the Living Wage requirements.

- ☐ Additional Notes:

<p><u>SUSTAINABLE OPPORTUNITIES:</u></p> <p><u>Applies?</u> No.</p> <p><u>Reason:</u> There are no sustainability opportunities related to the proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities.</p>	<p><u>GENERAL PLAN</u> (City Charter § 727):</p> <p><u>Conformity Determination:</u></p> <p>Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.</p>
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) in the Port's Strategic Plan:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Capture Our Market and Grow the Economic Base <input checked="" type="checkbox"/> Modernize and Upgrade Infrastructure <input type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience <input type="checkbox"/> Maximize Land Use Value and Revenues <input type="checkbox"/> Workforce Training and Jobs Development <input type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development 	