



PORT OF OAKLAND

1/26/2023

AGENDA REPORT

PROPOSED ACTION: **Resolution:** Approve and Authorize the Executive Director to Enter Into a Contract with D-Line Constructors, Inc. in an Amount Not-To-Exceed \$444,666 for the Demolition of Building L619 and North Field Bunkers (L921, L922, L923, and L924); and Authorize the Executive Director to Execute to Execute Contract Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$90,000 and Finding that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Aviation/Engineering)**

Submitted By: Kristi McKenney, Chief Operating Officer; Bryant L. Francis C.M., Director of Aviation; Danny Wan, Executive Director

Parties Involved:

D-Line Constructors, Inc.
Oakland, CA

Amount:

\$444,666
Non-operating Expenditure (Part of a total project budget of \$937,166)

EXECUTIVE SUMMARY:

Oakland International Airport (Airport or OAK) Building L619 was built by the Federal Aviation Administration (FAA), has been vacant for over 15 years. and is partially collapsed; the North Field Bunkers (L921, L922, L923, L924) are from the World War II era and are no longer usable and have been unused for many years. Staff have determined that these cannot be repurposed and should be demolished. Demolition design plans were developed and formal competitively bid with D-Line Constructors is the lowest responsive and responsible bidder.

BACKGROUND & ANALYSIS

Building L619 and the North Field Bunkers (L921, L922, L923, L924) are within the North Field area of the Airport. The North Field Bunkers are located within the AOA boundary and accessible off the shoulder of Taxiway F and Taxiway K. Building L619 is located at 8250 Earhart Road in front of the Aviation Museum. The five buildings to be demolished are shown in Figure 1.

Exhibit 1 Buildings to be Demolished



The North Field Bunkers were constructed by the Navy during World War II and served as storage and logistics structures. Building L619 was originally built as an FAA Flight Service Station but has been vacated for approximately 15 years. The Building L619 roof has partially collapsed rendering the building unusable. With the buildings being obsolete and vacated for many years, they should be demolished to eliminate on-going costs for maintenance and security of the premises.

Hazardous material surveys were completed for all structures and asbestos and lead base paint abatement have been completed at Building L619.

The project plans and specifications were completed by Port staff in October 2022. The project was posted for bid on October 24, 2022. To encourage small local business participation, the Social Responsibility Division invited 112 local, small, and diverse businesses to the pre-bid meeting that was held on November 10, 2022. The pre-bid meeting included a site visit with 13 companies attending.

On November 30, 2022, eight (8) bids were received and opened for the Demolition of Building L619 and North Field Bunkers. The bids are listed in Table 1 below.

Table 1
Demolition of Building L619 and North Field Bunkers Bid Summary

Bidder	Location	Total Base Bid
Kroeker, Inc.	Fresno, CA	\$233,900.00
D-Line Constructors, Inc	Oakland, CA	\$444,666.00
CVE Contracting Group, Inc. Dba Central Valley Environmental	Fresno, CA	\$532,150.00
Silverado Contractors, Inc.	Oakland, CA	\$538,500.00
Garrison Demolition and Engineering, Inc.	San Ramon, CA	\$549,000.00
Ground Control Inc.	San Francisco, CA	\$658,500.00
Brannon Corporation	Morgan Hill, CA	\$706,760.00
Santos Excavating, Inc.	Chico, CA	\$750,000.00

At the bid opening, Kroeker, Inc was the apparent low bidder. Kroeker's bid was substantially lower than the next higher bid and so the Port requested that they confirm that their bid was free from errors and that they would be able to perform the work for the bid amount. After reviewing their bid, Kroeker, Inc responded that they identified a clerical error and requested withdrawing their bid.

Following Kroeker's withdrawal, staff determined that D-Line Constructors, Inc. is the lowest responsive and responsible bidder and recommends awarding the demolition of Building L619 and North Field Bunkers (L921, L922, L923, and L924) to D-Line Constructors, Inc. in the amount of \$444,666. Staff is also requesting the authority to issue change orders not to exceed \$ 90,000 (20% of the contract value) to address potential changes that may be encountered during the construction. Given the partially collapsed nature condition of Building L619 a larger change order amount is request for potential unknown conditions in the collapsed areas. Port staff anticipate starting demolition in Spring 2023 with the buildings fully demolished by June 2023.

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:

15302 (Replacement or Reconstruction)

☐ Exempt from CEQA because it is not a "Project" 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: This project is included in the Port's FY 2023 non-operating expenses budget. For project budget summary, see Table 2 below.

Table 2 - Project Budget Summary

Description	Total Budget
Port Labor	\$227,000
Consultant ¹	\$164,000
Construction	\$444,666
Contingency	\$90,000
Other Related Costs ²	\$11,500
TOTAL	\$937,166

¹ Consultant costs include design through 90%, and testing/inspection support services during construction.

² Other costs, project advertising, and tree removal at the Building L619 site

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:

SUSTAINABLE OPPORTUNITIES:

Applies? **Yes.**

Reason: The Building L619 site will be covered with asphalt concrete millings to keep weeds from growing, thus reducing the need for herbicides.

GENERAL PLAN (City Charter § 727):

Conformity Determination:

Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.

STRATEGIC PLAN. The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port's Strategic Business Plan:

☐ Grow Net Revenues

☐ Modernize and Maintain Infrastructure

☐ Improve Customer Service

☐ Pursue Employee Excellence

☒ Strengthen Safety and Security

☐ Serve Our Community

☐ Care for Our Environment