



AGENDA REPORT (SUPPLEMENTAL)

PROPOSED ACTION:

Resolution: Approve and Authorize the Executive Director to (1) Enter into a Contract with **Marinship Development Interest, LLC** ~~(to be determined)~~ in an Amount Not-To-Exceed **\$2,215,625** ~~(to be determined)~~ for the Middle Harbor Sanitary Sewer Lift Stations D06P and D10P Rehabilitation Project and (2) Authorize the Executive Director to Execute Contract Change Orders to the Extent Necessary in an amount Not-to-Exceed **\$440,000.00** ~~(to be determined)~~; and Find that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Maritime/Engineering)**

Submitted By: Kristi McKenney, Chief Operating Officer; Bryan Brandes, Director of Maritime; Danny Wan, Executive Director

Parties Involved:

~~(to be determined)~~

Marinship Development Interest, LLC

Amount:

\$2,215,625.00 ~~(to be determined)~~ Capital Expense (Part of **\$4,032,325.00** ~~(to be determined)~~ Total Project Budget)

EXECUTIVE SUMMARY:

The Port of Oakland (Port) maintains its common sanitary sewer utility infrastructure, as part of its overall asset management program. Lift Stations D06P which serves Oakland International Container Terminal, and D10P, which serves Middle Harbor Shoreline Park, are critical components of the sewer system and require rehabilitation. The project ~~to~~ was designed and formally competitively bid and is anticipated to be completed in ~~in~~ March 2024.

BACKGROUND & ANALYSIS

The Port owns approximately 30 miles of sanitary sewer lines and 26 lift (pump or ejector) stations across the Airport, Seaport, and Commercial Real Estate areas. A condition assessment of Lift Stations D06P and D10P performed in 2021 determined that both lift stations are nearing the end of their respective service lives and require rehabilitation. Rehabilitation will be accomplished by converting D10P into a gravity system. Rehabilitation of D06P includes partial abandonment and demolition of the existing force main, structure demolition, electrical demolition, wet well structure improvements, and replacement of electrical, mechanical equipment including pumps, vaults, manholes, and pipelines. Plans and specifications were completed in November 2022.

Staff solicited bids through a formal Public Works construction bidding process in accordance with Port Ordinance No. 4576. A pre-bid meeting was held on December 19, 2022 to provide potential bidders with information about the proposed work and contract

requirements. A non-mandatory site tour was held in-person on December 19, 2022 to give potential bidders the opportunity to survey the work site. Bids were opened publicly on January 13, 2023. The Port received bids from ~~(to be determined)~~ 3 bidders as shown in Table 1 below:

(Table 1 ~~to be determined~~)

<u>Prime Contractor</u>	<u>Original Bid Amount</u>	<u>Bid Discount</u>	<u>Revised Bid Amount</u>	<u>LIA/ LBA Firms</u>	<u>SBE/ VSBE Firms</u>
DMZ Builders	\$2,754,677.00	\$58,854.54	\$2,695,823.46	LIA: 1 LBA: 1	SBE: 1
Marinship Development Interest LLC	\$2,215,625.00	\$155,590.00	\$2,060,035.00	LIA: 2 LBA: 2	SBE: 1 VSBE: 1
SilMan Venture Corporation dba SilMan Industries	\$4,094,500.00	\$240,200.00	\$3,854,300.00	LIA: 1 LBA: 1	0

Marinship Development Interest, LLC ~~(to be determined)~~ is the lowest responsive and responsible bidder with a bid of \$2,215,625.00 ~~(to be determined)~~. Marinship Development Interest, LLC ~~(To be determined)~~ is appropriately licensed to perform the proposed work.

Staff is also requesting the Board to authorize the Executive Director to execute contract change orders to the extent necessary, in an amount not-to-exceed \$440,000.00 ~~(to be determined)~~. This amount is potentially needed to mitigate any unanticipated challenges in coordinating the construction activities around Maritime operations and other unforeseen field changes.

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: See the table below for the total estimated project cost. This project has been included in the 5-Year CIP and is eligible to be funded with Coronavirus State Fiscal Recovery Funds.

Total Project Budget Table (To be determined)

Description	Design Budget	Construction Budget	Total Budget
Port Labor	\$280,000.00	\$350,000.00	\$630,000.00
Design Consultant	\$375,700.00	\$70,941.76 \$71,000.00	\$446,700.00
Contractor	\$0.00	TBD \$2,215,625.00	TBD \$2,215,625.00
Construction Contingency	\$0.00	TBD \$440,000.00	TBD \$440,000.00
Third Party Inspector	\$0.00	\$200,000.00	\$200,000.00
Legal and Permitting Fees	\$0.00	\$100,000.00	\$100,000.00
Total	\$655,700.00	TBD \$3,376,625.00	TBD \$4,032,325.00

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? Yes (CIP) – proposed action entails 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?

Yes (Service Provider) – proposed action entails at least \$50,000 in payments to service provider (and/or its subcontractor) employing at least 21 employees who spend at least 25% of their time on Port-related work on premises owned or managed by the Port

☐ Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? **No.**

Reason: There are no salvageable materials resulting from this project.

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