

AGENDA REPORT

Resolution: Additional Budget Authorization of \$130,000 for the Design of Lift Station No. 2 Capital Improvements, Oakland International Airport (**Aviation/Engineering**)

Choose an item.

<u>MEETING DATE:</u>	5/24/2018
<u>AMOUNT:</u>	\$130,000 (FY 2018) Capital Expenditure
<u>PARTIES INVOLVED:</u>	On-call Design Consultant, WRECO, Oakland, CA Han-Bin Liang, President
<u>SUBMITTED BY:</u>	Bryant L. Francis C.M., Director of Aviation Chris Chan, Director of Engineering
<u>APPROVED BY:</u>	J. Christopher Lytle, Executive Director
<u>ACTION TYPE:</u>	Resolution

EXECUTIVE SUMMARY

This agenda report seeks additional design budget approval of \$130,000 to complete the design of Lift Station No. 2 capital improvements at the Oakland International Airport.

BACKGROUND

Lift Station No. 2, located in the Oakland International Airport (OAK) daily parking lot, is a critical sanitary sewer lift station that serves Terminal 2. The project location is shown in Figure 1. Previous assessments performed in 2011, 2012 and 2015 identified a number of lift station deficiencies as well as reliability and regulatory compliance requirement issues that should be addressed.

On December 1, 2016, the Board, through Resolution 16-137, authorized a \$410,000 design budget for the Lift Station No. 2 improvements project. The design is being prepared by WRECO, a design consultant working through an On-call Water and Wastewater Engineering Services contract with the Port.

During the preliminary design phase, WRECO identified potential benefits to switching from the current dry well system to a wet well system. Port Engineering and Airport Facilities staff felt that this was worth exploring and WRECO was directed to further

develop a preliminary design for a wet well system so Port staff could make an informed decision about the preferred approach. Subsequently, Airport Facilities evaluated the operations and maintenance issues along with the infrastructure changes associated with the wet well system and determined that retaining the dry well system was more consistent with their current operating and maintenance standards for sewer lift stations and was therefore the preferred option. Facilities staff also requested design modifications including a fully enclosed structure shelter to house the electrical control panel and additional upgrades to the electrical equipment be included in the project design to improve maintenance operations at the lift station.

Figure 1 – Location Map



The preliminary design effort needed for this evaluation was not in the scope of WRECO's contract, but the potential benefits identified for the alternative were worth exploring. The other design changes were also not in contract, but do provide enough benefit to the Port to justify the additional design cost. The project is currently on hold until additional budget for the evaluation and design changes have been authorized by the Board.

ANALYSIS

Port staff has negotiated and agreed with WRECO on a scope of work and associated fee for the additional design services and is requesting an additional \$70,000 in budget approval for consultant support. Port staff estimate an additional \$60,000 in Port labor budget is needed to complete design. This budget request is to address the changes in scope described above.

Only the budget for additional design services is being requested for authorization at this time. Once the design is finalized, staff will return to the Board for construction budget

authorization, plans and project manual approval, and contractor selection for the award of the public works contract.

BUDGET & STAFFING

The Lift Station No. 2 Improvements project is included in the Port's 5-year Capital Improvement Plan (CIP) with a \$2.4 million budget planned to be funded with Port cash, which will be reimbursed through the terminal rental rate over the useful life of the constructed asset.

The revised design budget for the project is estimated to cost \$540,000 and within the estimated \$2.4 million project budget. A summary of the design cost distribution is presented in Table 1 below:

Table 1. Estimated Project Design Budget

Description	Original Budget	Proposed Change	Revised Budget
Port Labor	\$150,000	\$60,000	\$210,000
Consultants	\$260,000	\$70,000	\$330,000
Total Budget	\$410,000	\$130,000	\$540,000

There is no anticipated staffing impact.

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: Improve Customer Service
- Goal: Modernize and Maintain Infrastructure

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”), do not apply to this agreement as the service provider does not employ 21 or more employees working on Port-related work. However, the service provider will be required to certify that should living wage obligations become applicable, the service provider shall comply with the Living Wage Regulations.

SUSTAINABILITY

Port staff completed the Sustainability Opportunities Assessment Form for this project pursuant to the 2000 Sustainability Policy and updated procedures. The design of the Lift Station No. 2 improvements project will include replacement of the existing pumps with new energy efficient pumps to reduce power usage.

ENVIRONMENTAL

California Environmental Quality Act (CEQA) Guidelines Section 15061(b) (3) states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. The requested action will not result in a physical change in the environment, and therefore is exempt from CEQA and no further environmental review is required.

GENERAL PLAN

This project is for professional services and will not directly include any alteration of property. Development projects that result from these professional services will be subject to separate findings of conformity with the City of Oakland General Plan in accordance with Section 727 of the 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 options are for the Board’s consideration:

1. Approve the actions as outlined in this agenda report. This is the recommended action.
2. Do not authorize the additional budget to complete the design of the Lift Station No. 2 Improvements project. The Port would not be able to complete the design of the improvements, and incur increasing costs to maintain this lift station. Lift station deficiencies and regulatory compliance issues discussed above would not be addressed.

RECOMMENDATION

Staff recommends that the Board authorize additional design budget of \$130,000 to complete the design of the Lift Station No. 2 capital improvements.