

AGENDA REPORT

Resolution: Construction of Southfield Pavement Improvements Phase 2 Project: Approve a Project Budget of \$2,300,000, Authorize the Director of Engineering to Approve the Plans and Project Manual, Authorize the Executive Director to Enter into a Contract with A. Teichert & Son, Inc. dba Teichert Construction for an Amount of \$1,264,385, and Authorize the Executive Director to Execute Contract Change Orders to the Extent Necessary in an Amount Not-to-Exceed \$253,000; for the Taxiway R Pavement Rehabilitation (Eastern) Project: Approve a Project Budget of \$1,993,000, Authorize the Director of Engineering to Approve Plans and Project Manual, Authorize the Executive Director to Enter into a Contract with DeSilva Gates Construction LP for an Amount of \$971,971, and Authorize the Executive Director to Execute Contract Change Orders to the Extent Necessary in an Amount Not-to-Exceed \$195,000; and Authorization for the Executive Director to Apply for and Accept Grant Awards from the Federal Aviation Administration (FAA) AIP Program for FFY 2019.

(Engineering/Aviation)

MEETING DATE: 7/11/2019

AMOUNT: Construction of Southfield Pavement Improvements Phase 2 Project:
\$2,300,000 Budget Authority
\$1,517,385 Contract Authority
Capital Expenditure

Taxiway R Pavement Rehabilitation (Eastern) Project:
\$1,993,000 Budget Authority
\$1,166,971 Contract Authority
Capital Expenditure

PARTIES INVOLVED: A. Teichert & Son, Inc. dba Teichert Construction
Pleasanton, California
for Construction of Southfield Pavement Improvements Phase 2 Project

DeSilva Gates Construction LP
Dublin, California
for Taxiway R Pavement Rehabilitation (Eastern) Project

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

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Staff is requesting the following approvals:

For the Construction of Southfield Pavement Improvements Phase 2 project:

- 1) Approve a total project budget of \$2,300,000;
- 2) Authorize the Director of Engineering to approve the Plans and Project Manual;
- 3) Authorize the Executive Director to award a contract to A. Teichert & Son, Inc. dba Teichert Construction in the amount of \$1,264,385, contingent on receiving AIP grant award; and
- 4) Authorize the Executive Director to execute contract change orders to the extent necessary in an amount not to exceed \$253,000 (approximately 20%).

For the Taxiway R Pavement Rehabilitation (Eastern) project:

- 1) Approve a total budget of \$1,993,000;
- 2) Authorize the Director of Engineering to approve the Plans and Project Manual;
- 3) Authorize the Executive Director to award a contract to DeSilva Gates Construction LP in the amount of \$971,971, contingent on receiving AIP grant award; and
- 4) Authorize the Executive Director to execute contract change orders to the extent necessary in an amount not to exceed \$195,000 (approximately 20%).

Staff is also requesting authorization for the Executive Director to apply for and accept Grant Awards from the Federal Aviation Administration (FAA) AIP Program for FFY 2019.

BACKGROUND

During the 2017 Airport Pavement Management System ("APMS") update, four airport paved areas were prioritized for rehabilitation in Federal Fiscal Year ("FFY") 2018:

1. Taxiway Tango between Taxiways Bravo and Sierra
2. A portion of the tug road adjacent to Terminal 1
3. Portions of the East Apron between Terminals 1 and 2
4. The vehicle service road (VSR) parallel to Taxiway Bravo

The rehabilitation design for these four areas was collectively referred to as the Southfield Pavement Improvements Project. On December 14, 2017, the Board approved a \$650,000 Design Budget, and authorized the Executive Director to apply for and accept Airport Improvement Program ("AIP") Grant Awards from the Federal Aviation Administration ("FAA") for Southfield Pavement Improvements, Oakland International Airport.

The design was completed for the above projects, but the estimated cost to construct all projects exceeded the funds that the FAA had programmed for OAK through the AIP grant program for FFY 2018. The project scope was therefore scaled back and the pavement rehabilitation project was divided into two phases to align with available AIP funding. The

previously approved \$650,000 Design Budget for the Southfield Pavement Improvements Project was split with \$319,000 allocated towards Phase 1 and \$331,000 allocated to the current Phase 2 Project.

The Southfield Pavement Improvements Phase 1 consisted of the following two elements:

- Taxiway Tango between Taxiways Bravo and Sierra
- A portion of the tug road adjacent to Terminal 1

On September 27, 2018, the Board approved a \$1,881,000 construction budget, authorized the Director of Engineering to approve the Plans and Project Manual, and award the construction contract for Southfield Pavement Improvements Phase 1. This work is currently underway and will be completed by December 2019.

With the availability of another round of AIP funding, the Port is now proceeding with Construction of Southfield Pavement Improvements Phase 2 along with Taxiway R Pavement Rehabilitation (Eastern), which was identified for rehabilitation in FFY 2019. These rehabilitation projects are shown in Figure 1 and includes:

- Construction of Southfield Pavement Improvements Phase 2
 - Portions of the East Apron between Terminals 1 and 2
 - The vehicle service road (VSR) parallel to Taxiway Bravo
- Taxiway R Pavement Rehabilitation (Eastern)

The Construction of Southfield Pavement Improvements Phase 2 bid documents were prepared by the Port's existing on-call professional services agreement consultant AECOM Technical Services, Inc. ("AECOM") using the \$331,000 remaining design budget previously approved by the Board on December 14, 2017.

On October 25, 2018, the Board authorized the Executive Director to enter into a professional services agreement with Orion Engineers and Associates ("Orion") for the design of airport pavement rehabilitation projects and approved a \$269,000 design budget for Taxiway R Pavement Rehabilitation (Eastern). The scope of this pavement rehabilitation work includes pavement overlays, storm drain improvements, and installation of pavement markings.

Figure 1. Locations of Pavement Rehabilitation for FFY 2019



ANALYSIS

On April 25, 2019, three (3) bids were received and opened for the Construction of Southfield Pavement Improvements Phase 2 project. The bids are listed in Table 1 below.

Table 1. Construction of Southfield Pavement Improvements Phase 2 Bid Summary

Bidder	Location	Total Bid Price
A. Teichert & Son, Inc. dba Teichert Construction	Pleasanton, CA	\$1,264,385
DeSilva Gates Construction LP	Dublin, CA	\$1,596,130
McGuire and Hester	Oakland, CA	\$1,977,760

A. Teichert & Son, Inc. dba Teichert Construction (“Teichert Construction”) is appropriately licensed and in good standing with the Contractors State License Board; their bid demonstrates that they can perform the work as specified in the contract documents; they have submitted all required documentation; and they have submitted an unconditional offer to provide the work as specified in the contract documents. Staff

therefore determined that Teichert Construction is the lowest responsive and responsible bidder and recommends awarding Construction of Southfield Pavement Improvements Phase 2 project to Teichert Construction in the amount of \$1,264,385, contingent on receiving AIP grant award.

On May 1, 2019, two (2) bids were received and opened for the Taxiway R Pavement Rehabilitation (Eastern) project. The bids are listed in Table 2 below.

Table 2. Taxiway R Pavement Rehabilitation (Eastern) Bid Summary

Bidder	Location	Base Bid	Bid Alternate 1	Total Bid Price
DeSilva Gates Construction LP	Dublin, CA	\$741,871	\$230,100	\$971,971
A. Teichert & Son, Inc. dba Teichert	Pleasanton, CA	\$919,895	\$205,290	\$1,125,185

Prior to bid opening, the Port announced that the Apparent Low Bidder would be determined solely on the Base Bid plus Bid Alternate 1 Price. DeSilva Gates Construction LP (“DeSilve Gates Construction”) is appropriately licensed and in good standing with the Contractors State License Board; their bid demonstrates that they can perform the work as specified in the contract documents; they have submitted all required documentation; and they have submitted an unconditional offer to provide the work as specified in the contract documents. Staff therefore determined that DeSilva Gates Construction is the lowest responsive and responsible bidder and recommends awarding Taxiway R Pavement Rehabilitation (Eastern) project to DeSilva Gates Construction in the amount of \$971,971, contingent on receiving AIP grant award.

Design support services during construction will be provided by AECOM for the Construction of Southfield Pavement Improvements Phase 2 project and by Orion for the Taxiway R Pavement Rehabilitation (Eastern) project, using existing contract authority.

The Port will submit a total of three (3) grant applications to the FAA for the current FFY 2019 AIP cycle totaling approximately \$4,561,468. These applications include the pavement projects discussed in this agenda report as well as airfield planning studies at Oakland International Airport. Staff anticipates a response from the FAA in the coming months and, in any event, prior to the FFY 2019 close on September 30, 2019.

BUDGET & STAFFING

These projects are included in the Port’s FY 2020 Capital Pipeline projects and therefore included in the Port’s financial planning and cash flow. Tables 3 and 4 summarize the total budgets for both projects.

Table 3. Construction of Southfield Pavement Improvements Phase 2 Project Budget

	Design ¹	Construction	Total
Port Labor	\$127,000	\$244,000	\$371,000 ⁴
Consultants	204,000	122,000 ³	326,000 ⁴
Construction – Bid Award	na	1,264,385	1,264,385
Construction Change Order Contingency	na	253,000 (approx. 20%)	253,000
Other ²	0	85,615	85,615 ⁴
Total	\$331,000	\$1,969,000	\$2,300,000

¹ The Design Budget of \$331,000 was approved by the Board on December 14, 2017.

² Other includes MAPLA, security escorts, and OCIP costs.

³ Consultant construction budget request includes design construction support, construction management support, and materials inspection and testing.

⁴ Staff may exceed the individual category cost of Port Labor, Consultants and Other if i) the effort is needed and ii) the sum of these three category costs does not exceed the sum of these three category costs as shown in Table 3.

Table 4. Taxiway R Pavement Rehabilitation (Eastern) Project Budget

	Design ¹	Construction	Total
Port Labor	\$130,000	\$104,000	\$234,000 ⁴
Consultants	139,000	408,000 ³	547,000 ⁴
Construction – Bid Award	na	971,971	971,971
Construction Change Order Contingency	na	195,000 (approx. 20%)	195,000
Other ²	0	45,029	45,029 ⁴
Total	\$269,000	\$1,724,000	\$1,993,000

¹ The Design Budget of \$269,000 was approved by the Board on October 25, 2018.

² Other includes MAPLA, security escorts, and OCIP costs.

³ Consultant construction budget includes design consultant support, construction management support, and materials inspection and testing.

⁴ Staff may exceed the individual category cost of Port Labor, Consultants and Other if i) the effort is needed and ii) the sum of these three category costs does not exceed the sum of these three category costs as shown in Table 3.

Staff anticipate the FFY 19 AIP grant will fund up to approximately 80% of grant eligible project costs, and 69% of the total project costs. The cash-funded portion of the project will be reimbursed through airlines' rates and charges.

There is no anticipated staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply to this work.

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.portoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Maximize the use of existing assets.
- Goal: Implement formal grants/external funding task force.

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 because the contract is a construction contract covered by prevailing wage rules.

SUSTAINABILITY

Port staff completed the Sustainability Opportunities Assessment Form for this project pursuant to the 2000 Sustainability Policy and updated procedures. The project will generate approximately 300 cubic yards of asphalt millings that will be transported and stockpiled at the Port Materials Management Site (MMS) located on the airport. The millings will subsequently be reused/recycled for future airport construction projects. This eliminates the need to off-haul and dispose of the asphalt millings. Keeping these materials onsite at the MMS will reduce trucking costs and associated air and traffic impacts.

ENVIRONMENTAL

This project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) Guidelines pursuant to Section 15301, Existing Facilities, which exempts the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. No changes to the premises or use are proposed with the potential improvements.

GENERAL PLAN

Pursuant to Section 727 of the City of Oakland Charter, this project has been determined to conform to the policies for the transportation designation of the Oakland General Plan.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

As the construction project is a capital improvement project, the applicable Owner Controlled Insurance Program (OCIP) coverages and provisions apply to the construction phase.

OPTIONS

The following options are for the Board's consideration:

- 1) Approve the actions as outlined in this agenda report. Doing so will enable the Construction of Southfield Pavement Improvements Phase 2 and Taxiway R Pavement Rehabilitation (Eastern) projects to be constructed, and allow for completion of the pavement improvements as early as possible. This is the recommended action.
- 2) Do not approve the actions requested in this Agenda Report. This is not recommended because postponing the Construction of Southfield Pavement Improvements Phase 2 and Taxiway R Pavement Rehabilitation (Eastern) projects will require increased interim maintenance to keep these pavements operational.

RECOMMENDATION

Staff recommends that the Board approve the following actions:

- 1) Approve a total project budget of \$2,300,000 for the Construction of Southfield Pavement Improvements Phase 2 Project;
- 2) Authorize the Director of Engineering to approve the Construction of Southfield Pavement Improvements Phase 2 Project Plans and Project Manual;
- 3) Authorize the Executive Director to award a contract with A. Teichert & Son, Inc. dba Teichert Construction in the amount of \$1,264,385 for the Construction of Southfield Pavement Improvements Phase 2 Project, contingent on receiving AIP grant award;
- 4) Authorize the Executive Director to execute contract change orders to the Construction of Southfield Pavement Improvements Phase 2 Project to the extent necessary in an amount not to exceed \$253,000;
- 5) Approve a total project budget of \$1,993,000 for the Taxiway R Pavement Rehabilitation (Eastern) Project;
- 6) Authorize the Director of Engineering to approve the Taxiway R Pavement Rehabilitation (Eastern) Project Plans and Project Manual;

- 7) Authorize the Executive Director to award a contract with DeSilva Gates Construction LP in the amount of \$971,971 for the Taxiway R Pavement Rehabilitation (Eastern) project, contingent on receiving AIP grant award;
- 8) Authorize the Executive Director to execute contract change orders to the Taxiway R Pavement Rehabilitation (Eastern) project to the extent necessary in an amount not to exceed \$195,000; and
- 9) Authorize the Executive Director to apply for and accept Grant Awards from the Federal Aviation Administration (FAA) AIP Program for FFY 2019.