

REPORT

REPORT: Update on GoPort Program: Freight Intelligent Transportation System and 7th Street Grade Separation Projects. (Maritime)

MEETING DATE: 9/26/2019

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APPROVED BY: Danny Wan, Acting Executive Director

ACTION TYPE: None

EXECUTIVE SUMMARY

Alameda County Transportation Commission and the Port have been collaborating over the last several years to develop and implement a suite of freight transportation projects known as the GoPort Program. The GoPort Program comprises the Freight Intelligent Transportation System and the 7th Street Grade Separation Project. This report provides an update on activities associated with the GoPort Program since the last update was provided to the Board of Commissioners on March 29, 2019.

BACKGROUND

The GoPort Program is a partnership between the Port of Oakland ("Port") and Alameda County Transportation Commission ("Alameda CTC") to implement strategic roadway infrastructure improvements to address congestion, operation and access concerns in the Port's Maritime Area ("Seaport").

The GoPort Program is comprised of three (3) distinct components:

- **Freight Intelligent Transportation Systems ("FITS") Project:** A suite of 15 demonstration technology projects along or near main arterial roadways (West Grand Avenue, Maritime Street, 7th Street, Middle Harbor Road, Adeline Street, Embarcadero West and Water Street). These improvements are intended to improve truck traffic flow, increase the efficiency of operations/goods movement, and enhance the safety and incident response capabilities throughout the Seaport.
- **7th Street Grade Separation East ("7SGSE") Project:** Re-align roadway and replace the existing 7th Street roadway/railroad underpass structure between I-880 and Maritime Street to provide standard lane and shoulder widths, vertical and horizontal clearances and standard multi-use paths to improve safety, increase truck

and other vehicle throughput, reduce traffic congestion, as well as provide opportunities for safe non-motorized movements within the corridor.

- **7th Street Grade Separation West (“7SGSW”) Project:** Replaces 7th Street west of the Maritime/7th Street intersection and a portion of Maritime Street with a grade separated roadway. It will also improve Maritime operations by providing a direct unimpeded rail connection to the Joint Intermodal Terminal railyard and Outer Harbor Intermodal Terminal railyard. The project will improve intermodal access and minimize conflicts between rail, vehicle, pedestrian and bicyclist movements by providing direct and unimpeded rail connections.

Port staff (“Staff”) provided the Board of Commissioners (“Board”) with an update on the GoPort Program on March 29, 2019 (“March GoPort Update”), and would like to share new developments since the last report.

UPDATES

FITS

- The FITS schedule remains essentially unchanged from what was provided in the March GoPort Update. Construction for FITS is anticipated to start in late 2019 and finish in spring 2021. Construction will be followed by a 12-month system testing/performance evaluation period. Operations and Maintenance (“O&M”) is anticipated to start in spring of 2022 and be for a period of five years.
- Total grant funding secured for construction also remains unchanged at \$24 million (which excludes Port staff and consultant support), comprised of \$9.72 million from the Federal Highway Administration (“FHWA”); \$12.456 million from the California Transportation Commission (“CTC”); and \$1.824 million from the U.S. Department of Homeland Security (“DHS Port Security Grant”).
- As detailed in the March GoPort Update, Alameda CTC is currently responsible for delivering 13 of the 15 projects, with the remaining two security-related projects (installation of Radio Identification Device (“RFID”) Readers and enhancements to the Emergency Operations Center/Traffic Management Center (“EOC/TMC”)), to be delivered by the Port, although the RFID project may be assigned to Alameda CTC for delivery.
- Bids received for the two security projects were significantly higher than projected at the time of grant request submissions. Based on the bids received, total construction cost (for both projects combined) has increased from \$3 million to \$6.6 million. Construction costs projects for the remaining 13 projects, based on recent and anticipated bids received, appear to be more in line with initial estimates (totaling approximately \$20 million), although actual costs are still being vetted and confirmed at the writing of this report.

- In anticipation of total construction costs exceeding the \$24 million in grant funding, Alameda CTC and the Port have begun to identify areas where costs can be reduced, such as potential scope reductions, project elimination, and/or combining projects into larger construction bid packages. As part of this cost-control effort, the Port requested an amendment to the PSG17 grant to remove the RFID project and reallocate funding to the EOC/TMC project, so that the Port can assign the RFID project to Alameda CTC for delivery.
- The Port is also concurrently working on executing post-construction agreements with the City of Oakland (“City”) and the California Department of Transportation (“CalTrans”) to set forth and/or clarify operations and maintenance responsibilities on certain FITS assets.

7SGSE

- The 7SGSE schedule remains essentially unchanged to what was provided in the March GoPort Update. The 7SGSE project is currently in the plans, specifications, and estimates (“PS&E”) phase. The 60% PS&E document set is anticipated to be finalized in early September 2019, which will be followed by Final PS&E documents in early 2020. Construction is anticipated to commence in late 2020 with a duration of approximately 30 months.
- The total cost estimate to design and construct the 7SGSE project remains unchanged since the March GoPort Update at \$320.5 million. A funding shortfall remains at approximately \$115 million.
- A Federal Infrastructure for Rebuilding America (“INFRA”) grant application requesting \$85 million in Federal funds to help close the construction funding gap was submitted for the East segment. However, in August 2019, Alameda CTC was notified that funds were not awarded to the 7SGSE Project.
- Alameda CTC remains committed to closing this funding gap using regional and local funds that have been secured but were initially planned for other potential initiatives.
- The alignment of 7SGSE has now been defined (see Attachment 1), and up to approximately 3 acres of Port-owned property will be required to accommodate the project. The Port will be asked to contribute this land to the project (i.e., offer of dedication to the City as a public street, including retention basins for post-construction storm water control). A preliminary appraisal report on the impacted Port land is nearing completion, and the appraised value will be reported in the next update (spring 2020). A depiction of the potentially impacted Port owned land is also provided in Attachment 1). Port staff are still working with Alameda CTC staff to minimize these impacts and/or use other lands in the immediate vicinity, to maximize land available for Seaport uses.

7SGSW

- The 7SGSW project is in the preliminary engineering phase. A feasibility memo analyzing several potential alignments was recently completed, and work is anticipated to commence on the remaining engineering documents soon. Documents reflecting a 30% design are anticipated by the end of 2019.
- The remainder of the schedule for this project is uncertain. At this time, the West segment is approximately 18 months behind the east segment in terms of schedule. Preliminary indications are that this lag will increase.
- The total cost estimate to design and construct the 7SGSW project remains unchanged since the March 2019 update at \$268.1 million. Alameda CTC secured approximately \$21 million in Measure BB funds to complete preliminary engineering (PE)/PS&E work.
- Construction remains unfunded at this time; the funding shortfall is approximately \$235.6 million.
- A Federal INFRA Grant application requesting \$75 million was submitted for the West segment; however, funds were not awarded to the 7SGSW Project.
- Alameda CTC is actively seeking funding sources needed to commence with construction. The next funding opportunity is in the spring of 2020 when the applications for cycle two of the TCEP are accepted.

7SGSE and 7SGSW are two segments on a single roadway, intended to function together but constructed independently. Should funding for 7SGSW be delayed or not available, Alameda CTC still plans on constructing 7SGSE. However, adjustments to the current design for 7SGSE will be necessary so that the interface between 7SGSE and 7SGSW is functional and safe.

Both 7SGSE and 7SGSW are anticipated to be public streets owned and operated by the City, which is consistent with the current ownership and maintenance structure of the existing 7th Street. Currently, pursuant to a Memorandum of Understanding (MOU) with the City, the Port pays the City to operate and maintain most of existing portion of 7th Street impacted by the GoPort Program. This MOU is dated and the Port and City anticipate it will be necessary to memorialize operations/maintenance responsibilities for the reconstructed roadway through additional documentation/agreements.

Overall GoPort Costs and Funding

The GoPort Program remains partially funded by approximately \$260 million of local (non-Port), state and federal funds, in addition to some Port funds – this is unchanged from the March 2019 GoPort Update. Additional funding that needs to be secured remains at \$350.6 million.

- FITS: While Alameda CTC is responsible for construction cost overages, Alameda CTC and the Port are discussing approaches to reducing construction costs to remain within or near the \$24 million secured from grant funding. The Port is responsible for Port staff labor and consultant support costs (which are not grant reimbursable). In summary:
 - Design and construction will cost the Port approximately \$6.6 million, of which \$3.3 million is expected to be reimbursed by the PSG17 grant and other Alameda CTC administered funds.
 - The Board has already approved \$3.3 million for Staff labor and consultant support.
 - Staff plans to seek budget approval and construction contract award in October 2019 for another \$3.3 million to construct the EOC/TMC.
 - O&M costs are estimated to be \$1.1 million annually (\$5.5 over five years), which will be funded entirely by the Port, with no grant funding offset. More information about the actual costs of O&M will be available later this year.

- 7SGSE: Total cost to deliver 7SGSE has not changed since the March 2019 GoPort Update, and is estimated at \$320.5 million. Alameda CTC is committed to seeking funds to close the estimated \$115 million funding gap to construct this segment.
 - It is anticipated the Port will incur approximately \$3.5 million of Staff labor and consultant support through Fiscal Year (“FY”) 23. These costs will be reviewed annually and approved through the annual operating budget of the Maritime Division.

- 7SGSW: Total cost to deliver 7SGSE has not changed since the March 2019 GoPort Update, and is estimated at approximately \$268.1 million. Alameda CTC is actively seeking funds to close the estimated \$235.6 million funding gap to construct this segment.
 - It is anticipated the Port will incur approximately \$5.1 million of Staff labor and consultant support, likely through FY25. These costs will be reviewed annually and approved through the annual operating budget of the Maritime Division.

The table on the following page provides an overview of costs and funding for the GoPort Program from inception through O&M, based on best available information as of the date of this Report.

GOPORT PROGRAM - COST AND FUNDING SUMMARY TABLE								
	Costs (\$ Thousands)			Funding (\$ Thousands)				Funding Shortfall (\$ Thousands)
	Port	Alameda CTC ¹	Total	Measure BB	State/Federal	Port Cash	Total	
FITS								
PE/PS&E	800	6,600	7,400	6,600	-	800	7,400	
Construction	5,800	20,700	26,500	-	24,000	2,500	26,500	
Total Capital	6,600	27,300	33,900	6,600	24,000	3,300	33,900	0
O&M (5 yrs only)	5,500		5,500			5,500	5,500	0
7SGSE								
PE/PS&E	2,000	27,000	29,000	19,000	8,000	2,000	29,000	0
ROW/Construction	1,500	290,000	291,500		175,000	1,500	176,500	115,000
Total Capital	3,500	317,000	320,500	19,000	183,000	3,500	205,500	115,000 ²
O&M	TBD	0	TBD	0	0	TBD	TBD	TBD
7SGSW								
PE/PS&E	2,000	21,000	23,000	21,000	0	2,000	23,000	0
ROW/Construction	3,100	242,000	245,100	6,400	0	3,100	9,500	235,600
Total Capital	5,100	263,000	268,100	27,400	0	5,100	32,500	235,600 ³
O&M	TBD	\$0	TBD	0	0	TBD	TBD	
Total GoPort (capital only)	15,200	607,300	622,500	53,000	207,000	11,900	271,900	350,600

¹ Includes Alameda CTC staff, consultant and contractor costs for PE/PS&E and construction.

² Alameda CTC has committed to seeking other grant funds to close the \$115 million shortfall for this segment.

³ Funding is uncertain; Alameda CTC is seeking additional local state and federal funds to close the approx. \$235 million funding gap for this segment.

Community Outreach

Since March 2019, the Port and Alameda CTC have attended several community, business and inter-agency stakeholder meetings to provide updates and information regarding the GoPort Program. While the Program as a whole has been received positively - given its anticipated benefits to improving traffic circulation, congestion and overall operational efficiencies in the Port area - there are questions and concerns about construction and related environmental impacts. The Port and Alameda CTC will continue to address these concerns as construction commencement approaches.

Upcoming Approvals

Below is a list of Board approvals staff anticipates seeking over the next few months related to the GoPort Program:

- FITS
 - September 2019: Anticipated removal of RFID project from the PSG17 grant agreement and assignment of the project construction responsibilities to Alameda CTC (to construct and fund) as well as related administrative approvals (e.g., amending agreements with Alameda CTC to reflect these changes).
 - October 2019: Construction contract and budget approval for the EOC/TMC (which is the Port's obligation to construct).
- 7SGSE
 - September 2019: Extension to term of Temporary License Agreement ("TLA") with HDR, Inc., for pre-construction activities necessary to complete design.
 - November 2019: TLA for 7SGSE construction and a MOU or equivalent agreement to outline responsibilities, approvals, and permissions required of each party to complete the project.

NEXT STEPS

The near-term action items for the GoPort Program are as follows:

- Return to the Board for additional approvals to execute the various agreements discussed in this Report to advance implementation of the GoPort Program.
- Continue to track costs and funding availability.
- Continue negotiations on the various multi-agency funding and implementation agreements.

Staff plans to provide the next GoPort update to the Board in early 2020.

ATTACHMENT 1

7SGSE Proposed Alignment and Potentially Impacted Port Lands

