

AGENDA REPORT

Resolution: (i) Approve a Budget for Design in an Amount Not-To-Exceed \$500,000 and (ii) Authorize a Third Supplemental Agreement with WRECO for the On-Call Water and Wastewater Engineering Services Contract to Extend the Contract Term By One Year to October 20, 2021 for the Design of the Sewer Pipeline Rehabilitation Project at the Ben E. Nutter Terminal. **(Engineering/Maritime)**

MEETING DATE: 9/26/2019

AMOUNT: \$500,000 Budget Authority
Capital Expenditure

PARTIES INVOLVED: WRECO, Walnut Creek, California
Han-Bin Liang, President

SUBMITTED BY: Robert Andrews, Acting Director of Engineering
John C. Driscoll, Director of Maritime

APPROVED BY: Danny Wan, Acting Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Staff is requesting the following approvals for the Sewer Pipeline Rehabilitation Project at Ben E. Nutter Terminal: i) approve a capital budget of \$500,000 for the design phase; and ii) authorize a third supplemental agreement with WRECO for the On-Call Water and Wastewater Engineering Services Contract to extend the contract term by one year to October 10, 2021. The Port is required to perform this design work (and the related construction at a subsequent date) to comply with the Port's Sewer Lateral Ordinance 4474, which was adopted by the Board on May 10, 2018.

BACKGROUND

The Port of Oakland ("Port") private sewer lateral ("PSL") ordinance (Ordinance No. 4474, May 10, 2018) requires that the Port must prepare a Condition Assessment Plan ("CAP") no later than June 30, 2019, a Corrective Action Work Plan ("CAWP") by June 30, 2023, and make substantial progress on rehabilitating the Port's sanitary sewer system to reduce storm water infiltration and inflow to the system. The CAP for the sanitary sewer system has been completed and approved by the Board at the June 13, 2019 meeting.

The Port operates and maintains the sanitary sewer collection services at the Ben E. Nutter Terminal ("Nutter Terminal"), which is currently operated by Everport Terminal Services, Inc. The Terminal covers over 70 acres of land and includes Berth 35, 37, and 38. The Port owns

the sewage collection system within the Terminal and 7th Street, which then discharges to the City of Oakland ("City") collection system prior to discharging to the East Bay Municipal Utility District ("EBMUD") large-diameter interceptor system. The system consists of pipelines of various sizes (approximately 9,000 feet total length) ranging from 4-inch to 12-inch diameter.

An initial closed-circuit television pipeline inspection of select areas of the sewer system at the Nutter Terminal identified several system defects that must be addressed to reduce inflow/infiltration and to prevent sanitary sewer overflows.

ANALYSIS

In order to comply with the PSL ordinance, the approved CAP for Nutter Terminal must be implemented, a CAWP needs to be developed to address the known deficiencies and to implement a rehabilitation plan to correct the identified deficiencies.

The initial video inspection of the sewer system at the Nutter Terminal, described above, identified this sanitary sewer system as a priority for rehabilitation and in imminent need of repair. Port staff therefore solicited a proposal from WRECO, one of the Port's On-Call Water and Wastewater Design Consultants, to perform a complete assessment of the pipeline condition and design a repair/rehabilitation plan to address any deficiencies found during the assessment.

WRECO will perform the assessment and design services for a cost not to exceed \$300,000. Therefore, this agenda report requests budget authorization of \$500,000 for the assessment and design phase of this project, including port labor and other costs.

Although the \$300,000 is within the contract authority provided by the Board for the WRECO contract and all design services are anticipated to be complete before the expiration of their On-Call contract, construction will not be complete prior to the contract term expiration. Therefore, Staff is also requesting authorization to enter into a supplemental agreement with WRECO that will extend the On-Call Water and Wastewater Engineering Services Contract for WRECO by 1 year, to October 10, 2021. The supplemental agreement will allow WRECO to provide construction support services such as submittal reviews, responding to bidder questions, and preparing record documents; all of which will occur after the existing expiration date of October 10, 2020.

Upon completion of the design work and receipt of construction bids, Staff intends to seek subsequent Board approval for construction budget, award, and related items. The design effort (producing Plans and the Project Manual) is estimated to take approximately 10-12 months (from issuance of a notice to proceed for design).

BUDGET & STAFFING

The Sewer Pipeline Rehabilitation at Ben E. Nutter Terminal Project is included in the Port's FY 2020 Capital Pipeline projects and therefore included in the Port's financial

planning and cash flow. Staff is seeking Board approval of a capital budget of \$500,000 for the design phase. Please refer to the Table below.

The budget requested is as follows:

Table 1. Budget Requested

	Design Phase	Construction Phase
Consultant ¹	\$300,000 ³	TBD, but preliminary estimated to be \$2.5 million. Upon completion of the design work and receipt of construction bids, Staff intends to seek subsequent Board approval for construction, materials testing, Special Testing, construction management, OCIP, and other related construction phase costs.
Port Labor	\$150,000 ³	
Other Related Costs ²	\$50,000 ³	
Totals	\$500,000	

¹ Consultant Costs include Design Services through Construction, surveying, and field investigations.

² Other Costs include permitting and agency coordination.

³ Staff may exceed the individual category cost of Port Labor, Consultants and Other Related Costs 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 the Table.

There is no anticipated impact to staffing.

MARITIME AVIATION PROJECT LABOR AGREEMENT (“MAPLA”)

The requested action is related to engineering design professional services. The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply to this professional services contract only to the extent it involves work within the craft jurisdiction of the unions signatory to the MAPLA, such as any field surveying, on-site soils and materials testing and inspection, and geotechnical and exploratory drilling 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.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”), will apply to the design effort if the service provider employs 21 or more employees working on Port-related work. In addition, the prevailing wage requirement will apply for related future construction work.

SUSTAINABILITY

Port staff reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. Port staff concluded that there are no sustainability opportunities associated with this specific project.

ENVIRONMENTAL

California CEQA Determination: The Port has determined that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) Guidelines pursuant to Section 15301, Existing Facilities. CEQA does not apply to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment or topographic features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

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

Staff has identified the following options for the Board's consideration:

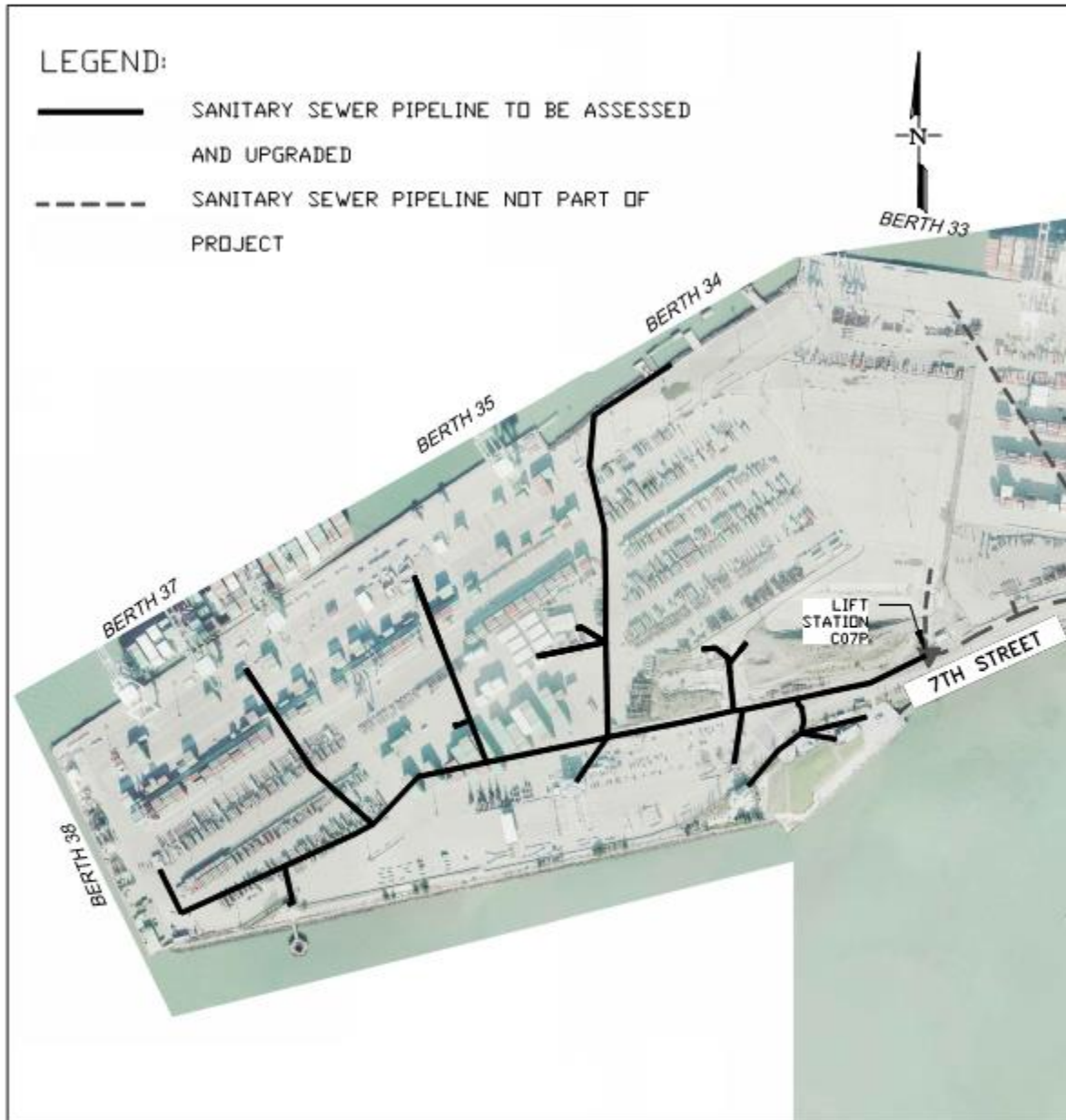
1. Approve the actions as outlined in this agenda report. This is the recommended action.
2. Do not approve the actions outlined in this agenda report. Direct Staff to formally advertise the project and do not use the On-Call Water and Wastewater Engineering Services Contract with WRECO to deliver the Plans and Project Manual. This will increase the design budget by approximately \$50,000. This action would also add project delays of approximately 4 to 6 months which and may lead to non-compliance with the Port's PSL Ordinance.

RECOMMENDATION

Staff recommends that the Board adopt a resolution for the following:

- 1) Approve a Budget for Design in an Amount Not-To-Exceed \$500,000
- 2) Authorize a Third Supplemental Agreement with WRECO for the On-Call Water and Wastewater Engineering Services Contract to Extend the Contract Term By One Year to October 10, 2021.

EXHIBIT – A



PORT OF OAKLAND



530 WATER ST. OAKLAND, CALIFORNIA

**BEN E. NUTTER TERMINAL
SANITARY SEWER PIPELINE UPGRADE PROJECT**

EXHIBIT A