

AGENDA REPORT

Resolution: For the Joint Traffic Management Center/Emergency Operation Center Project and the Freight Intelligent Transportation System (“FITS”) Program: Approve Additional Project Budget in an Amount Not-To-Exceed \$3,337,503 for the FITS Program; Authorize the Executive Director to Execute a Contract with CB2 Builders Inc. in an Amount Not-To-Exceed \$2,806,603.13; and Authorize the Executive Director to Execute Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$421,000. **(Engineering/Maritime) (Engineering)**

MEETING DATE: 10/24/2019

AMOUNT: \$3,337,503 Budget
\$3,227,603.13 Contract Authority
Capital Expenditure

PARTIES INVOLVED: CB2 Builders, Inc.
San Francisco, CA
Tony Campagna, President

SUBMITTED BY: Robert Andrews,
Interim Director of Engineering/Chief Engineer

John C. Driscoll, Director of Maritime

APPROVED BY: Danny Wan, Interim Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Staff is requesting the following Board actions for the Joint Traffic Management Center/Emergency Operation Center (“TMC/EOC”) Project and the Freight Intelligent Transportation System (“FITS”) Program: (i) approval of additional budget in the amount not-to-exceed \$3,337,503 for the FITS Program; (ii) authorization for the Executive Director to execute a contract with CB2 Builders, Inc. in an amount not-to-exceed \$2,806,603.13; and (iii) authorization for the Executive Director to execute contract change orders to the extent necessary in an amount not-to-exceed \$421,000. This project will modify and upgrade the existing Joint TMC/EOC, which is physically located at the Port's 24/7 security operations center (Harbor Facilities Complex). The TMC/EOC will be used to monitor traffic, security surveillance, and coordinate with outside agencies during emergency and non-emergency events.

BACKGROUND

The GoPort Program is a partnership between the Port of Oakland (“Port”) and Alameda County Transportation Commission (“Alameda CTC”) associated with two capital improvements programs in the Seaport area: (1) the Freight Intelligent Transportation System Program (“FITS Program”) and (2) the 7th Street Grade Separation Project (“7th Street GSP”). This Agenda Report focuses exclusively on the FITS Program.

The FITS Program is comprised of 15 demonstration projects intended to improve traffic flow, vehicle/pedestrian safety, and the overall movement of goods in the Port’s Maritime area (“Seaport”). Over the last several years, Alameda CTC and the Port collectively secured \$24 million to fund construction work, which includes \$1.824 million from the U.S. Department of Homeland Security (“DHS”) under the Fiscal Year 2017 Port Security Grant Program (“PSG17”). The Board accepted the PSG17 grant in January 2018 (Resolution No. 18-02) and approved an amendment to the grant that removed a FITS project obligation from the Port and placed it under Alameda CTC’s administration on September 26, 2019.

Alameda CTC is currently responsible for administering/delivering 14 of the 15 FITS projects, while the Port is responsible to deliver the remaining one project that is partially funded by a Port administered 2017 Department of Homeland Security grant (“PSG17”). This PSG17 project entails the buildout of an emergency operations center/traffic management center (“TMC/EOC”). The TMC/EOC shall provide an operations environment that will house the data from the various other FITS field devices (such as vehicle traffic patterns and accident reports) and provide a centralized location to plan, operate and manage traffic and incidents, as well as inter-agency coordination.

There are several Board actions that authorized budget for the FITS program, namely: Resolution 16-73 on June 23, 2016 for design budget; Resolution 18-73 on July 26, 2018 for design budget; and Resolution 19-07 on February 14, 2019 for design and construction support budget.

ANALYSIS

The Plans and Project Manual for the TMC/EOC is complete and Port staff (“Staff”) solicited bids through a formal Public Works construction bidding process. A pre-bid meeting was held on April 24, 2019. More than 25 people, comprised of general contractors, vendors, and suppliers, attended.

On June 10, 2019, one bid was received. The bid is listed in Table 1 below.

Table 1. Bid Summary

Contractor	Location	Bid Amount	Certified SBE/VSBE
CB2 Builders, Inc.	San Francisco, CA	\$2,806,603.13	No

The one bid received was 15% higher than final Engineering estimates (note that at the time of the PSG application almost three years ago, initial estimates for this project were significantly lower). In reviewing the bid, Staff believes the bid is a relatively accurate reflection of current construction costs, which have significantly increased to as much as double in recent years due to significant increases in material cost, labor cost, and overall construction demand. In terms of only receiving one bid, this also does not appear unusual based on current trends. On recent building construction and paving projects, the Port has either gotten very few bids or no bids at all due to the current environment of competing and often more lucrative opportunities.

Staff determined CB2 Builders, Inc. is appropriately licensed and experienced to perform the work and is the only responsive, responsible bidder. Staff therefore recommends awarding a contract for the TMC/EOC to CB2 Builders, Inc. in the amount not-to-exceed \$2,806,603.13 and authorizing the Executive Director to execute contract change orders to the extent necessary in an amount not-to-exceed \$421,000 (approximately 15% of the bid amount). The work will take approximately eight (8) months to complete after issuing the notice to proceed.

BUDGET & STAFFING

FITS Program Budget Summary

To date, the Board approved various budgets that total \$3,290,000 for the FITS program. Please refer to the resolutions in the “Background” section of this Agenda Report. The additional budget authority needed to complete the FITS program is \$3,337,503. Please refer to Table 2 below. This project has been included in the Port’s Capital Improvement Plan and there is no budget impact.

Table 2. Total FITS Program Budget Summary

	Previously Approved Budget	Budget Change/Requested	Proposed Revised Total Budget
Consultant (Design)	\$ 575,000	\$(278,800)	\$296,000
Consultant (Construction) ¹	\$ 600,000	\$(60,700)	\$539,300 ⁴
Construction ²		\$2,806,603.13	\$2,806,603.13
Construction Contingency		\$421,000	\$421,000
Port Labor (Design and Construction)	\$2,115,000	\$324,400	\$2,439,400 ⁴
Other Related Costs ³		\$125,000	\$125,000 ⁴
Totals	\$3,290,000	\$3,337,503 ⁵	\$6,627,503 ⁶

¹Consultant Costs include Construction Management Services, Design Services during Construction, Materials Testing, and Special Testing.

²Contractor’s bid amount.

³Other Costs include permitting, MAPLA, agency coordination, and OCIP.

⁴Staff 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.

⁵Additional Budget needed to complete the FITS program, rounded to the nearest whole dollar. This value is in addition to prior budgets approved by the Board.

⁶Rounded to the nearest whole dollar.

Reimbursement

The cost for the FITS Program will be partly reimbursed under the PSG17 and Alameda CTC as shown in the Reimbursement Summary Table below.

Total Estimated FITS Program Cost	\$6,627,503
PSG17	(\$1,824,000)
Alameda CTC Funds	(\$1,400,000)
Estimated Net Program Cost/Port Cash spent after reimbursements	\$3,403,503

Annual Maintenance Cost

There will be annual maintenance cost for the equipment installed under this project, estimated to be \$100,000 per year for five years. This cost will be included in future Operating Expense Budget starting in FY 2022.

The proposed action is not anticipated to impact staffing.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) applies to this work as the work is a Capital Improvement Project.

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>

- Grow Net Revenues
- 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 because the contract is a construction contract

covered by state prevailing wage rules and the construction prevailing rate of wage is higher than the wage required by 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. This project increases the efficiency of the Port to respond to emergency and non-emergency operations.

ENVIRONMENTAL

The Board determined, by Resolution No. 19-07, dated February 14, 2019, that CEQA review of the implementation and maintenance of the FITS Projects was addressed by the 2002 Oakland Army Base Area Redevelopment Plan EIR. The FITS Projects do not trigger any of the conditions set forth in Section 15162 of the CEQA Guidelines, therefore no additional environmental review is required.

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 are options for the Board's consideration:

1. Approve the actions as outlined in this agenda report. This is the recommended option.
2. Do not approve the actions outlined in this agenda report and direct Staff to rebid the project. This will add approximately 1 to 3 months of project delay and approximately \$40,000 in Port Labor costs to revise the Plans and Project Manual, re-advertise the project, and award the project. As a result, the Port will not meet the obligation of the Port Security Grant and will forfeit \$1.8 Million in Federal Funding. Additionally, subsequent FITS Projects programed for construction by ACTC will be inoperable.

RECOMMENDATION

Staff recommends that the Board adopt a resolution to:

1. Approve additional Budget in an amount not-to-exceed \$3,337,503 for the Freight Intelligent Transportation System Program;
2. Authorize the Executive Director to Enter into a Contract with CB2 Builders Inc. for a total Amount of \$2,806,603.13; and
3. Authorize the Executive Director to Execute Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$421,000.