

## AGENDA REPORT

Resolution: (1) Authorize a Budget of \$1,082,000 for the Gate 9A Passenger Boarding Bridge Replacement Project and (2) Authorize Executive Director to Dispense with Standard Bidding Procedures and Enter into a Sole Source Agreement with JBT AeroTech for a Not-to-Exceed Amount of \$1,064,000. **(Aviation)**

**MEETING DATE:** 1/23/2020

**AMOUNT:** \$1,082,000 (FY 2020)  
Capital Expenditure

**PARTIES INVOLVED:** JBT AeroTech, Ogden Utah

**SUBMITTED BY:** Bryant L. Francis C.M., Director of Aviation

**APPROVED BY:** Danny Wan, Executive Director

**ACTION TYPE:** Resolution

### **EXECUTIVE SUMMARY**

This agenda report seeks (1) budget authorization of \$1,082,000 and (2) authorization for the Executive Director to enter into a sole source agreement for a not-to-exceed amount of \$1,064,000 for the Gate 9A Passenger Boarding Bridge Replacement Project.

### **BACKGROUND**

Oakland International Airport uses passenger boarding bridges (PBB) at the passenger terminals to provide a convenient and safe means of connecting the passenger terminal with parked aircraft. Airline staff “drive” the PBB to mate with each aircraft after it has been parked at the gate. Each PBB is comprised of a fixed walkway, rotunda and entry corridor, telescoping tunnels, vertical and horizontal drive column assembly, rotating aircraft cab with operator control console, automatic leveling device, service door, landing and service stair, canopy closure, electrical distribution systems and electrical gate boxes. Additional features of the PBBs include a pre-conditioned air unit, 400 Hz ground power unit, security cameras, potable water cabinet, bag conveyor, metal flooring and continuous-run monitors. The PBBs have a useful life of approximately 20 years and are maintained by Aviation Facilities staff.

Of the PBBs at OAK:

- Six were installed 2001-2003, 17-19 years ago
- Eighteen were installed in 2006-2007, 13-14 years ago
- Five were installed in 2014, 6 years ago

To ensure efficient maintenance procedures, maintain familiarity of operation of all PBBs for airlines, and to reduce replacement part/equipment storage requirements, the Port decided to use one PBB type when a large number of PBBs were replaced in 2006. There are only three providers globally of PBBs: JBT AeroTech from Utah, Thyssen Krupp from Texas, and Adelte from Spain. All bridges at OAK are provided by JBT AeroTech.

In October 2019, Gate 9A PBB (shown in Figure 1) had been taken out of service for maintenance when operational and wear-and-tear issues were observed. During the maintenance process, which goes beyond typical operational use, metal rods that hold the far end of the PBB in place, “the pivot point”, snapped resulting in the front cab section that mates with the aircraft to fall causing the damage visible in Figure 2 (Note that Port staff and the manufacturer immediately inspected these parts on all PBBs and, although none appeared to be in immediately risk of failure from normal use, Port staff has begun installing new, stronger rods as an additional precaution). Given the level of damage and the age of this PBB (19 years) a full PBB replacement is appropriate.



Figure 1. Project Location.

In the meantime, Gate 9A is no longer in use and has been taken out of service, which creates a three-fold operational impact:

- (1) It reduces the number of gates available to carriers (Spirit airlines was the primary user of Gate 9A and is now being accommodated on other gates as a secondary user)
- (2) It limits options for airlines to park aircraft at the gate overnight, which means aircraft need to be towed to a remote position.
- (3) It limits the number of gates OAK has available for irregular operations and diversions from other airports.



Figure 2. Damaged Passenger Board Bridge at Gate 9A.

## **ANALYSIS**

Gate 9A PBB should be replaced as expeditiously as feasible to minimize operational impacts to air carrier operations and maximize operational flexibility. To maintain the single PBB type approach as well as significantly decrease the out of service time of Gate 9A, Port staff recommend procuring a new JBT AeroTech PBB replacement. The sole source approach with the existing manufacturer will provide an expedited process for replacement as JBT has specifications previously developed, thus a formal bid package is not required, and at least 4-6 months can be saved on the schedule.

Port staff requests Executive Director authority to dispense with standard bidding procedures and enter into a sole source agreement with JBT AeroTech for the replacement of the PBB at Gate 9A to ensure this PBB matches the existing equipment at the Port. Under such Agreement JBT AeroTech will furnish, install and test a new PBB at Gate 9A as well as dispose of the damaged PBB.

Maintaining operational and fabrication standardization of all PBBs at OAK is important and benefits both airline staff, who operate the PBBs, as well as for Aviation Facilities staff, who maintain the PBBs. As airline staff could be expected to operate PBBs from a number of different gates on a daily basis, there are potential safety benefits related to increased familiarity with the operational interface one type of PBB. Familiarity with and maintenance on the mechanical system of one type of PBB benefits Aviation Facilities staff, as does

ordering and storing parts for one type of PBB, reducing training expenses, and improving efficient maintenance leading to decreased down-time for airline partners.

JBT AeroTech manufactures PBBs in batches. If recommended actions in this agenda report are approved, the PBB for OAK's Gate 9A would be manufactured in April 2020 and installed in approximately June 2020. Under the Executive Director's signing authority, the Port has issued a non-refundable deposit of \$150,000 to JBT to hold a place in the manufacturing queue for this next PBB production batch. Without the deposit, the next opportunity would result in late fall/winter 2020 installation.

## **BUDGET & STAFFING**

The agenda report requests approval of \$1,082,000 for the Gate 9A Passenger Boarding Bridge Replacement Project, which will be spent in FY 2020. See Table 1 for project cost breakdown.

This project was unanticipated and was not included in the Port's Five-Year Capital Improvement Plan; however, due to construction delays on other capital projects there is no budget impact as these costs can be absorbed within the existing FY 2020 Capital Budget. This project will be funded with Port cash and the expenditure will be repaid by the airlines over time through the terminal rental rate. There is no anticipated staffing impact associated with this Board action.

Table 1. Gate 9A Passenger Boarding Bridge Replacement Project  
Estimated Project Costs

Description	Total Requested Budget
Purchase and Installation <sup>1</sup>	\$1,064,000
Port Labor	\$18,000
TOTAL	\$1,082,000

Additionally, this incident has been reported to Port insurers. Staff is exploring whether any insurance funds would apply. If the claim is accepted, it is expected that a \$500,000 deductible would apply. Any funds determined to be available would be applied to the project costs.

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<sup>1</sup> based on a 12/20 quote of \$1,013,979 from JBT AeroTech, plus an approximate \$50,000 contingency.

## **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).

- Goal: Improve Customer Service
- Goal: Modernize and Maintain Infrastructure
- Goal: Strengthen Safety and Security

### **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.

### **SUSTAINABILITY**

Staff completed the Sustainability Opportunities Assessment Form for this project pursuant to the 2000 Sustainability Policy and updated procedures. The work of this contract is subject to the Port's waste reduction and recycling ordinance and replaced parts will be recycled. The replacement PBB will include a new pre-conditioned air unit and 400 Hz ground power unit which allows the aircraft parked at the gate to turn off its aircraft power unit and be powered by electricity instead of jet fuel.

### **ENVIRONMENTAL**

The proposed project would involve removing and replacing the Gate 9A PBB at Terminal 1. The Gate 9A PBB is a replacement and will not involve an expansion of use or capacity. The project consists of replacing existing facilities with those that have the same purpose and capacity; therefore, it is exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15302(c), Class 2 Replacement or Reconstruction. Section 15302 exempts from CEQA the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, including replacement of existing utility facilities involving negligible or no expansion of capacity.

## **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**

Following are options for the Board's consideration:

- 1) Approve the actions as outlined in this agenda report. This is the recommended action.
- 2) Approve the Gate 9A Passenger Boarding Bridge Replacement Project budget of \$1,082,000 only and direct staff to go out to formal bid for PBB replacement. This would extend the schedule of completion to at least winter 2020/spring 2021, instead of June 2020, significantly extending the downtime of Gate 9A and limiting the operational capacity of Terminal 1. Additional risk posed by formally bidding under this option is that a different manufacturer may come in as the lowest bidder. Having a single PBB from a different manufacturer is undesirable because of the difficulty in maintaining a different mechanical system and lack of familiarity concerns from the airline staff that operate the PBB.
- 3) Do not approve the recommended budget or contracting authority. This would result in operational impacts to the airlines and limit the effective gate capacity.

## **RECOMMENDATION**

Staff recommends:

- 1) Approve a project budget of \$1,082,000 for the Gate 9A Passenger Boarding Bridge Replacement Project.
- 2) Authorize Executive Director to Dispense with Standard Bidding Procedures and Enter into a Sole Source Agreement with JBT AeroTech for a Not-to-Exceed Amount of \$1,064,000.