

AGENDA REPORT

Resolution: For the Installation of CenterPoint 12kV Utility Service Connection at Seaport Logistics Center Project - Authorize a Project Budget in an Amount Not-To-Exceed \$845,000; Authorize the Executive Director to Enter into a Contract with Cal Electro Inc. in an Amount Not-To-Exceed \$455,000 for the Construction of the Project; and Authorize the Executive Director to Execute Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$100,000. **(Engineering/Maritime)**

MEETING DATE: 2/27/2020

AMOUNT: \$845,000 Capital Expenditure

PARTIES INVOLVED: Cal Electro Inc.
E. Robert Meissner, President
Redding, California

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

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

This project is to provide CenterPoint development with a new Port electrical power connection at the Seaport Logistics Center. Staff is seeking authorization for a project budget in an amount not-to-exceed \$845,000; authorization for the Executive Director to enter into a contract with Cal Electro Inc. in an amount not-to exceed \$455,000 to construct the electrical infrastructure necessary to provide a new 12kV utility service connection to serve CenterPoint's new warehouse facility; and authority for the Executive Director to execute change orders to the extent necessary in an amount not-to-exceed \$100,000.

BACKGROUND

Between 2003 and 2007, the Port acquired approximately 241 acres (including 185 land acres) of the Oakland Army Base ("OAB"), which closed in the late 1990s through the Department of Defense Base Realignment and Closure Commission. The City of Oakland ("City") acquired a nearly equal share of the OAB. Since closure, the Port and the City have been planning the development and reuse of the former OAB. The Port generally refers to its portion of the former OAB, and its planned development, as the Seaport Logistics Complex. The Port provides electricity to its tenants within the Seaport Logistics Complex.

On November 30, 2017 the Board of Port Commissioners approved a lease with CenterPoint to develop a logistics facility in the Seaport Logistics Complex (refer to Exhibit A). Under the lease agreement between the Port and CenterPoint, CenterPoint is responsible for designing and constructing a 12kV substation and 480V power distribution system to meet its needs throughout its leasehold, and the Port, as the electric utility provider, is responsible to construct a new 12kV power connection from the Port's electrical grid to the aforementioned 12kV substation.

ANALYSIS

The project includes design and construction of new 12kV pad-mounted switchgear, conduits, and conductors to serve CenterPoint's development (refer to Exhibit B). Staff worked extensively with CenterPoint to determine power needs and to locate the switchgear on their leasehold. The power connection for CenterPoint's development will be from the Port's existing 12kV underground electrical grid circuit that feeds the Seaport Logistics Complex. Once the Port completes construction, CenterPoint will install conduit and conductors from the newly installed switchgear to their substation.

Design for the project was completed in-house by Port Engineering in November 2019 and the project was advertised for bids in December 2019. Port Staff solicited bids through a formal public works construction bidding process.

Four bids were received on January 17, 2020. The bids are listed in Table 1 below.

Table 1: CenterPoint 12kV Service Connection Project Bid Summary

Contractor		Location	Bid Amount
1.	P&G Power Corp	San Leandro, CA	\$ 243,000
2.	Cal Electro, Inc.	Redding, CA	\$ 455,000
3.	Bockman & Woody	Stockton, CA	\$ 615,000
4.	St. Francis Electric	San Leandro, CA	\$ 671,960

P&G Power Corp submitted the lowest bid for construction. However, they withdrew their bid. Cal Electro, Inc. submitted the next lowest bid for construction. Staff determined that Cal Electro, Inc. is appropriately licensed and experienced to perform the work. Cal Electro is also the lowest responsive and responsible bidder of the three remaining bids received. Therefore, staff recommends authorization for the Executive Director to award a contract for the installation of the CenterPoint 12kV service connection to Cal Electro Inc. in the amount not-to-exceed \$455,000. Additionally, staff is also recommending authorization for the Executive Director to execute change orders in an amount not-to-exceed \$100,000 for construction contingency. This is approximately 20% of the contract amount and will be used to mitigate unforeseen issues encountered during construction should they arise. This recommendation is due to the higher likelihood of encountering unforeseen issues related to working in the former Oakland Army Base and the increased coordination with the City of

Oakland Building Department. The work is estimated to take approximately five (5) months to complete.

BUDGET & STAFFING

The total project cost of \$845,000 is included in the Port's five-year Capital Improvement Plan with \$500,000 programmed to be spent in FY2020. Project construction is expected to cross fiscal years and continue into FY 2021. Therefore, costs to complete the project will be included in the FY2021 Capital Budget. If work is completed in FY 2020, costs will be absorbed within the existing FY 2020 Capital Budget. There is no budget impact.

The Project budget is as follows:

Table 2. Proposed Project Budget

	Design Phase	Construction Phase	Total Proposed Project Budget
Consultant (on call Testing contract) ¹	\$0	\$15,000	\$15,000 ²
Construction Award ³	n/a	\$455,000	\$455,000
Construction Contingency	n/a	\$100,000	\$100,000
Port Labor ⁴	\$100,000	\$125,000	\$225,000 ²
Other Related Costs ⁵	n/a	\$50,000	\$50,000 ²
Totals	\$100,000	\$745,000	\$845,000

¹ Consultant costs include materials testing, and special testing.

² 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.

³ Contractor's bid amount.

⁴ Port Labor spent to date is approximately \$95,000.

⁵ Other Costs include permitting, outside legal costs, MAPLA, agency coordination, and OCIP.

There is no anticipated impact to staffing.

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

- *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"), do not apply because the contract is a construction contract covered by state prevailing wage rules and the prevailing rate of wage is higher than the wage required by the Living Wage Regulations.

SUSTAINABILITY

Port staff have reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. There are no sustainability opportunities related to this proposed action because the project only provides the infrastructure for an electrical connection. There may be sustainable opportunities the infrastructure can support as part of future development at the site.

ENVIRONMENTAL

On June 14, 2018 (Resolution No. 18-52), the Board of Port Commissioners determined that project activities are covered in the Oakland Army Base Redevelopment Project Environmental Impact Report (State Clearinghouse Number 2001082058). No changes have been proposed to the project that would require supplemental environmental review per Section 15162 of the CEQA Guidelines. No further 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) Approve a project budget in an amount not-to-exceed \$845,000 and authorize the Executive Director to enter into a contract with Cal Electro Inc. in an amount not-to-exceed \$455,000 for the Construction of the Project only. Do not authorize the Executive Director to execute change orders. Staff would be required to return to the

Board to request change order authority as needed. This may result in construction delays.

- 3) Do not approve the actions outlined in this agenda report.

Staff recommends that the Board adopt a resolution to:

- 1) Authorize a Project Budget in an Amount Not-To-Exceed \$845,000;
- 2) Authorize the Executive Director to enter into a contract with Cal Electro Inc. in an amount not-to exceed \$455,000 to construct the infrastructure to provide CenterPoint 12kV service connection; and
- 3) Authorize the Executive Director to execute change orders to the extent necessary in an amount Not-To-Exceed \$100,000.

Exhibit A - Site Location Map



Exhibit B – 12kV Pad-mount Switchgear Infrastructure Location

SEAPORT FACILITIES

