

REPORT

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

MEETING DATE: April 9, 2020

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APPROVED BY: Danny Wan, 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 Global Opportunities at the Port of Oakland (“GoPort”) Program. The GoPort Program comprises the Freight Intelligent Transportation System and the 7th Street Grade Separation Projects. This report provides an update on activities associated with the GoPort Program since the last update was provided to the Board of Commissioners on September 26, 2019.

BACKGROUND

The GoPort Program is a collaboration between the Port of Oakland (“Port”), the City of Oakland (“City”), 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.

A GoPort Project Vicinity Map is provided in Attachment 1 providing a graphic representation of the general location of each project.

Port staff (“Staff”) provided the Board of Commissioners (“Board”) with an update on the GoPort Program on September 26, 2019 (“March GoPort Update”), and would like to share new developments since the last report.

UPDATES

FITS

- Construction for FITS began in February 2020 and is scheduled to finish in Spring 2021. Construction will be followed by a 12-month system testing period.
 - The Port is responsible for delivering one of the FITS projects, the buildout of the Emergency Operations Center/Traffic Management Center (EOC/TMC), while Alameda CTC is responsible for delivering the remaining 14 projects (with Port oversight).
 - Construction on the EOC/TMC at the Port’s Harbor Facilities Complex started in February 2020 and is on-going as of the date of this report. Construction completion is scheduled for July 2020.
- Operations and Maintenance (“O&M”) is anticipated to start in Summer 2022 and be for a period of five years. The Port is responsible for O&M and will return to the Board closer to the systems testing period (in 2021) for specifics associated with this obligation, including costs, labor effort and other considerations. Staff currently estimates O&M at approximately \$1.1 million per year starting in 2022, and has included, for planning purposes, this anticipated cost in its five-year operating budget projections.
- The Port is 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. It is anticipated that such agreements will be presented to the Board in Summer 2020.

7SGSE

- A Temporary License Agreement (“TLA”) between the Port and ACTC was approved by the Board in November 2019 that provide ACTC with the necessary rights to access and construct the project on Port property.
- A Memorandum of Understanding (“MOU”) between the City, Port, and Alameda CTC was also approved by the Board in November 2019, which memorialized roles, responsibilities and authorities for the delivery of the 7SGSE project.
- The 95% level plans, specifications and estimates (“PS&E”) design package was completed in December 2019, and Port/City comments are being incorporated into the final PS&E documents.
- Alameda CTC anticipates awarding a construction contract in late 2020, that will result in construction work with an anticipated duration of approximately 30 months.
- The total cost estimate to design and construct the 7SGSE project remains unchanged since the September GoPort Update at approximately \$320.5 million (including Port oversight costs).
 - Alameda CTC has allocated an additional \$60.0 million of Measure BB funds to the 7SGSE project, reducing the funding gap from approximately \$115.0 to approximately \$55.0 million.
 - 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. Additionally, Alameda CTC recently submitted a grant application in February 2020 for federal funding that could also help close the funding gap.
- Negotiations are under way regarding ownership and maintenance responsibilities of the new rail bridge structure that supports the rail tracks over the roadway underpass. UPRR’s position is that it does not maintain such structures, and the City has indicated it is unable to take on additional responsibilities associated with the rail bridge. The Port has been asked to take on this obligation, and as of this writing, the Port is reviewing the impacts of agreeing to that obligation; we expect an agreement regarding this issue will be presented to the Board consideration in the near future.

7SGSW

- The 7SGSW design work is underway, with 30% design PS&E documents anticipated in Summer 2020.
- The total cost estimate to design and construct the 7SGSW project has increased since the September 2019 update to \$316.1 million due to an increase in anticipated construction costs. Alameda CTC has secured approximately \$21.0 million in Measure BB funds to complete preliminary engineering (“PE”)/PS&E work.
- Alameda CTC is actively seeking funding, and recently submitted a grant application in February 2020 for federal funding. However, construction remains unfunded; the funding shortfall is approximately \$283.6 million.
- Assuming funds are in place, construction is anticipated to start at about the same time 7SGSE is completed.

Overall GoPort Costs and Funding

The GoPort Program remains partially funded by approximately \$320.0 million of local (non-Port), state and federal funds, in addition to some Port funds – this reflects the additional \$60.0 million allocation of Measure BB funds to 7SGSE recently approved by Alameda CTC. Additional funding that needs to be secured remains at \$338.6 million based on current cost estimates.

- FITS: Total costs to deliver FITS (planning/design and construction) remain unchanged at approximately \$33.9 million, of which \$30.6 million is being funded through a mix of local, state and federal funding.
 - The Port’s initial outlay is \$6.6 million, of which half (\$3.3 million) will be reimbursed by the PSG17 grant and other Alameda CTC-administered funds.
 - O&M costs are still estimated to be \$1.1 million annually (\$5.5 million over five years, which is the minimum period of performance for these demonstration projects), which will be funded entirely by the Port, with no grant funding offset. This estimate may be further refined during the systems testing period.
- 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 \$55.0 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”) 2023. These costs will be reviewed annually and approved by the Board through the Port’s annual

budget process.

- 7SGSW: Total cost to deliver 7SGSE has increased since the September 2019 GoPort Update, and is now estimated at approximately \$316.1 million. Alameda CTC is actively seeking funds to close the estimated \$283.6 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	60,000	175,000	1,500	236,500	55,000
Total Capital	3,500	317,000	320,500	79,000	183,000	3,500	265,500	55,000 ²
O&M	TBD	0	TBD	0	0	TBD	TBD	TBD
7SGSW								
PE/PS&E	2,000	20,500	22,500	20,500	0	2,000	22,500	0
ROW/Construction	3,100	290,500	293,600	6,900	0	3,100	10,000	283,600
Total Capital	5,100	311,000	316,100	27,400	0	5,100	32,500	283,600 ³
O&M	TBD	\$0	TBD	0	0	TBD	TBD	
Total GoPort (capital only)	15,200	655,300	670,500	113,000	207,000	11,900	331,900	338,600

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 \$55 million shortfall for this segment.

³ Funding is uncertain; Alameda CTC is seeking additional local state and federal funds to close the approx. \$283.6 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. This outreach effort will continue to keep the community and stakeholders informed. Further, Alameda CTC recently hired a Public Information Officer to help with outreach efforts and respond to inquiries. Generally, 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 have been some questions and concerns about aesthetics, construction, and related environmental impacts.

Upcoming Approvals

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

- FITS
 - Approval for data sharing agreements with the City of Oakland and California Department of Transportation.
- 7SGSE
 - Rail Bridge Ownership/Operations/Maintenance Agreement.
 - MOU Amendment to address construction roles and responsibilities.
- 7SGSW
 - MOU outlining roles and responsibilities for delivery of 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 Fall 2020.

ATTACHMENT 1

GoPort Project Vicinity Map

