

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

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Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, January 15, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into
Closed Session at 3:00 p.m. See Item 40.**

READING OF THE MINUTES:

Regular meeting of October 16, 2001.

Deferred - regular meeting of November 6, 2001; regular
meeting of November 20, 2001; regular meeting of
December 4, 2001; and regular meeting of December 18,
2001.

OPEN SESSION: 4:00 p.m.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Audit, Budget & Finance
Aviation
City/Port Liaison
Executive

READING OF SUMMARY ITEMS: (Marked "S")

4 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Authorization for the Executive Director to Execute an Agreement with Mestre-Greve Associates for \$100,000 to Conduct a Joint Noise Study of a Crosswind Oriented Runway at Oakland International Airport (50% of Cost to be Reimbursed by Others). (Resolution)
- 2** This number not used.
- 3** This number not used.
- 4** Approval of First Supplemental Agreement with Shah Kawasaki Architects, Inc., for On-Call Architectural and Engineering Services. (Resolution)
- 5S** Approval of Modification to License and Concession Agreement with Avis Rent A Car System, Budget Rent A Car Systems, Dollar Rent A Car Systems, Inc., The Hertz Corporation and National Car Rental Systems, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 6S** Approval of New License and Concession Agreement with Runex Enterprise (Access Only, North Airport). (Resolution)

MARITIME

- 21S** Ratification of Addenda and Award of Contract for Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California. (Resolution)

OPERATIONS

- 31** Approval of Agreement of As-Needed Communications Consulting Services. (Resolution)
- 32** Approval of Disaster Recovery Services Addendum. (Resolution)
- 33** Approval of Social Justice Contributions Formula Under MAPLA, Article XI, Section 3, and Authorization of Executive Director to Make Administrative Adjustments Necessary to the Effective Implementation of MAPLA. (Resolution)
- 34** Approval of Consultant Agreement with AON to Provide Services for the Creation of an Enterprise Risk Management Assessment and Program for the Port of Oakland. (Resolution)
- 35S** Personnel Items: Creation of Classification/Position; Title Changes; and Appointment of Director, Social Responsibility. (Resolution and Ordinance)

BUILDING PERMIT APPLICATION: ("S")

Avis Rent-A-Car, removal and lawful disposal of three underground storage tanks including all piping and related equipment. Also demolition and lawful disposal of all buildings, structures, pavement and concrete slabs to grade.

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates and President Tagami – 6
Noes: None
Absent: Commissioner Uribe – 1

RESOLUTIONS:

- 02001 1** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MESTRE-GREVE ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT.
(Airport – 1)
- 02002 2** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH SHAH KAWASAKI ARCHITECTS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT.
(Airport – 4)
- 02003 3** APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO CERTAIN LICENSE AND CONCESSION AGREEMENTS. (Airport – 5S)
- 02004 4** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH SAMUEL RUNSEWE DOINT BUSINESS AS RUNEX ENTERPRISE.
(Airport – 6S)
- 02005 5** RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS FOR LANDSCAPING OF UNION PACIFIC MOLE, PROMENADE AND BERTH 40, MIDDLE HARBOR SHORELINE PARK, STAGE 2, VISION 2000, OAKLAND, CALIFORNIA; AND AWARDED CONTRACT TO MISAN CONSTRUCTION, INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Maritime – 21S)

- 02006 6** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH NEWSMAKER MEDIA, THE CORSI GROUP, LAURA WASHBURN, KETCHUM, INC. AND SOLEM & ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 31)
- 02007 7** RATIFYING, FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH SUNGARD RECOVERY SERVICES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32)
- 02008 8** APPROVING AND AUTHORIZING ALTERNATIVE PLANS FOR SATISFYING SOCIAL JUSTICE PROGRAM FUNDING PROVISIONS IN VISION 2000 (1999 INTERIM FACILITIES) PROJECT LABOR AGREEMENT AND THE MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA) REQUIRING DIRECT PAYMENT BY CONTRACTORS INTO NON-EMPLOYEE BENEFIT TRUST FUNDS. (Operations - 33)
- 02009 9** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH AON RISK SERVICES OF NORTHERN CALIFORNIA FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 34)
- 02010 10** CONCERNING CERTAIN APPOINTMENT. (Operations - 35S)
- 02011 11** GRANTING AVIS RENT A CAR SYSTEM, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02012 12** REGARDING MEMORANDUM OF UNDERSTANDING WITH WESTERN COUNCIL ENGINEERS. (Resolution Only)
- 02013 13** NAMING PORT OF OAKLAND CRANE X-437 THE THOMAS L. BERKLEY CONTAINER CRANE. (Resolution Only)
- 02014 14** ON THE PASSING OF THOMAS L. BERKLEY. (Resolution Only)

Vote on the following Ordinances except Number 5:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates and President Tagami – 6
Noes: None
Absent: Commissioner Uribe – 1

Vote on Ordinance Number 5:

Ayes: Commissioners Ayers-Johnson, Kiang, Protopappas,
Scates and President Tagami – 5
Noes: Commissioner Kramer – 1
Absent: Commissioner Uribe – 1

ORDINANCES:

1 ("S") Port Ordinance No. 3672 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION ("CALTRANS") FOR THE PORT OF OAKLAND'S PURCHASE OF APPROXIMATELY 37,000 SQUARE FEET OF EXCESS CALTRANS PROPERTY."

Final.

2 ("S") Port Ordinance No. 3673 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE AGREEMENT WITH BURLINGTON NORTHERN SANTA FE RAILWAY."

Final.

3 ("S") Port Ordinance No. 3674 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRICAL POWER FOR CERTAIN PARTS OF THE PORT AREA."

Final.

4 ("S") Port Ordinance No. 3675 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE THE NEW POSITION OF AIRPORT GROUND TRANSPORTATION & PARKING OPERATIONS COORDINATOR."

Final.

5 ("S")

Port Ordinance No. 3676 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING THE SALE OF CERTAIN IMPROVEMENTS LOCATED IN JACK LONDON SQUARE TO A JACK LONDON SQUARE PARTNERS ("JLSP") ENTITY, AUTHORIZING GROUND LEASES RELATED TO SUCH ASSETS, APPROVING EXECUTION OF AN AMENDMENT TO THE AGREEMENT FOR ACQUISITION OF GROUND LEASE INTERESTS, AND AUTHORIZING AN OPERATIONS AGREEMENT, WITH RELATED DOCUMENTS."

Final.

6 ("S")

Port Ordinance No. 3677 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1606 TO CONFIRM THAT THE PORT OF OAKLAND IS EXEMPT FROM THE CALIFORNIA PUBLIC CONTRACT CODE."

Final.

7

Port Ordinance No. ____ being, "AN ORDINANCE AMENDING SECTIONS 5.026, 8.114, 8.0636, 8.0611, 8.113 AND 8.0615 OF PORT ORDINANCE NO. 867 AND ADDING SECTION 8.119 TO PORT ORDINANCE NO. 867."

Operations - 35S to print.

APPEARANCES:

(Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT:

The next meeting will be a adjourned regular meeting held on Tuesday, January 29, 2002 at 3:00 PM.

IN HONOR OF AND OUT OF RESPECT TO THE MEMORY OF THE LATE THOMAS L. BERKLEY (PORT COMMISSIONER 1969 - 1980).

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 1

SUBJECT: Authorization for the Executive Director to Execute an Agreement with Mestre-Greve Associates for \$100,000 to Conduct a Joint Noise Study of a Crosswind Oriented Runway at Oakland International Airport (50% of Cost to be Reimbursed by Others)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *S.J. Grossman*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The Citizens League for Airport Safety and Serenity (CLASS) has proposed, for noise abatement purposes, that the Port construct a "crosswind" runway that would cross the existing runways and be oriented toward the Oakland Hills to the Northeast and toward San Francisco International Airport to the Southwest. The Port has studied this runway in the past and determined that, although there is the potential for modest reduction in the Community Noise Equivalent Level (CNEL) for some areas, there is also the potential to shift low frequency "takeoff roll noise" much closer to other residential areas. Port studies have also evaluated the runway from numerous other perspectives including wetland impacts, fill requirements, airspace conflicts, and cost of construction.

As part of the recently signed Phase 1 Settlement agreement with CLASS, the City of Alameda, and Berkeley Keep Jets Over the Bay, the Port has agreed to conduct another study jointly with all of the parties. The study would be performed by Mestre-Greve Associates as agreed to by all parties. The Port would contribute 1/2 of the cost of the study and the City of Alameda and CLASS would contribute 1/2.

The purpose of the study would be to provide a noise analysis that is technically satisfactory to all parties discussing the potential and challenges for a crosswind runway. It should be noted that, although the technical analysis of noise benefits and detriments may be agreed to through this study, the interpretation of whether the benefits outweigh the detriments (as well as feasibility due to factors other than noise) may be considerably different depending on perspective.

ANALYSIS AND OPTIONS:

The Port committed to conduct this study in the manner proposed in a timely fashion in the Phase 1 Settlement Agreement signed in November. Therefore, the Port could potentially be considered out of compliance with the agreement if we do not conduct the study. A draft scope of work and preliminary budget has been obtained from Mestre-Greve and the first group meeting would occur in mid-January. The Port would hold the contract with and be responsible for payment to Mestre-Greve. The Port would then invoice the parties for their 1/2 of the costs.

The current budget is estimated at \$100,000. The Port would be reimbursed for \$50,000 of this cost by the other parties. Because this is a joint study there may additional scope items the group would like to add, thus we are requesting an additional \$30,000 that may be authorized by the executive director for additional scope items. The other parties would also be responsible for 1/2 of any of the additional \$30,000 that is actually spent.

SUSTAINABILITY

This study will be performed collaboratively with community members in an effort to further research ideas to reduce noise efforts of aircraft operations.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to execute an agreement with Mestre-Greve Associates for \$100,000 to conduct a joint noise study of the "crosswind" runway and that the Board also authorize the Executive Director to approve up to an additional \$30,000 worth of scope items to the study as needed.

Approved by Resolution No.

02001

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- INFORMATION ONLY

BOARD ACTION TAKEN

Assistant

Sharon Krupp
SECRETARY OF THE BOARD

JAN 15 2002

DATE

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 4

^{TD}
SUBJECT: *JS* Approval of First Supplemental Agreement with Shah Kawasaki Architects, Inc. for On-call Architectural and Engineering Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *JKW*

FACTUAL BACKGROUND:

On August 3, 1999 the Board approved the execution of consultant agreements with four teams of consultants to provide On-Call Architectural and Engineering Services for various Airport, Maritime, and Commercial Real Estate design projects. The term of the agreement for each consultant team was for a period of three years with a maximum compensation of \$1,000,000. Under these agreements, Technical Services Orders (TSO's) are issued to the Consultants for each project. Each TSO contains the scope of work and maximum authorized compensation for the associated project.

One of these consultant teams, Shah Kawasaki Architects, Inc. (SKA), has been issued TSO's for the following projects:

1. Construction of Two New Gates in Terminal 1, OIA
2. Assistance with the Port's Future Utility Business Needs
3. Construction of Interim Ticket Counters, Building M-102, OIA
4. Construct New Security Counters and Stanchions at the Security Checkpoint in Terminal 1, OIA

ANALYSIS:

Leigh Fisher Associates, under contract to the Port's Aviation Planning Department, performed a feasibility study and prepared a schematic design for the Construction of Interim Ticket Counters, Building M-102, OIA. SKA, coincidentally, was the Architectural Subconsultant to Leigh Fisher Associates' team on this project. Based on this schematic design, the Port staff was asked to prepare the plans and project manual for the construction of these ticket counters, which include airline ticket offices and baggage handling equipment.

Due to the urgent need for additional ticket counters in Terminal 1, it was determined that it would be in the best interests of the Port to have SKA prepare the plans and project manual for construction of the ticket counters. Their involvement in the preparation of the schematic design and knowledge of the operations in Terminal 1 would allow them to complete the design of this project in a more timely manner than having another firm do this work.

Budget

The negotiated fee for the preparation of the plans and project manual was \$407,760. The fee for construction administration is still being negotiated. The total fee for this project and the other three previously assigned TSOs would exceed the \$1,000,000 maximum compensation for the on-call agreement by approximately \$60,000. In order to expedite this project, it was decided that a TSO would be issued for the preparation of the plans and project manual, and that a supplemental agreement would be issued to cover the remainder of the construction administration of the project. Since three of the four projects listed above are not complete, we are asking the Board to authorize a total of \$100,000 to provide for other potential changes in scope.

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Approved by Resolution

No. 02002

BOARD ACTION TAKEN Assistant

Sharon Kruppner

SECRETARY OF THE BOARD

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Tabulation of the status of the existing and proposed maximum compensation to be paid to SKA is provided below:

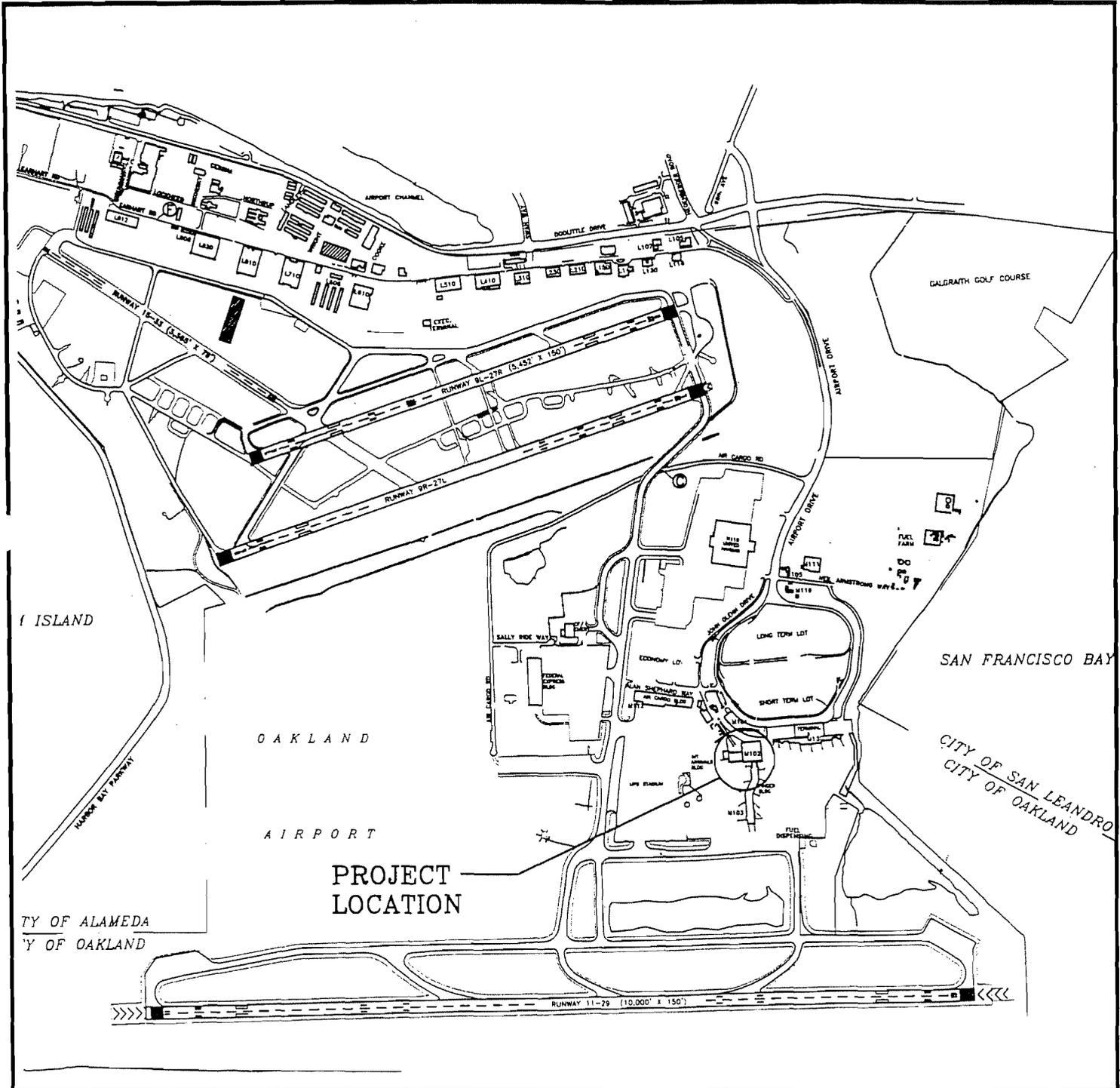
Description	Date	Amount
Board Authorized Maximum Compensation	April 18, 2000	\$1,000,000
Additional Amount Requested to provide Construction Administration Services for the Interim Ticket Counters Project and Potential Future Changes in Scope	Proposed	\$ 100,000
Total Proposed Maximum Compensation	Proposed	\$1,100,000

OPTIONS:

One option would have been to hire one of the other on-call consultants to prepare the plans and project manual for the interim ticket counters. As stated earlier, because of SKA's involvement in the preparation of the project's schematic design and their knowledge of the Terminal 1, it was felt that SKA would be better able to prepare the plans and project manual for the interim ticket counters within the desired schedule.

RECOMMENDATIONS:

It is recommended that the Board approve the execution of the first supplemental agreement with Shah Kawasaki Architects, Inc. as described above.



PORT OF OAKLAND

Agenda Sheet

DATE: April 18, 2000

ITEM NO: 31

JH
SUBJECT: Authorization to Prepare and Execute Agreements with Design Teams for On-Call Architectural and Engineering Services for Projects at the Port of Oakland

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port's Maritime, Aviation, and Commercial Real Estate Divisions are all in need of ongoing design services for modifications, additions and repairs to their facilities. In addition, all three divisions are in the beginning of major expansion programs that will require design services to support these programs for the Commercial Real Estate and Maritime Divisions and interim growth projects for the Aviation Division. In order to assist with this work, the Engineering Division determined that the most effective solution is to supplement its staff with consultant teams that are immediately available and have the experience and expertise to assist in performing studies, cost estimates, design development, and preparation of construction documents.

In the past, the Port has entered into contracts with architectural consultants hired on an "On-Call" basis to provide a portion of this experience and expertise. Unlike the earlier "On-Call" contracts, the Engineering Division, with the input from members of the Board's Administrative Committee, has structured the recent Request for Proposal (RFP) such that the respondents would assemble a full service "On-Call" architectural and engineering support team. These teams would be led by prime architectural firms that have not done significant work for the Port recently and are certified by the Port's Office of Equal Opportunity (OEO) as a Small Business Enterprise (SBE). Furthermore, the teams would include major subconsultants in the disciplines of electrical, mechanical, civil, and structural engineering, with the goal of each of these major subconsultants being SBEs.

BASIS OF SELECTION:

Initially, the Port solicited Letters of Interest in acting as a subconsultant on such a team from over 140 electrical, mechanical, civil, and structural engineering firms. These Letters of Interest were sent to firms with offices in the Local Impact Area (LIA) and who have expressed interest in providing engineering services to the Port. Twenty-nine (29) letters of interest were received. The Port then solicited proposals for "On-Call" design services as the prime consultant from 63 architectural firms with offices in the LIA. The names of those interested in being major subconsultants were included in the RFP to encourage the participation of local firms in the formation of the design teams. Proposals were received from 14 design teams.

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BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

A panel made up of Port staff, including a representative of the OEO, reviewed the 14 proposals and determined that 7 design teams were best qualified to be interviewed. The 7 design teams that were invited to make oral presentations and be interviewed were as follows:

1. C. J. Tyler Architecture
2. Charles F. Jennings Architects
3. Colland Jang Architect/Ed Fernandez Architects
4. Gutierrez/Associates
5. RPR Architects
6. Shah Kawasaki Architects
7. Y. H. Lee Associates, Architects

The panel interviewed the 7 design teams and prepared a ranking based on each design team's oral presentations; qualifications; relevant experience of the firms, as well as key project personnel; design teams technical abilities and project management abilities; and answers to interview questions. Evidence of the team's compliance with the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy was also considered.

The panel's evaluation of each of the 7 firms was presented to the Aviation Committee on April 3, 2000:

RANK	DESIGN TEAM
1	Shah Kawasaki Architects
2	Charles F. Jennings Architects
3	Y. H. Lee Associates, Architects
4	Colland Jang Architect/Ed Fernandez Architects
5	RPR Architects
6	C. J. Tyler Architecture
7	Gutierrez/Associates

The Aviation Committee approved Staff's proposal to negotiate consultant agreements with the four top-ranked design teams and that the agreements be for a term of three years and an amount not to exceed \$1,000,000 per team.

To further utilize LIA firms, any major subconsultant that is listed on two or more teams will be asked to indicate which team they wish to be on and they will be dropped from other teams. The prime consultant that loses one or more of its major subconsultants in this manner will be asked to indicate a replacement from the Port's list of qualified subconsultants. The selection process will be negotiated between the prime architectural consultant and the Port.

In order to encourage other local firms to become familiar with the Port's consulting procedures, the Committee also approved Staff's proposal to offer each of the remaining three design teams one "On-Call" project over the next three years on an as needed-basis. These firms would be asked to make proposals on specific projects, and the Port would negotiate a consultant agreement that does not exceed \$100,000.

The four top-ranked design teams for the "On-Call" architectural and engineering services are as follows:

Team Member	Location	EEO Status	Role
Shah Kawasaki Architects	Oakland	MBE	Prime Consultant
Pacific Engineering	Oakland		Electrical
McCracken & Woodman	Oakland		Mechanical
Jefferson Hilliard	Oakland	MBE	Civil
Structus	Oakland	MBE	Structural

Team Member	Location	EEO Status	Role
Charles F. Jennings Architects	Oakland		Prime Consultant
F. W. Associates	Oakland	MBE	Electrical
McCracken & Woodman	Oakland		Mechanical
Concept Marine	Oakland		Civil
GKO/Messinger	Oakland	MBE	Structural

Team Member	Location	OEO Status	Role
Y. H. Lee Associates, Architects	Oakland	MBE	Prime Consultant
Pacific Engineering	Oakland		Electrical
H & M Mechanical Group	Oakland	MBE	Mechanical
Mariscal Engineering	Oakland	MBE	Civil
Fratessa, Forbes, Wong	Oakland		Structural

Team Member	Location	OEO Status	Role
Colland Jang Architect/ Ed Fernandez Architects	Oakland	MBE	Prime Consultant
TEI Engineers	Oakland	MBE	Electrical
TEI Engineers	Oakland	MBE	Mechanical
GKO/Messinger	Oakland	MBE	Civil
GKO/Messinger	Oakland	MBE	Structural

MBE = Minority Business Enterprise

Due to the nature of the proposed "On-Call" consultant agreements, the percentage of work anticipated for each team member is unknown. However, it is expected that the prime consultant will perform 50-60% of the work, including team administration, and the balance will be performed by the subconsultants.

The three remaining short-listed design teams, which are C. J. Tyler Architecture, Gutierrez/Associates, and RPR Architects, are all located in the LIA and the majority of team members are M/WBE firms.

OEO participated in all phases of evaluating the consultants and their proposals. OEO has determined that the recommended teams are responsive to the Port's Non-Discrimination and Local Business Policy.

INFORMATION ONLY

The EEO-1 Workforce Force Reports/Professional Questionnaires are on file for each team member.

Terms for the proposed contracts with the four top-ranked design teams would be as follows:

1. Maximum of \$1,000,000 per team in fees for design services.
2. Each assignment would be individually authorized and subject to a maximum compensation.
3. As compensation for the work, up to the maximum for each project, the consultant would be reimbursed for the direct salaries of personnel performing work on the project, fringe benefits, overhead costs, profit and other direct costs required to do the work.
4. The agreements would be effective, when signed by the Port, for a period of three years.

The funding source for each assignment to be performed under these proposed contracts will be in accordance with the CIP or expense budget as appropriate for that assignment.

RECOMMENDATION:

It is recommended that the Board determine that the services, as described above, are professional services, and authorize the preparation and execution of agreements with the above four top-ranked design teams in accordance with above provisions. It is further recommended that the Board authorize the preparation and execution of specific project agreements with the three remaining short-listed design teams in accordance with the above provisions.

FOR INFORMATION ONLY

ONLY

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 32

SUBJECT: Approval of Disaster Recovery Services Addendum

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND

In 1996, the Port entered into a services agreement with Sungard Recovery Services (Board Resolution #96065) to provide disaster recovery services for the Port's HP3000 computer system. The HP3000 is used to process a majority of Port's critical business functions. Under this agreement, if the HP3000 becomes unusable or inaccessible, Sungard would provide the Port the use of an equivalent computer system until the Port regains use of its own system or obtains a replacement.

Since 1996, the Port's computer systems have expanded exponentially both in terms of scope and importance. The Port's many business functions now require network servers in addition to the HP3000. As a result, the number of network servers has increased. The Port currently utilizes 28 servers, including the HP3000, to handle all critical business functions. These includes the Port's financial, payroll, benefits, human resource, tenant revenue, user-department specific applications, engineering facility management, CAD drawings, document management, project management, Portwide e-mail and the internet/intranet services. Other than the HP3000, the 1996 agreement with Sungard does not cover any of the network servers handling these functions.

ANALYSIS

It is crucial that the disaster recovery services provided by Sungard be increased to cover the critical network servers at the Port. If the servers cannot be recovered in a timely nature, the Port information services would be crippled resulting in a severe interruption of the Port's business functions and processes. Sungard has a nationally known reputation for expertise in disaster recovery solutions. They have the equipment, facilities, and know-how to properly protect the Port in case of a disaster. For the past six years, the Port and Sungard have had an excellent working relationship.

MIS has determined that to properly protect the Port from undue business interruptions, the HP 3000 and 10 additional network servers will need to be restored in case of a disaster. Sungard has amended the current Recovery Services Agreement to provide coverage for both the HP3000 and the 10 network servers. Moreover, the amended agreement includes contingencies for disaster recovery planning assistance, emergency telephone service, computer workstations, and emergency/recovery staff workspace, which can be used as an offsite command center for the entire Port.

The Port is currently in the second year of a \$55,020, 5-year contract with Sungard for HP3000 coverage. To cover the HP3000, 10 network servers, and contingencies (workstations, workspace, telephone, and planning), the Port would need to disburse \$118,920 amortized over 5 years. The Port gains over 10 times the disaster recovery coverage for roughly twice the cost, which will be included in MIS annual expense budget.

Since losing the computer servers would significantly reduce the functionality of the Port during a disaster and since the Sungard is currently providing satisfactory disaster recovery protection for the HP3000, the Executive Director has decided to ratify the amended Recovery Services Agreement to provide the required additional disaster recovery protection.

RECOMMENDATION

It is recommended that the Board rectify the Executive Director's authorization to execute the amendment to the Recovery Services Agreement with Sungard Recovery Services, Inc. to provide disaster recovery services. It is also recommended that the Board authorizes annual 15% contingency increases since the number of servers is expected to increase as the Port's information technology needs increase. Also, the 15% contingency would cover expenses related to the testing of disaster recovery preparedness.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02007

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

JAN 15 2002

DATE

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 33

SUBJECT: Approval of Social Justice Contributions Formula Under MAPLA, Article XI, Section 3, and Authorization of Executive Director to Make Administrative Adjustments Necessary to the Effective Implementation of MAPLA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

It is recommended that the Board of Port Commissioners approve direct industry contributions to the MAPLA Social Justice Labor Management Cooperation Trust Fund as the method of trust payments established in Article XI, Section 3 and authorize the Executive Director to carry out the administrative responsibilities and make adjustments to the administrative procedures under MAPLA as necessary to its effective implementation.

FACTUAL BACKGROUND:

The Commission adopted the MAPLA as a bid specification for maritime and aviation projects. It included a provision (Article XI, Section 3) that would raise funds to pay for activities necessary to eliminate barriers to employment in the construction trades that faced Port Local Impact Area residents.

The provision is based on the understanding that Labor would use its influence with its industry partners to secure contributions from non-employee benefit trust funds (like contract administration, industry promotion, etc.) in exchange for the Port requiring contractors to pay into such funds. It requires "Port approval" of the level of contributions that such funds would make to the MAPLA social justice effort before it would require contractors to contribute to such funds. The fund, to be managed by the Social Justice Subcommittee, would be available to provide for childcare, transportation, pre-apprentice training, mentoring and other such programs that would assist in the Port's goal of employing LIA residents in the construction program.

ANALYSIS:

At the time the MAPLA was adopted, the various trusts had significantly different contribution requirements, ranging from five-cents per hour to over fifty-cents per hour. The Port's best estimate at the time was that the average cost per hour of work to the Port would be between ten cents and twenty cents, depending on the workforce distribution among the trades. For the then estimated eight million work hours, we estimated the total cost to be between \$800,000 and \$1.2 million. It was expected that the negotiation process would lead to some substantial portion of this being available to the social justice program, but the exact percentage would be a function of negotiations.

Those negotiations have been held and during them, the major contractor associations each expressed a willingness to cooperate with the Port and Labor in identifying methods for supporting this effort. The Associated General Contractors (AGC), Mechanical Contractors Association (MCA), National Electrical Contractors Association (NECA), Construction Employers Association (CEA), and Sheet Metal & Air Conditioning National Association (SMACNA) all indicated a willingness to participate going forward, as well as to make a good-faith contribution based on past work. (In fact, AGC, CEA, NECA and MCA all have agreed to serve as Management-side trustees on the Port of Oakland Social Justice Labor Management Cooperation Trust that will actually be the fiscal recipient of trust contributions.)

During the negotiations with the contractor associations it became very clear to everybody that the significant disparity in fund purposes would make it more feasible for some to participate and less for others. (As an example, some funds were fairly closely calibrated to provide support for the grievance and arbitration procedures used by the unions and the contractors, purposes that would be hard to deflect. Other funds, such as industry promotion, were really perfectly suited for this purpose). In addition, our team began to focus more closely on the not insubstantial administrative burden, and cost, of tracking money into and out of these many funds - costs that would be borne by the Port project administrators, the industry trust funds and the community that was monitoring the program.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02008

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JAN 15 2002

DATE

As a result of the negotiations, industry recommended and the community and labor concurred that a better proposal would be to substitute a single, uniform trust payment, going 100% directly to the Social Justice Trust that had been established to administer the program. (The Trust was substituted for the Joint Labor Management Committee by action of that Committee. It was felt it would be fiscally more responsible and would induce great confidence by participating trusts that the funds contributed would be handled in a manner consistent with the underlying trusts' obligations. Administrative fiscal matters of the Trust will be managed by the East Bay Community Foundation at a cost of 1% of total funds managed.) It was felt that the best estimate of what the "basket of funds" might have cost the Port was around 15 cents per hour, so that suggestion was agreed to by labor, the contractor associations and the community.

Following are the advantages of using this as the method of trust payments:

1. One hundred percent of the trust payments will go into the Social Justice Trust, because we will not have to offset any costs for the administrative burden of moving funds into and out of the underlying trusts or the requirement to meet some residual programmatic efforts of those underlying funds.
2. The administrative burden of monitoring to ensure that contractors are both paying the required funds into the underlying trusts and that the trusts, in turn, are returning the appropriate share is completely eliminated. Our project administrators will simply be able to compare the total hours worked as reported on the certified payroll against the contributions received by the trust – fifteen cents for every work hour without regard to craft.
3. The administrative savings in these first two are not insubstantial and they will allow us to have confidence that the maximum amount of the funds are available for the agreed purposes, i.e., improvements to opportunities for LIA residents to secure construction employment and apprentice opportunities on Port projects.

Given that other administrative issues will undoubtedly arise in connection with this, it is also proposed that the Executive Director be vested with the authority to make modifications to this program, as needed, to assure the effective administration of MAPLA, rather than have matters return to the Commission on such issues.

RECOMMENDATION:

It is recommended that the Board of Port Commissioners:

1. Approve direct industry contributions to the MAPLA Social Justice Labor Management Cooperation Trust Fund as the method of trust payments established in Article XI, Section 3;
2. Authorize the amendment of MAPLA bid specification to provide for same; and
3. Authorize the Executive Director to carry out this and such other administrative responsibilities, including adjustments to MAPLA administrative procedures as necessary to its effective implementation, all as more fully discussed above.

Agenda Sheet

DATE: January 15, 2002

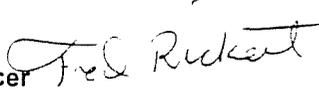
SUBJECT: Approval of Consultant Agreement with AON to Provide Services for the Creation of an Enterprise Risk Management Assessment and Program for the Port of Oakland

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer



EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Enterprise Risk Management (ERM) is a new concept for United States businesses. Risk Management has traditionally identified and managed hazard risk with a process of identification, measurement, assessment and risk treatment strategy. This process can be expanded to include Financial Risk, Human Capital Risk, Legal Risk, Natural Risk, Political Risk, Technology Risk and Operational Risk. There is an interdependence in many types of risks that has not previously been recognized. The managing of risks has been done on a functional silo basis by the Operating, Legal, Human Resources, and Financial Departments within organizations. An ERM approach overcomes this limited view through an integrated analysis.

ANALYSIS:

Staff believes the Port would be well served by assessing its hazard risks, such as earthquake and terrorism and business risks, utilizing an Enterprise Risk Management approach. This approach would identify and measure risk, and create a framework for risk mitigation and financing. Enterprise Risk Management will enable the Port to better manage current and emerging risks for capital acquisition, capital allocation, and resource commitment. The upcoming financing of the Port's Capital Improvement Program and the terrorists acts of September 11, 2001, make this project a high priority for this organization. Through a Request for Qualifications (RFQ) process, the Port received proposals from three national firms that provide consultant services in this area. They were: PriceWaterhouseCoopers, Marsh, Inc. MMC Enterprise Risk, and AON Risk Services of Northern California.

Representatives from the Finance, Risk Management and Strategic Planning areas reviewed the written and oral presentations from these firms, and determined the best firm to meet the Port's needs was AON Risk Services.

MOTION

RESOLUTION

ORDINANCE

INFORMATION ONLY

Approved by Resolution

No.

02009

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

JAN 15 2002

DATE

AON's proposal requests fees of up to \$250,000 for a team of professional consultants that will work on this project. Due to current budgetary constraints, we have asked the consultant to revise their proposal into two (2) phases. Phase I would begin this month and track with the bond issuance schedule of a debt issuance in late April. After Board review of the Phase I deliverables, we will request authority to proceed with Phase II during the next fiscal year.

Phase I will include Assignment Initiation, Team Building, Project Office Establishment, Envisioning Meetings, Management Interview Guide Development, Data Acquisition and Analysis. The maximum allowable fees for this scope of work will be \$150,000. Phase II of this project will consist of the Management Interviews, Draft and Final Reports to Port Senior Management. The maximum allowable fees for Phase II will be \$100,000. The Project Leader/Consultant will maintain an office in the Port's Risk Management Department to facilitate and expedite this ERM program.

We are currently analyzing whether all or some of these fees can be charged to the feasibility analysis of the next municipal bond issue. In addition, we anticipate the Port's insurance costs in the upcoming three to five years may more than double to maintain our currently designed insurance program. This study will allow us to analyze alternative risk transfer methods and strategies available in the financial markets, which we believe will more than pay for this program.

RECOMMENDATIONS:

It is recommended that the Board approve awarding a Professional Service Contract to AON Risk Services of Northern California for Phase I consulting services in the creation of an Enterprise Risk Management Analysis and Program for the Port of Oakland, for fees not to exceed \$150,000.

Agenda Sheet

DATE: January 15, 2002

SUBJECT: CLOSED SESSION

ITEM NO: 40

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Christopher C. Marshall

EXECUTIVE OFFICE RECOMMENDATION: *CCM*

1. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.**
 Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 3 matters

2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.**
 Pursuant to subdivision (a) of Section 54956.9: Names of cases:

Berkeley Jets Over the Bay et al v. Port of Oakland, et al.,
 California Court of Appeal Case Nos. A086708/A087959/A089660

Julieta Duenas vs. Port of Oakland Workers' Compensation Appeals
 Board Case No. OAK 273426

Kenneth Taylor v. Port of Oakland, et al., United States District
 Court Case No. C-00-0988PJH

3. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided**
 under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
 Negotiating Parties: Port, Oakland Base Reuse Authority,
 City of Oakland, Oakland Redevelopment
 Agency
 Under Negotiation: Price and Terms of Payment

Property: Phase 1, Joint Intermodal (Rail) Terminal
 Negotiating Parties: Port, and Burlington Northern Santa Fe
 Railroad
 Under Negotiations: Price and Terms of Payment

Property: Various Parcels, Jack London Square
 Negotiating Parties: Port and Jack London Square Partners
 Under Negotiations: Price and Terms of Payment

Property: Ben E. Nutter Container Terminal
 Negotiating Parties: Port and Marine Terminal Corporation
 Under Negotiations: Price and Terms of Payment

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

**SUMMARY AGENDA (BOARD CALENDAR
January 15, 2002**

AIRPORT

5S Approval of Modification to License and Concession Agreement with Avis Rent A Car System, Budget Rent A Car Systems, Dollar Rent A Car Systems, Inc., The Hertz Corporation and National Car Rental Systems, Inc. (#1 Airport Drive, South Airport). (Resolution)

Recommends approval of the modifications which eliminates the ready return service booths from their agreements which then allows for the third curb improvements.

6S Approval of New License and Concession Agreement with Runex Enterprise (Access Only, North Airport). (Resolution)

Recommends approval for Runex to have access to the North Airport to provide ground handling services for Airborne Freight.

MARITIME

21S Ratification of Addenda and Award of Contract for Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California. (Resolution)

Notifies of the bids received and recommends award of the contract to the low bidder.

OPERATIONS

34S Personnel Items: Creation of Classification/Position; and Title Changes. (Ordinance)

Recommends approval of the creation of one position and the retitling of five classifications.

ORDINANCES: ("S")

Port Ordinance No. 3672 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION ("CALTRANS") FOR THE PORT OF OAKLAND'S PURCHASE OF APPROXIMATELY 37,000 SQUARE FEET OF EXCESS CALTRANS PROPERTY."

Provides for the purchase of property from Caltrans.

SUMMARY AGENDA
January 15, 2002

Port Ordinance No. 3673 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE AGREEMENT WITH BURLINGTON NORTHERN SANTA FE RAILWAY."

Provides for an agreement with BNSF to occupy and operate the Joint Intermodal Terminal.

Port Ordinance No. 3674 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRICAL POWER FOR CERTAIN PARTS OF THE PORT AREA."

Provides approval of new rates to cover the cost of supplying power.

Port Ordinance No. 3675 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE THE NEW POSITION OF AIRPORT GROUND TRANSPORTATION & PARKING OPERATIONS COORDINATOR."

Provides approval of the creation of position and one appointment.

Port Ordinance No. 3676 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING THE SALE OF CERTAIN IMPROVEMENTS LOCATED IN JACK LONDON SQUARE TO A JACK LONDON SQUARE PARTNERS ("JLSP") ENTITY, AUTHORIZING GROUND LEASES RELATED TO SUCH ASSETS, APPROVING EXECUTION OF AN AMENDMENT TO THE AGREEMENT FOR ACQUISITION OF GROUND LEASE INTERESTS, AND AUTHORIZING AN OPERATIONS AGREEMENT, WITH RELATED DOCUMENTS."

Provides for the approval of the sale of certain improvements located in Jack London Square.

SUMMARY AGENDA
January 15, 2002

Port Ordinance No. 3677 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1606 TO CONFIRM THAT THE PORT OF OAKLAND IS EXEMPT FROM THE CALIFORNIA PUBLIC CONTRACT CODE."

Provides that the Port comply with various provisions of the Public Contract Code that state a common sense rule that is widely understood in the construction industry.

Agenda Sheet

DATE: December 18, 2001

ITEM NO: 14

SUBJECT: Authorization to Execute an Agreement with Caltrans to Purchase Excess Property

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION

CALENDAR MEMO

FACTUAL BACKGROUND:

BACKGROUND:

In January of 2001 the Board authorized execution of a Purchase and Sale Agreement (Agreement) with SIMEON Commercial Properties to sell an approximately 22 acre property located at Hegenberger and I-880 (the former Ramada Hotel/Century Theaters site) for construction of an office campus and hotel. The Agreement, which was executed in March of 2001, identifies a purchase price for the total site of approximately \$14.8 million dollars due upon close of escrow. To date, the developer has provided the Port with \$500,000.00 in the form of deposit amounts and has been working toward completion of the necessary due diligence tasks to enable future development of the property.

The Agreement requires that the Port enter into an agreement with Caltrans to purchase an approximately 37,000 square foot excess property segment currently owned by Caltrans, which is a remnant left over from the Caltrans I-880-Hegenberger interchange project completed in 1999, adjacent to the subject Port owned property. Once acquired by the Port, the Agreement further requires that the Port subsequently transfer the Caltrans property to the developer at a previously agreed upon price upon close of escrow on the entire project in order to incorporate this excess Caltrans property into the total development site. The Port is required to enter into an agreement with Caltrans to purchase this excess property by February 5, 2002 as per the terms of the existing Agreement with SIMEON.

ANALYSIS:

Staff has been in discussions with Caltrans to purchase this excess property over the past several months. Caltrans is willing to sell the subject excess property to the Port for the same amount that the developer has indicated they are willing to ultimately pay the Port for this property upon close of escrow for the total development site, which is \$18.00 per square foot. Upon execution of the Agreement with Caltrans, the Port would have a 90 day due diligence period in which to conduct any necessary site investigation work. A Permit to Enter was granted to the Port on October 10th to enable site investigation efforts to begin, and the site assessment work should be completed by late December. Approval of the requested authorization to execute this Agreement between the Port and Caltrans will enable the Port to comply with the terms of the current Agreement between SIMEON and the Port.

The subject action was previously contemplated as part of the environmental determination that was made to authorize execution of the Purchase and Sale Agreement between SIMEON Commercial Properties and the Port in January of 2001. The proposed excess property acquisition from Caltrans is merely an implementation of a specific requirement within that Agreement and thus the proposed action does not require further environmental analysis pursuant to the State of California Guidelines for the California Environmental Quality Act (CEQA Guidelines).

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

DEC 18 2001

DATE

FISCAL IMPACT:

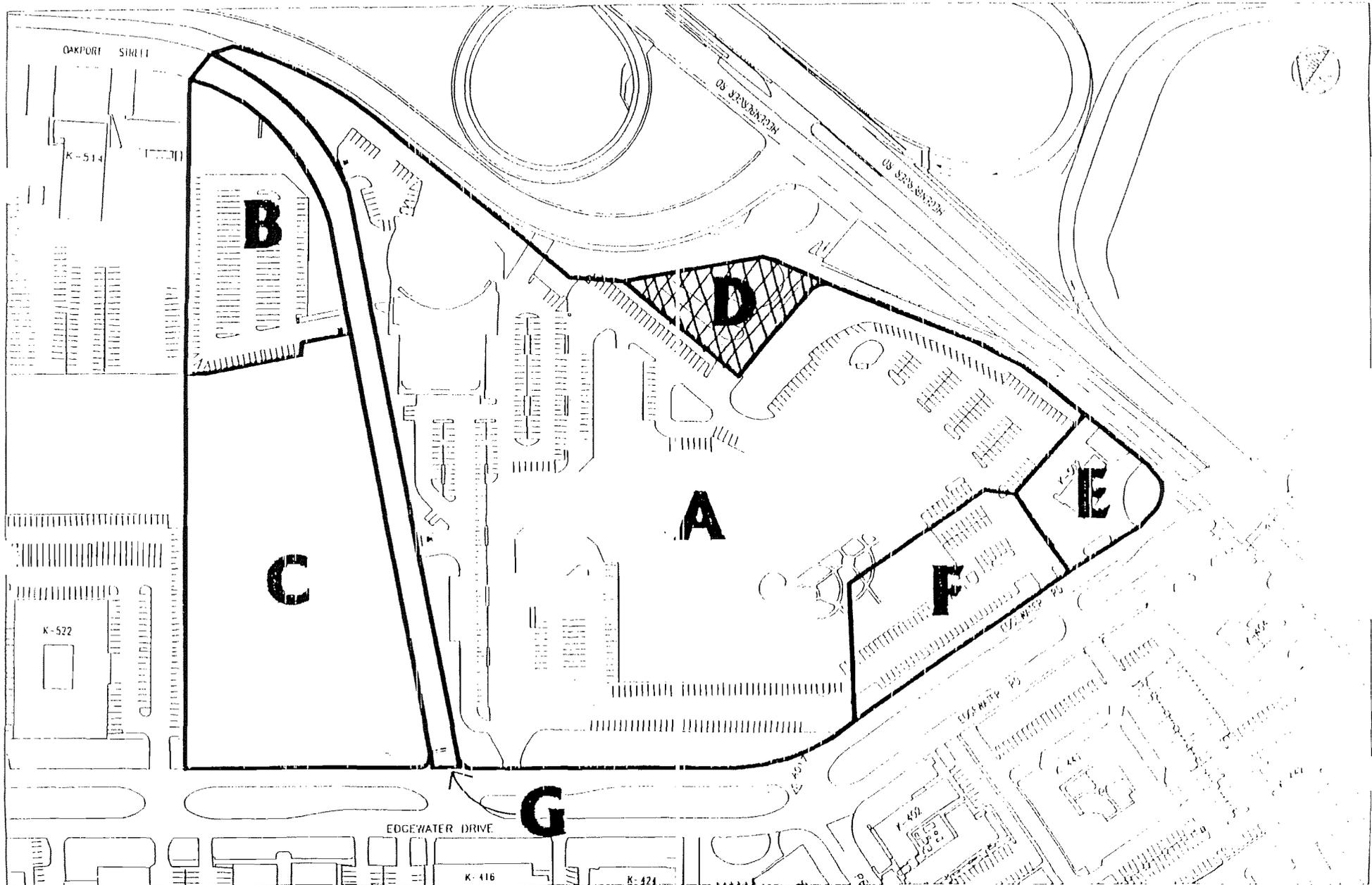
The proposed property acquisition will require payment of \$666,180.00 to Caltrans in approximately March of 2002, once the actual agreement between the Port and Caltrans is executed and the necessary due diligence work completed. This amount has been accounted for within the CRE cash flow and budget and will be subsequently reimbursed through sale proceeds from the transfer of the subject property to SIMEON, which is currently estimated to occur in approximately November of 2002.

OPTIONS:

- 1) Do not proceed with execution of the agreement for purchase of excess property from Caltrans. If this option is selected, the subject site will remain in the ownership and control of Caltrans, and the Port would not be in compliance with the terms of the Purchase and Sale Agreement with SIMEON Commercial Properties, which could result in termination of the Agreement by the development team. In addition, the developer could be forced to redesign portions of the proposed master development scheme to account for the loss of this land area for potential development.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into an Agreement to purchase the subject excess property from Caltrans for an amount of \$666,180.00.



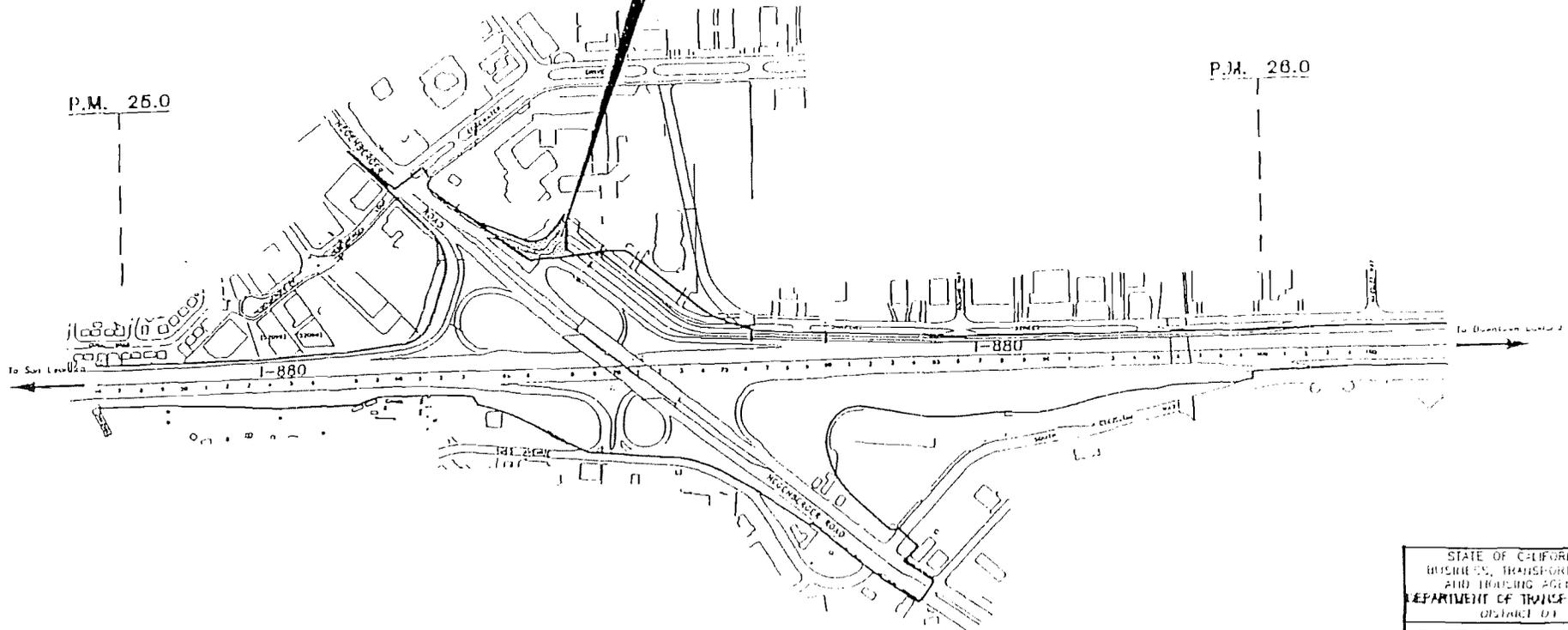
CITY OF OAKLAND

DD-005270-01-01
37,012 SQ FT



P.M. 25.0

P.M. 26.0



SCALE IN FEET



STATE OF CALIFORNIA			
BUSINESS, TRANSPORTATION			
AND TRADING AGENCY			
DEPARTMENT OF TRANSPORTATION			
DISTRICT 01			
DIRECTOR'S DEED			
DD-005270-01-01			
DR. BY	ES	DATE	'95
CKD. BY	BO	SCALE	JW
CO	RTE	P.M.	DR. NO.
ALA	880	25.5	1 OF 2

CITY OF OAKLAND



10:110
ACCESS ESTABLISHED

EDGEWATER DRIVE
490.50'
N33°50'25"W
89.97'

$\Delta = 66^{\circ}21'37''$
R = 46.00'
L = 53.28'

$\Delta = 48^{\circ}23'15''$
R = 44.99'
L = 51.16'

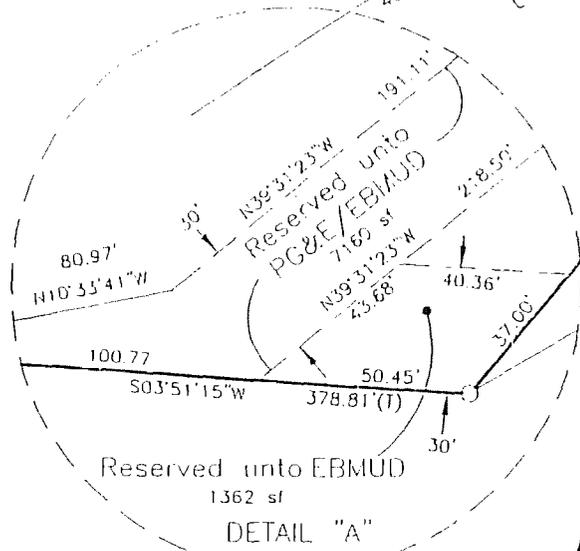
52093-2
Acquired in Exchange

4' TCE

OAKPORT STREET
774.40'
N45°10'43"E
807.40'

$\Delta = 39^{\circ}17'08''$
R = 381.00'
L = 261.24'

$\Delta = 60^{\circ}49'26''$
R = 319.00'
L = 338.65'



DD-005270-01-01
37,010 SF

30' UTILITY ESMT
10' TCE

$\Delta = 16^{\circ}43'02''$
R = 395.00'
L = 115.25'

$\Delta = 16^{\circ}27'54''$
R = 383.00'
L = 110.06'

N61°17'11"W 2.00'

Reserved into EBMUD
1362 sf
DETAIL "A"

$\Delta = 02^{\circ}51'07''$
R = 499.96'
L = 24.88'

$\Delta = 73^{\circ}26'20''$
R = 99.99'
L = 128.17'

POB

HEGENBERGER RD
378.81(T)
S03°51'15"W

ALA 880

52093-1
Acquired in Exchange

ACCESS RIGHTS PREVIOUSLY ACQUIRED

S05°25'45"W 375.72'

S05°40'45"W 109.31'
S14°05'04"W 122.19(T)
N05°41'44"E 185.00'

$\Delta = 22^{\circ}49'22''$
R = 582.00'
L = 231.85'

$\Delta = 56^{\circ}17'59''$
R = 273.98'
L = 173.58'

SCALE IN FEET



STATE OF CALIFORNIA
BUSINESS TRANSACTIONS
AND REVENUE DEPARTMENT
DEPARTMENT OF TRANSPORTATION
OCTOBER 1978

DIRECTOR'S COPY
DD-005270-01-01

DR BY E. J. HALL
ED BY G. J. HALL
CG BY R. J. HALL
ALA 880 25 1 2 19 78

Agenda Sheet

DATE: December 18, 2001

ITEM NO: 21

SUBJECT: Recommendation for First Reading of Ordinance Approving and Authorizing a Lease With Burlington Northern Santa Fe Railway For the Joint Intermodal Terminal and Adoption of Related Resolutions

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry Bridges *Jerry Bridges*
EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

**DUPLICATE
OF PRIOR**

CALENDAR MEMO

FACTUAL BACKGROUND:

The Port began planning the development of the Joint Intermodal Terminal (JIT) in March of 1992. The JIT was developed to provide: 1) a new site for Union Pacific Railroad (UPRR) activities in order to free up Inner Harbor waterfront land for new marine terminals; 2) provide a near-dock terminal for Burlington Northern Santa Fe Railway (BNSF) international customers; and 3) make Oakland more attractive as an intermodal gateway by offering more competitive rail services through increased capacity and efficiencies.

In 1998 the Port acquired UPRR's Inner Harbor waterfront leasehold and fee-owned properties and has converted those properties and the former FISCO Navy facilities to new marine terminal use as a part of the Vision 2000 Program. However, as a result of the 1996 merger of the Southern Pacific (SP) into the UPRR, UPRR relocated to the existing terminal and, using money provided by the Port for acquisition of UPRR's waterfront real estate rights, UPRR substantially improved the terminal to replace UPRR's waterfront facilities. As stated in the Port's 1998 Addendum to the Final EIS/EIR for the acquisition of the FISCO property and the Vision 2000 Program, "UP has decided to relocate its intermodal railyard operations from the waterfront to the former SP yard, and to operate its own intermodal yard rather than utilize the JIT."

Developing a near-dock terminal for BNSF has become even more critical because the merger of UPRR and SP has left Oakland effectively served by only one railroad. Ensuring competitive rail rates and services for Port customers is essential to attracting new intermodal business. More importantly, the ability of BNSF to provide rail services directly into the Port eliminates the need to move containers by truck over Interstate-80 between the BNSF terminal in Richmond and the Port. Because of the potential to reduce vehicle traffic on the highway and the related reductions in vehicle emissions, the JIT was chosen as a project for federal funding through the Intermodal Transportation Efficiency Act (ISTEA) and subsequent Transportation Efficiency Act (TEA-21). To date the project has been authorized a total of \$22.15 million in federal funding for planning and construction.

Even though UPRR decided to operate its own intermodal yard at the former SP yard, the Port will still require that the JIT be operated in a manner which will assure that all railroads and rail users have reasonable access to the JIT. This will enable the JIT to increase the overall intermodal capacity in Oakland.

The initial phase of the JIT has been substantially completed. Port staff has been negotiating with BNSF for a lease to occupy and operate the JIT.

Approved by Ordinance
passed to print

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 01475401476

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

[Signature]

DEC 18 2001

DATE

PREMISES:

The Port proposes to lease to BNSF approximately 85 acres of the JIT facilities. (See attached map.) The improvements include 13,152 lineal feet of loading/unloading track, capable of holding 41 double-stack railcars at a time. The terminal provides 14,000 lineal feet of storage and support tracks and 62-acres of asphalt pavement with 1245 parking stalls for containers. The entire terminal is fenced and lighted and full utilities are provided. The terminal has the capacity to handle over a thousand trains a year and can move over 150,000 containers through the facility each year.

PROPOSED LEASE TERMS AND CONDITIONS:

The Port proposes to lease the JIT to the BNSF for a term of ten years. Either party may terminate the lease without cause after the fifth year of the lease.

The BNSF will pay the Port \$25 per container for all BNSF units moving through the facility during any contract year. The charge will be reduced to \$10 per container for all BNSF containers in excess of 75,000 units (revenue of \$1.9 million) in any contract year. BNSF will be subject to a Minimum Annual Guarantee (MAG) of 20,000 BNSF units per year, which represents a minimum payment of \$500,000 per year. The same charges would apply to other railroads' units that use the JIT, without the requirement for a MAG. Units by each railroad would be considered separately, and not aggregated, for purposes of the 75,000-unit breakpoint and reduction in unit charge to \$10.

BNSF will maintain the facility except for pavement, which will be maintained by the Port.

To meet the business requirements of the Port and to assure the tax-exempt status of the interest on the Port's bond financing for construction of the JIT, non-intermodal (domestic) container movements at the JIT will be restricted to 5% or less of the total number of containers handled in each contract year.

The BNSF will operate the facility as a railroad intermodal container transfer terminal. The railroad will perform such activities as loading and unloading containers to and from railcars, processing containers at the facility gate, provide container pick-up and delivery services and any administrative functions that are required for operation of the facility. The BNSF will use a subcontractor to perform these functions, as is standard practice in the industry. The subcontractor was selected through a competitive bid process, and BNSF has agreed to competitively bid any future subcontracts. BNSF's lease agreement with the Port will require that BNSF's operations be in accordance with an operating plan, which includes the subcontractor. Any change in the subcontractor will require prior notice to the Port.

The UPRR, and any other railroad, will have access to the JIT for its intermodal business. UPRR and other railroads will be able to use the facility under the same economic terms as apply to BNSF traffic, but their business will not be aggregated with BNSF business for the purpose of meeting the MAG or volume-discounted rate. BNSF would be required to provide terminal services to UPRR and other railroads at reasonable rates and conditions.

The Port will agree to provide for additional improvements, up to a total cost not to exceed \$6 million (which remains in the Port's JIT budget) as follows:

- (1) The Port will pay for certain improvements or modifications required so that UPRR's lead-track can provide the BNSF access to the JIT (currently estimated to cost approximately \$1 million);

- (2) The Port will make certain modifications to the JIT premises (currently estimated to cost approximately \$1.2 million); and
- (3) As increasing JIT operations require, the Port will pay for construction of support and storage tracks at a cost not to exceed the remainder of the Port's budget.

Since the proposed lease cannot be effective until at least 30 days after the Board's final approval (second reading) of an ordinance and BNSF is expected to be ready to commence operations at the JIT before the lease becomes effective, it is recommended that the Board pass a resolution approving a short-term interim occupancy agreement with BNSF for the JIT on the same terms as the Lease Agreement with appropriate proration provisions for the MAG and breakpoint.

BUDGET:

The total budget for the construction of the JIT is estimated to be \$37.1 million. In addition to the \$22.15 million funding provided through ISTEA and TEA-21, the Port's direct contribution to date is \$8.95 million. The Port has budgeted an additional \$6 million for further improvements that are necessary for the JIT facility to operate. This funding includes \$1 million to upgrade UPRR-owned track that provides access to the facility, \$1.2 million for gate and terminal improvements to the JIT and \$3.8 million for additional support track for the facility. The total Port-funded contribution to the project is \$14.95 million and is budgeted under CIP No. M6.00586 (Construct Phase I JIT) and No. M7.00930.02 (Expand Knight Railroad Yard).

RAILROAD OPERATING AGREEMENT:

In addition to the construction of the JIT, a number of railroad tracks have been constructed by the Port to provide direct support for the JIT and to provide access to several Port rail served facilities being planned or currently in construction such as the SSAT Terminal (Berths 57-59) presently under construction. These tracks lay outside the boundaries of the proposed BNSF lease premises, but the tracks are critical for the operation of the JIT and are integral elements of the overall rail system. Therefore, it will be necessary for the Port to enter into a joint-use railroad operating agreement for the use of the tracks with both the BNSF and UPRR, and any other railroad desiring to use these Port-owned access tracks for purposes of access to the JIT and other Port facilities. Railroad operating agreements contain terms and conditions that are standard throughout the industry and the fees and rates charged are negotiated but are generally nominal in nature.

CEQA:

Pursuant to the provisions of the California Environment Quality Act, the Board certified the Joint Intermodal Terminal Final EIR and adopted Findings of Significant Effects of the Project, Mitigation Measures for the Project, a Mitigation Monitoring and Reporting Program (MMRP) and Statement of Overriding Considerations and approved the Joint Intermodal Terminal Project (the "project") on June 15, 1999 (Resolution No. 99245). The project analyzed in the Joint Intermodal Terminal Final EIR included all aspects of the project including its planning, development, and operations.

ENVIRONMENTAL OPPORTUNITIES FINDING:

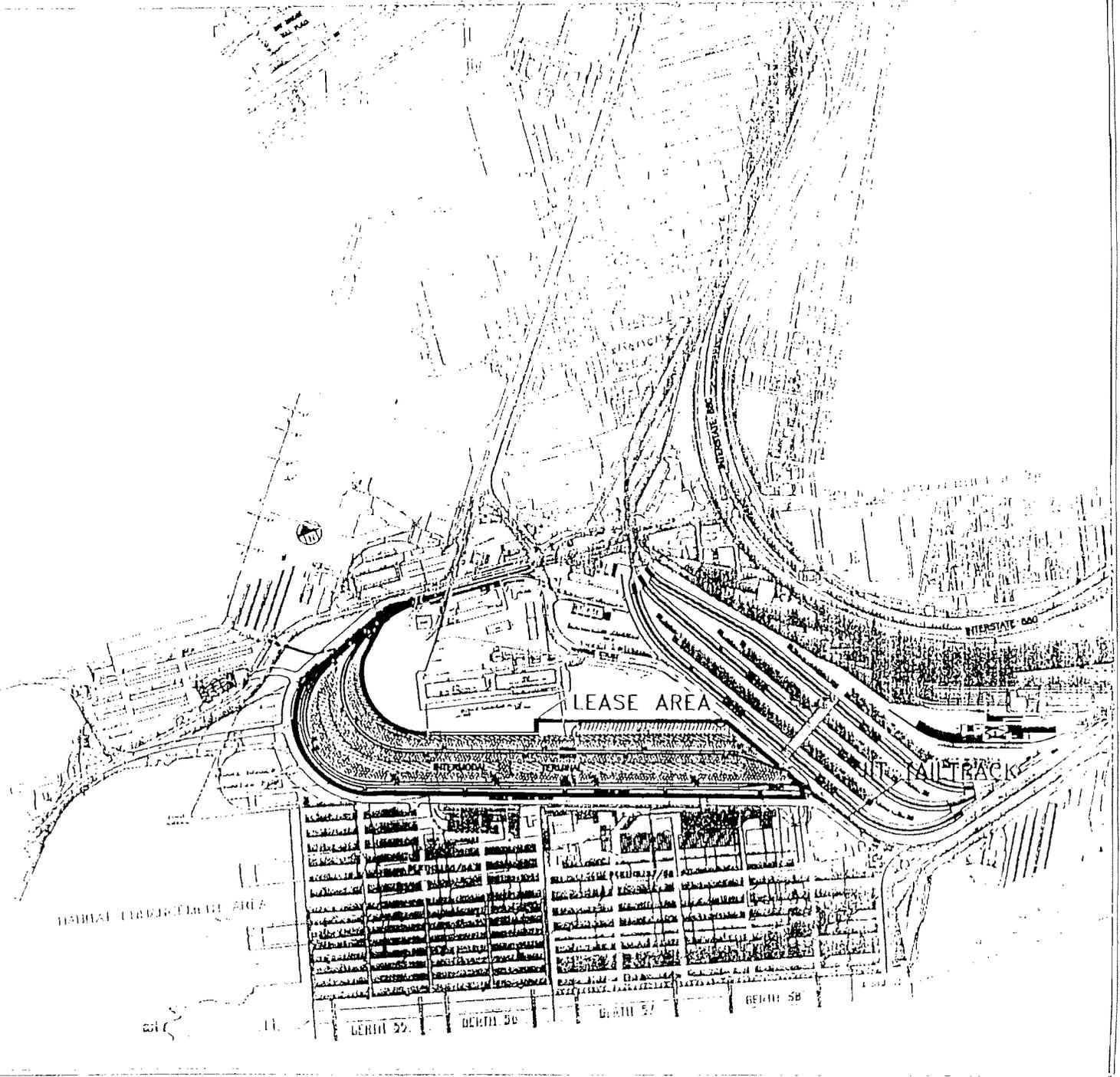
In accordance with Resolution No. 20467, the above-proposed action was evaluated for consistency with the Port's Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board take the following actions:

- (1) Give first reading to an ordinance approving and authorizing a lease agreement with BNSF to occupy and operate the JIT in accordance with the provisions set forth above;
- (2) Pass a resolution authorizing the Executive Director to enter into an interim occupancy agreement with BNSF to occupy and operate the JIT prior to the effective date of the lease agreement with BNSF in accordance with the provisions set forth above.
- (3) Pass a resolution authorizing the Executive Director to enter into railroad operating agreements with BNSF, UPRR and other railroads for use of Port-owned JIT support track; and
- (4) Pass a resolution authorizing the Executive Director to enter into an agreement with UPRR, and with any other necessary party, for the Port to pay for modifications or improvements required so that the BNSF can use the UPRR lead track for access to and from the JIT.

Recommendation for First Reading of Ordinance
Approving and Authorizing a Lease With Burlington
Northern and Santa Fe Railway for the Joint Intermodal
Terminal and Addition of Berthed Reception



PORT OF OAKLAND

Agenda Sheet

DATE: December 18, 2001

ITEM NO: 238

SUBJECT: Adoption of New Electric Rate Schedules for Sale of Electrical Power at the Former FISCO Facilities

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

CALENDAR MEMO

BACKGROUND:

The Port has completed the initial phases of its Vision 2000 project at the former Fleet Industrial Supply Center-Oakland (FISCO) facilities. The cost of electrical infrastructure improvements for the entire project is about \$4,500,000. The electric power for the former FISCO area and surrounding areas is supplied by Western Area Power Administration (WAPA). The Port's tariffs for electric service to tenants at these facilities are based on PG&E rates of several years ago. Since then, the Port has invested substantially in infrastructure development at FISCO and surrounding areas and, as an aftermath of California's electricity crisis, the cost of power supplied by the Western Area Power Administration (WAPA) for use at the former FISCO facilities and surrounding areas has risen from an average of \$22/MWh to \$38/MWh. Meanwhile, PG&E's commercial and industrial rates have increased forty to fifty percent to cover the high costs of wholesale power in late 2000 and early 2001 and to pay the State of California for power purchased under a long-term contract. Currently, tenants at the FISCO facilities and surrounding areas, who have electric services served by the Port, pay for electricity at the old lower PG&E rate. Additionally, other tenants at the harbor areas, outside the limit of FISCO and surrounding areas, who have electric services served by PG&E, are paying a higher rate for electricity under PG&E's new rates.

ANALYSIS:

June 1999, when the Port purchased the former FISCO facilities from the US Navy, the Board of Port Commissioners approved rate schedules for tenants which mirrored the then applicable rates of PG&E. Now that PG&E's rates have increased at the same time that the Port's costs to serve tenants at the former FISCO facilities and surrounding areas have increased, it is appropriate to bring the Port's rates in line again with those of PG&E. This will ensure that all harbor tenants pay the same cost for power whether they are served by the Port or by PG&E.

Rates and charges for electric power provided by the Port within the Port Area are set forth in Port Ordinance No. 3439, as amended. The Board adopted Ordinance No. 3439 July 21, 1998, and has amended it several times since then. Original Ordinance No. 3439 established rates and charges for electrical power at the Airport. Ordinance No. 3521, adopted July 6, 1999, amended Ordinance No. 3439 by applying its rates and charges to electric power provided by the Port anywhere in the Port Area, including the maritime facilities. Ordinance No. 3621, adopted January 23, 2001, amended Ordinance No. 3439 by establishing new rates and charges applicable only at the Airport. Ordinance No. 3651, adopted July 24, 2001, amended Ordinance No. 3439 by establishing new rates and charges for electric power, and also for natural gas, water and sewer services which the Port provides at the Oakland Army Base. The ordinance that is now being recommended would amend Ordinance No. 3439 by changing the rates and charges for electric power supplied by the Port to areas other than the Airport and Oakland Army Base which is comprised mostly of the former FISCO site and certain contiguous surrounding areas such as the new berth facilities for new Berths 55-59.

The affected tenants have been informed of this proposed electric energy rate change.

- MOTION
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BOARD ACTION TAKEN *Assistant*

[Signature]
 SECRETARY OF THE BOARD

DEC 18 2001

DATE

Sustainability Opportunities: N/A

OPTIONS: N/A

RECOMMENDATION:

It is recommended that the Board give the first reading to an ordinance amending Port Ordinance No. 3439 which changes electric energy rates and charges for customers at the former FISCO facilities and surrounding areas so that they are substantially the same as present PG&E rates. A copy of the proposed rates and charges are on file with the Secretary of the Board.

Agenda Sheet

DATE: December 18, 2001

SUBJECT: PERSONNEL ITEMS
 - Creation of Classifications/Positions
 - Appointment of a Position

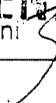
ITEM NO: 345

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

**DUPLICATE
 OF PRIOR
 CALENDAR MEMO**

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF CLASSIFICATION/POSITION--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the following new classification: **Airport Ground Transportation & Parking Operations Coordinator**. The classification is being created as a result of a classification study, as approved in the FY 2000/2001 Staffing Plan. The salary is to be placed at Salary Schedule 230.43 (a--\$4317; b--\$4532; c--\$4758; d--\$5041; e--\$5346).

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY
Airport Ground Transportation & Parking Operations Coordinator	OPER	Aviation	2	D	230.43 (a--\$4317; b--\$4532; c--\$4758; d--\$5041; e--\$5346).

B. It is requested that the Board approve the creation of an extra position (#2) of **The Secretary of the Board**. This will be a limited duration position not to exceed six (6) months.

C. It is requested that the Board approve the creation of the following new position of **Assistant To The Executive Director**. The salary for this position is to be placed at Salary Schedule 559.8 (a--\$7283; b--\$7647; c--\$8029; d--\$8511; e--\$9021).

APPOINTMENT OF THE SECRETARY OF THE BOARD

A. It is requested that the Board approve the appointment of Chris Marshall to the **Limited Duration Secretary of the Board** (extra position #2) effective January 5, 2002.

B. It is requested that the Board approve the appointment to **The Secretary of the Board**. The salary is to be placed at Salary Schedule 529 (a--\$6213; b--\$6524; c--\$6850; d--\$7261; e--\$7697).

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of classifications/positions and the appointment of a position.

Approved by Ordinance
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- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 01478

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

DEC 18 2001

DATE

Agenda Sheet

DATE: December 18, 2001

ITEM NO: 13

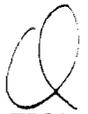
PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

**DUPLICATE
OF PRIOR**

CALENDAR MEMO

SUBJECT: Approval of an Ordinance Authorizing the Sale of Certain Improvements Located in Jack London Square to a JLSP Entity, Authorizing Ground Leases Related to Such Assets, and Authorizing Execution of an Amendment to the Agreement for Acquisition of Ground Lease Interests, an Operating and Easement Agreement and related documents

SUBMITTED BY: Omar R. Benjamin 

EXECUTIVE OFFICE RECOMMENDATION: 

BACKGROUND: On May 1, 2001, the Port executed an Agreement for Acquisition of Ground Lease Interests (Agreement) with Jack London Square Partners (JLSP) for various properties in the Jack London Square (JLS) area, in response to the Jack London Master Development Request for Qualifications that was issued in 1999. The Agreement contemplates the potential future development of the Phase II properties within Jack London Square, once the land use entitlement process is completed, as well as the potential sale of certain existing Phase I assets within the early months of the Agreement timeframe.

ANALYSIS:

Over the past few months, the developer has been working with CRE staff to develop an offer for acquisition of certain existing assets within Phase I of JLS as well as for assumption of the management and maintenance component of JLS. The proposed offer includes acquisition of four of the existing assets within JLS Phase I currently owned by Oakland Portside Associates (OPA), including: 1) 70 Washington Street; 2) Water Street I; 3) the Pavilion Building; and 4) 66 Franklin Street. The offered purchase price is \$17.2 million. The transferred assets would be subject to a Purchase and Sale Agreement as well as a ground lease between the Port and the developer, pursuant to the Standard Ground Lease terms proposed as part of this transaction. The Ground Lease terms establish the minimum base rents and participating rent formulas which would be allocated to the Port for the duration of the ground lease term (66 years) upon transfer of these assets.

The development team is also proposing to assume the management and maintenance obligations of the Square, which are currently provided by both OPA employees and the Facilities Maintenance Division of the Port. The facilities maintenance division employees currently maintaining Jack London Square will be reassigned to the Aviation Division. The management and maintenance component includes management/maintenance of the common areas of the Square, the management of the parking and security operations of the Square, the management of the Port Office Building as well as the overall marketing and promotion of JLS. The management duties would be provided subject to an Asset Management Agreement between the Port and the developer, and would entail payment of a fee for provision of these services on an annual basis. The Port and the developer would also be parties to an Operation and Easement Agreement which establishes regulations for easements, uses and individual tenant rights to the common areas of the Square, and also establishes a formula for tenant contribution to common area maintenance and marketing.

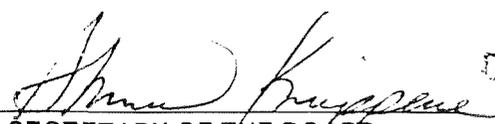
The proposed existing asset transfer also requires certain revisions to various components of the existing Agreement with the developer, to acknowledge the current status of the Phase I asset negotiations as well as to amend various performance timeframes. A summary of the key terms of each of the proposed Agreements encompassed by this transaction are included as an attachment to this Board letter, in addition to a map identifying the assets proposed for sale and two graphics identifying the post-transaction organization of JLS and ownership structure of the assets proposed for transfer.

Staff believes the proposed transfer of the ground lease interests for the Phase I assets mentioned above is an appropriate financial transaction for the Port, and one which promotes the future development potential of the Phase

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BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

DEC 18 2001

DATE

If properties within JLS, is consistent with the CRE Restructure and Development Strategy adopted by the Board in that the transaction is an effort to reduce the long term operating expenses of the CRE Division, and responds to the recent State of California audit of Port operations. This transfer of assets will also enable market based transactions which will promote opportunities for the revitalization of a successful retail entertainment environment.

Land Use and Environmental Determination: The proposed existing asset transfer was originally addressed as part of the exemption determination made by the Board of Port Commissioners when the Agreement for Acquisition of Ground Lease Interests was authorized for execution on April 24, 2001. At that time the execution of the Agreement, including the potential sale of existing Phase I assets, was determined by the Board to be exempt from the State of California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) and Section 15262 of the Guidelines and a Notice of Exemption was filed with the Alameda County Clerk. In addition, the proposed ground lease(s) of the existing assets is exempt pursuant to Section 15301 (p) of the Port CEQA Guidelines, which identifies the execution of leases where the premises or activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing, as exempt from CEQA. As the proposed assets to be transferred to the developer are those currently leased by OPA, and the proposed ground lease transfer does not entail any expansion of use or premises beyond that currently in existence, the foregoing exemption also applies. If any future expansion of the assets, or proposed changes in use are proposed on the properties, the City of Oakland would be the Lead Agency for CEQA purposes for the project, and would be responsible for the environmental review aspect of any such project and would also be the local agency responsible for the review and issuance of any applicable land use permits, including General Plan conformity determinations, for future development or land use activities on the site(s).

FISCAL IMPACT:

The proposed transfer of the subject ground lease for the Phase I assets identified above will result in the payment of \$17.2 million to the Port upon close of escrow, which is currently anticipated for February of 2002.

Under the existing economic structure, the net cash flow from the assets in Jack London Square for the most recent 12-month period is \$1.7 million. This includes taking into account the cost to the Port and OPA for the operation of common areas which is approximately \$3.1 million. Under the proposed transfer of existing assets the net cash flow for the Jack London Square operations increases to approximately \$2.5 million per year.

OPTIONS:

- 1) Execute the proposed Ordinance(s) between the Port and JLSP. This is the recommended option as it will enable the Port to implement the goals of the CRE Restructure and Development Strategy by reducing the long term operating expenses for the CRE Division, will enhance the future development potential of remaining properties in JLS, and will result in the provision of \$17.2 million in additional revenues to the Port from the sale of these assets.
- 2) Do not execute the proposed Ordinance(s) between the Port and JLSP. If the Board pursues this option, the Port will not be implementing the goals of the CRE Restructure and Development Strategy in this instance, the CRE Division operating expenses will not be reduced and there will not be any revenues generated from the sale of the assets. Furthermore, it is unlikely that the development team will wish to pursue obtaining future land use entitlements for the Phase II component of JLS and the Agreement for Acquisition of Ground Lease Interests will most likely be terminated by the developer.

RECOMMENDATION: It is recommended that the Board approve the Ordinance Authorizing the Sale of Certain Improvements Located in Jack London Square to a JLSP Entity, Authorizing Ground Leases Relating to Such Assets, and Authorizing Execution of an Amendment to the Agreement for Acquisition of Ground Lease Interests, an Operating and Easement Agreement and related documents, as outlined in Option 1 above.

Approval of an Ordinance Authorizing the Sale of Certain Imp. ements Located in Jack London Square to a JLSP Entity, Authorizing Ground Leases Relating to Such Assets, and Authorizing Execution of an Amendment to the Agreement for Acquisition of Ground Lease Interests, an Operating and Easement Agreement and related documents
December 18, 2001

- Attachments:
- A) Map Indicating Assets to be Acquired by JLSP
 - B) Graphic Illustrating Jack London Square Post Phase I Transaction
 - C) Summary of Agreements

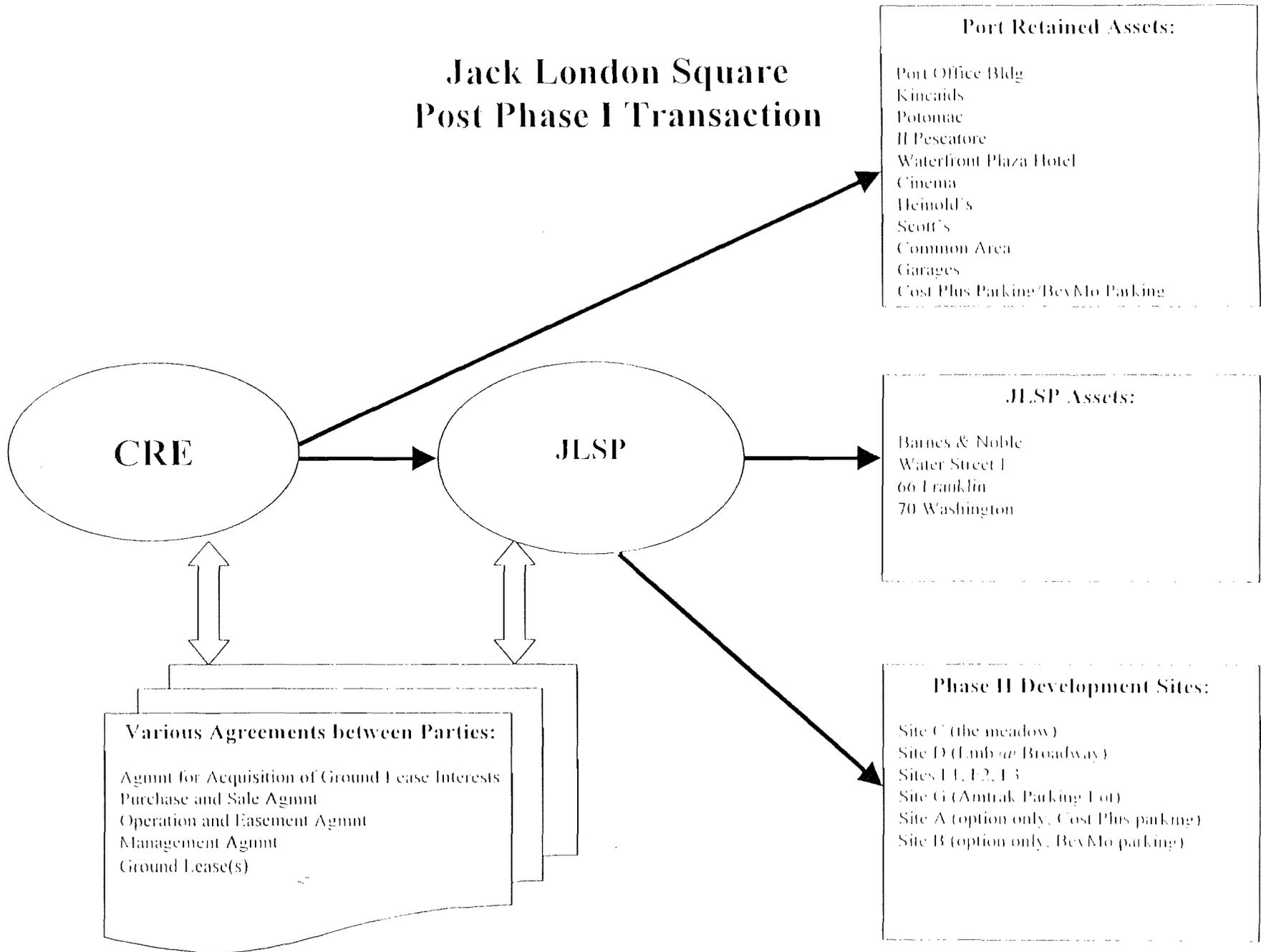


Exhibit A

Purchase and Sale Agreement



Jack London Square Post Phase I Transaction



December 18, 2001

Approval of an Ordinance Authorizing the Sale of Certain Improvements Located in Jack London Square to a JLSP Entity, Authorizing Execution of an Amendment to the Agreement for Acquisition of Ground Lease Interests, an Operation and Easement Agreement and related documents

Summary of Agreements

Amendments to Existing Agreement for Acquisition of Ground Lease Interests
Key Items/Components

Purchase and Sale Agreement for Phase I Assets
Key Terms/Components

Standard Ground Lease
Key Terms/Components

Standard Ground Lease Existing Assets
70 Washington Street
Pavilion
Water Street I
66 Franklin Street

Operating and Easement Agreement
Key Terms/Components

Asset Management Agreement
Key Terms/Components

**Amendments to Existing Agreement for Acquisition of Ground Lease Interests
Key Items/Components**

1. Parties to Agreement: Port of Oakland and JLSP
2. Timeframes/Deadlines: Extension of Approvals Deadline Period for Phase II development sites from current date of September 1, 2002 (with two additional 6 month extensions provided to developer) by moving period out another 6 months to March 1, 2003 (with two additional extension provisions remaining) to account for time spent on Phase I negotiations during 2001 and resultant delay in starting Phase II entitlement process.
3. Phase I Asset Acquisition/Management Section: The current reference to the possible sale and transfer of the management operations for Phase I would be superceded by various documents mentioned previously if this sale and transfer is approved.
4. Phase II Performance Deadlines: A 5 year timeline for commencement of construction on Phase II, specifically for at lease one of the three F properties as well as the G property, would be included beginning from the date of close of escrow on the Phase I existing assets sale. If said construction has not commenced on the referenced properties by this timeframe, the Port would have the option to terminate the Agreement as it pertains to the JLSP development rights for the Phase II properties. In addition, if construction has not commenced on the other development sites (C and D) within this same 5 year time frame the Port would have the right to terminate the Ground Lease for the particular development site on which said construction has not commenced.
5. Editorial Amendments: Various sections of existing Agreement may need to be amended or may be superceded by other documents.

**Purchase and Sale Agreement for Phase I Assets
Key Terms/Components**

1. Parties to Agreement: Port of Oakland and JLSP
2. Purchase Price: \$17.2 million
Assets to be purchased:
70 Washington Street (Water Street II) – \$ 8,500,000
66 Franklin Street - \$ 5,200,000
Water Street I - \$1,300,000
Barnes and Noble (Pavilion Building) \$2,200,000
3. Closing Date: Approx. March 1, 2002
4. Repurchase Option for Port: The Port would have the option to repurchase the subject Phase I assets if at least one of the F development sites within Phase II and site G within Phase II have not commenced construction within 5 years from the close of escrow on the Phase I assets.
5. Repurchase Formula: Based upon appraisal of assets at the time of exercise of option.
6. Other: JLSP shall have right of first offer to purchase certain other existing assets (530 Water Street, Garages, other "retained assets" within JLS) within 5 years following close of escrow on assets acquired by JLSP above.¹

¹ Right of First Offer for other "Port retained assets" within JLS may be more appropriate to include in amendments to Agreement for Acquisition of Ground Lease Interest document, or both, depending on final text of all documents.

Standard Ground Lease Key Terms/Components

1. Parties to Lease: Port of Oakland and JLSP including existing assets (ground lease) and for the development parcels.
2. Leases: Each of the existing assets and each of the development parcels will have a separate ground lease.

The leases presently contemplated are divided up into two types, existing assets and development sites. The development site leases presently contemplated are as follows:

Site F1 117,600 sf of office
 21,000 sf of retail
 154 Parking stalls

Site F2 138,000 sf of office
 20,000 sf of retail
 464 parking stalls

Site F3 240 room hotel

Site G 820 parking stalls
 35,000 sf of retail

Site D 39,000 sf of office
 28,000 sf of retail

Site C 26,000 sf of office
 15,000 sf of retail

The Existing Assets are listed in the existing asset acquisition section and each would have a separate ground lease

3. Base Rent: Based upon floor area ratio formula relative to development density the minimum rent is calculated on a rate of \$20.00 to \$35.00 depending on development type of development, density and location. Base rent for the existing assets commences immediately upon close of escrow. For the development sites the base rent period commences at the earlier of either 24 months from the Construction Rent Commencement Date or 80% initial leasing and occupancy
4. Base Rent Adjustment: The base rent would be adjusted every five years at a fixed rate of 2.0 % per year.
5. Participation Rent: 5% of annual Net Operating Income, paid quarterly. Net Operating Income is defined to include industry standard expense categories set forth in the lease agreements.
6. Construction Period Rent: Construction rent shall be 50% of the Base Rent, and Construction Rent Commencement Date is the earlier of either 18 months after Approvals Deadline Date or 18 months after City certifies CEQA document and/or approves land use entitlements for project, or upon commencement of construction on a site.

7. Timeframe for Performance/Termination on Phase II: The Port would have the option to terminate the Agreement for Acquisition of Ground Lease Interests if at least one of the F development sites and site G within Phase II have not commenced construction within 5 years from the close of escrow on the sale of the Phase I assets referenced in the Purchase and Sale Agreement.
8. Assignment: Consent required by Port, consent may be withheld based upon Port's opinion that assignee would violate an existing policy of the Port or that proposed assignee is not capable, financially or otherwise, of performing its obligations. No consent by Port is required if JLSP assigns its rights and obligations to an Assignee that is either controlled by the same members of JLSP or which JLSP maintains a 75% interest in.
9. Rent Adjustments at Sale/Assignment: Upon sale or assignment of 50% or more of any asset subject to a ground lease, future base rent calculations would be adjusted by CPI as before but with a higher cap limited to (3%) per annum (this would not be a fixed adjustment).
10. Leasing/Tenant Approval Rights of Port: JLSP and Port shall agree to "Retail Master Plan" of appropriate permitted and prohibited retail/entertainment use types within Square¹, and Port shall defer tenant leasing decisions consistent with this mutually agreeable Plan to JLSP, with the exception of leases involving more than 15,000 square feet, which shall require mutual agreement between JLSP and Port. Until such Retail Master Plan is developed and mutually agreed upon between JLSP and Port, Port shall have approval rights of all subtenant leases.
11. Other Items: The Port financial investment of \$5 million for parking and \$5 million for public access will be pro rated based upon reimbursement of JLSP costs for development of these features, as related to construction on sites F and G.²

¹ This same Retail Master Plan will need to be included in OEA.

² This language may be contained within the amendments to the existing Agreement for Acquisition of Ground Lease Interests, rather than the Ground Lease, or perhaps in both documents, once all documents have been finalized.

Standard Ground Lease Existing Assets
70 Washington Street
Pavilion
Water Street I
66 Franklin Street

1. Parties to ground Lease: Port of Oakland and JLSP
2. Leases: Each of the existing assets will have a separate ground lease.

The economic rent relative to the terms of the existing access ground leases are as follows:

70 Washington Street

Total Site Area 42,728 sf
48,667 sf of office
29,560 sf of retail
Minimum Rent \$125,163 per annum. (\$10,430 per month)
Estimated Percentage rent \$53,525 per annum

Pavilion

Total Site Area 37,147 sf
31,979 sf of retail
Minimum Rent \$63,958 per annum (\$5,330 per month)
Estimated Percentage rent \$13,991 per annum

Water Street I

Site Area 13,519 sf
10,411 sf of retail
Minimum Rent \$ 20,822 per annum (\$1,735 per month)
Estimated Percentage rent \$4,555 per annum

66 Franklin Street

Site Area approximately \$35,000
61,764 sf of office
30,141 sf of retail
Minimum Rent \$ 142,626 per annum (\$11,886 per month)
Estimated Percentage rent \$85,104 per annum

Other provisions of the ground lease for the existing assets will remain the same as described in the sheet titled Standard Ground Lease including rental adjustment provisions.

Operating and Easement Agreement Key Terms/Components

1. Parties to Agreement: Port of Oakland for all Port retained assets, JLSP for all JLSP acquired assets, future lessees of various development parcels
2. Term of Agreement: Runs with the term of the Ground Leases with JLSP/Port.
3. Approval Authority: Establishes Approving Parties as both Port and Developer, each party having one vote of a total of two votes for all decisions requiring approval under OEA, subject to certain exceptions where Port has sole approval authority as mentioned below.
4. Structure: Establishes an Operator to oversee maintenance of common areas, marketing of Square, expenditure of CAM contributions, etc.
5. Common Area Maintenance Contributions: Formula for allocation of CAM based upon use type and square footage allocable to each asset within Square, with Port to assume additional pass-throughs that are not allocable due to constraints in existing asset leases. Total Port contribution estimated to be approximately \$400,000 for CAM and utilities, \$500,000 for security costs and \$225,000 for marketing costs for Port. Eventually as development segments are completed these pass-throughs would be reduced to zero or minimal cost.
6. Construction: Establishes the right of each party to construct improvements on their respective parcels providing it does not unreasonably interfere with the use or enjoyment of any part of the remainder of the Complex by the other party or the other party's tenants.
7. Maintenance/Repair: Describes the procedure for the maintenance and repair of utility lines, parking areas, removal of debris and refuse, signs and markers, lighting and landscaping in all common areas to a specified quality standard. Further requires both parties to maintain the exterior portion of the buildings in a specified quality standard.
8. Use Restrictions: Lists the uses not to be permitted in the complex and incorporates cross reference to Retail Master Plan as identified in Ground Lease.
9. Operational Standards: Sets forth rules governing the operation of the lighting system, the installation and operation of occupant signs, and other such features affecting common use of the Square.
10. Easements: Establishes mechanism to ensure that each party grants to the other, and their successors, appropriate and necessary easements to accommodate vehicles, pedestrians, utilities, construction, maintenance and reconstruction throughout all common areas in the Square.
11. Common Area Usage: Provides for the right to construct common area improvements in accordance with plans to be approved by both parties and the appropriate regulatory entities, with sole approval rights for construction additions/deletions within common area retained by Port (as property owner of common area). Also establishes procedures for staging of Special Events as described in applicable Port Ordinance, with other long term use of common area subject to sole approval of Port, and short term use of common area for items subject to approval of both Approving Parties.
12. Management/Operation of Common Areas. The Approving Parties have the absolute discretion to make decisions and give approvals to the operator on all matters pertaining to the operation and management of the common areas including the replacement of the operator and annual budget.

**Asset Management Agreement
Key Terms/Components**

1. Parties to Agreement: Port of Oakland and Ellis Partners, LLC
2. Services to be Rendered: Coordinate and manage property management for Jack London Square with the agreement being effective with the close of escrow on the acquisition of the Phase I assets.

The Management agreement would include the management of the maintenance and operations of the Washington Street Garage, the Underground Garage, the surface parking lots within the Square, the security operations of the Square and the management of the Port Office Building (530 Water Street).

More specifically the management contract would include provision of the following services:

- ❖ Provide monthly financial reports to the Owner
- ❖ Provide quarterly asset management reports to the Owner
- ❖ Provide, or engage third parties approved by Owner to provide, property management services and property development, construction and construction supervision services for the Assets at Owner's expense
- ❖ Oversee maintenance and repair of Assets
- ❖ Oversee expense billings to other parties subject to the OEA
- ❖ Negotiate all leases with existing and prospective tenants
- ❖ Engage legal counsel to complete leases and/or other legal documents needed in the management of the Assets at Owner's expense
- ❖ Engage property tax consultants to file tax appeals and other appropriate real estate tax challenges for the Assets at Owner's expense
- ❖ Oversee parking management personnel and vendor¹
- ❖ Oversee security personnel and vendor
- ❖ Work with Owner to make sure that property and liability insurance is carried in adequate amounts and, if desired by Owner, work with insurance agents to secure appropriate insurance policies at Owner's expense

3. Asset Management Fees:
Asset management fees for items mentioned above would be \$250,000 per year to Ellis.
4. Management Structure: Asset Manager (Ellis Partners) hired by Port to direct day to day management of Assets referenced above, who oversees services to be provided for both Port retained existing assets as well as those existing assets acquired by JLSP
5. Term of Agreement: Negotiable, although 5 year term being contemplated to correspond with other timing aspects of total project Agreements.

¹ Parking management assumes parking revenue collected by manager but passed through to Port until sites developed in future as per Ground Lease, Port establishes rates, validation programs currently in effect acknowledged.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

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TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

CHRISTOPHER C. MARSHALL
Secretary of the Board

December 18, 2001

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

Board of Port Commissioners of the
City of Oakland
Oakland, California

LEGAL 41

RE: AMENDMENT TO P.O. 1606; EXEMPTION OF PORT FROM
PUBLIC CONTRACT CODE

Dear Commissioners:

Recommendation

We recommend that the Board adopt an amendment to Port Ordinance No. 1606 to expressly state the Port's general principle that it is exempt from the provisions of the California Public Contract Code.

Discussion

The California Public Contract Code is a compilation of statutes that regulate the manner in which cities, counties, special districts and state agencies solicit, award and administer public works contracts. The home rule provision of the California Constitution exempts charter cities, such as the City of Oakland, from the provisions of the Public Contract Code.

On October 12, 2001, Governor Davis signed Senate Bill 974 to add Section 1100.7 to the Public Contract Code. The new provision declares in relevant part that the Public Contract Code is "the basis of contracts between most public entities in this state and their contractors and subcontractors." With respect to charter cities, Section 1100.7 provides that the Public Contract Code applies to public works contracts in the absence of an express exemption or a city charter provision or ordinance that conflicts with the relevant provision of the code. Finally, the provision states that it is declarative of existing law, citing the case of *Howard Contracting, Inc. v. G.A. MacDonald Construction Co.* (1998) 71 Cal.App.4th 38.

Approved by Ordinance
passed to print

DEC 18 2001
Sharon Krupp
Assistant Secretary of the Board

The Engineering & Underground Utilities Association ("EUUA") proposed Section 1100.7 as Senate Bill 974. The stated purpose of the legislation was to clear up confusion regarding the law applicable to public works contracts. The legislation was a product of frustration because "some charter cities fail to follow the Public Contract Code in the administration of public works contracts." The EUUA seized upon the decision of the Court of Appeal for the Second District in *Howard Contracting, Inc.* as the definitive statement of law on the issue of charter cities and public works.

1. The Port's best interests require that it maintain modes of contracting tailored to the unique character of large, complex and competitive maritime and aviation enterprises.

Wholesale application of the requirements of the Public Contract Code to Port contracts would not be in the Port's interest. The Legislature created the Public Contract Code by compiling statutes relating to public procurement from the various codes, such as the Government Code or the Water Code. Some of the provisions date back to the later part of the 19th Century when California was still a rural state with an agrarian economy. (See, e.g., Pub. Con. C. §20162, derived from Stats. 1883, ch. 449, §874.) The Public Contract Code establishes a mode of contracting that is suited to small to medium-sized municipalities and special districts engaged in traditional non-revenue generating public works construction. While the Legislature does update the Public Contract Code, it is still the case that its provisions present obstacles to the use of modern project delivery methods, such as design-build or construction manager at risk.

Obviously, the Port's needs are different from those of a small rural town. The Port is engaged in highly complex and competitive maritime and aviation industries that place paramount importance on flexibility and timely project delivery. The ability to use project delivery and administration methods that are commonplace in the private sector is essential to the Port's ability to rapidly adapt its facilities to the changing demands of the marketplace. Thus, since 1968 the Port's procurement process has been controlled by Port Ordinance 1606.

As explained in the Port Attorney's confidential memorandum submitted under separate cover, a court would likely find Section 1100.7 to be an invalid encroachment on the constitutionally-protected home rule authority of charter cities. Rather than wait for the question to be litigated, however, the Port can

December 18, 2001

Re: P.O. 1606

Page 3

simply amend P.O. 1606 to confirm that it is exempt from the mandatory imposition of the Public Contract Code. A draft ordinance is attached for review. The recommended action serves the Port's best interest by explicitly stating its intent to operate according to its long-established procurement ordinance.

Notwithstanding its constitutional exemption, the Port often elects to comply with various provisions of the Public Contract Code that state a common sense rule that is widely understood in the construction industry. The draft ordinance preserves the authority of the Port to stipulate to the application of specific provisions of the Public Contract Code through its contracts and resolutions.

Section 1100.7 will become effective on January 1, 2002. For all of the above reasons, the Port's interests would be served by the recommended action.

Respectfully submitted,



David L. Alexander
Port Attorney

Enc.

cc: T. Yoshitani
J. Glover

Draft

**AN ORDINANCE AMENDING PORT ORDINANCE
NO. 1606 TO CONFIRM THAT THE PORT OF
OAKLAND IS EXEMPT FROM THE CALIFORNIA
PUBLIC CONTRACT CODE.**

WHEREAS, the manner in which the Board of Port Commissioners for the City of Oakland lets and administers contracts for public works is a municipal affair; and

WHEREAS, the procedures set forth in Port Ordinance No. 1606 are established for the benefit and protection of taxpayers and not to enrich bidders or those who contract with the Port of Oakland; and

WHEREAS, the California Public Contract Code establishes a mode of contracting that is well-suited to municipalities and special districts engaged in traditional non-revenue generating public works construction; and

WHEREAS, the Port's best interests require that it establish modes of contracting tailored to the unique character of large, complex and competitive maritime and aviation enterprises;

WHEREAS, Section 1100.7 of the Public Contract Code is an invalid encroachment on the home-rule authority of charter cities.

BE IT ORDAINED by the Board of Port Commissioners for the City of Oakland as follows:

Section 1. Section 18 of Port Ordinance No. 1606 shall be and the same is hereby amended to read in full as follows:

“SECTION 18.

This ordinance is intended to supersede all provisions of the California Public Contract Code and, for the purposes of Section 1100.7 of that Code, to conflict with all provisions of that Code, except solely to the extent, if any, that the provisions of that Code are binding on the City of Oakland under the Constitution of the State of California. Notwithstanding this section, nothing shall prevent the Port from stipulating to the application of any provision(s) of the

Public Contract Code, through resolution or contract with respect to any particular work. In no event shall the Port's exercise of its power to stipulate to the application of any particular provision(s) of the Public Contract Code be interpreted as a waiver of the terms of this Section. Subject to the foregoing, unless otherwise specifically provided by Port ordinance or other applicable law, the law applicable to a Port public works contract, including bidding procedures for such contract, shall be that law that is in effect on the date the Board by resolution approves the plans and specifications for such contract.

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 5S

SUBJECT: Approval of Modification to License and Concession Agreement with Avis Rent A Car System, Budget Rent A Car Systems, Dollar Rent A Car Systems, Inc., The Hertz Corporation and National Car Rental Systems, Inc. (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

For SUBMITTED BY: Steven J. Grossman *W.J. Wade*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

Avis Rent A Car System, Budget Rent A Car Systems, Dollar Rent A Car Systems, Inc., The Hertz Corporation and National Car Rental Systems, Inc. (ABDH&N) are five of the seven rental car agencies that operate on-airport rental car businesses at the Oakland Airport. ABDH&N utilize space in the ready return lot pursuant to individual License and Concession Agreements (Agreements). These Agreements also provide for the use of land in the area of the ready return lot for customer service booths. These booths are located in a landscaped strip between Airport Drive and the ready return parking lot.

The Airport is constructing a new roadway with additional curb space that will serve commercial vehicles. This roadway, or "third curb", will be constructed in the portion of the ready return lot that falls within 300' of the terminal buildings and which cannot be used for vehicle parking by the rental car industry.

In order to construct the third curb, ABDH&N must remove the customer service buildings. A resolution of the Board of Port Commissioners is necessary to modify each Agreement to delete the reference to the rental of land for a customer service booth.

ALYSIS:

Studies conducted by the Airport have determined that construction of a "third curb" will help alleviate congestion in front of the terminal buildings. In order to construct this curb, the rental car customer service booths need to be removed.

The rental cars are being relocated to an Interim Facility on the North Airport, which is expected to be completed during the first quarter of 2003. Until the relocation takes place, the rental car companies, including ABDH&N, are operating on a month-to-month basis. The terms of the Agreements can be modified upon 30 days notice. Continuing to operate and occupy the premises after the 30-day notice period affirms acceptance of the modification of terms.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02003

BOARD ACTION TAKEN

Assistant

Alan Krupp
SECRETARY OF THE BOARD

JAN 15 2002

DATE

SUSTAINABILITY:

As stated previously, this project is necessary in order to construct the "third curb", thereby, providing additional curb space and reducing existing congestion on the roadway.

OPTIONS:

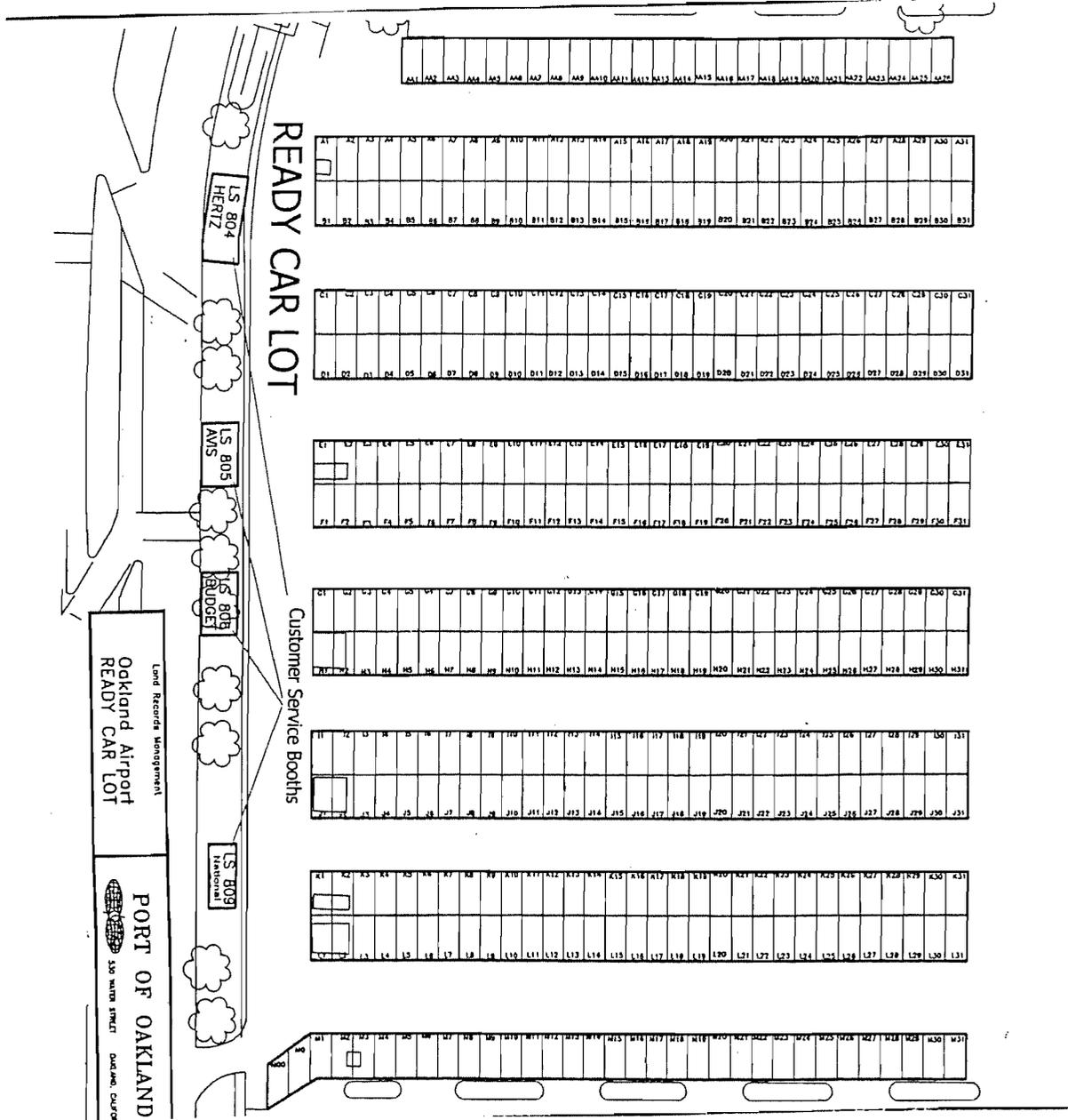
1. Terminate the Agreements and negotiate new agreements without including the land for the service booths. *Since the rental car companies are relocating to an Interim Facility in a little over a year and have negotiated and signed new agreements for that facility, negotiating entirely new agreements with ABDH&N for such a short period of time is not the best use of Port resources.*
2. Allow the customer service buildings to remain. This option would severely constrict the amount of sidewalk space along the curbside and would impact the placement of bus shelters. In addition, the new curbside improvements would inconvenience rental car customers trying to access the customer service booths.
3. Modify the existing License and Concession Agreements to remove the land for the customer service booths from the premises.

RECOMMENDATION:

It is recommended that the Board approve a Modification to the License and Concession Agreement with Avis Rent A Car System, Budget Rent A Car Systems, Dollar Systems, Inc., The Hertz Corporation, and National Car Rental Systems, Inc. as more fully described above.

Board of Port Commissioners Calendar Item

Approval of Modification to License and Conc...ion Agreement with Avis Rent A Car System, Budget Rent A Car Systems, Dollar Rent A Car Systems, Inc., The Hertz Corporation and National Car Rental Systems, Inc. (#1 Airport Drive, South Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
South Airport

Map Not to Scale

From: Geraldine Miller
To: Mary Jew; Sheri Krippene
Date: 1/16/02 3:39PM
Subject: Re: Runex Enterprise L&C - Correction to Agenda Sheet/Resolution

Sheri,

We need to correct the Agenda Sheet #6S :
to read:

Samuel Runsewe
dba Runex Enterprise

Mary Jew,

We need to make sure the Resolution for the above to shows the tenant's name as:

Samuel Runsewe
dba Runex Enterprise

gm

>>> Jane Valino 01/16/02 02:35PM >>>

yes - you might want to check with Sheri Krippene right away so that replacements can be made.

CONFIDENTIAL COMMUNICATION

This email message and any attachments are intended only for the use of the addressee named above and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient, any dissemination, distribution, or copying is strictly prohibited. If you received this email message in error, please immediately notify the sender by replying to this email message or by telephone. Thank you.

Jane E. Valino
Port Attorney's Office
530 Water Street, 4th Floor
Oakland, CA 94607

Phone: (510) 627-1581
Fax: (510) 444-2093
E-mail: jvalino@portoakland.com

>>> Geraldine Miller 01/16/02 01:59PM >>>

Even if it has already gone to the Board (1/15/02)
gm

>>> Jane Valino 01/16/02 11:10AM >>>

For change in resolution - please contact Mary Jew.
Change in board agenda: whoever drafted the board agenda (someone in Airport Properties?) should make the change and provide a revised version to Sheri Krippene

Agenda Sheet

DATE: January 15, 2002

ITEM NO: 6S

SUBJECT: Approval of New License and Concession Agreement with Runex Enterprise (Access Only, North Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

for SUBMITTED BY: Steven J. Grossman *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Runex Enterprise (Runex) currently provides ground handling services to Airborne Freight Corporation (Airborne) pursuant to a 45-day Right-of-Entry and Indemnity Agreement effective October 1, 2001. No exclusive premises is granted by this Agreement; Runex operates on the apron premises of Airborne. Rent is \$250 per month or 10% of Gross Revenues, whichever is greater.

ANALYSIS:

This action would approve a one-year License and Concession Agreement with Runex commencing October 1, 2001 with a 30-day termination provision. Rent would remain the same with no exclusive premises assigned.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve the License and Concession Agreement with Runex Enterprise as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02004
 BOARD ACTION TAKEN *[Signature]*
 Assistant

[Signature]
 SECRETARY OF THE BOARD

JAN 15 2002
 DATE

Agenda Sheet

DATE January 15, 2002

ITEM NO: 215

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
 SUBJECT: Ratification of Addenda and Award of Contract for Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Four bids were received and opened on December 7, 2001, for **Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
Misan Construction, Inc.	Brentwood, CA		X	\$788,000.00
Bay Construction Company	Oakland, CA	X	X	\$849,212.90
RMT Landscape Contractors, Inc.	San Leandro, CA	X	X	\$931,470.30
Cleary Bros. Landscape, Inc.	Danville, CA		**	\$942,389.10***
				\$944,268.70

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

** Not certified with the Port of Oakland at time of analysis.

***Total corrected in accordance with Document 00200, Instructions to Bidder.

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On October 16, 2001, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on November 21, 2001.

Addenda

Addenda No. 1 and No. 2 were issued by the Chief Engineer to revise the bid quantities specified on the Bid Form and the list of plant species and seed mixes on the Plans. The addenda also extended the Bid due date to December 7, 2001, and modified the Port of Oakland Subcontractor and Supplier List Form to require the listing of all trucking brokers. The addenda did not significantly change the physical work of the contract.

ANALYSIS:

Bid Protest

In a letter dated December 11, 2001 (see Exhibit A attached), Bay Construction Company (Bay) filed a bid protest indicating that Misan Construction, Inc. (Misan) failed to include the cost of soil preparation (i.e., placing soil amendment) associated with the hydroseeding work as required in the project specifications. Bay contends that Misan based its hydroseeding bid on information received on the pre-bid project site tour, and if it is the Port's intention not to include soil preparation for hydroseeding, the Port should revise the scope of work and rebid the project.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02005

BOARD ACTION TAKEN

Assistant

Shawn Krupp

SECRETARY OF THE BOARD

JAN 15 2002

DATE

The Instructions to Bidders indicate that any bid protest must be submitted to the Port and the other bidders within five days of bid opening. (Doc. 200, Para. 19.) Here, Bay did submit its bid protest within the required five days; however, it does not appear that the bid protest was concurrently transmitted to the other bidders, as required. Therefore, Bay has waived its bid protest under the terms of the Instructions to Bidders.

Notwithstanding its waiver, Bay's protest is without merit. Bay incorrectly interpreted the project specifications. The project specifications do not require the placement of soil amendment in all areas designated to receive hydroseeding and the hydroseeding bid items do not include soil preparation or installation of soil amendment in the bid item descriptions. Four facts support the conclusion that Bay misinterpreted the plans and specifications. First, Bay's unit cost of \$0.42 and \$0.27 for hydroseeding Bid Item Nos. 26 and 27, respectively, were far higher than the other bidders. For example, on Bid Item 26, bidders Misan and RMT Landscape Contractors, Inc. (RMT) each listed \$0.10, and Cleary Brothers (Cleary) listed \$0.21; and on Bid Item 27, Misan, RMT and Cleary listed \$0.06, \$0.10 and \$0.05, respectively. Second, the sign-in sheet for the pre-bid meeting indicates that Bay failed to send a representative to the Port's pre-bid meeting. Attending the pre-bid meeting is an essential element of a reasonable bidder's pre-bid investigation, which ensures that the bidders understand the nature of the work. (See, Associated General Contractors of California, Inc. (AGC), *Construction Estimating and Bidding*, p.3-19 (AGC Pub. No. 3505).) Third, the Bid Form included a separate Bid Item for landscape preparation, which included the cost of soil amendment, and separate Bid Items for hydroseeding. Thus, it was illogical to infer that the costs of placing soil amendment should be incorporated into the Bid Items for hydroseeding as this would amount to double counting the same activity. Finally, in a letter dated December 17, 2001 (see Exhibit B attached), low-bidder Misan confirmed that it understood the Port's intent when it submitted its bid and that it fully intended to fulfill all the contract requirements.

Based on the above, Port staff recommends that Bay Construction Company's protest be rejected.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. Based on the comparison of the modified bid amounts, Misan Construction, Inc. remains the low bidder.

Subcontractor Listing

Misan listed the following subcontractors. The remainder of the work will be performed by Misan.

SUBCONTRACTORS SUBCONTRACTING AREA (Including Trucking)	LOCATION	LIABE*	LBABE*	“\$” AND “%” OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
Freedlum Hydroseeding, Inc	Vacaville, CA			\$35,464/ 4.50%
Williams Trucking	Oakland, CA	X	X	\$ 5,000/ 0.63%

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

Budget

The work is budgeted under CIP Element No. M6.00546.08. The funding source is Port Bonds. The Project Budget Detail is attached.

Project Labor Agreement

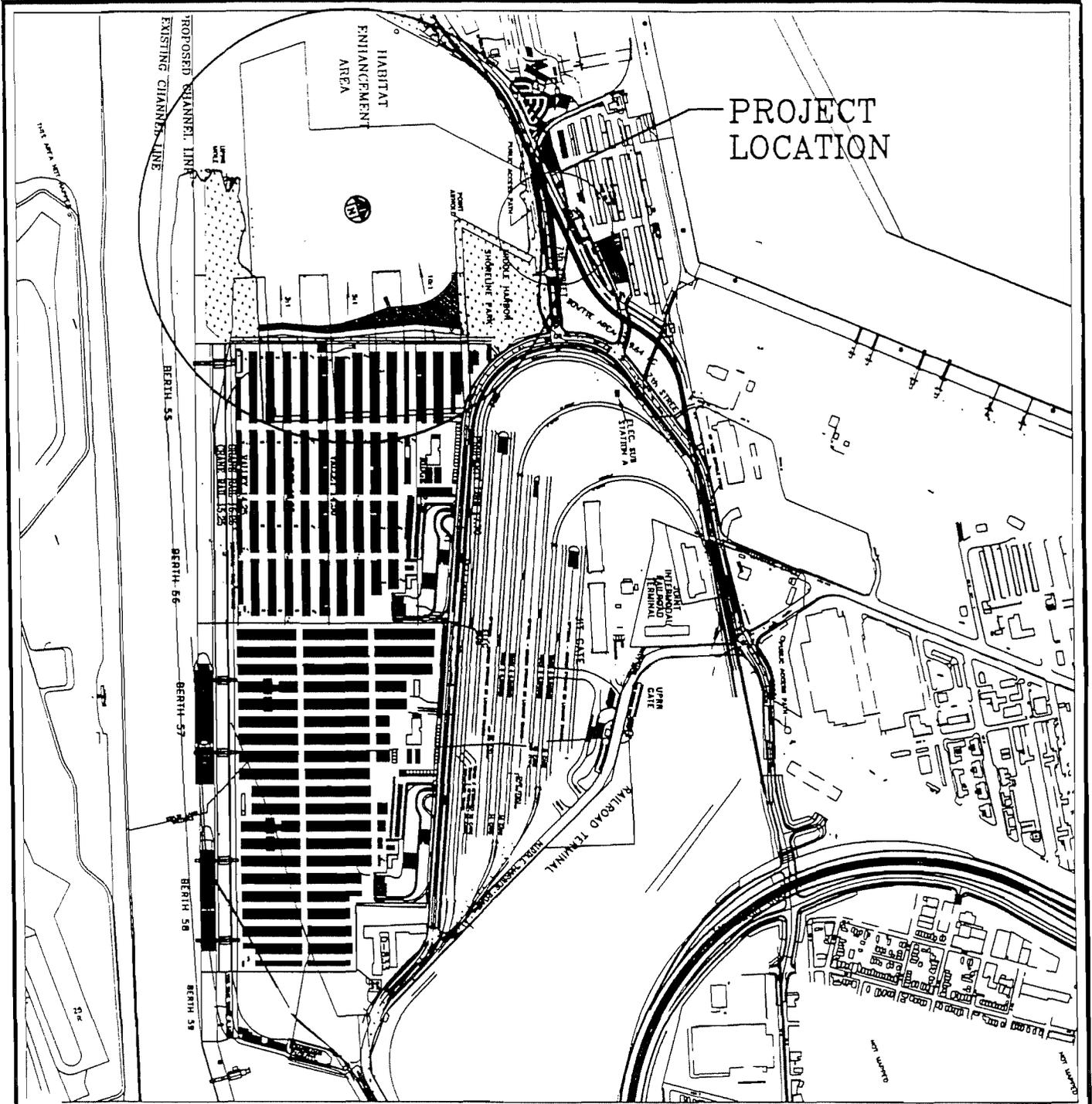
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

Sustainability Opportunities

The project has been designed to use native drought tolerant plants to minimize the need for water and maintenance. To reduce solid waste generation, the contractor will be required to recycle as much of the materials generated from the delivery of products to the site as possible.

RECOMMENDATION:

It is recommended that Bay Construction Company's protest be rejected; that Misan Construction, Inc. be found to be the lowest responsible bidder, that Addenda No. 1 and No. 2 be ratified, that the contract for the above project be awarded to Misan Construction, Inc. for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND

VISION 2000



PORT OF OAKLAND

Vision 2000 Program

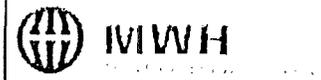
Activity Description	Early Start	Early Finish	2001												2002												2003											
			J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A										
Vision 2000																																						
Middle Harbor Shoreline Park																																						
Landscaping																																						
Design																																						
100% Design Submittal		15AUG01A	◆ 100% Design Submittal																																			
Board Approval P&S		16OCT01A	◆ Board Approval P&S																																			
Bidding																																						
Bid Opening		07DEC01	◆ Bid Opening																																			
Board Award of Contract	15JAN02	15JAN02	Board Award of Contract																																			
Construction Milestone																																						
Notice to Proceed	07FEB02		◆ Notice to Proceed																																			
Final Completion of Landscaping		31JUL03																									◆ Final Completion of Landscaping											

Start Date 09OCT97
 Finish Date 21JUN06
 Data Date 01DEC01
 Run Date 13DEC01 10:58

Early Bar
 Progress Bar
 Critical Activity

MPTA Sheet 1 of 1

Landscaping UP Mole,
 Promenade, and Berth 40
 MHSP, Stage 2



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

December 5, 2001

PROJECT TITLE: Construction of Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline park, Stage 2, Vision 2000, Oakland, California

CIP NO: M6.00546.08,

W.O. #'s: 103203

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2 is being tracked under work order #103203.

Budget: This project is included in the CIP Element # M6.00546.08 budget which is summarized in Table 1 below with the project estimate shown under the Element budget.

Table 1: Overall Budget Summary (1000s) for CIP Element M6.00546.08

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00546.08	523 (115)	388 (121)	8767 (1049)	2235						11913 (1285)
Total =	523	388	8767	2235						11913

Remarks:

1. This project is one of several Park packages to be funded primarily by the MHSP Element M6.00546.08.

12/13/01

cc: TL
THD
JS
CN
AW

BAY CONSTRUCTION CO.
460 BOULEVARD WAY
Oakland, CA 94610

Tel. (510) 658-7225 fax (510) 658-4890

December 11, 2001

Board of Port Oakland
530 Water Street
531 Oakland, CA 94607

RE: landscaping of Union pacific Mole,
Promenade, and berth 40, Middle
Harbor Shoreline Park, Stage 2, Vision 2000
Oakland, CA

Subject: Protest bid date on December 7, 2001

Dear Sir,

Bay Construction bid for the job stated above, resulted in the 2nd lowest bid for the amount of \$849,212.00.

DEC 13 PM 1:47

We reviewed our bid and compared it Missan's own bid (in particular Items #26 & #27). In Specification Section #02966 and 3.02 Soil Preparation C, said sections indicate that soil preparation should be prepared as stated in Section #02900. In Section #02900, 5 cubic yards of organic materials should be added for every 1000 SF. Furthermore, other materials as identified in Section 2.01 (Materials), subsection "A", "B" and "C" requires the use of other ingredients to properly amend.

After speaking to a representative from Missan, he has indicated that his bid only included work for hydro seeding without any soil preparation. According to Missan Construction, he was provided with information indicating that soil preparation was not necessary during the job walk prior to the bid. It is Bay Construction's opinion that if the Port of Oakland does not need soil preparation for the native hydro seeding, the information should release this information through addendums so that all contractors would have an equal bidding opportunity.

If Port's intent is not to use section 02900 for bid items #26 & 27, it should re bid this project and everyone should submit a bid with correct scope. If Missan's intent not to use any soil preparation differs than the Port's actual intent, Missan should be informed that his bid was submitted incorrectly. Missan's intent regarding its intended scope is obvious based on the \$200,000.00 discrepancy identified in its bid (again referring to Items 26 & 27).

Sincerely yours,



Yong Kay
President

Misan
Construction, Inc.

ENGINEERING ADMINISTRATION
RECEIVED

2001 DEC 17 PM 1:58

December 17, 2001

Thomas H. Daniels, Chief Engineer
Port of Oakland
530 Water Street
Oakland, CA 94604-2064

cc: [Redacted]
T. Lasasac
C. Alonzo
A. Griffith
D. Trapp
A. Ward
J. Serrent
R. Andica
T. Daniels
G. Berge

Subject: Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland California, Contract 2001-07-M3; Request for Additional Information to Evaluate Bid

Dear Mr. Daniels,

In response to the Port of Oakland's request for Additional Information in order to evaluate our Bid, the following is Misan Construction, Inc. written response to the Port's request.

1. Bay Construction Co. Letter of Protest

We believe that there is no validity or basis for Bay Construction Company's Letter of Protest, based upon the following facts.

Division 1 General Requirements, Section 01100, Summary of Work, Part 1 General Item No. 1.03 Bid Items, Paragraph B. Descriptions of the Project Manual, clearly specifies what work is to be included in each Bid Item.

For instance, Item 20: Perform Landscaping Soil Preparation and Finish Grading. (See attached) States "The unit price to be paid under this item shall be full compensation for furnishing and installing landscape soil preparation, fertilizers and mineral amendments; performing horticultural soil testing; and performing finish grading of planting areas; all as shown on the Plans and as specified herein." According to the above definition for this Item, all work to be performed as specified in Section 02900-Landscape Soil Preparation, should be included in this Item of Work. Since the Native Seed and Lawn Areas are planting areas as shown on Sheet 8A of 17 under the Plant Legend, they are to receive the Landscape Soil Preparation and Finish Grading in accordance with Section 02900 and the cost for performing the work should be included in Item 20. Accordingly, Misan Construction, Inc. has included all the work to be performed according to Section 02900, per the Unit Price submitted for Item 20, on the specified Bid Form.

Item 26: Perform Native Seed Mix Hydroseeding. (See attached) States " The unit price to be paid under this item shall be full compensation for furnishing and installing native plant seeding with hydromulch, including use of hydromulch mechanical apparatus, hydromulch spray materials, and hydroseed application as

Landscape • General Engineering

Page 2

Landscaping of Union Pacific Mole

shown on the Plans and as specified herein. Notwithstanding Paragraph 1.03C herein below and Section 01200, Measurement and Payment, the quantity of this Item may vary between 50% and 125% of the estimated quantity shown on the Bid Form and the unit price shall apply within this range." Again, according to the above definition for this Item, all work to be performed as specified in Section 02966-Native Area Hydroseeding, should be included in this Item of Work. Therefore, Misan Construction, Inc. has included all the work to be performed according to Section 02966, per the Unit Price Submitted for Item 26 on the specified Bid Form.

Item 27: Perform Lawn Seed Mix Hydroseeding. (See attached) States "The unit price to be paid under this item shall be full compensation for furnishing and installing lawn seeding with hydromulch, including use of hydromulch mechanical apparatus, hydromulch spray materials, and hydroseeded application as shown on the Plans and as specified herein. Notwithstanding Paragraph 1.03C herein below and Section 01200, Measurement and Payment, the quantity of this item may vary between 50% and 125% of the estimated quantity shown on the Bid Form and the unit price shall apply within this range." Once again, according to the above definition for this Item, all work to be performed as specified in Section 02965-Lawn Area Hydroseeding, should be included in this Item of Work. Therefore, Misan Construction, Inc. has included all the work to be performed according to Section 02965, per the Unit Price submitted for Item 27 on the specified Bid Form.

It is quite clear to Misan Construction, Inc. what was to be included in each Item of Work. If the definition of the Items of Work was not clear to the other bidders, then in accordance with Document 00200, Instruction to Bidders, Item 11. Addenda of the Project Manual, the bidders should have requested an interpretation or clarification prior to bid time, such as did Misan Construction, Inc. (See attached)

Furthermore, the Port held a Pre-Bid Conference to discuss and review all aspects of the project, which (2) two representatives of Misan Construction, Inc. attended, and to the best of our knowledge no representative of Bay Construction Company did. (See attached)

2. Written Statement on Misan Construction, Inc. Intends to comply with the Contract Documents: This portion of our letter will serve as Misan Construction, Inc. written statement, that Misan Construction intends to comply with not only the soil preparation requirements specified in the Contract Documents, but with all the requirements of the Contract Documents, as specified in the Project Manual.

Page 3

Landscaping of the Union Pacific Mole

Therefore, based upon the above facts, Bay Construction Company's Letter of Protest, dated December 11, 2001, should be denied by the Port of Oakland, and Misan Construction, Inc. should be awarded the Project, since it is the most responsive and responsible bidder.

Sincerely,

A handwritten signature in black ink, appearing to read "Mitsuru Ideishi". The signature is fluid and cursive, with the first name being more prominent.

Mitsuru Ideishi
President

CC; John Busby, Attorney-At-Law

clock. Construction of the 120v service will be paid for under a separate item.

- ITEM 16: Furnish and Install Irrigation Controller Unit "G".** The lump sum price to be paid under this item shall be full compensation for furnishing and installing irrigation controller unit "G", a Rainmaster DX-2 mounted inside a metered enclosure as shown on the Plans and as specified herein, including constructing concrete footing and metered enclosure, furnishing and installing wiring to the adjacent 120v service, and programming the time clock. Construction of the 120v service will be paid for under a separate item.
- ITEM 17: Furnish and Install Irrigation Control Wiring.** The lump sum price to be paid under this item shall be full compensation for furnishing and installing the irrigation control wiring connecting the automatic valves with the controllers, as shown on the Plans and as specified herein, including associated excavating, dewatering and backfilling.
- ITEM 18: All Electrical Contract Work Not Separately Provided for Under Other Bid Items** will not be measured. The lump sum price to be paid under this Item shall be full compensation for performing all electrical Contract work as shown on the Plans and as specified herein, except work that are to be paid for under other Bid Items.
- ITEM 19: Furnish and Place Mulch for 2" Thick Layer.** The unit price to be paid under this item shall be full compensation for furnishing, placing and spreading by hand a 2" thick layer of mulch within the grass, shrub and groundcover planting areas as shown on the Plans and as specified herein.
-  **ITEM 20: Perform Landscaping Soil Preparation and Finish Grading.** The unit price to be paid under this item shall be full compensation for furnishing and installing landscape soil preparation, fertilizers and mineral amendments; performing horticultural soil testing; and performing finish grading of planting areas; all as shown on the Plans and as specified herein.
- ITEM 21: Furnish and Plant Trees, 15 Gallon.** The unit price to be paid under this item shall be full compensation for furnishing and installing 15 gallon size trees, including hole preparation, back filling, and tree staking and tying, all as shown on the Plans and as specified herein.
- ITEM 22: Furnish and Plant Shrubs, 5 Gallon.** The unit price to be paid under this item shall be full compensation for furnishing and installing 5 gallon size shrubs, including hole preparation, bark mulching, and back filling, all as shown on the Plans and as specified herein.
- ITEM 23: Furnish and Plant Shrubs, 1 Gallon.** The unit price to be paid under this item shall be full compensation for furnishing and installing 1 gallon size shrubs, including hole preparation, bark mulching, and back filling, all as shown on the Plans and as specified herein.

3. DOCUMENT 00200 INSTRUCTIONS TO BIDDERS, page 00200-1

REVISE the first sentence of Paragraph 1, RECEIPT OF BIDS, to read as follows:

"The Port will receive sealed bids from Bidders until 2:00 p.m., on Friday, December 7, 2001."

4. DOCUMENT 00400 – BID FORM

DISCARD Document 00400, Bid Form and REPLACE with the attached Addendum No. 2 Document 00400. Bidder shall use the attached pink Addendum No. 2 Bid Form to submit bid.

5. ADDENDUM NO. 1 DOCUMENT 00430 – PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM

DISCARD Addendum No. 1 Document 00430, Port of Oakland Subcontractor and Supplier List Form and REPLACE with the attached Addendum No. 2 Document 00430.

6. SECTION 01100 – SUMMARY OF WORK, page 01100-5

DELETE Bid Items 24 through 26 and REPLACE with the following Items 24 through 28:

ITEM 24: Furnish and Plant Palm Trees, 20' Height. The unit price to be paid under this item shall be full compensation for furnishing and installing palm trees, 20' height, including hole preparation, back filling, and tree tying, as shown on the Plans and as specified herein.

ITEM 25: Furnish and Plant Ground Cover Plants, 1 Gallon. The unit price to be paid under this item shall be full compensation for furnishing and planting rooted 1 gallon size ground cover plants, including bark mulching, and back filling, all as shown on the Plans and as specified herein.



ITEM 26: Perform Native Seed Mix Hydroseeding. The unit price to be paid under this item shall be full compensation for furnishing and installing native plant seeding with hydromulch, including use of hydromulch mechanical apparatus, hydromulch spray materials, and hydroseed application as shown on the Plans and as specified herein. Notwithstanding Paragraph 1.03C herein below and Section 01200, Measurement and Payment, the quantity of this item may vary between 50% and 125% of the estimated quantity shown on the Bid Form and the unit price shall apply within this range.



ITEM 27: Perform Lawn Seed Mix Hydroseeding. The unit price to be paid under this item shall be full compensation for furnishing and installing lawn seeding with hydromulch, including use of hydromulch mechanical apparatus, hydromulch

spray materials, and hydroseed application as shown on the Plans and as specified herein. Notwithstanding Paragraph 1.03C herein below and Section 01200, Measurement and Payment, the quantity of this item may vary between 50% and 125% of the estimated quantity shown on the Bid Form and the unit price shall apply within this range.

ITEM 28: Landscape Establishment Maintenance. The lump sum price to be paid under this item shall be full compensation for furnishing all required materials and performing all Contract work of the 90-day landscape establishment maintenance period as shown on the Plans and as specified herein."

PLANS

1. DRAWING L-1 – PLANTING PLAN 'A'

DISCARD Drawing L-1, Planting Plan 'A' and REPLACE with the attached Addendum No. 2 Drawing L-1.

2. DRAWING L-2 – PLANTING PLAN 'B'

DISCARD Drawing L-2, Planting Plan 'B' and REPLACE with the attached Addendum No. 2 Drawing L-2.

3. DRAWING L-3 – PLANTING PLAN 'C'

DISCARD Drawing L-3, Planting Plan 'C' and REPLACE with the attached Addendum No. 2 Drawing L-3.

4. DRAWING L-4 – PLANTING PLAN 'D'

DISCARD Drawing L-4, Planting Plan 'D' and REPLACE with the attached Addendum No. 2 Drawing L-4.

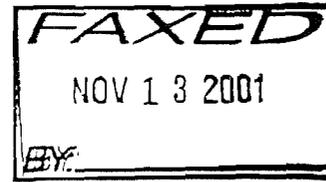
5. DRAWING L-7 – LANDSCAPE PLANTING DETAILS

DISCARD Drawing L-7, Landscape Planting Details and REPLACE with the attached Addendum No. 2 Drawing L-7.

6. DRAWING L-13 – IRRIGATION DETAILS AND NOTES

DISCARD Drawing L-13, Irrigation Details and Notes and REPLACE with the attached Addendum No. 2 Drawing L-13.

MISAN CONSTRUCTION, INC.
485 Gristmill Drive
Brentwood, CA 94513



F A X C O V E R S H E E T

DATE: November 13, 2001 TIME: 9:30 AM
TO: Joe Trapp PHONE: (510) 627-1323
Port of Oakland FAX: (510) 627-1880
FROM: Jon Lopez PHONE: (925) 634-3811
Misan Construction FAX: (925) 634-7570
RE: Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor
Shoreline Park **BID DATE:** Wednesday, November 21, 2001 @ 2:00 PM

Number of pages including cover sheet: 3

Message

Mr. Trapp,

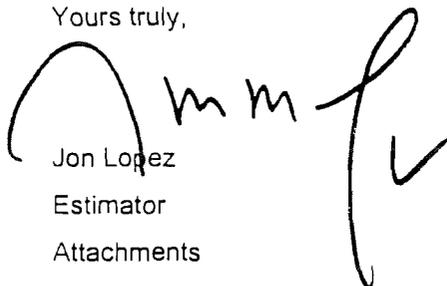
Please find attached, a copy of the Schedule of Bid Prices for the above referenced project. On this schedule, I have indicated our take-off quantities compared to the bid schedule quantities. As you can see, our quantities differ substantially. This will have a major effective on the Increases of More than 25 percent clause, and the final contract amount, if the bid quantities are not changed prior to bid time.

In addition, the following is a list of items that we are requesting clarification on:

1. There is no Bid Item for Header board. Is this to be included in Item # 1? Please clarify.
2. There is no Bid Item for Lawn Area Hydroseeding. (See Section 02965 and the Plant Legend on Sheet 8 of 17) Is this to be included in Item # 25? Please Clarify.
3. Section 02967-Hand Seeding, Paragraph 1.04-Scheduling/Sequencing, Item D-This item specifies the hand seeding of Seed Mixes 1, 2, and 3. However, the Seed Mix Legend shown of Sheet 8 of 17, specifies Seed Mixes A through G only. Please clarify.
4. Section 02920-Landscape Establishment Maintenance, Part 2-Products, Item 2.01 Materials, Paragraph B-States "Water: During the course of construction and maintenance period shall be paid by the contractor." Since we are connecting to an existing point-of-connection, does this apply? Please clarify.

Once you have had the opportunity to review the above, if you should have any questions, then please do not hesitate to contact our office.

Yours truly,


Jon Lopez
Estimator
Attachments

4. Based on the foregoing, Bidder proposes and agrees to fully perform the Work within the time stated and in strict accordance with the Contract Documents for the following sum of money listed in the following Bid Schedule:

SCHEDULE OF BID PRICES

All bid items, including lump sums, unit prices, and additive alternates must be filled in completely. Bid items are described in Section 01100, Summary of Work. Quote in numerals only, unless words are specifically requested.

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT PRICE (Figures)</u>	<u>TOTAL</u>
1.	All Contract Work Other Than Work Separately Provided for Under Other Bid Items	Lump Sum	<u>MISON QTY</u>	\$ _____
2.	Mobilization and Demobilization	Lump Sum		\$ _____
3.	Furnish and Install Irrigation Main Line, 3" Diameter or Larger	4,200 Ln Ft	<u>4440</u> \$ _____ per Ln Ft	\$ _____
4.	Furnish and Install Irrigation Main Line, 2-1/2" Diameter or Smaller	2,360 Ln Ft	<u>2940</u> \$ _____ per Ln Ft	\$ _____
5.	Furnish and Install Irrigation Lateral Line	19,500 Ln Ft	<u>26000</u> \$ _____ per Ln Ft	\$ _____
6.	Furnish and Install Irrigation Pop-Up Rotor Spray Emitters With 4" Diameter Heads	218 Each	\$ _____ Each	\$ _____
7.	Furnish and Install Irrigation Pop-Up Rotor Spray Emitters With 12" Diameter Heads	405 Each	\$ _____ Each	\$ _____
8.	Furnish and Install Irrigation Pop-Up Spray Emitters With 4" Diameter Heads	196 Each	\$ _____ Each	\$ _____
9.	Furnish and Install Irrigation Pop-Up Spray Emitters With 6" Diameter Heads	89 Each	\$ _____ Each	\$ _____
10.	Furnish and Install Irrigation Pop-Up Strip Spray Emitters	120 Each	\$ _____ Each	\$ _____
11.	Furnish and Install Irrigation Tree Bubblers	57 Each	\$ _____ Each	\$ _____

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT PRICE (Figures)</u>	<u>TOTAL</u>
12.	Furnish and Install Irrigation Remote Control Valves With Boxes	100 Each	\$ _____ Each	\$ _____
13.	Furnish and Install Irrigation Gate Valves	14 Each	\$ _____ Each	\$ _____
14.	Furnish and Install Irrigation Quick Coupling Valves	49 * SS Each	\$ _____ Each	\$ _____
15.	Furnish and Install Irrigation Controller Unit "F"	Lump Sum		\$ _____
16.	Furnish and Install Irrigation Controller Unit "G"	Lump Sum		\$ _____
17.	Furnish and Install Irrigation Control Wiring	Lump Sum		\$ _____
18.	All Electrical Contract Work Not Separately Provided for Under Other Bid Items	Lump Sum		\$ _____
19.	Furnish and Place Mulch for 2" Thick Layer	106,090 Sq Ft	\$ _____ per Sq Ft	\$ _____
20.	Perform Landscaping Soil Preparation and Finish Grading	512,210 Sq Ft	\$ _____ per Sq Ft	\$ _____
21.	Furnish and Plant Trees, 15 Gallon	124 * 394 Each	\$ _____ Each	\$ _____
22.	Furnish and Plant Shrubs, 5 Gallon	2,400 * 113 Each	\$ _____ Each	\$ _____
23.	Furnish and Plant Shrubs, 1 Gallon	9,500 * 2634 Each	\$ _____ Each	\$ _____
24.	Furnish and Plant Ground Cover Plants, 1 Gallon	18 * 9502 Each	\$ _____ Each	\$ _____
25.	Perform Native Seed Mix Hydroseeding	600,000 Sq Ft	\$ _____ per Sq Ft	\$ _____

↑ Does this include the LAWN AREA SEEDING?

D. November 7, 2001

Pre-Bid Conference Sign-In Sheet

Project: Landscaping of Union Pacific Mole, Promenade and Berth 40, Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, CA

Name Company Name & Address Telephone Fax Email

	Name	Company Name & Address	Telephone	Fax	Email
1	Rhonda Odol	Port of Oakland- Office of Equal Opportunity 530 Water Street, Oakland, Ca 94607	510-627-1566	510-451-1656	rodol@portoakland.com
2	MITS IDEISHI	MISAN CONST.	925 634-3811	925 634-7570	
3	JOHN LOPEL	✓ ✓	✓	✓	
4	RONALD BEI	CONTRA COSTA LANDSCAPE	925 229-1060	229-3152	
5	Rich Lozano	" " "	"	"	
6	CARL NAGATA	PORT	(510) 627-1595	(510) 494-3812	
7	STEVE CLAPPEN	WATKIN & BORTOLUSSE	415 453 4647	415 453 4129	wabo@atdial.net
8	Ann Wilson	Port	510 521 125		awilson@portoakland.com
9	Joe Papp	Port	627-1323	627-1800	JTPAPP@PortOakland.com
10	OLE PAPP		627-1264		
11	Larry Rubison	Rubison	510-412-1762 510-412-1762	510-412-1762	
12	Mai Hua	Am Risk Services - OCP Admin	510 412 1762	510 412 1751	larryba@rubison.com
13	BENJAMIN CLIFFIN	Port - 627-1391	510-627-1623	510-627-1625	benj@portoakland.com
14	KEVIN HONANES	PORTLAND LANDSCAPE	510-236-1211	415-116516	khonanes@portland.com
15				276-1660	
16					
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Agenda Sheet

DATE: January 15, 2002

SUBJECT: PERSONNEL ITEMS

- Creation of a Classification/Position
- Title Changes
- Appointment of Director, Social Responsibility

ITEM NO: 355

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

SUBMITTED BY: John Glover *JG*

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani *Y*

FACTUAL BACKGROUND:

I. CREATION OF A CLASSIFICATION/POSITION -- Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the classification **Port Engineering Technician I** and assignment to **Salary Schedule 65.7** (a--\$3506; b--\$3684; c--\$3867; d--\$4091; e--\$4328). This classification is being created as a result of a classification study. Also needed is the creation of an additional position of Executive Assistant for the Social Responsibility Department as shown below.

CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Port Engineering Technician I	OPER	Engineering	1	A	65.7 (a--\$3506; b--\$3684; c--\$3867; d--\$4091; e--\$4328).
Executive Assistant	OPER	Social Responsibility	1	D	227.85 (a--\$4206; b--\$4417; c--\$4636; d--\$4,916; e--\$5,209).

II. TITLE CHANGES -- Ordinance (2 Readings)

- A. It is requested that the Board approve the title changes for the following classifications. This is a result of a classification study. The new titles will not result in a change in salaries.

CURRENT TITLE	NEW TITLE
Electrical-Mechanical Technician	Port Engineering Technician II
Intermediate Drafting Technician	Port Engineering Technician II
Senior Drafting Technician	Port Senior Engineering Technician
Senior Electrical-Mechanical Technician	Port Senior Engineering Technician
Principal Drafting Technician	Port Principal Engineering Technician

III. APPOINTMENT OF DIRECTOR, SOCIAL RESPONSIBILITY

- A. It is requested that the Board approve the appointment of Bernida Reagan to the position of Director, Social Responsibility at salary rate **\$8,750/month**, effective February 19, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of a classification/position, title changes, and appointment of Director, Social Responsibility.

Approved by Resolution
No. *020910*

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

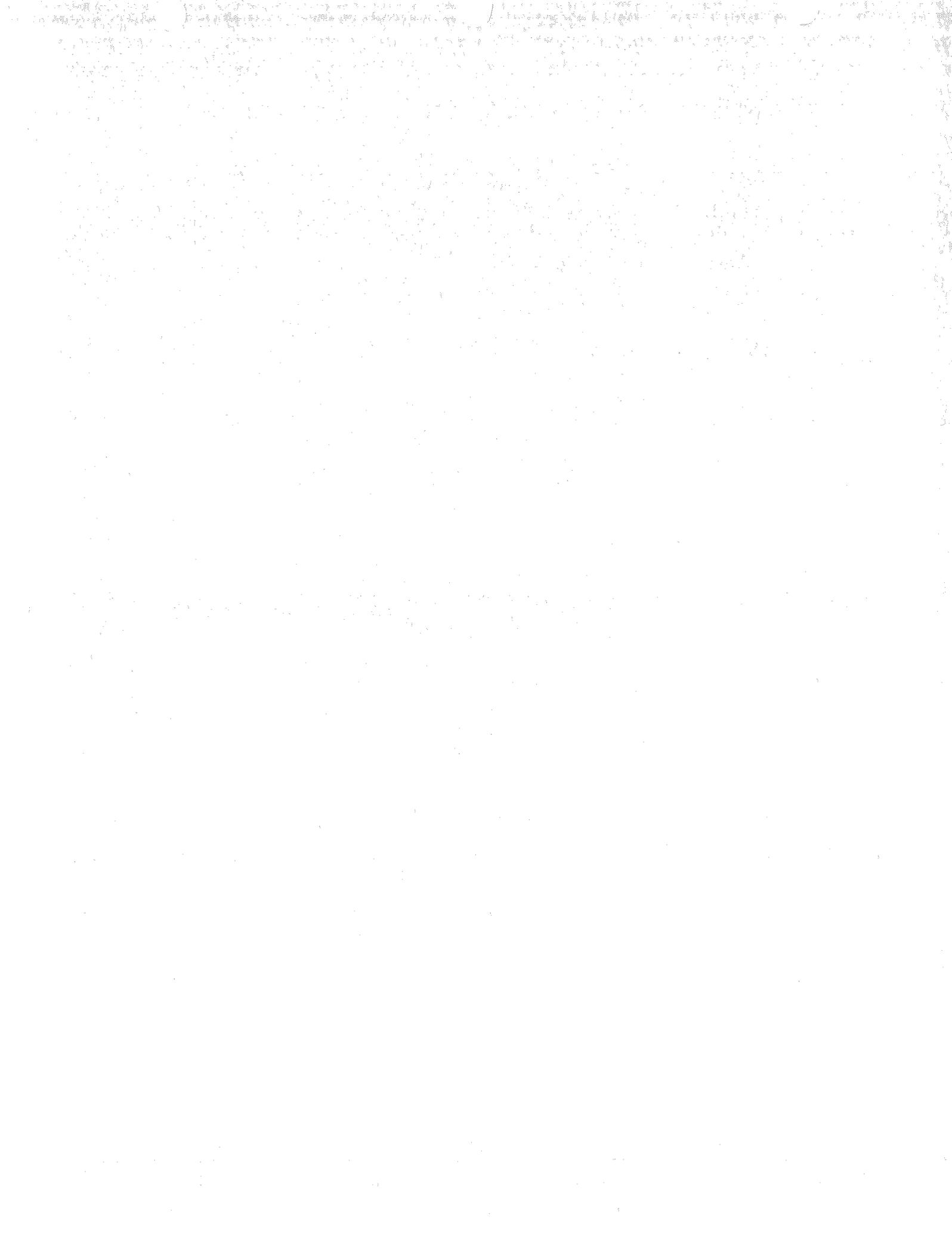
BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

Sam Kruppel

JAN 15 2002

DATE



BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

CHRISTOPHER C. MARSHALL
Secretary of the Board

C A L E N D A R

**Adjourned Regular Meeting of the Board of Port Commissioners
Tuesday, January 29, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into
Closed Session at 3:00 p.m. See Item 40.**

READING OF THE MINUTES:

Regular meeting of November 6, 2001

Deferred - regular meeting of November 20, 2001; regular
meeting of December 4, 2001; regular meeting of December
18, 2001; and regular meeting of January 15, 2002.

OPEN SESSION: 4:00 p.m.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Administration
Audit, Budget & Finance
Commercial Real Estate
Executive

READING OF SUMMARY ITEMS: (Marked "S")

5 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Ratification by the Board of Commissioners of the Procurement of 2 Electronic Fingerprinting Systems and its Peripheral Equipment. (Resolution)
- 2** Approval of Agreement with Environmental Science Associates to Prepare Environmental Documentation for the Airport Development Program. (Resolution)

COMMERCIAL REAL ESTATE

- 11** This item not used.
- 12** Approval to Execute Proposed Right of Way Easement Agreement with Caltrans, Granting Temporary Construction Easements for the Seismic Retrofit of the Webster & Posey Tubes. (Ordinance)
- 13S** Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenter's Union for Property Located at 115 Broadway Street, Oakland, California. (Ordinance)
- 14S** Right-of-Entry and Indemnity Agreement with Oakland Harbor Partners, LLC, for Port-Owned Properties Located in the Oak-to-Ninth District. (Resolution)

MARITIME

- 21 CONTINUED TO 2/5/02** New Non-Exclusive Preferential Assignment with American President Lines (APL). (Ordinance)
- 22 CONTINUED TO 2/5/02** Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd. (Resolution and Ordinance)
- 23S** Approval of a Building Permit Application by American President Lines Limited to Install Electrical Power Upgrades at the APL Terminal, Berths 60-63, 1395 Middle Harbor Road. (Resolution)

OPERATIONS

- 31S** Personnel Items: Creation of Classification/Position; and Title Change. (Ordinance)
- 32S** This item not used.
- 33S** Approval of Professional Services Contract with TRS Consultants, Inc. to Perform Pilot Electronic Payroll Submittal Project for Point Arnold Restrooms, Middle Harbor Shoreline Park Project. (Resolution)

BUILDING PERMIT APPLICATION: ("S")

Hertz Rent-A-Car, Removal and lawful disposal of two underground storage tanks including all piping and related equipment.

Sierra Academy of Aeronautics, interior tenant improvements to create offices and work space for the operation of corporate aviation terminal.

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

Vote on the following resolutions:

Ayers: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Uribe and President Tagami – 6
Noes: None
Absent: Commissioner Scates – 1

RESOLUTIONS:

- 02015 1** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PROCURE ON THE OPEN MARKET, WITHOUT COMPETITIVE BIDDING, TWO IDENTIX TOUCHPRINT 2000 ELECTRONIC FINGERPRINTING SYSTEMS AND PERIPHERAL EQUIPMENT AT MUNICIPAL OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND RATIFYING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SAME, INCLUDING INSTALLATION AND MAINTENANCE, BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport – 1)
- 02016 2** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ENVIRONMENTAL SCIENCE ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 2)
- 02017 3** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH OAKLAND HARBOR PARTNERS, LLC.
(Commercial Real Estate – 14S)
- 02018 4** GRANTING AMERICAN PRESIDENT LINES, LTD., PERMISSION TO PERFORM CERTAIN WORK.
(Maritime – 23S)
- 02019 5** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH TRS CONSULTANTS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 33S)

- 02020 6** GRANTING THE HERTZ CORPORATION, PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02021 7** GRANTING SIERRA ACADEMY OF AERONAUTICS, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02022 8** SETTling CLAIMS AND AUTHORIZING EXECUTION OF STIPULATED AGREEMENT. (Closed Session - 40)
- 02023 9** AUTHORIZING AND APPROVING RETENTION OF SPECIAL COUNSEL. (Closed Session - 40)
- 02024 10** APPROVING APPOINTMENT OF SPECIAL COUNSEL. (Closed Session - 40)

Vote on the following ordinances:

Ayes: **Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami - 6**

None

Absent: **Commissioners Scates - 1**

ORDINANCES:

1 ("S") Port Ordinance No. 3678 being, "AN ORDINANCE AMENDING SECTIONS 5.026, 8.114, 8.0636, 8.0611, 8.113 AND 8.0615 OF PORT ORDINANCE NO. 867 AND ADDING SECTION 8.119 TO PORT ORDINANCE NO. 867."

Final.

2 Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A RIGHT OF WAY AGREEMENT FOR TEMPORARY EASEMENTS WITH STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION."

Commercial Real Estate - 12 to print.

- 3** Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO CARPENTERS UNION LOCAL 2236 AND PACIFIC GAS AND ELECTRIC (PG&E) FOR BUILDING ENCROACHMENT, EMERGENCY INGRESS AND EGRESS AND SUBSURFACE UTILITIES LOCATED AT BROADWAY STREET, OAKLAND, CALIFORNIA."

Commercial Real Estate - 13S to print.

- 4** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE THE NEW POSITION OF AIRPORT SECURITY MANAGER, TO AMEND SECTION 5.121 OF PORT ORDINANCE NO. 867 AND AMENDING PORT ORDINANCE NO. 3675 TO CORRECT AND UPDATE PORT ORDINANCE NO. 867."

Operations - 31S to print.

APPEARANCES: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

**INFORMAL SESSION: (Discussion Purposes Only –
No Action to be Taken)**

- 1. Proposed Lobbyist Registration Program.**
- 2. Asia Trade Mission**
- 3. Board Retreat**
- 4. Equal Benefits Ordinance**
- 5. This item not used**

ADJOURNMENT: The next meeting will be a regular meeting held on Tuesday, February 5, 2002 at 3:00 PM.

Agenda Sheet

DATE: January 15, 2002

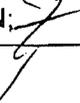
ITEM NO: 1

SUBJECT: Ratification by the Board of Commissioners of the procurement of 2 electronic fingerprinting systems and its peripheral equipment.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Effective December 6, 2001, the Federal Aviation Administration (FAA) determined that the current airport "10 Year Employee Verification and Security Background Check" will no longer be accepted when applying for airport identification badges. The revised Security Directive requires all airport users requesting unescorted privileges into secured areas of the airport to be fingerprinted as proof of a Criminal History Record Check (CHRC). The methodology for obtaining the level of history verification in the past has been an arduous task that would often take up to 6 weeks to complete. Due to the fact that the largest airports (i.e. Category X) have been required to conduct CHRC for several years the FAA/DOT and the Department of Justice - Office of Personnel Management (DOJ/OPM) have implemented the ability for airports to submit fingerprint data electronically and obtain the record check results in 2 - 3 days.

ANALYSIS:

Oakland International Airport (OAK) is required by the above FAA Directive to conduct the CHRC on all Secure Identification Area (SIDA) badge applicants pursuant to issuing the badge to the applicants. The need to get into the supply cycle of the imaging machines necessitated fast track procurement of the units due to the volume of orders that all suppliers, of electronic fingerprint/imaging systems, are receiving from airports all across the nation. Without the CHRC, the airport cannot issue SIDA badges to contractors and other badge applicants. Consequently contracts that are pending between the Port and contractors that need badges are now undergoing delays, as the airport complies with this Security Directive.

GENERAL

The airport received two proposals from organizations that supply systems that are certified by the Federal Bureau of Investigation (FBI) for imaging and transmission of fingerprint data. Port staff visited SFO and contacted other locations that could give an evaluation of their respective systems. It was determined that both bids were within competitive reason to each other and that user friendliness and reliability would be the deciding factor. Both SFO and SJC have chosen and utilize the Identix *Touchprint 2000*SM for its user friendliness and imaging consistency feedback function. Therefore it was the decision of airport staff that OAK should also procure two Identix *Touchprint 2000*SM systems.

The sum of charges required for purchasing, installing and maintaining 2 Identix *Touchprint 2000*SM for the next year is \$91,072.48. This project is fully funded under Federal AIP Special Security Funding.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (a) which exempts interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances, and Section 15061 (b) (3) which renders projects not subject to review for exemption under CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SUSTAINABILITY:

As the Security Directive is explicit that CHRC's are a mandatory precursor to SIDA badging, and that OAK must be in

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02015

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

JAN 29 2002

DATE

Subject: Ratification by the Board of Commissioners of the procurement of 2 electronic fingerprinting systems and its peripheral equipment.

compliance with all FAA Directives as a component of Federal certification to operate, this Directive will be the standard for K in its badging process. The procurement of these systems will serve to keep the airport current, both now and in the future, in its' compliance to FAA requirements for operation as a certified airport under those FAA requirements.

OPTIONS:

The airport is required by Federal law to conduct the CHRC in order to qualify personnel for SIDA badging. There are several options for compliance to that requirement. One option is the purchase of manual machines that produce "fingerprint cards" that are express mailed to the DOJ for the CHRC. The initial manual process of "rolling" the prints takes less time than the imaging process but the turnaround of the required criminal history feedback is usually up to 6 weeks. The second option is the fingerprint imaging system. While the initial processing time is longer, around 15 minutes, the return of information from the DOJ is only 2 to 3 days. It is for this reason that Port staff preferred the second option. The delay of the badging process for up to 6 weeks, for the contractors and tenants, would create serious project delays and delay the tenants from gainfully employing needed applicants into job positions.

RECOMMENDATION:

It is recommended that it be found in the best interest of the Port, for the expedition of SIDA approval and badging that the Board ratify the purchase of two (2) Identix *Touchprint 2000*[™] systems for \$91,072.487. In addition, it is requested that the Executive Director be authorized to approve up to \$13,661.00 (15%) for contingencies as necessary.

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 2

SUBJECT: Approval of Agreement with Environmental Science Associates to Prepare Environmental Documentation for the Airport Development Program

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

On December 16, 1997, the Board of Port Commissioners certified a final Environmental Impact Report (EIR) for the Port's Airport Development Program (ADP). The Board's certification was challenged in court. The State Court of Appeal ruled for the Port on several counts, but required the Port to complete a Supplemental EIR (SEIR) to address potential increases in toxic air contaminant emissions and potential related health and environmental risks; potential increases in nighttime aircraft noise; and potential impacts on the burrowing owl. Subsequently, the Port negotiated and executed a First Phase Settlement Agreement with the petitioners to the litigation that allows twelve of the ADP projects to proceed while the Port completes the SEIR.

ANALYSIS:

The SEIR's toxic air contaminant and single-event nighttime noise analyses will be somewhat unprecedented, in that the environmental science that is necessary to complete the work is still in the developmental stage and has yet to be reviewed or sanctioned by any panel of the California Court of Appeal. The environmental analyses that will be performed for the ADP could have long-term implications for this and future Port projects, including non-airport projects. Consequently, staff is proposing that the ADP SEIR work be performed in two phases: (1) an attorney-client privileged first phase; and, (2) a public document second phase. Pursuant to the directions heretofore given by the Board, both phases of the SEIR work will be completed by Environmental Science Associates (ESA), the consultant that prepared the previous environmental documentation for the ADP. ESA will be assisted by two subconsultants with expertise in airport noise (Brown-Buntin Associates) and in health risk assessments for airport operations (Camp Dresser-McKee, Inc.). Camp-Dresser McKee, Inc., recently completed an analysis of the health risks of air toxics for expansion of the Los Angeles International Airport. Port staff also proposes to use the environmental consulting firm of Environ in a peer review role. The attorney-privileged phase of the SEIR process will enable Port staff to identify potential significant environmental effects of the project and focus the scope of the public SEIR document.

In order to make decisions regarding the Terminal Expansion Project and other ADP components in a timely manner, it is necessary for planning and environmental document preparation to continue without delay. Accordingly, Port staff recommends retaining the services of the ESA team due to its thorough understanding of the current project and its ability to provide the most comprehensive and efficient response to the issues discussed above.

Once the preliminary scoping and attorney-client privileged tasks are completed, the ESA team expects the preparation of the SEIR from Draft to final certification to take 13 months.

Sustainability

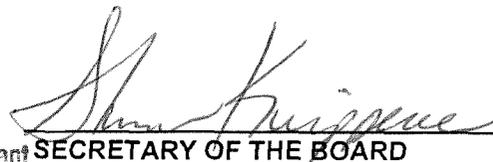
This professional services agreement will have no direct impact on sustainability but, as the ADP projects are implemented, each will explore opportunities for sustainability.

- MOTION
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- INFORMATION ONLY

Approved by Resolution
No. 02016

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

JAN 29 2002

DATE

Budget

The SEIR effort is budgeted under CIP element A2.00686.02. The funding source will initially be Port Cash, with the intention of reimbursement by future PFCs.

RECOMMENDATION:

It is recommended that the Board adopt a resolution that:

1. Determines that the environmental services as described above are professional services; and
2. Authorizes preparation and execution of a Professional Services Agreement with the ESA consulting team (including work to be performed by the subconsultants, Camp Dresser-McKee, Brown-Buntin Associates and ENVIRON). The Professional Services Agreement will provide compensation not to exceed contract maximum of \$1,200,000. It is further recommended that the Executive Director be authorized to approve additional work up to \$250,000. However, it should be noted that these cost estimates are preliminary and may be subject to change depending on the results of the initial scoping effort and legal negotiations.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 12

SUBJECT: Approval to Execute proposed Right of Way Easement Agreement with Caltrans, granting Temporary Construction Easements for the Seismic Retrofit of the Webster & Posey Tubes

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The California Department of Transportation (Caltrans) is planning to seismically retrofit the Webster and Posey Tubes between Oakland and Alameda. The project will impact two areas within Jack London Square, one adjacent to the Old Spaghetti Factory (Webster Tube) and another adjacent to the old Jack London Village site (Posey Tube). Two separate basins of the Jack London Marina will also be impacted.

The first stage of the Jack London Square project involved a test or demonstration phase intended to test the viability of the "jet grout" retrofit method. Specifically, Caltrans injected "jet grout" into small sections of the Posey Tube and analyzed the results to determine the overall effectiveness of the jet grouting method. This phase of the project was completed in August 2000, and was determined to be successful. Caltrans' task was then to set a timeline for completion of the retrofit project on the remainder of the Posey and Webster Tubes.

The Posey Tube was constructed in 1928, and connects Oakland with Alameda. The tube is constructed of reinforced concrete and is nearly 4,500 feet long, including approach sections; cast-in-place and pre-cast immersed sections, and portal buildings housing the ventilation fans. At its lowest crossing under the estuary the tunnel roadway is 68 feet below sea level. The tube was designated an historic landmark by the City of Oakland in 1992. The Webster Street Tube was constructed in the early 1960's and is of similar construction to the Posey Tube. It is about 4,400 feet long and is 71 feet below sea level at its lowest point.

Caltrans has determined that the soil within the limits of both tubes has poor to fair seismic characteristics. Liquefaction has been found to be a significant hazard for both tubes. Liquefaction of the soil below the tubes could allow the tube to float or be displaced laterally resulting in loss of integrity, severe distortion, structural damage or total failure.

The jet grouting retrofit method would densify the ground around the tube with a mixture of cement and natural soil. With the jet grouting method, a high-pressure jet lance is jetted into the ground to the desired depth. The lance is a double or triple tube pipe. Once at depth, a horizontal water jet is turned on which carves out a cylindrical cavern around the pipe, while excavating soil is removed up along the pipe. The next step is to replace the water jet with a jet of cement grout. The end result is an irregular column consisting of a mixture of soil and cement. The columns will be overlapped and will form a continuous wall or mass that will have considerable strength. The stone column retrofit method will only be used in the water area around the Webster tube. This method will involve the driving or vibrating of hollow 18 "diameter steel piles around the base of the tube structure. The piles will be filled with clean graded stone aggregate that will enhance the soil stability.

ANALYSIS:

To facilitate the retrofit work for both the Posey & Webster tubes, Caltrans will need to secure several temporary construction easements from the Port. These various surface easements are adjacent to the actual tube rights of way, and will be used primarily for equipment storage, supplies and construction staging. Caltrans has existing easement rights for the land and water areas directly above the tube structures.

Staff has negotiated the terms and conditions of a "Right of Way Easement Agreement" which will grant Caltrans the easement rights that they require. Ellis Partners has also been involved in these negotiations, since portions of the proposed Caltrans easements are within the Jack London Square Phase II development area. The following is a summary of the major terms and conditions of the proposed Agreement:

- **Term:** The term of the agreement would commence on January 1, 2002, and would expire December 31, 2004.
- **Premises:** Two (2) temporary construction easements adjacent to the Posey Tube totaling approximately 97,025 s.f. of land and water area. One (1) temporary construction easement adjacent to the Webster tube totaling approximately 70,107 s.f. of water area.

- MOTION
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- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JAN 29 2002

DATE

- **Use:** Construction work associated with the retrofit of the Posey & Webster tubes using jet grouting and stone column methods.
- **Compensation:** Caltrans will reimburse the Port approximately \$590,000 for their use of the temporary easement areas. This amount is based on the appraised rate of \$140 per square foot (10% return) for land areas and actual marina berth rental rates (\$8 plf) for the water areas. Staff believes this amount is sufficient to reimburse the Port for anticipated lost revenue projected to be \$330,500 (marina = \$218,000; parking = \$112,468) during the course of the project.
- **Marketing Fund:** Port staff will develop a marketing program to help mitigate some of the potential economic impacts of the retrofit project on Port tenants in the immediate project area. This program may include print advertising, special promotions, free customer parking, and periodic updates in "Currents" magazine. The goal of the program will be to attract new business for the affected Port tenants. Caltrans has agreed to contribute an additional \$25,000 to help fund this program.
- **Project Phasing:** The agreement will contain a construction phasing plan/schedule that will outline the approximate number of months that Caltrans will need to complete certain segments of the project, and the approximate dates that they will occupy those segments. This phasing plan/schedule was reviewed and accepted by Ellis Partners and does not conflict with their anticipated development schedule for the Phase II development of Jack London Square.
- **Damages:** The agreement will contain a provision for the payment of damages to the Port and Ellis Partners in the event that the construction phasing plan/schedule is exceeded. This provision is needed to assure that the Ellis development schedule is not compromised. Caltrans would pay damages of up to \$2,000 per day to the Port for the benefit of Ellis Partners depending on the location of the delay. The Port would also receive additional compensation from Caltrans based on the appraised rate if any portion of the construction project exceeds 12-months.
- **Marina Improvements:** Caltrans will pay the entire cost associated with the removal and subsequent re-installation of portions of the Jack London Square East & Center Basins marina docks and improvements. Port staff will provide Caltrans with marina as-builts, and will work with Caltrans staff to insure that the marina improvements are protected and properly reinstalled. The affected portions of the marina would be removed for a one-year period. Caltrans would be responsible for relocating the marina berthers to alternate marina facilities.
- **Restoration of Project Site:** Caltrans agrees to fully restore and repair any damage to the project areas. This includes damages to surface parking lots, underground utilities, landscaping areas, etc.
- **Vehicle Access:** Caltrans will provide for continued vehicular access between parking lots 5, 7 & 9 during the term of the agreement. At least one vehicle entrance will remain open at all times over the duration of the project. Caltrans will provide necessary signage to direct pedestrian and vehicular traffic.
- **Construction Guidelines:** The agreement will contain guidelines for construction activities in the project areas. This will cover safety issues, construction fencing, contractor parking, dust control, work hours, etc.
- **Toxic Materials:** The agreement will contain the Port's standard language regarding toxic materials.
- **Relocation Assistance:** Caltrans will be solely responsible for the payment of relocation assistance benefits to displaced marina berthers, as required by law. Benefits would include actual moving expenses for all displaced berthers, and potential rent differential payments for live-aboard berthers.
- **Insurance:** The Port will agree to accept the State's letter of self-insurance.
- **Future Boat Shows:** Caltrans agrees to cooperate with the boatshow operator and Port to accommodate future boat shows in the area.

Staff has explored ways to help reduce the impact of the construction project on the surrounding Port tenants, namely the Il Pescatore Restaurant, Old Spaghetti Factory, Kincaids and Heinholds First and Last Chance. A marketing program will be implemented during construction, with the goal of attracting additional customers and maintaining business activity. As mentioned earlier, Caltrans will contribute \$20,000 toward that marketing program.

Also, the marina berthers are very concerned about the eventual de-construction/re-construction of the marina improvements, due to the retrofit project. They have had ongoing meetings with Port and Caltrans staff to articulate their concerns, and to get a better understanding of the Caltrans relocation assistance program. Staff will continue to meet with the berthers to update them on the project and address their concerns.

This item was discussed in both the December and January Commercial Real Estate Committee Meetings.

CEQA: Ministerial Action; Exempt CEQA; Section 15268

SUSTAINABILITY OPPORTUNITIES:

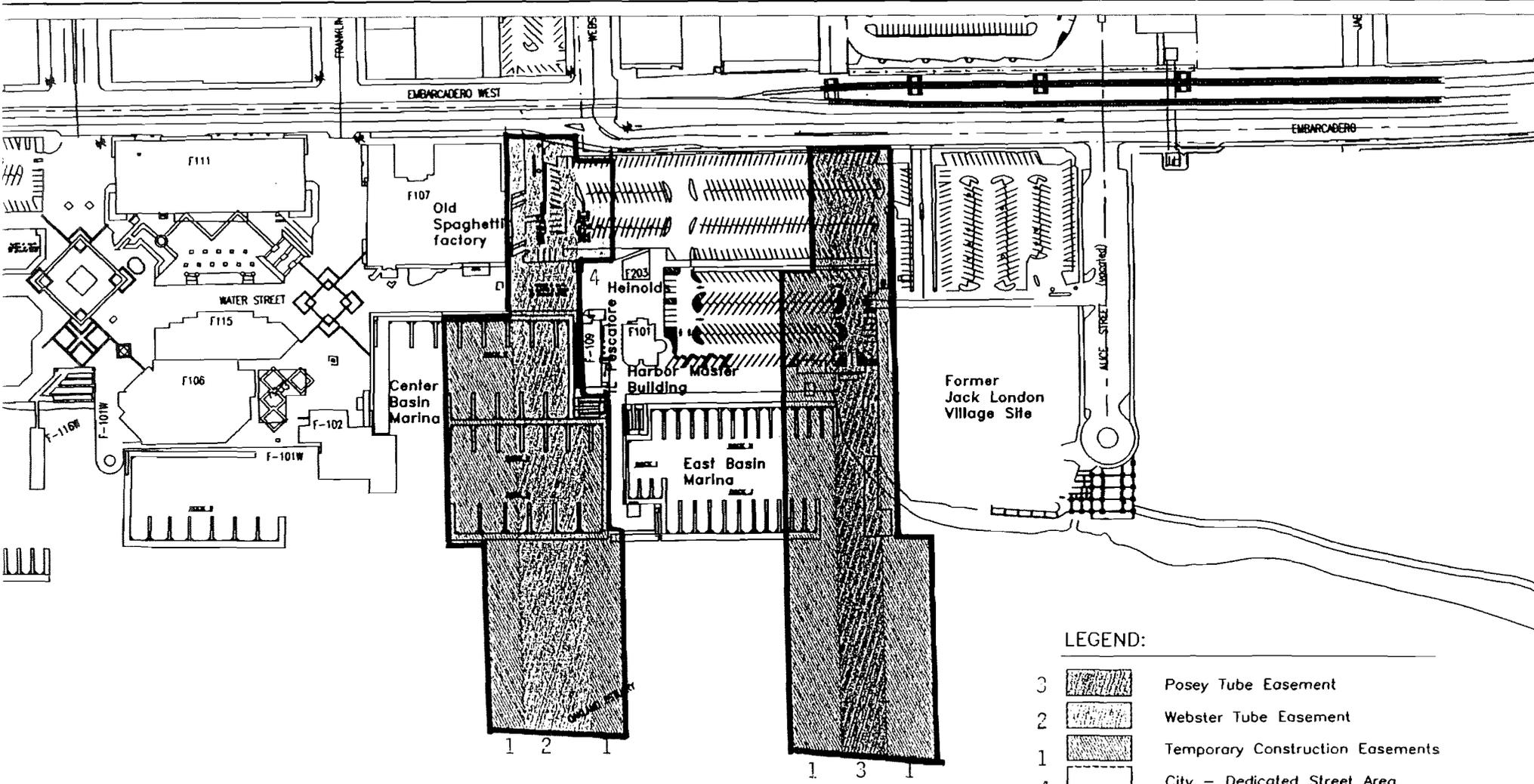
The temporary construction easements are necessary to allow Caltrans to implement a seismic retrofit project to protect public safety. The seismic retrofit project is not a Port project; therefore any sustainability opportunities associated with the project are outside the Port's scope of authority.

OPTIONS:

- Approve staff recommendation
- Approve staff recommendation with additional conditions
- Do not approve staff recommendation

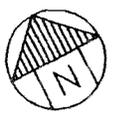
RECOMMENDATION:

It is recommended that the Board approve and authorize the Executive Director to execute the proposed Right of Way Easement Agreement and any related documents with Caltrans for the Webster & Posey Street tube seismic retrofit, as outlined above.



LEGEND:

- 3 Posey Tube Easement
- 2 Webster Tube Easement
- 1 Temporary Construction Easements
- 4 City - Dedicated Street Area



<p>REVISION</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																		<p>Land Records Management</p> <p>Jack London Square Tube Easement</p>	<p>PORT OF OAKLAND</p> <p> 530 WATER STREET OAKLAND, CALIFORNIA</p>	<p>DATE 11/27/2001</p> <p>SCALE NO SCALE</p> <p>SHEET 1 OF 1</p> <p>FILE project/tube.tbl</p>

The configuration of the existing terminal also has boundaries that are not optimally located and an old yard lighting system. Given the age and condition of the facility it is proposed that a new Agreement be authorized containing the following elements:

Since APL is still investigating the various tax impacts of the terms of the proposed new Agreement, Maritime staff has indicated that the Port would be flexible in structuring the new Agreement, including entering into a number of related agreements, in order to address APL's tax considerations, so long as the Port is not disadvantaged and so long as APL is legally bound for a period of 15 years to substantially the terms of the proposed New Agreement which are set forth below.

1. Term:

A fifteen (15) year term is proposed with two additional option periods of 5 years each.

2. Premises:

It is proposed that the Premises consist of the land and water area included in the Agreement together with the "Sherex" premises for a total land area of approximately 79.38 acres and a total berthing area of approximately 9.17 acres.

3. Improvements:

Major portions of the \$45 million dollars in work to the facility will include demolition and/or reconstruction of the maintenance and marine operations buildings, the reefer wash facility and the outbound canopy. The container yard pavement will also be reconstructed. The electrical and lighting systems will be refurbished and work will be done to the reefer bunkers and racks.

4. USE:

It is proposed that APL have the right to assign the new Agreement to Eagle Marine, its terminal operating subsidiary, provided that APL remain liable under the Agreement. The new Agreement will continue to treat APL cargo from APL ships and APL cargo from Mitsui OSK Lines/ Hyundai Merchant Marine vessels working at Berth 30 (TRAPAC) as primary use cargo for compensation purposes at the APL Terminal. Hyundai cargo from/to APL ships at the APL Premises shall continue to be treated on a Secondary Use Cargo basis for purposes of compensation under the secondary use provisions of the Berth 30 Tra Pac terms. Matson cargo from APL ships at the APL Terminal will continue to be treated under the compensation terms of the Matson Lease Agreement. Mitsui cargo from or to APL ships at the APL Premises will continue to be subject to the Berth 30 use provisions for compensation purposes.

APL vessels and cargo as well as all existing other users of the existing Berths 60 – 63 which are classified as secondary users as of August 1, 2001, shall be considered primary users and will be credited towards the primary use Minimum Annual Guarantee and Breakpoint ("MAG/BP"). These users which shall be considered as primary are ANZDL, Columbus, FESCO and P&O Nedlloyd (collectively referred to as the Oceania Group), Star Shipping and Toyofuji.

However, the cargo for Hyundai, Matson and Mitsui ("Additional Users") shall be treated in accordance with today's practice and as specified in the above preceding paragraph and shall not be credited towards the Primary Use MAG. Primary Use shall also include any new shipping line user which has not called the Port before the term commencement of the proposed new Agreement.

5. Compensation:

A. Basic Provisions

The annual breakpoint (BP) for all primary use shall be 218,000 loaded twenty foot equivalent units ("TEU"). As of August 1, 2001 and during the construction period through completion of the upgrades, in lieu of paying the prevailing Port Tariff charges for dockage, wharfage, wharf demurrage and wharf storage, the following will apply:

The Port would be compensated for the land, berthing area and existing improvements as follows:

Rehabilitation Construction Acreage Completed	MAG
Up to 50% completion	\$ 6,800,000.00
Up to 70% completion	\$ 7,600,000.00
Up to 90% completion	\$ 8,400,000.00
Up to 100% completion	\$ 9,600,000.00

All renovation to the buildings must be completed before the Port is compensated at the MAG level of \$9,600,000.00. All loaded TEUs which exceed the BP of 218,000 loaded TEUs during construction shall be assessed the BP rate of \$25.00.

B. Escalation to Compensation:

Under the proposed new Agreement the MAG shall be comprised of compensation payments to the Port for the land and berthing area (the "submerged land area") as well as for the improvements to the facility. The agreed upon value as of 8/1/01 for the land is \$11.75 per square foot while the submerged land value is at \$ 5.875 per square foot, both compensating the Port at 10% rate of return. The land and submerged land values will be subject to the increase in the fair market value (FMV) of the land and submerged land areas during every 5 years of the term of the new Agreement and the portion allocated to the land and water areas for the MAG shall be adjusted accordingly. However, this adjustment shall not result in an increase of more than 10% to the land and submerged land values during any 5 year period.

The balance of the MAG, comprised of the improvements component, shall also be subject to increase and adjustment in accordance with any dockage and wharfage rate increases in the same Port's Tariff 2-A. Furthermore, the above Breakpoint rate of \$25.00 shall also be subject to the same percentage increase as the MAG.

C. IPI Incentive:

For years 1 through 10, if in any contract year the Primary Use IPI volume defined below exceeds both the following IPI loaded TEU Breakpoint levels (defined below) and total Primary Use exceeds the Breakpoint level of 218,000 loaded TEUs, then the Port at the conclusion of each such contract year shall refund the following amounts for each such loaded IPI TEU which exceeds the following IPI Breakpoints:

<u>CONTRACT YEAR</u>	<u>LOADED TEU IPI BP</u>	<u>REFUND/IPI TEU ABOVE IPI BP</u>
1	26,200	\$ 5.00
2	27,510	\$ 5.00
3	30,000	\$ 7.00
4	35,000	\$ 7.00
5	40,000	\$ 7.00
6	45,000	\$ 8.00
7	50,000	\$ 8.00
8	55,000	\$ 8.00
9	60,000	\$ 8.00
10	65,000	\$ 8.00

Interior Point Intermodal ("IPI") Cargo is defined as cargo originating from or terminating at the following geographic locations; in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest Territories of Canada, the Canadian provinces of Manitoba or Northwest territories or Canadian provinces easterly thereof.

D. APL Risk of Losing 3rd Party Clients:

If APL loses a third party client, those customers that were previously defined as secondary users but under the proposed new Agreement would be classified as primary users as of August 1, 2001, as delineated above, to another Port tenant, then APL shall receive loaded TEU credits that will be applied to future BP payments once the Breakpoint level is reached in any contract year.

E. Most "Favored Nation" Clause Pertaining to 3rd Party Users:

The Port would agree that if it should take any actions or make any subsequent agreements that would put APL in a disadvantaged position compared to other Port tenants regarding APL's ability to compete for other 3rd party clients it would enter into good faith renegotiations to ensure that APL will be provided similar treatment.

F. APL Risk of Losing Current Alliance Partners:

APL is presently in a cooperative working relationship with Hyundai Merchant Marine and Mitsui JSK Line. This current arrangement is more commonly referred to as the New World Alliance. In the event of an unforeseen New World Alliance restructuring which results in a new cooperative working association wherein APL has one or more new cooperative relationships with other steamship companies because one or more of the other current New World Alliance partners leaves the existing Alliance, the Port and APL shall agree to enter into good faith negotiations to adjust the annual loaded TEU Breakpoint level but there shall be no change to the MAG payment requirement.

G. Port Revenue Risk Due to Transferring Existing Activity to APL Terminal:

If an existing Port of Oakland customer moves from another Port terminal to the APL facility as a Primary User, the BP level of 218,000 TEUs shall increase by 30% ; or 75% of the loaded TEU activity from the shipping line customer which moves to the APL facility, whichever results in the greater BP.

6. MAINTENANCE:

In the proposed new Agreement the Port would retain the maintenance obligations of each party as stated in the Original Agreement. In consideration for the Port providing the terminal office/gate complex and maintenance and repair facility on the premises to APL rent-free, APL shall with respect to such Rent Free structures perform, at APL's own cost and expense, any and all maintenance, repairs, replacement, rehabilitation, reconstruction and cleanup or removal, whether structural or non-structural, whether required by operations of APL, by actions or others or otherwise, including, without limitation, structures, utilities, plumbing, painting, all electrical facilities, lighting including poles and lighting, walls, foundations, air conditioning and heating, and landscaping.

FINANCIAL IMPACT TO THE PORT:

APL will take a rental increase from approximately \$5.7 million annually to \$6.8 million annually during rehabilitation. The new compensation of 6.8 million annually will escalate as completed construction is phased in so that APL will guarantee to the Port 9.6 million annually when the work is completed.

ALTERNATIVES:

APL wants to solidify its presence in Oakland and grow it's business opportunities with a rehabilitated facility.

If the APL facility is not rehabilitated and made competitive then it will be difficult for them to achieve operating economies of scale and harder to grow the throughput at the facility.

The proposed new Agreement is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

The proposed new Agreement includes the renovation and upgrading of the terminal facilities. Based on the repairs and upgrades contemplated at this time, this project has been determined to be exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 2 (Guidelines Section 15302), which consists of 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; Class 4, which consists of minor public or private alterations of land, including but not limited to (a) grading on land with a slope less than 10%, and (b) new gardening or landscaping. The Board of Port Commissioners adopted the Categorical Exemption on January 29, 2002. However, as the exact details of the work are refined, the degree of work contemplated at this time could potentially change significantly; should this occur, further environmental review may be required. Prior to entering into a construction contract for any proposed construction upgrades and improvements, the Board may need to make new findings under CEQA.

The upgrades and improvements that are anticipated under this agreement will not increase the terminal capacity. This statement is made based on the discussion on terminal capacity in the 1997 San Francisco Bay Seaport Plan. Further, a study conducted in 1999 by a consultant to the Port describes its analysis and forecast on throughput capacity as conservative and estimated maximum reasonable throughput capacity under the current terminal operating economics. According to this analysis, the throughput capacity, analyzed on a TEU per acreage basis, may be increased by performance improvements, increased storage capacities and reduced dwell time. Improved performance at the terminals, including the deepening of the channels to allow for bigger ships, can only account to a marginal growth (estimated at 1% per year) because the economics of the container storage and even more the land-side transport of the containers is the bottle-neck at the Port of Oakland. (JWD 1999, pg. 3)

SUSTAINABLE OPPORTUNITIES:

In accordance with Resolution No. 20467, the above proposed rehabilitation work will be evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. For example, sustainability considerations will be incorporated in the design, engineering and reconstruction of the APL Terminal to the extent feasible in order to recycle building materials where practicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving and authorizing the execution of a new Non-Exclusive Preferential Assignment Agreement, or agreements, with APL in accordance with the foregoing provisions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: January 29, 2001

ITEM NO: 22

SUBJECT: Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd.

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry A. Bridges

Handwritten signature of Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND

Marine Terminals Corporation ("MTC") operates and provides terminal services at the Ben E. Nutter Terminal under a Management Agreement, which expires June 30, 2004.

The Nutter Terminal is a public container terminal comprised of approximately 58 acres and four gantry cranes. Several shipping lines operate at the Nutter Terminal under separate Terminal Use Agreements ("TUA") with the Port.

Hanjin and Senator Lines previously were TUA users of Nutter Terminal. In June 2001, Hanjin, who has controlling interest in Senator, transferred both lines to the new facility at Berth 55/56 under a Preferential Assignment Agreement.

Last October, Evergreen approached the Port seeking a new Non-Exclusive Preferential Assignment Agreement for the entire Nutter Terminal. Negotiations took place at Evergreen's Headquarters in Taipei.

TERM

The term is ten years with two five-year options.

SUBSEQUENT ASSIGNMENTS

It is anticipated that Evergreen and MTC will form a limited liability corporation to jointly operate the Nutter Terminal. The Port would agree not unreasonably to withhold its approval to an assignment of the proposed Agreement to the limited liability, but Evergreen would remain responsible under the Agreement.

PRIMARY USE

Primary use for compensation purposes will consist of Evergreen, as well as, all current users of the Nutter Terminal as of January 1, 2002. All "new users" shall also be considered primary users.

It is significant to note that Oakland is the only major West Coast Port that differentiates pricing terms on the basis of primary and secondary use. In the current competitive market shipping lines and terminal operators are asking for more flexibility when negotiating marine terminal agreements.

Termination of the existing Evergreen TUA and the MTC Management Agreement would be a required condition for the new Agreement with Evergreen to become effective. The Port and Evergreen also agree reasonably to cooperate in efforts to terminate existing TUAs with other users of the Nutter Terminal.

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continues, Evergreen will provide or cause to be provided the same terminal services to users under continuing TUAs.

CONTINUATION TERMS

In lieu of the Port's full tariff charges for dockage wharfage, wharf demurrage, wharf storage, and crane rental, Evergreen will be subject to the following all-inclusive rates, breakpoint levels and minimum annual guarantees ("MAG") for primary use:

Contract Years 1-2	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate
MAG \$ 9,015,000.00	Local Cargo	
	1-75,000	\$63.50
	75,001 & more	\$31.00
	IPI Cargo	
	1-40,000	\$40.00
	40,001-75,000	\$37.50
	75,001 & more	\$25.00

Contract Years 3-5	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate
MAG \$10,256,000.00	Local Cargo	
	1-96,000	\$63.50
	96,001 & more	\$31.00
	IPI Cargo	
	1-104,000	\$40.00
	104,001 & more	\$25.00

Contract Years 6-10	Annual Loaded TEUs Breakpoints	
MAG \$11,603,853.00	Local Cargo	The "MAG" for years six through ten shall equate to greater of \$11,603,853.00 of the then prevailing agreement rates multiplied by the breakpoints commencing in year six.
	1-108,615	
	108,616 & more	
	IPI Cargo	
	1-117,670	
	117,671 & more	

IPI INCENTIVES

As indicated above, there are considerable incentives for discretionary IPI cargo. IPI cargo ("Interior Interpoint Intermodal Cargo") will be defined as cargo originating from or terminating at the following geographic locations: in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest territories of Canada, the Canadian provinces of Manitoba or Northwest territories of Canadian provinces easterly thereof. The above IPI rates shall be assessed from the first intermodal IPI loaded TEU vessel deployments where Oakland becomes Evergreen's published, regularly scheduled West coast first inbound port of call. The potential for new IPI cargo could be as high as 100,000 TEUs during the first contract year.

ESCALATION

The MAG and above rates shall increase on a weighted average basis at the same time as Port tariff rates increase. In addition, beginning with the 11th and 16th contract year and at the beginning of each option period exercised, all loaded TEU breakpoint levels shall be adjusted by the percentage increase in the Fair Market Value of the land and water areas within the premises for the previous 5 year period.

ANALYSIS

The ability to backfill available space at Nutter Terminal based on the terms described above is a good revenue generating opportunity for the Port.

The Port stands to gain an estimated \$1.5 million dollar annual incremental revenue increase for each of contract years one through two. Additionally, the annual incremental revenue increase for each of contract years three through five can be up to \$2.5 million dollars.

The proposed assignment to Evergreen is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of the use beyond that previously existing.

The Port analyzed the impacts of expansion in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), and for construction of a joint intermodal terminal (Final Environmental Impact Statement/Environmental Impact Report, Joint Intermodal Terminal (JIT), June 1999, Resolution 99245). The latter document analyzed the impacts of increases in intermodal throughput of over 260,000 lifts by 2010. The EIRs for vision 2000 and the JIT analyzed impacts by anticipating reuse and more efficient configuration of existing terminals. Thus, changes in the tenancy of the existing marine terminals is categorically exempt under Section 15301 of the CEQA guidelines which provides for leasing property where that lease involves negligible or no expansion of an existing lease.

SUSTAINABLE OPPORTUNITIES

In accordance with resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. Evergreen will use the existing premises and facilities that presently comprise the Nutter Terminal.

RECOMMENDATION

It is recommended that the Board take the following action in accordance with the foregoing:

- 1) Pass a resolution approving, and authorizing execution of an agreement with Marine Terminals Corporation to terminate its existing Management Agreement for the Nutter Terminal, and approving and authorizing execution of agreements with the TUA users of the Nutter Terminal to terminate the TUAs. (Termination of the Management Agreement and the Evergreen TUA would be a condition for the new Evergreen Agreement to become effective, but the Port would only enter into the termination agreements if Evergreen and the Port have entered into the new Evergreen Agreement); and
- 2) Give first reading to an ordinance approving and authorizing execution of the proposed new Non-Exclusive Preferential Assignment Agreement with Evergreen for the Nutter Terminal.

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 40

SUBJECT: CLOSED SESSION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

SUBMITTED BY: Christopher C. Marshall *CCM*

EXECUTIVE OFFICE RECOMMENDATION:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION.
 Pursuant to subdivision (a) of Section 54956.9: Names of cases:

Berkeley Jets Over the Bay et al v. Port of Oakland, et al.,
 California Court of Appeal Case Nos. A086708/A087959/A089660

Julieta Duenas vs. Port of Oakland Workers' Compensation
 Appeals Board Case No. OAK 273426

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided
 under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
 Negotiating Parties: Port, Oakland Base Reuse Authority,
 City of Oakland, Oakland Redevelopment
 Agency
 Under Negotiation: Price and terms of payment

3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. ✓
 Significant exposure to litigation pursuant to subdivision (b) Section
 54956.9 1 matter.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02022, 02023
+ 02024

BOARD ACTION TAKEN

Assistant

Sharon Krupp
 SECRETARY OF THE BOARD

JAN 29 2002

DATE

SUMMARY AGENDA & BOARD CALENDAR
January 29, 2002

AIRPORT

13S Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenter's Union for Property Located at 115 Broadway Street, Oakland, California. (Ordinance)

Recommends approval of the easement agreement which provides for PG&E to serve the new building at 115 Broadway Street.

14S Right-of-Entry and Indemnity Agreement with Oakland Harbor Partners, LLC, for Port-Owned Properties Located in the Oak-to-Ninth District. (Resolution)

Recommends approval of the agreement which provides for access to the properties for the various assessments needed by the developers.

MARITIME

23S Approval of a Building Permit Application by American President Lines Limited to Install Electrical Power Upgrades at the APL Terminal, Berths 60-63, 1395 Middle Harbor Road. (Resolution)

Recommends approval for the installation of electrical improvements at their terminal.

OPERATIONS

31S Personnel Items: Creation of Classification/Position; and Title Change. (Ordinance)

Recommends approval for the creation of one position of Airport Security Manager and the title change to Port Deliveryman.

32S This item not used.

33S Approval of Professional Services Contract with TRS Consultants, Inc. to Perform Pilot Electronic Payroll Submittal Project for Point Arnold Restrooms, Middle Harbor Shoreline Park Project. (Resolution)

Recommends approval to retain the firm to provide a pilot program to automate the certified payroll reports. The test program would use the Point Arnold Restrooms, Middle Harbor Park contract.

ORDINANCES:

SUMMARY AGENDA
January 29, 2002

Port Ordinance No. 3678 being, "AN ORDINANCE AMENDING SECTIONS 5.026, 8.114, 8.0636, 8.0611, 8.113 AND 8.0615 OF PORT ORDINANCE NO. 867 AND ADDING SECTION 8.119 TO PORT ORDINANCE NO. 867."

Provides approval of the creation of positions, title changes and one appointment.

Agenda Sheet

DATE: January 15, 2002

SUBJECT: PERSONNEL ITEMS

- Creation of a Classification/Position
- Title Changes
- Appointment of Director, Social Responsibility

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

ITEM NO: 355

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

SUBMITTED BY: John Glover *JG*

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND:

I. CREATION OF A CLASSIFICATION/POSITION – Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification **Port Engineering Technician I** and assignment to **Salary Schedule 65.7** (a--\$3506; b--\$3684; c--\$3867; d--\$4091; e--\$4328). This classification is being created as a result of a classification study. Also needed is the creation of an additional position of Executive Assistant for the Social Responsibility Department as shown below.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Port Engineering Technician I	OPER	Engineering	1	A	65.7 (a--\$3506; b--\$3684; c--\$3867; d--\$4091; e--\$4328).
Executive Assistant	OPER	Social Responsibility	1	D	227.85 (a--\$4206; b--\$4417; c--\$4636; d--\$4,916; e--\$5,209).

II. TITLE CHANGES – Ordinance (2 Readings)

A. It is requested that the Board approve the title changes for the following classifications. This is a result of a classification study. The new titles will not result in a change in salaries.

CURRENT TITLE	NEW TITLE
Electrical-Mechanical Technician	Port Engineering Technician II
Intermediate Drafting Technician	Port Engineering Technician II
Senior Drafting Technician	Port Senior Engineering Technician
Senior Electrical-Mechanical Technician	Port Senior Engineering Technician
Principal Drafting Technician	Port Principal Engineering Technician

III. APPOINTMENT OF DIRECTOR , SOCIAL RESPONSIBILITY

A. It is requested that the Board approve the appointment of Bernida Reagan to the position of Director, Social Responsibility at salary rate **\$8,750/month**, effective February 19, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of a classification/position, title changes, and appointment of Director, Social Responsibility.

Approved by Resolution
No. *029910*

**Approved by Ordinance
passed to print**

Sam Kruppel

SECRETARY OF THE BOARD

JAN 15 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 135

SUBJECT: Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

M.A. Lindquist Company, Inc., has been hired by the Carpenters Union Local 2236, to construct a new union building at 115 Broadway Street in Oakland, California. The facility is constructed on privately owned land which is adjacent to Port-owned land currently leased to the owner of the Jack London Cinema, Dow Pac. The Port-owned alleyway, which will be impacted by the requests for various easements to allow the construction of the Carpenters Union building, is currently used as an emergency exit for the Jack London Cinema and contains other subsurface utilities. Port of Oakland Lessee, Dow Pac, has provided written consent to allow the proposed easements. M.A. Lindquist Company, on behalf of the Carpenters Union, has requested the Port of Oakland grant an easement for subsurface utility purposes in the above-mentioned alleyway. M. A. Lindquist Company informed the Port of Oakland that during construction they mistakenly placed subsurface pilings on approximately 70 square feet of Port of Oakland property within the alleyway. Also, M. A. Lindquist was informed by the City of Oakland of a need for a second exit from the building for emergency purposes. Due to the configuration of the site, the most likely place for an emergency exit is in the Port-owned alleyway.

Analysis:

Within the "alleyway" the calculations for the aforementioned easements are as follows:

1. Pacific Gas and Electric Company Easements for Subsurface Utilities- 197.43 Square Feet (Easement A)
2. Encroachment Easement - 70.0 Square Feet (Easement B)
3. Emergency Ingress and Egress Easement - approximately 9 feet x 200+ feet. (Easement C)

The easements do not appear to have a negative impact on the Port of Oakland property or the use of the property by the Port Lessee, Dow Pac. The Port would not be responsible for either the maintenance and monitoring or have any ongoing liability for the easements.

As compensation for the easements outlined above and as shown on the attached maps, it is proposed to receive in payment from the Carpenters Union the following:

1. P.G. & E. Easement - \$500.00 nominal fee
2. Encroachment Easement - \$3,500 (70.00 S.F. x \$50.00 psf)
3. Emergency Ingress and Egress Easement - \$500.00 nominal fee

CEQA Determination:

The Port of Oakland's granting of the aforementioned easements would not entail approval of any physical changes in the environment and is therefore exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the State of California CEQA Guidelines. The Carpenters Union Building Project is subject to approval by the City of Oakland, which determined, on March 7, 2001, that the project is exempt from CEQA, pursuant to Section 15332 (In-fill Development Projects) of the State of California CEQA Guidelines.

Sustainability:

There are no obvious environmental opportunities involved in this project.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JAN 29 2002

DATE

Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

Page 2

Options:

1. Approve the granting of the easements as outlined above.
2. Disapprove the easements, which would impact the ability of the Carpenters Union to occupy the office building.
3. Renegotiate the compensation for the easements.

Recommendations:

It is recommended the Board authorize the Executive Director to execute easements as outlined above, after review as to form and legality by the Port Attorney.

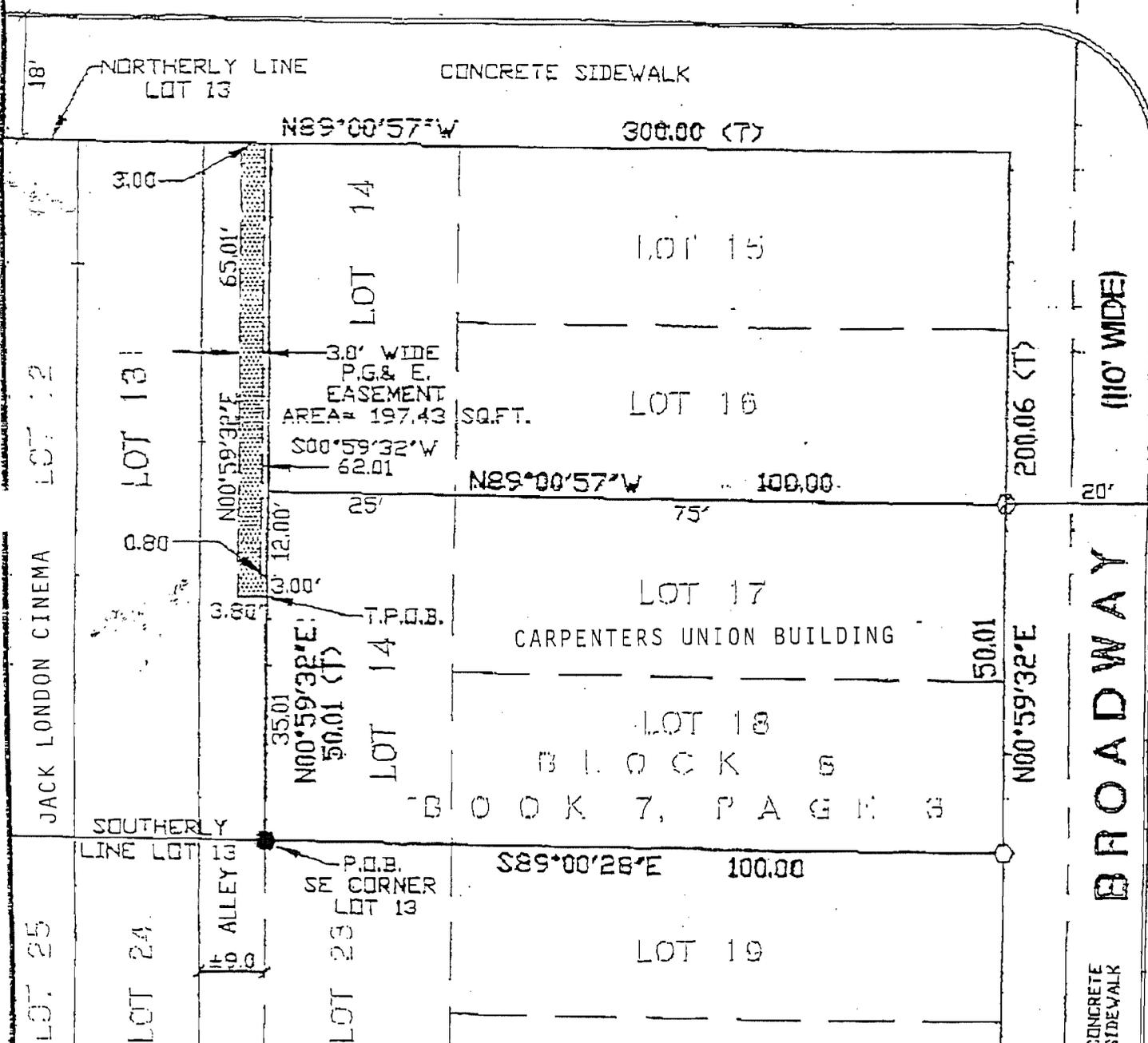
Grant of Easement for a Subsurface Utility Easement, Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

RECEIVED
 18578
 4

2nd STREET

(80.5' WIDE)

MONUMENT LINE



PLAT TO ACCOMPANY LEGAL DESCRIPTION - P.G. & E. EASEMENT (EXHIBIT "A")

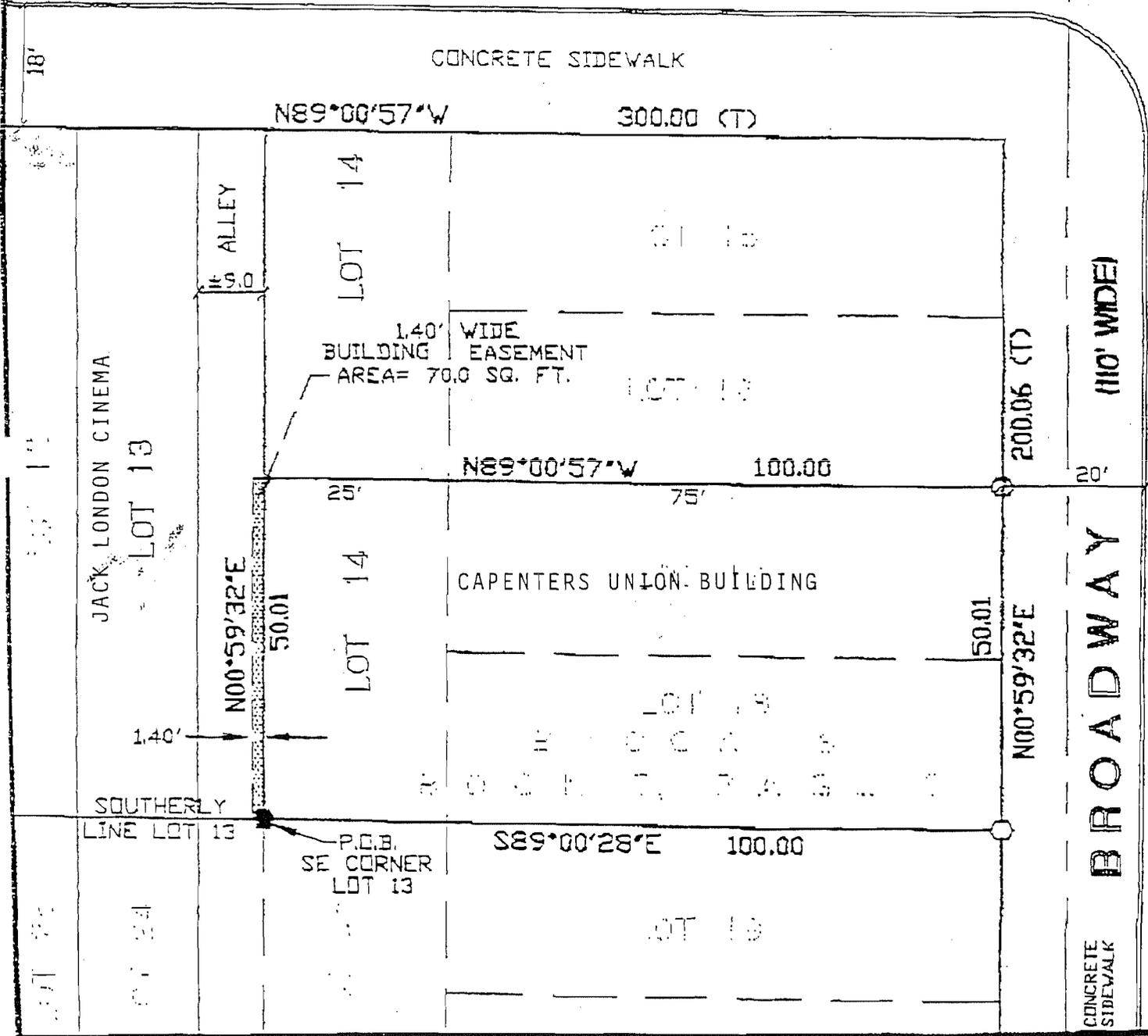
 BENCHMARK CONSULTANTS SURVEYING * MAPPING * ENGINEERING	2738 WEST TREGALLAS ROAD - SUITE B ANTIOCH, CA 94509 (925) 757-9025	SCALE:	JOB NO.:
		1" = 20'	00-046
		DATE:	DWG FILE:
		CHANGE	MARIS-LEDWG

EASEMENT "A" - P.G. & E EASEMENT

Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

2nd STREET (80.5' WIDE)

MONUMENT LINE

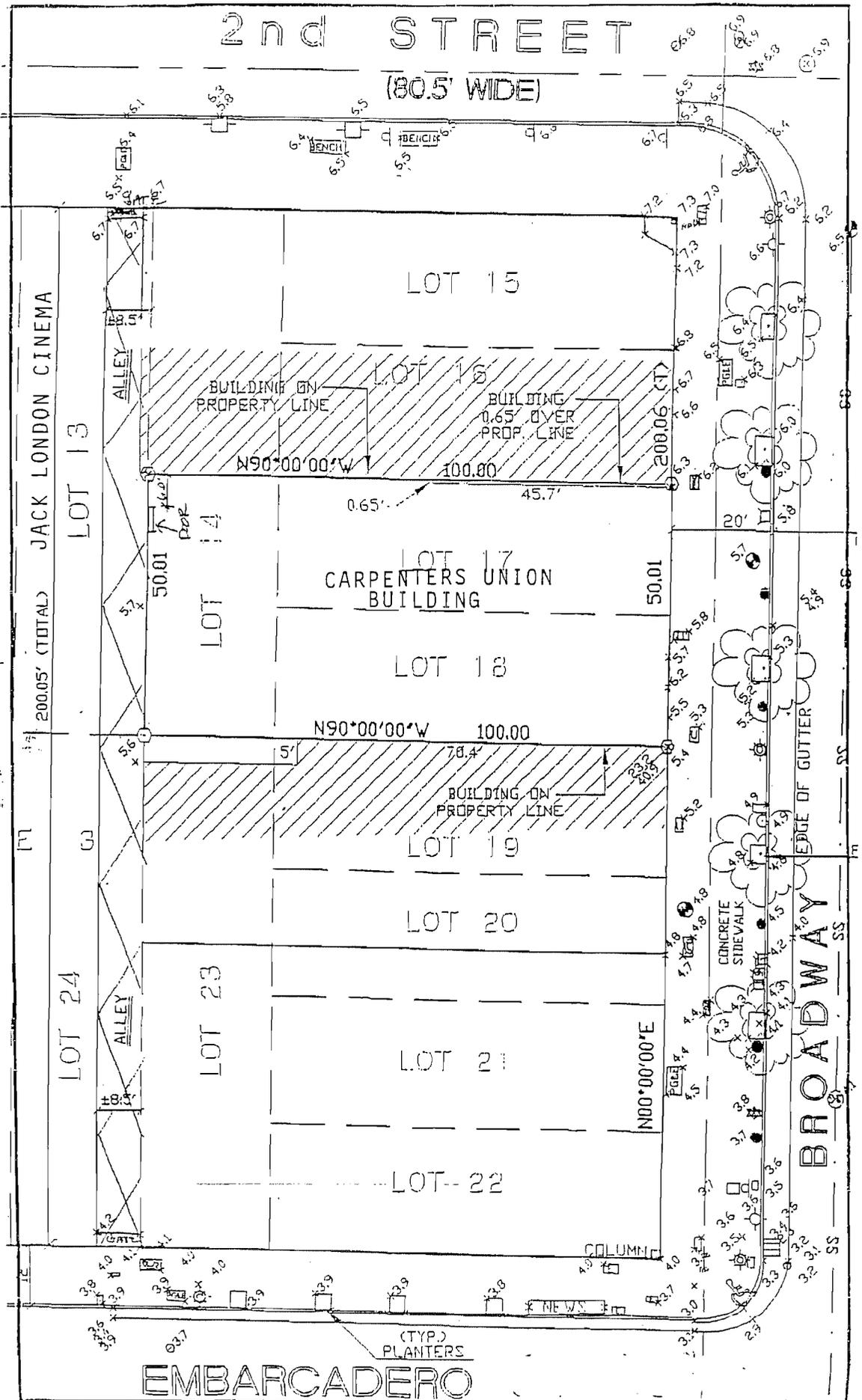


PLAT TO ACCOMPANY LEGAL DESCRIPTION - BUILDING EASEMENT (EXHIBIT "A")

	BENCHMARK CONSULTANTS	2738 WEST TREGALLAS ROAD - SUITE B	SCALE:	JOB NO.:
	SURVEYING * MAPPING * ENGINEERING	ANTIOCH, CA 94509 (925) 757-9025	1" = 20'	00-046
			DATE:	DWG FILE:
			NOV. 2001	MARIS-LE.DWG

EASEMENT "B" - ENCROACHMENT EASEMENT

Grant of Easement for a Subsurface Utility Easement, Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California



EMBARCADERO

EASEMENT "C" - EMERGENCY INGRESS AND EGRESS EASEMENT

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 145

SUBJECT: Right-of-Entry and Indemnity Agreement with Oakland Harbor Partners, LLC, for Port-Owned Properties Located in the Oak-to-Ninth District

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In December 2001 the Board of Port Commissioners authorized the execution of a 510-day Exclusive Negotiating Agreement (ENA) with Oakland Harbor Partners, covering the preparation of a Specific Plan and the redevelopment of the Port's Oak-to-Ninth District properties.

ANALYSIS

To carry out their analysis, the developers and their employees, agents and contractors require reasonable access to Port properties within the Oak-to-Ninth District for visual surveys, taking photos of building interiors, utility surveys, soil sampling tests, mapping activities, etc.

CEQA Determination

The action of approving the Right-of-Entry and Indemnity Agreement is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3), of the State of California CEQA Guidelines, which states that where it can be seen with certainty that the activity in question will not have a significant effect on the environment, the activity is not subject to CEQA.

Sustainability Opportunities

The Right-of-Entry and Indemnity Agreement does not specifically address sustainability. However, one of the eleven development objectives in the Port's 3/15/01 "Request for Developer Qualifications, Oak-to-Ninth District Properties" (RFQ) is to "Create and implement a development plan that takes into consideration City and Port of Oakland sustainable development guidelines."

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution

No. 02017

BOARD ACTION TAKEN

Assistant

Signature of Secretary of the Board

SECRETARY OF THE BOARD

JAN 29 2002

DATE

OPTIONS

1. The Board could authorize execution of the Right-of-Entry and Indemnity Agreement with Oakland Harbor Partners LLP.
2. The Board could direct staff to revise the Right-of-Entry and Indemnity Agreement, or/and develop more restrictive procedures for providing the developer access to the Port properties within the Oak-to-Ninth District. This option could lengthen the time necessary to complete due diligence and Specific Plan tasks, potentially delaying development project implementation.

RECOMMENDATION

It is recommended that the Board authorize the execution of the Right-of-Entry and Indemnity Agreement with Oakland Harbor Partners LLP.

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 23S

SUBJECT: Approval of a Building Permit Application by American President Lines Limited to Install Electrical Power Upgrades at the APL Terminal, Berths 60-63, 1395 Middle Harbor Road

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for JKA*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

American President Lines (APL) Limited has made an application to install electrical power upgrades to augment power at the Berths 60 – 63 Terminal Facility. The installation will include the following work:

- Extension of the existing main outdoor switchgear enclosure.
- Addition of four new 4.16 kV switchgear sections, including main, tie and two new feeder breaker sections.
- Flexibility to add a future transformer and second 12.47 kV power source will be maintained.
- Addition of a new 4.16 kV breaker and relay to supply power to support future, new crane.
- Installation of new 4.16 kV feeder cable from the switchgear to the wharf via existing conduit.
- Installation of a new 3-conduit duct bank approximately 70' long to bring the new feeder to a new splice box.
- Refurbishment of one existing in-wharf crane cable horn for use with future, new crane cable.

This permit is specifically conditioned upon permits being obtained from the Bay Conservation & Development Commission and the Army Corps of Engineers.

ANALYSIS:

Budget

The estimated value of the work is approximately \$400,000. All costs are the responsibility of APL.

Environmental

The project has been determined to be Categorically Exempt from CEQA under Section 15302 replacement or reconstruction of existing facilities.

General Plan

Pursuant to section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Sustainable Opportunities:

In conformance with the Port's Sustainability Policy implemented in November 2000, the tenant's contractor will separate salvageable construction material and debris for reuse or sale.

RECOMMENDATION:

It is recommended that the Board approve this building permit application.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02018

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JAN 29 2002

DATE

Agenda Sheet

DATE: January 29, 2002

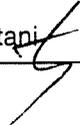
SUBJECT: PERSONNEL ITEMS
 Creation of Classification/Position
 - Title Change

ITEM NO: 31S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF A CLASSIFICATION/POSITION--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification **Airport Security Manager** and assignment to **Salary Schedule 575.2** (a--\$7888; b--\$8281; c--\$8695; d--\$9218; e--\$9770). This is needed to meet the new FAA security requirements as a result of the September 11, 2001 attacks.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Airport Security Manager	OPER	Aviation	1	E	575.2 (a--\$7888; b--\$8281; c--\$8695; d--\$9218; e--\$9770).

II. TITLE CHANGE - (2 Readings)

It is requested that the Board approve the following title change. This new title is more appropriate for the duties and responsibilities that will be performed. The new title will not result in a change in salary.

CURRENT TITLE	NEW TITLE
Deliveryman	Port Deliveryperson

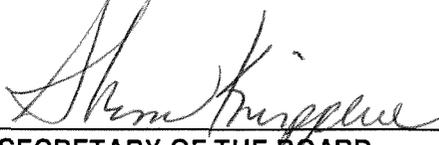
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of a classification/position and title change.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
 passed to print

BOARD ACTION TAKEN *Assistant*


 SECRETARY OF THE BOARD

JAN 29 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 33S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of Professional Services Contract with TRS Consultants, Inc. to Perform Pilot Electronic Payroll Submittal Project for Point Arnold Restrooms, Middle Harbor Shoreline Park Project

SUBMITTED BY: Cheryl Perry/League

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On March 21, 2000, the Board of Port Commissioners approved the Maritime Aviation Project Labor Agreement ("MAPLA"). The MAPLA includes a component referred to as the "Social Justice Program," which sets goals for local workforce and local business participation. The local workforce goals are set on a craft-by-craft basis for overall workforce on MAPLA covered projects. The goals are 50% Local Impact Area ("LIA") overall workforce participation and 20% LIA apprentice participation. If the workforce is not available in the LIA, they can come from the Local Business Area ("LBA") and still be credited towards achieving the goals.

These goals, and other requirements such as apprenticeship ratios and the payment of prevailing wage, are required to be monitored for MAPLA covered projects through examination of certified payroll reports. It is anticipated that the magnitude of payroll reports that will be generated by the Airport Terminal Expansion ("TEx") projects will necessitate requiring construction companies to submit the information electronically. The electronically submitted information would then be downloaded into a database within the Port to generate analyses of compliance with the above-mentioned requirements. The functionality of the database will allow for the multiple levels of monitoring needed to determine compliance.

To test the capability of the database to generate the appropriate analyses, without unduly burdening the contractor in this initial phase, we are recommending TRS Consultants, Inc. ("TRS") conduct a pilot program to automate the certified payroll reports. TRS would receive a hard copy of the certified payroll reports from the contractors for the Point Arnold Restrooms, Middle Harbor Shoreline Park Project and transfer the data into the specified electronic data file format. They would then deliver the electronic data file to the Port via e-mail on a weekly basis.

BUDGET:

This project is included under CIP element SM.00669.02 "Outside Contractual Work for Administration of the Project Labor Agreement." The estimated cost of the pilot project is \$38,000 and is expected to take approximately six months to complete.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into a contract with TRS Consultants, Inc. for professional services to perform the Pilot Electronic Payroll Submittal Project for Point Arnold Restrooms, at a cost not to exceed \$38,000. It is further recommended that the Executive Director be authorized to increase the compensation under this contract by an amount not to exceed \$10,000, if he determines that additional compensation is necessary to complete the project.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02019
BOARD ACTION TAKEN

Assistant

Sharon Kuppner
SECRETARY OF THE BOARD

JAN 29 2002
DATE

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

CHRISTOPHER C. MARSHALL
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, February 5, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

READING OF THE MINUTES:

Regular meeting of November 20, 2001.

Deferred - regular meeting of December 4, 2001; regular
meeting of December 18, 2001; regular meeting of January 15,
2002; and adjourned regular meeting of January 29, 2002.

OPEN SESSION: 4:00 p.m.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Aviation

READING OF SUMMARY ITEMS: (Marked "S")

9 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Ratification of Change Order for Construction of 12.47kV Circuit Between SS-8 and SS-5A, South Airport, OIA. (Resolution)
- 2S** Approval of New License and Concession Agreement with Bay Air, Inc. and John Roth for Additional Apron Space (7843 Earhart Road, North Airport). (Resolution)
- 3S** Approval of License and Concession Agreement with ADSD, Inc. dba A.P. Enterprises (#1 Airport Drive, South Airport). (Resolution)
- 4S** First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport). (Ordinance)
- 5S** Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc., (#1 Airport Drive, South Airport). (Resolution)
- 6S** Ratification of Addenda and Award of Contract for Construction of Interim Ticket Counters, Building M-102, OIA. (Resolution)
- 7S** Approval of Plans and Project Manual for Construction of Asphalt Concrete Overlay for Runway 9L-27R, North Airport, OIA. (Resolution)
- 8S** This item not used.

COMMERCIAL REAL ESTATE

- 11S** Recommended Approval of a New License and Concession Agreement with National Furniture Liquidators, Inc. for 44,792 Square Feet of Warehouse and Office Space for Premises Located at 845 Embarcadero. (Resolution)

MARITIME

- 21** Approval of First Supplemental Agreement with URS Corporation to Complete Maritime Projects. (Resolution)
- 22S** Ratification of Addenda and Award of Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000. (Resolution)
- 23 CONTINUED FROM 1/29** New Non-Exclusive Preferential Assignment with American President Lines (APL). (Ordinance)
- 24 CONTINUED FROM 1/29** Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd. (Resolution and Ordinance)

OPERATIONS

- 31** Approval to Enter into an Agreement with KPIX-TV to Participate in Public Affairs Programming. (Resolution)
- 32** Approval of a Resolution in Support of State Proposition 42 Regarding Transportation Funding and Use Tax Revenues. (Resolution)
- 33S** Personnel Items: Termination. (Resolution)

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kiang, Protopappas,
Scates and President Tagami – 5

Noes: None

Absent: Commissioners Kramer and Uribe - 2

RESOLUTIONS:

- 02025 1** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH ROSENDIN ELECTRIC, INC. FOR CONSTRUCTION OF 12.24Kv CIRCUIT BETWEEN SS-8 AND DSS-5A, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 1)
- 02026 2** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH BAYAIR, INC., AND MR. JOHN ROTH. (Airport – 2S)
- 02027 3** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ADSD, INC., DOING BUSINESS AS A.P. ENTERPRISES. (Airport – 3S)
- 02028 4** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CAL-AIR AVIATION SERVICES, INC. (Airport – 5S)
- 02029 5** RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS OF INTERIM TICKET COUNTERS, BUILDING M-102, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND AWARDED CONTRACT TO STEVELLE CONSTRUCTION CO., INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport – 6S)
- 02030 6** APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ASPHALT CONCRETE OVERLAY OF RUNWAY 9L-27R, NORTH FIELD OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport – 7S)

- 02031 7** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESION AGREEMENT WITH NATIONAL FURNITURE LIQUIDATORS, INC.
(Commercial Real Estate - 11S)
- 02032 8** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH URS CORPORATION FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime - 21)
- 02033 9** RATIFYING AND APPROVING ADDENDUM TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF CRANE MAINTENANCE BUILDING D-137 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA; AND AWARDED CONTRACT TO W.E. LYONS CONSTRUCTION CO., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Maritime - 22S)
- 02034 10** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENTS TERMINATING MARINE TERMINALS CORPORATION MANAGEMENT AGREEMENT AND EVERGREEN MARINE CORP. (TAIWAN) LTD. TERMINAL USE AGREEMENT (BEN E. NUTTER CONTAINER TERMINAL). (Maritime - 24)
- 02035 11** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH KPIX TELEVISION FOR PUBLIC AFFAIRS PROGRAMMING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 31)
- 02036 12** AUTHORIZING THE BOARD OF PORT COMMISSIONERS TO SUPPORT STATE PROPOSITION 42. (Operations - 32)
- 02037 13** TERMINATING CERTAIN APPOINTMENT.
(Operations - 33S)

- 02038 14** APPROVING AND RATIFYING THE INTERVENTION AND FILING OF PETITION FOR REVIEW IN THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT FOR REVIEW OF ORDERS ISSUED BY THE FEDERAL ENERGY REGULATORY COMMISSION IN CALIFORNIA ELECTRIC REFUND CASE, AND APPROVING APPOINT OF SPECIAL COUNSEL.
(Closed Session – 40)
- 02039 15** APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Closed Session – 40)
- 02040 16** APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Closed Session – 40)

Vote on the following ordinances:

Ayes: **Commissioners Ayers-Johnson, Kiang, Protopappas, Scates and President Tagami – 5**

Noes: **None**

Absent: **Commissioners Kramer and Uribe - 2**

ORDINANCES:

1 ("S") Ordinance No. 3679 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A RIGHT OF WAY AGREEMENT FOR TEMPORARY EASEMENTS WITH STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION."

Final.

2 ("S") Port Ordinance No. 3680 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO CARPENTERS UNION LOCAL 2236 AND PACIFIC GAS AND ELECTRIC (PG&E) FOR BUILDING ENCROACHMENT, EMERGENCY INGRESS AND EGRESS AND SUBSURFACE UTILITIES LOCATED AT BROADWAY STREET, OAKLAND, CALIFORNIA."

Final.

- 3 ("S")** Port Ordinance No. 3681 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE THE NEW POSITION OF AIRPORT SECURITY MANAGER, TO AMEND SECTION 5.121 OF PORT ORDINANCE NO. 867 AND AMENDING PORT ORDINANCE NO. 3675 TO CORRECT AND UPDATE PORT ORDINANCE NO. 867."

Final.

- 4** Port Ordinance No. ____ being, "AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Airport – 4S to print.

- 5** Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH AMERICAN PRESIDENT LINES, LTD."

Maritime – 23 to print.

- 6** Port Ordinance No. ____ being, "AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH EVERGREEN MARINE CORP. (TAIWAN) LTD."

Maritime – 24 to print.

APPEARANCES: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, February 19, 2002 at 3:00 PM.**

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 1

SUBJECT: Ratification of Change Order for Construction of 12.47kV
Circuit Between SS-8 and SS-5A, South Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Port has a contract with Rosendin Electric, Inc., (Rosendin) for **Construction of 12.47kV Circuit Between SS-8 and SS-5A, South Field, Oakland International Airport, Oakland, California**, which was awarded on April 3, 2001, for a lump sum price of \$427,015. The project consists of pulling cable and installing Port-provided switchgear that will integrate electrical substation SS-8 into the Airport high voltage power loop. Upon completion, this project will create an alternative backup feeder to the substation that powers FedEx, the Aircraft Rescue and Fire Fighting Facility (ARFF), and the future Air Traffic Control Tower. In addition, it will provide switching flexibility of power feeders to limit the number and time duration of shutdowns during construction of future projects.

ANALYSIS:

This project required a scheduled four-day shutdown of SS-8. During the shutdown, Port staff planned to keep the above listed facilities powered by generators. Originally, power required during the shutdown for FedEx, the ARFF Facility, the FedEx Annex, and other smaller loads would be provided by a combination of Port-rented and existing on-site tenant-owned generators. Therefore, there was no requirement in the Contract for the Contractor provide generator power during the shutdown.

Prior to the shutdown, Port Engineering staff met with FedEx and Airport Facilities staff. Engineering was informed that neither FedEx nor Airport Facilities staff had the manpower and other required resources to take responsibility for setting-up, operating, fueling, and maintaining our on-site or rented generators for the four-day shutdown period. It was determined that it would be in the best interests of the Port and Airport tenants to place the responsibility for generator power on the Contractor and an experienced power generator rental company.

Rosendin proposed a daily rate of \$23,117 for the rental of all generators. The rate included delivery of the generators, setup and removal of temporary feeders, fueling of FedEx's rented generator, and coordination with the tenants' and Airport Facilities' crews to energize facilities with generator power and round-the-clock inspection of fuel tank levels. The total cost of this Change Order for the four-day shutdown period was negotiated to an agreed amount of \$76,512.

Budget

As explained above, the original Contract did not include the costs for the Contractor to rent the generators. The cost to the Contractor to use the rented generators in lieu of FedEx's generator was an additional \$49,463. The cost to the Contractor to rent the additional smaller generators and associated services was an additional \$27,049.

FedEx will be charged their average daily rate for electrical power for the actual 84-hour shutdown period, for the power supplied by generator. It is estimated that this payment to the Port will total \$20,318. The charge to FedEx will be included in their monthly billing statement.

Approved by Resolution
No.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

07025
BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

FEB - 5 2002

DATE

This \$76,512 Change Order represents 17.9% of Rosendin's contract bid price (\$427,015) for the construction portion of the SS-8 to SS-5A project.

In order to expedite the project, long lead-time equipment (i.e., electrical breakers) were removed from the original project scope and pre-purchased, at a cost of \$497,000, to allow enough time for the equipment fabrication. The electrical breakers were incorporated into Rosendin's construction contract through Novation Agreements between the breaker suppliers and Rosendin, making the total value of the work \$924,015. Accordingly, the actual percentage of the referenced Change Order as compared to the total value of the work equates to 8.3%.

Sustainable Opportunities

The rented generators met all EPA standards for emissions.

OPTIONS:

Forcing FedEx to use their generators, in order to save the majority of costs to the Port, would have created ill will with a cooperative tenant and jeopardized the completion of the project. FedEx technical staff was concerned about the reliability of their generators if the shutdown lasted four days. Requiring Port forces to rent and take responsibility for the generators was not a prudent option. This is because the cost to have Rosendin supply rented power to the smaller loads was comparable to having the Port's facilities staff rent the generators. By selecting the option to have all generators supplied by one company under the Contract, the Port was able to save on volume, reassign risk, and preserve Port manpower needed for testing, inspection, training, and other critical tasks during the switchgear installation.

RECOMMENDATION:

It is recommended that the Board ratify this Change Order for \$76,512 to Rosendin Electric, Inc., for the above-described work.

ID	Task Name	Duration	Start	Finish	Qtr 3, 2000			Qtr 4, 2000			Qtr 1, 2001			Qtr 2, 2001			Qtr 3, 2001		
					Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1	Design, Prep. Plans & Specs	30 days	Tue 7/18/00	Mon 8/28/00	[Task Bar]														
2	70% Review	4 days	Tue 8/29/00	Fri 9/1/00				[Task Bar]											
3	Revise Plans & Specs	11 edays	Mon 9/4/00	Fri 9/15/00				[Task Bar]											
4	CE & ME Sup. Review	11 edays	Mon 9/18/00	Fri 9/29/00				[Task Bar]											
5	Revise Plans & Specs	10 days	Mon 10/2/00	Fri 10/13/00				[Task Bar]											
6	100% Staff Review	10 days	Mon 10/16/00	Fri 10/27/00				[Task Bar]											
7	Board Ltr to Aviation	0 days	Mon 12/18/00	Mon 12/18/00							◆ 12/18								
8	Board Ltr to Eng Admin	0 days	Mon 12/18/00	Mon 12/18/00							◆ 12/18								
9	Revise Plans & Specs	24 edays	Mon 12/18/00	Thu 1/11/01				[Task Bar]											
10	P & S to Legal	0 days	Fri 1/12/01	Fri 1/12/01							◆ 1/12								
11	Board Meeting	0 days	Tue 1/23/01	Tue 1/23/01							◆ 1/23								
12	Bid Period	30 edays	Mon 1/29/01	Wed 2/28/01				[Task Bar]											
13	Board Award of Bid	0 edays	Tue 4/3/01	Tue 4/3/01							◆ 4/3								
14	Execute Contract (Delay NTP for Equipment Arrival)	52 edays	Tue 4/3/01	Fri 5/25/01							[Task Bar]								
15	Construction Period	120 edays	Mon 5/28/01	Tue 9/25/01							[Task Bar]								

Project: Construction of 12.47 KV Circuit between SS-8 and SS-5A
Date: Tue 3/13/01
WO #106480

Task	[Task Bar]	Rolled Up Split
Split	Rolled Up Milestone	◆
Progress	[Progress Bar]	Rolled Up Progress	[Progress Bar]
Milestone	◆	External Tasks	[External Task Bar]
Summary	[Summary Bar]	Project Summary	[Project Summary Bar]
Rolled Up Task	[Rolled Up Task Bar]		

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

January 23, 2002

PROJECT TITLE: Construction of 12.47kV Circuit Between SS-8 And SS-5A, South Field

CIP NO: A2.00752.02

W.O. #'s: 106480

PROPOSED FUNDING SOURCES: Port cash

Narrative: The design and construction of the new 12.47kV Circuit is being tracked under work order #106480.

Budget: The Construction of 12.47kV Circuit Between SS-8 And SS-5A is included in the CIP Element # A2.00752.02. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00752.02

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Design and Construct 12.47kV Circuit W.O.#106480	136	230		988		7			0		1361
Total =	136	230	0	988	0	7	0	0	0	0	1361

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.
2. Refer to WMS report by Work Order for direct cost data.
3. OCIP budget not shown (per S. Blinn).
4. CC: to Director of Eng's Secretary {Ivy keeps copies of all PDS(s)}.

The Port estimates that the cost of completing these services will not exceed \$200,000. This includes \$166,000 diverted from the original contract and a contingency of \$34,000 to cover any as yet undiscovered damage to the TOFC treatment system or other unanticipated site conditions.

Budget

The project is budgeted under CIP element no. M6.00585.01. The funding source for this project is Port Cash.

Description	Date	Amount
Board Authorized Maximum Compensation	November 7, 2000	\$850,000
Additional Amount Requested to Provide for Completion of Soil and Groundwater Pollution Control Projects, Berth 59	Proposed	\$200,000
Total Proposed Maximum Compensation	Proposed	\$1,050,000

Sustainable Opportunity

All of the work of this Supplemental Agreement is to control and reduce historical pollution in soil and groundwater, thus protecting and improving the environment.

OPTIONS:

The most logical option was to use a Supplemental Agreement to increase the amount of this agreement sufficient to allow the involved consultant to complete the work already in progress. Moving these tasks to other consultants not already familiar with the work would result in both delays and additional costs.

RECOMMENDATION:

It is recommended that the Board approve the execution of the first supplemental agreement with URS Corporation as described above.

Agenda Sheet

DATE: November 7, 2000

ITEM NO: 34

^{7D}
SUBJECT: Approval of As-Needed Environmental Compliance Consulting Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port of Oakland is subject to a wide range of environmental laws and regulations. These include underground storage tank issues; hazardous materials and waste control and disposal; and stormwater/wastewater control. In addition, as part of property development projects, the Port undertakes environmental investigations, hazardous material remediation, human health and ecological risk assessments, and other projects to control and lawfully address hazardous materials. Many of these projects are associated with active construction projects and must be addressed on very short notice. The Port's Environmental Health and Safety Compliance (EH&SC) Department often requires consultant services to perform or assist with these studies and activities. Historically, "as-needed" professional services contracts have been used to meet these varied and on-going needs.

Under the As-Needed Consulting Agreement, the Prime Consultant will enter into a professional services agreement with the Port to provide environmental consulting on a task-specific basis in the areas of:

- recommendations pertaining to compliance with local, state and federal hazardous materials regulations;
- air quality compliance issues;
- preliminary site assessments;
- facility and program compliance audits;
- site audits, including soil and groundwater sampling and evaluation of laboratory analytical results; (excluding laboratory services);
- aboveground and underground storage tank compliance activities, such as removal reports, monitoring, and spill plans;
- remedial investigations;
- remediation engineering;
- human health and ecological risk assessments;
- toxicology consulting;
- litigation support;
- community outreach program development for environmental issues; and
- other hazardous materials-related management services.

ANALYSIS:

On July 24, 2000, EH&SC sent out a Request for Proposals (RFP) to a list of 185 environmental consulting firms located in the Local Impact Area (LIA). The list was comprised of firms registered with the Port's Office of Equal Opportunity (OEO), firms registered with a professional trade organization for environmental consultants, EH&SC's own list, and firms listed in the Yellow Pages. The RFP required that the Prime Consultant be located within the LIA, as certified by OEO.

The Port received 20 proposals. EH&SC evaluated and scored the written proposals based on technical expertise and experience, cost, and the quality of presentation (maximum 50 points). OEO evaluated each firm's adherence to Port community outreach goals (maximum 15 points). Each firm could earn a maximum of 65 points in the proposal review portion of the selection process.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

EH&SC invited the top 10 firms to participate in an oral interview by a panel drawn from Engineering and OEO Department staff. The panel evaluated each firm on their responses to 7 questions designed to demonstrate their expertise in the field of environmental assessment and compliance and their ability to work with the Port as a team. Firms could earn a maximum of 35 points in the interview portion of the selection process.

The points for all phases of the evaluation were totaled (100 possible points). Staff proposes entering into professional services contracts with the top 5 firms. Each of these five firms is capable of performing the scope of services required. The attached table lists each firm and their identified subconsultants.

OEO has a current Professional Services Questionnaire/EEO-1 Work Force Report on file for each of the recommended firms. Furthermore, OEO has determined that each firm is located in the LIA and is responsive to the Port's Non-Discrimination and Small Local Business Utilization Policy.

Staff recommends entering into professional services contracts with the following firms to provide as-needed environmental compliance consulting services:

GAIA Consulting
Innovative Technical Solutions (ITSI)
Iris/Cambria Environmental Technologies
URS Corporation
Weiss Associates

It is proposed to execute a professional services contract to compensate each firm at agreed billing rates on a time-and-materials basis for a total amount not to exceed \$850,000 for each contract. The \$850,000 aggregate is based on past experience with similar contracts and the expected needs of the Port's Capital Improvement Program. The budget is expected to be sufficient for a contract of between two and three years' duration. The contracts will be used only as required and will not be exceeded without future Board approval.

The cost of these services will be covered by the EH&SC Operating Budget for FY00-01, Environmental Liability Accounts established for such work, Port cash and, in some instances, by other responsible parties. Because much of the work under these contracts cannot be foreseen, it is not possible to present a detailed accounting of sources of payment.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the consulting services, as described, are professional services; and
2. Authorize the preparation and execution of separate consultant agreements with GAIA Consulting, Innovative Technical Solutions Inc. (ITSI), Iris/Cambria Environmental Technologies, URS Corporation, and Weiss Associates.

Recommended Consultant Teams

PRIMARY CONSULTANT	TEAM MEMBERS
GAIA Consulting	SOMA, CH2M HILL, H & H, ESG
Iris/Cambria Environmental Technology (2 Primes)	Public Affairs Management, Lipton Environmental Services, Far West Restoration Engineering, Ted Winfield & Associates
Innovative Technical Solutions, Inc. (ITSI)	Javaherian Consulting, RGA Environmental, Luster, Science Applications International
URS Corporation	Moore Lacofano Golstman, Mariscal & Associates, OGISO Environmental, HEW Drilling Co., Gregg Drilling & Testing
Weiss Associates	Entrix, Ward & Associates, The Zahn Group

For Information Only

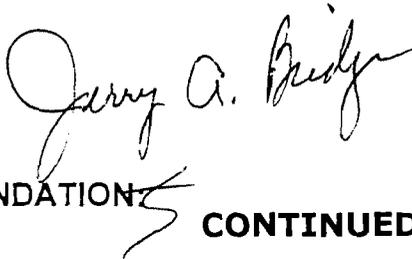
Agenda Sheet

SUBJECT: New Non-Exclusive Preferential Assignment
with American President Lines ("APL")

Date: February 5, 2002

Item No. 23

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION

CONTINUED ITEM

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

The initial term of the various Agreements for the premises at Berths 60 – 63 which are assigned to American President Lines (APL) expired July 31, 2001. These Agreements are collectively referred to for convenience as the "Original Agreement". APL owns and operates 3 cranes at the facility. The original Agreement provided for 2 seven (7) year options. APL has exercised its first 7 year option. Maritime staff has been negotiating a new Agreement with APL Lines for Berths 60 – 63 for over a year. The APL Berths 60 – 63 facility in its current configuration is old and in need of rehabilitation. At one time the facility was operated as two (2) distinct and separate terminals.

Seatrains Lines commenced operations in 1968 and U. S. Lines occupied and had adjoining operations until its bankruptcy in 1987. The combining of the two previous terminals along with the age of the gate, buildings and yard pavement result in a facility that is crowded when compared to current standards for a marine container terminal. Accordingly, APL and the Port have been negotiating capital improvements of approximately \$45 million dollars to be funded by the Port. APL will also be investing in a new gantry crane for the facility.

ANALYSIS

It is significant to mention that the existing boundaries of the APL terminal are irregular. This irregularity makes for less efficient use of the Premises for storage of containers when compared to more modern facilities with a more rectangular outline.

Approved by Ordinance
passed to print

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

FEB - 5 2002

BOARD ACTION TAKEN DATE



Assistant SECRETARY OF THE BOARD

The configuration of the existing terminal also has boundaries that are not optimally located and an old yard lighting system. Given the age and condition of the facility it is proposed that a new Agreement be authorized containing the following elements:

Since APL is still investigating the various tax impacts of the terms of the proposed new Agreement, Maritime staff has indicated that the Port would be flexible in structuring the new Agreement, including entering into a number of related agreements, in order to address APL's tax considerations, so long as the Port is not disadvantaged and so long as APL is legally bound for a period of 15 years to substantially the terms of the proposed New Agreement which are set forth below.

1. Term:

A fifteen (15) year term is proposed with two additional option periods of 5 years each.

2. Premises:

It is proposed that the Premises consist of the land and water area included in the Agreement together with the "Sherex" premises for a total land area of approximately 79.38 acres and a total berthing area of approximately 9.17 acres.

3. Improvements:

Major portions of the \$45 million dollars in work to the facility will include demolition and/or reconstruction of the maintenance and marine operations buildings, the reefer wash facility and the outbound canopy. The container yard pavement will also be reconstructed. The electrical and lighting systems will be refurbished and work will be done to the reefer bunkers and racks.

4. USE:

It is proposed that APL have the right to assign the new Agreement to Eagle Marine, its terminal operating subsidiary, provided that APL remain liable under the Agreement. The new Agreement will continue to treat APL cargo from APL ships and APL cargo from Mitsui OSK Lines/ Hyundai Merchant Marine vessels working at Berth 30 (TRAPAC) as primary use cargo for compensation purposes at the APL Terminal. Hyundai cargo from/to APL ships at the APL Premises shall continue to be treated on a Secondary Use Cargo basis for purposes of compensation under the secondary use provisions of the Berth 30 Tra Pac terms. Matson cargo from APL ships at the APL Terminal will continue to be treated under the compensation terms of the Matson Lease Agreement. Mistui cargo from or to APL ships at the APL Premises will continue to be subject to the Berth 30 use provisions for compensation purposes.

APL vessels and cargo as well as all existing other users of the existing Berths 60 – 63 which are classified as secondary users as of August 1, 2001, shall be considered primary users and will be credited towards the primary use Minimum Annual Guarantee and Breakpoint ("MAG/BP"). These users which shall be considered as primary are ANZDL, Columbus, FESCO and P&O Nedloyd (collectively referred to as the Oceania Group), Star Shipping and Toyofuji.

However, the cargo for Hyundai, Matson and Mitsui ("Additional Users") shall be treated in accordance with today's practice and as specified in the above preceding paragraph and shall not be credited towards the Primary Use MAG. Primary Use shall also include any new shipping line user which has not called the Port before the term commencement of the proposed new Agreement.

5. Compensation:

A. Basic Provisions

The annual breakpoint (BP) for all primary use shall be 218,000 loaded twenty foot equivalent units ("TEU"). As of August 1, 2001 and during the construction period through completion of the upgrades, in lieu of paying the prevailing Port Tariff charges for dockage, wharfage, wharf demurrage and wharf storage, the following will apply:

The Port would be compensated for the land, berthing area and existing improvements as follows:

Rehabilitation Construction Acreage Completed	MAG
Up to 50% completion	\$ 6,800,000.00
Up to 70% completion	\$ 7,600,000.00
Up to 90% completion	\$ 8,400,000.00
Up to 100% completion	\$ 9,600,000.00

All renovation to the buildings must be completed before the Port is compensated at the MAG level of \$9,600,000.00. All loaded TEUs which exceed the BP of 218,000 loaded TEUs during construction shall be assessed the BP rate of \$25.00.

B. Escalation to Compensation:

Under the proposed new Agreement the MAG shall be comprised of compensation payments to the Port for the land and berthing area (the "submerged land area") as well as for the improvements to the facility. The agreed upon value as of 8/1/01 for the land is \$11.75 per square foot while the submerged land value is at \$ 5.875 per square foot, both compensating the Port at 10% rate of return. The land and submerged land values will be subject to the increase in the fair market value (FMV) of the land and submerged land areas during every 5 years of the term of the new Agreement and the portion allocated to the land and water areas for the MAG shall be adjusted accordingly. However, this adjustment shall not result in an increase of more than 10% to the land and submerged land values during any 5 year period.

The balance of the MAG, comprised of the improvements component, shall also be subject to increase and adjustment in accordance with any dockage and wharfage rate increases in the same Port's Tariff 2-A. Furthermore, the above Breakpoint rate of \$25.00 shall also be subject to the same percentage increase as the MAG.

C. IPI Incentive:

For years 1 through 10, if in any contract year the Primary Use IPI volume defined below exceeds both the following IPI loaded TEU Breakpoint levels (defined below) and total Primary Use exceeds the Breakpoint level of 218,000 loaded TEUs, then the Port at the conclusion of each such contract year shall refund the following amounts for each such loaded IPI TEU which exceeds the following IPI Breakpoints:

<u>CONTRACT YEAR</u>	<u>LOADED TEU IPI BP</u>	<u>REFUND/IPI TEU ABOVE IPI BP</u>
1	26,200	\$ 5.00
2	27,510	\$ 5.00
3	30,000	\$ 7.00
4	35,000	\$ 7.00
5	40,000	\$ 7.00
6	45,000	\$ 8.00
7	50,000	\$ 8.00
8	55,000	\$ 8.00
9	60,000	\$ 8.00
10	65,000	\$ 8.00

Interior Point Intermodal ("IPI") Cargo is defined as cargo originating from or terminating at the following geographic locations; in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest Territories of Canada, the Canadian provinces of Manitoba or Northwest territories or Canadian provinces easterly thereof.

D. APL Risk of Losing 3rd Party Clients:

If APL loses a third party client, those customers that were previously defined as secondary users but under the proposed new Agreement would be classified as primary users as of August 1, 2001, as delineated above, to another Port tenant, then APL shall receive loaded TEU credits that will be applied to future BP payments once the Breakpoint level is reached in any contract year.

E. Most "Favored Nation" Clause Pertaining to 3rd Party Users:

The Port would agree that if it should take any actions or make any subsequent agreements that would put APL in a disadvantaged position compared to other Port tenants regarding APL's ability to compete for other 3rd party clients it would enter into good faith renegotiations to ensure that APL will be provided similar treatment.

F. APL Risk of Losing Current Alliance Partners:

APL is presently in a cooperative working relationship with Hyundai Merchant Marine and Mitsui OSK Line. This current arrangement is more commonly referred to as the New World Alliance. In the event of an unforeseen New World Alliance restructuring which results in a new cooperative working association wherein APL has one or more new cooperative relationships with other steamship companies because one or more of the other current New World Alliance partners leaves the existing Alliance, the Port and APL shall agree to enter into good faith negotiations to adjust the annual loaded TEU Breakpoint level but there shall be no change to the MAG payment requirement.

G. Port Revenue Risk Due to Transferring Existing Activity to APL Terminal:

If an existing Port of Oakland customer moves from another Port terminal to the APL facility as a Primary User, the BP level of 218,000 TEUs shall increase by 30% ; or 75% of the loaded TEU activity from the shipping line customer which moves to the APL facility, whichever results in the greater BP.

6. MAINTENANCE:

In the proposed new Agreement the Port would retain the maintenance obligations of each party as stated in the Original Agreement. In consideration for the Port providing the terminal office/gate complex and maintenance and repair facility on the premises to APL rent-free, APL shall with respect to such Rent Free structures perform, at APL's own cost and expense, any and all maintenance, repairs, replacement, rehabilitation, reconstruction and cleanup or removal, whether structural or non-structural, whether required by operations of APL, by actions or others or otherwise, including, without limitation, structures, utilities, plumbing, painting, all electrical facilities, lighting including poles and lighting, walls, foundations, air conditioning and heating, and landscaping.

FINANCIAL IMPACT TO THE PORT:

APL will take a rental increase from approximately \$5.7 million annually to \$6.8 million annually during rehabilitation. The new compensation of 6.8 million annually will escalate as completed construction is phased in so that APL will guarantee to the Port 9.6 million annually when the work is completed.

ALTERNATIVES:

APL wants to solidify its presence in Oakland and grow it's business opportunities with a rehabilitated facility.

If the APL facility is not rehabilitated and made competitive then it will be difficult for them to achieve operating economies of scale and harder to grow the throughput at the facility.

The proposed new Agreement is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

The proposed new Agreement includes the renovation and upgrading of the terminal facilities. Based on the repairs and upgrades contemplated at this time, this project has been determined to be exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 2 (Guidelines Section 15302), which consists of 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; Class 4, which consists of minor public or private alterations of land, including but not limited to (a) grading on land with a slope less than 10%, and (b) new gardening or landscaping. The Board of Port Commissioners adopted the Categorical Exemption on January 29, 2002. However, as the exact details of the work are refined, the degree of work contemplated at this time could potentially change significantly; should this occur, further environmental review may be required. Prior to entering into a construction contract for any proposed construction upgrades and improvements, the Board may need to make new findings under CEQA.

The upgrades and improvements that are anticipated under this agreement will not increase the terminal capacity.. This statement is made based on the discussion on terminal capacity in the 1997 San Francisco Bay Seaport Plan. Further, a study conducted in 1999 by a consultant to the Port describes its analysis and forecast on throughput capacity as conservative and estimated maximum reasonable throughput capacity under the current terminal operating economics. According to this analysis, the throughput capacity, analyzed on a TEU per acreage basis, may be increased by performance improvements, increased storage capacities and reduced dwell time. Improved performance at the terminals, including the deepening of the channels to allow for bigger ships, can only account to a marginal growth (estimated at 1% per year) because the economics of the container storage and even more the land-side transport of the containers is the bottle-neck at the Port of Oakland. (*JWD 1999, pg. 3*)

SUSTAINABLE OPPORTUNITIES:

In accordance with Resolution No. 20467, the above proposed rehabilitation work will be evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. For example, sustainability considerations will be incorporated in the design, engineering and reconstruction of the APL Terminal to the extent feasible in order to recycle building materials where practicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving and authorizing the execution of a new Non-Exclusive Preferential Assignment Agreement, or agreements, with APL in accordance with the foregoing provisions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 24

SUBJECT: Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd.

PROGRAM AREA: —

- checkboxes for Airport Operations, Commercial Real Estate, Maritime Operations, Overall Operations

SUBMITTED BY: Jerry A. Bridges

Handwritten signature of Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION:

CONTINUED ITEM

FACTUAL BACKGROUND

Marine Terminals Corporation ("MTC") operates and provides terminal services at the Ben E. Nutter Terminal under a Management Agreement, which expires June 30, 2004.

The Nutter Terminal is a public container terminal comprised of approximately 58 acres and four gantry cranes. Several shipping lines operate at the Nutter Terminal under separate Terminal Use Agreements ("TUA") with the Port. The China Shipping TUA expires in 2003; the Yang Ming TUA expires in 2006 and the Evergreen Line TUA expires in 2005. Evergreen is now the largest user of the Nutter Terminal. Evergreen is also the owner of shipping line Lloyd Triestino Di Navigazione S.P.A. ("L.T"). The Board approved the addition of L.T. to the Evergreen TUA on July 18, 2000. There are also two other users of the Nutter Terminal and they are Trans Pacific Lines ("TPL") and Wan Hai Lines, which operate as Non-TUA lines that pay Port charges through MTC.

Hanjin and Senator Lines previously were TUA users of Nutter Terminal. In June 2001, Hanjin, who has controlling interest in Senator, transferred both lines to the new facility at Berth 55/56 under a Preferential Assignment Agreement. This move created an opportunity to backfill terminal capacity at the Nutter Terminal.

Last October, Evergreen approached the Port seeking a new Non-Exclusive Preferential Assignment Agreement for the entire Nutter Terminal. Negotiations took place at Evergreen's Headquarters in Taipei. The key elements to the proposed new Preferential Assignment Agreement are outlined below.

TERM

The term is ten years with two five-year options.

SUBSEQUENT ASSIGNMENTS

It is anticipated that Evergreen and MTC will form a limited liability corporation to jointly operate the Nutter Terminal. The Port would agree not unreasonably to withhold its approval to an assignment of the proposed Agreement to the limited liability, but Evergreen would remain responsible under the Agreement.

PRIMARY USE

Primary use for compensation purposes will consist of Evergreen, as well as, all current users of the Nutter Terminal as of January 1, 2002. All "new users" shall also be considered primary users. A new user is considered a shipping line neither of whose cargo or vessels have used any Port maritime facilities in the last twelve months before becoming a new user.

It is significant to note that Oakland is the only major West Coast Port that differentiates pricing terms on the basis of primary and secondary use. In the current competitive market shipping lines and terminal operators are asking for more flexibility when negotiating marine terminal agreements. The proposal to incorporate current other tenants of the facility as primary users allows for the flexibility sought by the shipping lines and terminal operators. The proposed Agreement would, however, distinguish between primary usage and use of the Nutter Terminal for which full Port tariff charges would be assessed to a shipping line that does not qualify as a primary user.

Termination of the existing Evergreen TUA and the MTC Management Agreement would be a required condition for the new Agreement with Evergreen to become effective. The Port and Evergreen also agree reasonably to cooperate in efforts to terminate existing TUAs with other users of the Nutter Terminal. It is not a requirement of the proposed Evergreen Assignment, however, that the existing TUAs be terminated. During the term of the proposed Evergreen Agreement and while an existing TUA

Approved by Ordinance

passed to print

- checkboxes for MOTION, RESOLUTION, ORDINANCE, INFORMATION ONLY

Approved by Resolution

No.

Handwritten number 02034

BOARD ACTION TAKEN Assistant

Handwritten signature of Secretary of the Board

SECRETARY OF THE BOARD

FEB - 5 2002

DATE

continues, Evergreen will provide or cause to be provided the same terminal services to users under continuing TUAs.

COMPENSATION TERMS

In lieu of the Port's full tariff charges for dockage wharfage, wharf demurrage, wharf storage, and crane rental, Evergreen will be subject to the following all-inclusive rates, breakpoint levels and minimum annual guarantees ("MAG") for primary use:

Contract Years 1-2	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate	Breakpoint
MAG \$ 9,015,000.00	Local Cargo		
	1-75,000		\$63.50
	75,001 & more		\$31.00
	IPI Cargo		
	1-40,000		\$40.00
	40,001-75,000		\$37.50
	75,001 & more		\$25.00

Contract Years 3-5	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate	Breakpoint
MAG \$10,256,000.00	Local Cargo		
	1-96,000		\$63.50
	96,001 & more		\$31.00
	IPI Cargo		
	1-104,000		\$40.00
	104,001 & more		\$25.00

Contract Years 6-10	Annual Loaded TEUs Breakpoints	
MAG \$11,603,853.00	Local Cargo	
	The "MAG" for years six through ten shall equate to greater of \$11,603,853.00 of the then prevailing agreement rates multiplied by the breakpoints commencing in year six.	
	1-108,615	
	108,616 & more	
	IPI Cargo	
	1-117,670	
	117,671 & more	

IPI INCENTIVES

As indicated above, there are considerable incentives for discretionary IPI cargo. IPI cargo ("Interior Interpoint Intermodal Cargo") will be defined as cargo originating from or terminating at the following geographic locations: in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest territories of Canada, the Canadian provinces of Manitoba or Northwest territories of Canadian provinces easterly thereof. The above IPI rates shall be assessed from the first intermodal IPI loaded TEU vessel deployments where Oakland becomes Evergreen's published, regularly scheduled West coast first inbound port of call. The potential for new IPI cargo could be as high as 100,000 TEUs during the first contract year.

ESCALATION

The MAG and above rates shall increase on a weighted average basis at the same time as Port tariff rates increase. In addition, beginning with the 11th and 16th contract year and at the beginning of each option period exercised, all loaded TEU breakpoint levels shall be adjusted by the percentage increase in the Fair Market Value of the land and water areas within the premises for the previous 5 year period.

ANALYSIS

The ability to backfill available space at Nutter Terminal based on the terms described above is a good revenue generating opportunity for the Port.

The Port stands to gain an estimated \$1.5 million dollar annual incremental revenue increase for each of contract years one through two. Additionally, the annual incremental revenue increase for each of contract years three through five can be up to \$2.5 million dollars.

The proposed assignment to Evergreen is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of the use beyond that previously existing.

The Port analyzed the impacts of expansion in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), and for construction of a joint intermodal terminal (Final Environmental Impact Statement/Environmental Impact Report, Joint Intermodal Terminal (JIT), June 1999, Resolution 99245). The latter document analyzed the impacts of increases in intermodal throughput of over 260,000 lifts by 2010. The EIRs for vision 2000 and the JIT analyzed impacts by anticipating reuse and more efficient configuration of existing terminals. Thus, changes in the tenancy of the existing marine terminals is categorically exempt under Section 15301 of the CEQA guidelines which provides for leasing property where that lease involves negligible or no expansion of an existing lease.

SUSTAINABLE OPPORTUNITIES

In accordance with resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. Evergreen will use the existing premises and facilities that presently comprise the Nutter Terminal.

RECOMMENDATION

It is recommended that the Board take the following action in accordance with the foregoing:

- 1) Pass a resolution approving, and authorizing execution of an agreement with Marine Terminals Corporation to terminate its existing Management Agreement for the Nutter Terminal, and approving and authorizing execution of agreements with the TUA users of the Nutter Terminal to terminate the TUAs. (Termination of the Management Agreement and the Evergreen TUA would be a condition for the new Evergreen Agreement to become effective, but the Port would only enter into the termination agreements if Evergreen and the Port have entered into the new Evergreen Agreement); and
- 2) Give first reading to an ordinance approving and authorizing execution of the proposed new Non-Exclusive Preferential Assignment Agreement with Evergreen for the Nutter Terminal.

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 31

SUBJECT: Approval to Enter into an Agreement with KPIX-TV to Participate in Public Affairs Programming

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

KPIX TV – Channel 5, the local CBS affiliate, has proposed participation by the Port to be included in a public affairs campaign, which it will launch during March and April 2002. The campaign, "Eye on Business" will promote the Port of Oakland and be seen by more than 6 million people.

ANALYSIS:

KPIX will provide all production and development of a 2-3 minute promotional video and a 30-second corporate image message, which would become the Port's property and can be used for educational and promotional purposes.

The videos, programming, television and radio broadcasts will give the Port the opportunity to highlight the Port's contributions to the community with a focus on:

- Commitment to jobs in the region
- Environmentally responsible programs
- Charitable causes
- Unwavering commitment to the Bay Area region
- Socially responsible decisions and goals

This proposal includes significant television and radio exposure in the form of airtime for:

- 30-second messages – KPIX Television
- 60-second messages – KCBS Radio
- 2-minute piece – KPIX Television
- 30-second promo announcements and live sports billboard announcements – KCBS Radio
- Internet exposure on KPIX.com and KCBS.com

FISCAL IMPACT:

KPIX Television values the production and media buys at a conservative \$108,000. The Port of Oakland's actual investment is \$60,000. This proposal appears to be a very wise investment of our communications budget. The value of the media buys alone is worth the expenditure. The amount is within the Communications budget for FY 01-02.

SUSTAINABILITY IMPACT:

This programming will provide an opportunity to publicly convey the Port's progress and commitment to the environment, sustainable development, and social responsibility.

RECOMMENDATION:

It is recommended that the Board authorize the preparation and execution of an agreement with KPIX Television for the services described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02035

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

FEB - 5 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

Date: February 05, 2002

Item No. 32

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of a resolution in support of State Proposition 42 regarding transportation funding and use tax revenues

SUBMITTED BY: Harold P. Jones





EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

This March, the voters of the State of California will have the opportunity to vote on Proposition 42. This proposition was placed on the ballot by the California State Legislature. California currently spends more than \$15 billion annually for its transportation infrastructure. Approximately one-half of these revenues come from the local level with the remainder coming from state and federal levels (through motor fuel taxes and diesel fuel taxes). In the past, revenues from gasoline sales tax have gone primarily into the general fund with very little going toward transportation projects. In 2000, a program called the Transportation Congestion Relief Program was enacted in California. Under the program, revenues from gasoline sales tax from the years 2003-2008 will be used specifically for transportation purposes. After 2008, these funds would be available for the state to put back into the general fund for other purposes.

ANALYSIS:

This Proposition continues the practice of using gasoline taxes for transportation purposes and stops the state from taking these funds and utilizing them for other purposes beyond the year 2008. The transportation needs of the state are tremendous and any loss of revenue to this area would seriously impact state and local transportation infrastructure projects.

The Port of Oakland would be particularly impacted, since the BART-Oakland International Airport Connector project is slated to receive significant funding for the project through this revenue stream. If these transportation funds were confiscated by the state for other purposes, it could significantly negatively impact the project, since funds would have to be found through other sources.

Many local entities have endorsed Proposition 42. Attached is a list that outlines those entities that have taken a support position. Since this list was written, BART has endorsed the Proposition and the City of Oakland is slated to do the same.

FISCAL IMPACT:

The measure places into the State Constitution those provisions of current law that require the use of state gasoline sales tax revenues for transportation purposes and would continue this usage in the future. Therefore, the measure would have no fiscal impact on the state.

Passage of the measure will enhance the funding of the Port of Oakland's Connector project; some of the funding for this project is to come from this source.

SUSTAINABILITY:

The Connector project, which would receive funding from this Proposition, will improve air quality by reducing 3 million vehicle trips per year on the I-880 corridor.

RECOMMENDATION:

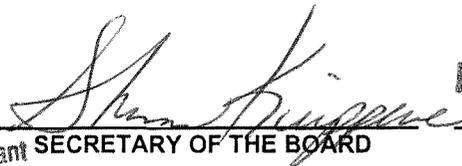
It is recommended that the Board adopt a resolution endorsing Proposition 42.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02036

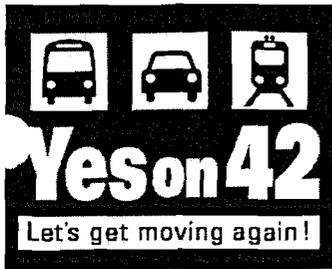
BOARD ACTION TAKEN



 Assistant SECRETARY OF THE BOARD

FEB - 5 2002

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**SAFER ROADS AND
TRAFFIC RELIEF
WITHOUT HIGHER TAXES**

Who Supports Prop. 42 on the March 5, 2002 Statewide Ballot?

(as of 1/18/01)

Police, Fire and Public Safety

California Highway Patrol Commissioner
Dwight Helmick
California Highway Patrol Commissioner
M. J. Hannigan (Retired)
California Highway Patrol Commissioner
J.E. "Jim" Smith (Retired)
California State Office of Emergency Services
Director Dallas Jones
California Fire Chiefs Association
California Police Chiefs Association
California Organization of Police and Sheriffs
(COPS)

Taxpayer Protection

California Taxpayers' Association
California Taxpayer Protection Committee
National Tax Limitation Committee
Butte County Citizens for Better Government
Contra Costa Taxpayers Association
Fullerton Association of Concerned
Taxpayers
Kern County Taxpayers Association
Marin United Taxpayers Association
Orange County Taxpayers Association
San Diego County Taxpayers Association
Santa Barbara County Taxpayers Association*
Shasta County Taxpayers Association
Sonoma County Taxpayers' Association
United Californians for Tax Reform
Waste Watchers

Transportation and Highway Safety

Automobile Club of Southern California –
AAA

California State Automobile Association –
AAA
California Association of School
Transportation Officials *
Structural Engineers Association of California
California Transit Association
California Commuters Alliance
California Association of Councils of
Government
California Rebuild America Coalition
California Association for Coordinated
Transportation
Citizens Alliance for Transportation
Solutions
Infrastructure Delivery Council
Rail Passenger Association of California
RAILVOTE
Self-Help Counties Coalition
Metropolitan Transportation Commission
(Bay Area)
Southern California Association of
Governments
Alameda County Congestion Management
Agency *
Amador County Transportation Commission
Association of Monterey Bay Area
Governments *
Butte County Association of Governments
California Association of School
Transportation Officials, Chapter 1 (San
Bernardino County)
Contra Costa Transportation Authority
Council of Fresno County Governments
Fresno County Transportation Authority
Glenn County Transportation Commission

Golden Gate Bridge Highway and
Transportation District
Humboldt Transit Authority *
Livermore/Amador Valley Transit Authority
Madera County Transportation Commission
Mendocino Council of Governments
Mendocino Transit Authority
Merced County Association of Governments
Modoc County Transportation Commission
Transportation Agency for Monterey County
Monterey-Salinas Transit
Napa County Transportation Planning
Agency
Nevada County Transportation Commission
Orange County Transportation Authority
RIDES for Bay Area Commuters *
Riverside County Transportation Commission
Sacramento Area Council of Governments
Sacramento Transportation Authority
San Bernardino Associated Governments
San Diego Association of Governments
San Diego Metropolitan Transit Development
Board
San Francisco Planning and Urban Research
Institute, Transportation Committee
San Gabriel Council of Governments
San Joaquin Council of Governments
San Joaquin Regional Transit District
San Luis Obispo Council of Governments
Santa Clara Valley Transportation Authority
Santa Cruz County Regional Transportation
Commission
Shasta County Regional Transportation
Planning Agency
Sonoma County Transportation Authority *
Southern California Regional Rail Authority *
Southern California Transit Advocates
Stanislaus Council of Governments *
Tahoe Regional Planning Agency *
Tulare County Association of Governments
Tuolumne County and Cities Area Planning
Council
Transportation California
The Transit Coalition
Ventura County Transportation Commission
Victor Valley Transit Authority
Western Contra Costa Transit Authority

Local Government and Education

California State Association of Counties
League of California Cities
California Association of School
Transportation Officials *
Regional Council of Rural Counties
Marian Bergeson, Former Member, California
State Board of Education
County of Butte
County of Glenn
County of Humboldt *
County of Lake
County of Mendocino
County of Merced *
County of Plumas
County of Riverside
County of Santa Barbara *
County of Santa Clara
County of Shasta *
County of Siskiyou
County of Solano *
County of Tehama
County of Trinity
County of Tulare
County of Tuolumne
County of Yolo
City of Adelanto *
Town of Apple Valley
City of Arcata *
City of Artesia
City of Auburn *
City of Avenal *
City of Belmont
City of Brawley *
City of Brea
City of California City
City of Calimesa *
City of Canyon Lake
City of Carmel-by-the-Sea *
City of Chino *
City of Clayton
City of Clearlake *
City of Colfax *
City of Del Mar *
City of Desert Hot Springs
City of Diamond Bar *
City of Fontana *
City of Fortuna
City of Fresno

City of Grass Valley *
 City of Greenfield *
 City of Hercules *
 City of Hermosa Beach
 City of Hesperia *
 City of Hughson *
 City of Lakeport
 City of Los Angeles
 City of Loyalton *
 City of Manteca *
 City of Marina
 City of Montclair *
 City of Monterey
 City of Newman *
 City of Oceanside
 City of Palm Desert *
 City of Rancho Cucamonga *
 City of Redding *
 City of Ripon
 City of Rolling Hills Estates *
 City of San Rafael
 City of Sand City *
 City of Santa Ana *
 City of Santa Maria
 City of Sonoma *
 City of Tulare *
 City of Upland *
 City of Winters *
 City of Yucaipa *
 Town of Yucca Valley *
 American Public Works Association,
 Sacramento Chapter
 American Public Works Association, San
 Diego/Imperial Counties Chapter
 California Association of School
 Transportation Officials, Chapter 1 (San
 Bernardino County)
 Lake County/City Area Planning Council
 Hon Tom Ammiano, Supervisor, City and
 County of San Francisco *
 Hon. Harry Armstrong, Councilmember, City
 of Clovis
 Hon. David Cortese, Councilmember, City of
 San Jose and Boardmember, Valley
 Transportation Authority
 Hon. Kathleen DeRosa, Councilmember, City
 of Cathedral City
 Hon. Dan Donahue, Councilmember, City of
 Vallejo and Board Member, Solano
 Transportation Authority

Hon. Jose Esteves, Councilmember, City of
 Milpitas
 Hon. Ed Gallo, Councilmember, City of
 Escondido
 Hon. Miriam Hawley, Councilmember, City
 of Berkeley
 Hon. Robert Jehn, Mayor, City of Cloverdale
 and Vice Chair, Sonoma County
 Transportation Authority
 Hon. Kevin R. Jenkins, School Board
 Member, Hanford High School District
 Hon. Maureen Kirk, Vice Mayor, City of
 Chico
 Hon. Valerie Matzger, Vice Mayor, City of
 Piedmont
 Hon. Ameal Moore, Councilmember, City of
 Riverside
 Hon. Vern D. Moss, Supervisor, Madera
 County
 Hon. Rosalie O'Mahony, Councilmember,
 City of Burlingame
 Hon. Bill Overman, Supervisor, Siskiyou
 County
 Hon. Julie Pierce, Mayor, City of Clayton and
 Commissioner, Contra Costa Transportation
 Authority
 Hon. Jeffrey Prang, Councilmember, City of
 West Hollywood
 Hon. Richard Shoemaker, Supervisor,
 Mendocino County
 Hon. Joan Smith, Supervisor, Siskiyou
 County
 Hon. Jose Solorio, Councilmember, City of
 Santa Ana *
 Hon. Tom Springer, Mayor, City of Gilroy
 Chris Stampolis, Chair, Planning Commission,
 City of Santa Clara
 Dr. David Stine, President, San Bernardino
 County School Board
 Hon. Tom Stallard, Supervisor, Yolo County
 Hon. Gary Wyatt, Supervisor, Imperial
 County
 Hon. George Zika, Councilmember, City of
 Dublin

Business, Labor, and Others

California Alliance for Jobs
 California Chamber of Commerce
 Associated General Contractors of California
 California Business Roundtable

California Conference of Carpenters
California State Council of Laborers
Consulting Engineers and Land Surveyors of
California
International Union of Operating Engineers,
Local Union 3 (Northern California)
International Union of Operating Engineers,
Local 12 (Southern California)
State Building and Construction Trades
Council of California
American Lung Association of California
Amalgamated Transit Union, California
Conference Board
American Council of Engineering Companies
American Fence Association, California
Chapter
American Planning Association, California
Chapter
Asphalt Pavement Association
California Association for Local Economic
Development
California Building Industry Association
California Business Alliance
California Business Properties Association
California Cast Metals Association
California Cement Promotion Council
California Council for Environmental and
Economic Balance *
California Dump Truck Owners Association
California Fence Contractors Association
California Grocers Association
California Hotel & Lodging Association
California Moving and Storage Association
California State Association of Electrical
Workers
California Teamsters Public Affairs Council
California Travel Parks Association
California Trucking Association
Construction Materials Association of
California
Engineering and Utility Contractors
Association
Engineering Contractors' Association
Flasher/Barricade Association
Laborers International Union
Latino Urban Forum
Professional Engineers in California
Government
Transport Workers Union of America *
United Transportation Union

Northern California District Council of
Laborers
Southern California Contractors Association
Structural Engineers Association of Southern
California
Adult Day Healthcare of Mad River *
Amalgamated Transit Union, Local 1227 (Los
Angeles) *
Anaheim Chamber of Commerce
Apple Valley Chamber of Commerce
Associated General Contractors of California,
San Diego Chapter
Avignon Home Owners (Valencia)
Bay Area Council
Builders Exchange of Santa Clara County
Carlsbad Chamber of Commerce *
Clovis Chamber of Commerce
Construction and General Laborers' Union,
Local 291 (San Rafael)
Consulting Engineers and Land Surveyors of
California, Peninsula Chapter
Cupertino Chamber of Commerce
Downey Chamber of Commerce
El Centro Chamber of Commerce and
Visitors Bureau
El Dorado Builders Exchange
Escondido Chamber of Commerce
Fairfield-Suisun Chamber of Commerce
Fontana Chamber of Commerce
Fremont Chamber of Commerce
Greater Fresno Chamber of Commerce
Gilroy Chamber of Commerce
Hayward Chamber of Commerce
Imperial County Building and Construction
Trades Council
Industry Manufacturers Council
Inland Empire Economic Partnership
Laborers International Union, Local 220
(Bakersfield)
Laborers International Union, Local 270
(Santa Cruz)
Laborers International Union, Local 294
(Fresno)
Laborers International Union, Local 585
(Ventura)
Laborers International Union, Local 1082 (El
Monte)
Long Beach Area Chamber of Commerce
Los Altos Chamber of Commerce
Los Angeles Area Chamber of Commerce

Los Angeles County Economic Development Corp. Critical Infrastructure Council
Los Angeles/Orange Counties Building & Construction Trades Council
Marin Builders Exchange
Greater Merced Chamber of Commerce
Milpitas Chamber of Commerce
Mill Valley Chamber of Commerce
Mountain View Chamber of Commerce
Nevada County Contractors' Association
Newport Harbor Area Chamber of Commerce
North Bay Council *
North Coast Builders Exchange (Santa Rosa)
Oceanside Chamber of Commerce
Ontario Chamber of Commerce
Orange Chamber of Commerce & Visitors Bureau
Otay Mesa Chamber of Commerce
Plumbers and Steamfitters Union, Local 62 (Castroville)
Redondo Beach Chamber of Commerce
Redwood City/San Mateo County Chamber of Commerce
Greater Redding Chamber of Commerce
Rialto Chamber of Commerce
Greater Riverside Chamber of Commerce
Sacramento Builders' Exchange
Salinas Valley Builders Exchange
San Diego Building and Construction Trades Council
San Francisco Building and Construction Trades Council
San Francisco Chamber of Commerce
San Luis Obispo County Builders Exchange
San Mateo County Economic Development Association
San Rafael Chamber of Commerce
Santa Ana Chamber of Commerce
Santa Barbara Industrial Association
Santa Clara Chamber of Commerce
Santa Clara County Chambers of Commerce
Santa Clarita Valley Chamber of Commerce
Santa Fe Springs Chamber of Commerce
Shasta Builders' Exchange *
Silicon Valley Manufacturing Group
Simi Valley Chamber of Commerce
Solano Economic Development Corporation
South Lake Tahoe Chamber of Commerce
Sunnyvale Chamber of Commerce

Tuolumne County Chamber of Commerce
United Food and Commercial Workers Union, Local 839 (Salinas)
Ventura Chamber of Commerce
Ventura County Economic Development Association *
Victorville Chamber of Commerce
Visalia Chamber of Commerce

* = new listing

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 40

SUBJECT: CLOSED SESSION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Christopher C. Marshall *CCM*

EXECUTIVE OFFICE RECOMMENDATION: *AP*

1. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION.**
Pursuant to subdivision (a) of Section 54956.9: Names of cases:

Berkeley Jets Over the Bay et al v. Port of Oakland, et al.,
California Court of Appeal Case Nos. A086708/A087959/A089660

People of the State of California v. Federal Energy Regulatory Commission and Public Utilities Commission of the State of California v. Federal Energy Regulatory Commission, Case Nos. 01-71944 and 01-71934, United States Ninth Circuit Court of Appeals

2. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:**

Property: **Oakland Army Base**
 Negotiating Parties: **Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency**

Under Negotiation: **Price and terms of payment**

Property: **Various Parcels, Jack London Square**
 Negotiating Parties: **Port and Jack London Square Partners**
 Under Negotiation: **Price and Terms of Payment**

3. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION.**
Significant exposure to litigation pursuant to subdivision (b) Section 54956.9 4 matter.

4. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION.**
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.

Approved by Resolution

No. *02038, 02039*

402040

BOARD ACTION TAKEN *Assistant*

[Signature]
SECRETARY OF THE BOARD

FEB - 5 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

SUMMARY AGENDA C. BOARD CALENDAR
February 5, 2002

AIRPORT

- 2S** Approval of New License and Concession Agreement with Bay Air, Inc. and John Roth for Additional Apron Space (7843 Earhart Road, North Airport). (Resolution)
- Recommends approval to add the apron space under a new separate agreement.
- 3S** Approval of License and Concession Agreement with ADSD, Inc. dba A.P. Enterprises (#1 Airport Drive, South Airport). (Resolution)
- Recommends approval for the firm to enter airport space to perform maintenance on ground service equipment.
- 4S** First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport). (Resolution)
- Recommends approval to add three signatories to the operating agreement.
- 5S** Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc., (#1 Airport Drive, South Airport). (Resolution)
- Recommends approval of the agreement which provides access to the airport for visual transit inspection of aircraft.
- 6S** Ratification of Addenda and Award of Contract for Construction of Interim Ticket Counters, Building M-102, OIA. (Resolution)
- Notifies of the bids received and recommends award of the contract to the low bidder.
- 7S** Approval of Plans and Project Manual for Construction of Asphalt Concrete Overlay for Runway 9L-27R, North Airport, OIA. (Resolution)
- Recommends their approval and authority to advertise for bids for the overlay project.

SUMMARY AGENDA
February 5, 2002

8S This item not used.

COMMERCIAL REAL ESTATE

11S Recommended Approval of a New License and Concession Agreement with National Furniture Liquidators, Inc. for 44,792 Square Feet of Warehouse and Office Space for Premises Located at 845 Embarcadero. (Resolution)

Recommends approval of a new agreement for their space on Embarcadero.

MARITIME

22S Ratification of Addenda and Award of Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000. (Resolution)

Notifies of the bids received and recommends award of the contract to the low bidder.

OPERATIONS

33S Personnel Items: Termination. (Resolution)

Recommends approval for one termination.

ORDINANCES:

Port Ordinance No. 3679 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF GROUND LEASE WITH GRAY AND REYNOLDS PROPERTIES, INC."

Provides for approving a ground lease with Gray and Reynolds Properties, Inc.

Port Ordinance No. 3680 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A RIGHT OF WAY AGREEMENT FOR TEMPORARY EASEMENTS WITH STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION."

Provides for approving a right of way agreement for temporary easements with the State Department of Transportation.

Port Ordinance No. 3681 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO CARPENTERS UNION LOCAL 2236 AND PACIFIC GAS AND ELECTRIC (PG&E) FOR BUILDING ENCROACHMENT, EMERGENCY INGRESS AND EGRESS AND SUBSURFACE UTILITIES LOCATED AT BROADWAY STREET, OAKLAND, CALIFORNIA."

Provides for approving easement documents to Local 2236 and PG&E.

Port Ordinance No. 3682 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH AMERICAN PRESIDENT LINES, LTD."

Provides for a nonexclusive preferential assignment agreement with American President Lines, Ltd.

SUMMARY AGENDA
February 5, 2002

Port Ordinance No. 3683 being, "AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH EVERGREEN MARINE CORP. (TAIWAN) LTD."

Provides for a nonexclusive preferential assignment agreement with Evergreen Marine Corp. (Taiwan) Ltd.

Port Ordinance No. 3684 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE THE NEW POSITION OF AIRPORT SECURITY MANAGER, TO AMEND SECTION 5.121 OF PORT ORDINANCE NO. 867 AND AMENDING PORT ORDINANCE NO. 3675 TO CORRECT AND UPDATE PORT ORDINANCE NO. 867."

Provides for the creation of one position of Airport Security Manager and the title change to Port Deliveryman.

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 11

SUBJECT: First Reading of an Ordinance Authorizing the Execution of a Ground Lease with Gray and Reynolds Properties, Inc. for the 1.1-acre Site Located at 1211 Embarcadero Road

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION:

CALENDAR MEMO

FACTUAL BACKGROUND:

In February 2001, the Board authorized an Exclusive Negotiating Agreement (ENA) between the Port and Gray & Reynolds, a local development team consisting of Dan Gray and Peter Reynolds. The ENA covered a 4.4 acre parcel located at Embarcadero Cove south of the 9th Avenue Terminal and adjacent to the Homewood Suites hotel currently under construction. After extensive negotiations, the ENA was fully executed on July 31 2001, and provided for a 90-day period to complete a Memorandum of Understanding (MOU). The team is proceeding with a development plan for one of the three sites covered under the ENA, the 1.1-acre site that formerly housed the Hungry Hunter restaurant.

Based on substantial efforts during this initial period, the developer requested and the Port agreed to extend the initial ENA period for an additional 90 days, as provided for in the agreement. The current expiration date of the agreement is January 27, 2002. During this period the developers were required to file a request for CEQA review with the City of Oakland, and to complete negotiations on the master lease.

CURRENT PROJECT:

The proposed project entails the demolition of an existing structure and construction of a three or four story, 23,000 square foot commercial building on a 1.1 acre site located at 1221 Embarcadero. The building will include 7,056 square feet of commercial uses on the ground floor, including a boat sales showroom and an area dedicated to general food sales with outdoor seating along the waterfront. Total project costs are estimated to be \$4,500,000. The developer has met with the Bay Conservation and Development Commission (BCDC) on a number of occasions, and the project currently includes a small pocket park on the water, and landscape and hardscape improvements including public access areas between the estuary and the building.

GROUND LEASE PROPOSAL:

The following is a summary of the terms and conditions of the proposed land lease:

1. The premises would consist of approximately 49,672 square feet of land located on Embarcadero south of 10th Avenue, adjacent to the newly constructed Homewood Suites hotel. The premises would also include the dock currently used by Integre Marine, consisting of 10,200 square feet of water. Lessee would be responsible for demolishing the building improvements (the former Hungry Hunter location) currently on the site.
2. The lease term would be for a period of 66 years, not including pre-term.
3. There would be a pre-term period in the lease, which would commence on the effective date of the lease, and expire twelve months from that date. During this period, the lessee would have the option of demolishing the building, and would work to obtain entitlement approval from the City of Oakland, BCDC, and any other approvals required for the project. The lessee has a one-time option to extend the pre-term for an additional 120 days. During that extension period, the lessee would pay construction rent.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

4. The lessee would construct an office building on the site containing approximately 23,000 rentable square feet, in accordance with plans and specifications to be reviewed by the Port and approved by the City of Oakland. All signs would also be subject to City approval.
5. The initial minimum rent would be \$5,333 per month (based on a 10% return on \$16 per square foot of the usable area outside the BCDC public areas) against 15% of net (the subtenants are under triple net leases). The minimum rent commences at the first to occur of:
 - a) 18 months following the commencement date of the construction term
 - b) When the building is 75% leased and occupied
6. The minimum rent would be adjusted at five-year intervals to either 75% of the average monthly rental paid to the Port during the 36-month period immediately preceding the rental adjustment, or the percentage change in the Consumer Price Index, whichever is greater. There will be a ceiling of 10% on the adjustment. In no case would the minimum rental be adjusted to less than the existing minimum rental.
7. The construction rent would be 50% of the minimum monthly rent or \$2,667/month. The costs of demolition of the building will be credited against the construction rent, in an amount not to exceed \$50,000.
8. Lessee has deposited \$50,000, which will be credited as a security deposit. Provided that no default has occurred, from the date that 75% of the office building is leased, the Port shall apply the security deposit towards the minimum rent.
9. The Port will be responsible for remediation costs up to \$200,000, including initial characterization of the site. If the total remediation costs exceed \$200,000, the Port will have the option to terminate the Lease Agreement.
10. The lessee will be responsible for all maintenance and repair of the improvements.
11. The lessee would pay prevailing wages during construction of the improvements in accordance with the Port's current policy on prevailing wages during construction.
12. The lessee would pay all taxes, assessments and utilities.
13. The lessee would be responsible for the cost of any public access improvements required by BCDC.
14. The lease could not be assigned or subleased without prior Port approval, which would be not unreasonably withheld.
15. The lease will contain a provision allowing the lessee a right of first offer if the Port elects to lease or sell all or part of the adjoining 3.3 acre site to the south of the leased premises.

LAND USE AND ENVIRONMENTAL DETERMINATION:

At its October 3, 2001 meeting, the City of Oakland Planning Commission approved the design and a Conditional Use Permit for the proposed project. They noted that the proposed project is an appropriate land use at this location and an appropriate and well designed commercial project that will further the overall objectives of the Estuary Policy Plan, particularly those related to the development of commercial-recreational and water oriented activities, recreational and open space, and enhanced waterfront public access. They also determined that the proposed project is categorically exempt from the California Environmental Quality Act; pursuant to Section 15332, Infill Development Projects, of the State CEQA guidelines. The Port is relying on the City's analysis in proceeding with this ordinance.

**First Reading of an Ordinance Authorizing the Execution
of a Ground Lease with Gray and Reynolds Properties, Inc. for the
1.1 Acre Site Located at 1211 Embarcadero Road**

SUF INABILITY:

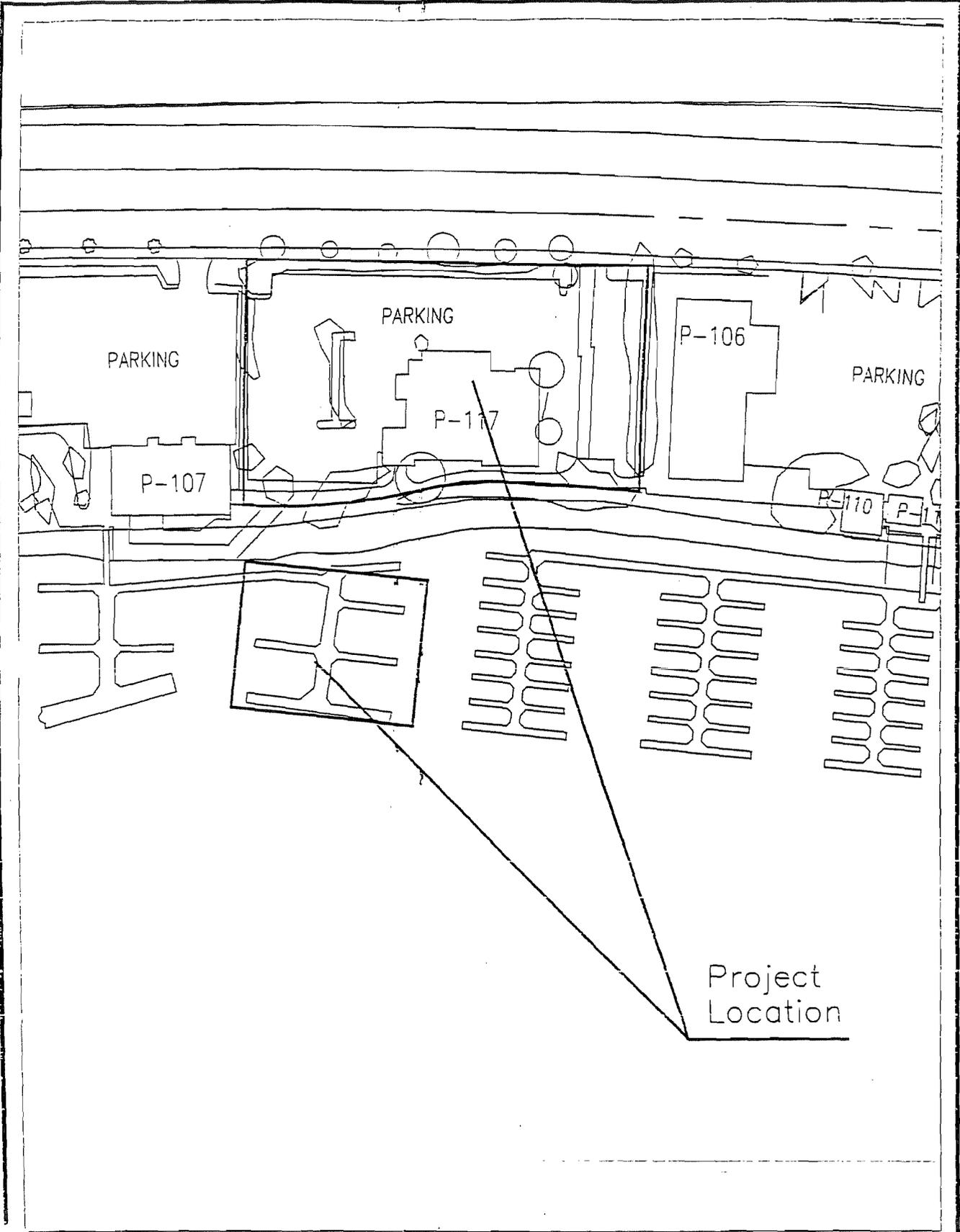
The proposed project will take an underutilized site and convert it to better economic use. The lessee's contractor will recycle the materials from the demolition of the former Hungry Hunter building, and will filter stormwater runoff. Native vegetation will be incorporated into the project landscaping, and the office building will feature operable windows.

OPTIONS:

1. Approve the ground lease as outlined above
2. Put the parcel back on the market

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance authorizing the terms of the ground lease as outlined.



PORT OF OAKLAND

Commercial
Real Estate

Board of Port Commission - PORT OF OAKLAND

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 12

SUBJECT: Approval to Execute proposed Right of Way Easement Agreement with Caltrans, granting Temporary Construction Easements for the Seismic Retrofit of the Webster & Posey Tubes

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

DUPLICATE OF PRIOR

EXECUTIVE OFFICE RECOMMENDATION:

CALENDAR MEMO

FACTUAL BACKGROUND:

The California Department of Transportation (Caltrans) is planning to seismically retrofit the Webster and Posey Tubes between Oakland and Alameda. The project will impact two areas within Jack London Square, one adjacent to the Old Spaghetti Factory (Webster Tube) and another adjacent to the old Jack London Village site (Posey Tube). Two separate basins of the Jack London Marina will also be impacted.

The first stage of the Jack London Square project involved a test or demonstration phase intended to test the viability of the "jet grout" retrofit method. Specifically, Caltrans injected "jet grout" into small sections of the Posey Tube and analyzed the results to determine the overall effectiveness of the jet grouting method. This phase of the project was completed in August 2000, and was determined to be successful. Caltrans' task was then to set a timeline for completion of the retrofit project on the remainder of the Posey and Webster Tubes.

The Posey Tube was constructed in 1928, and connects Oakland with Alameda. The tube is constructed of reinforced concrete and is nearly 4,500 feet long, including approach sections; cast-in-place and pre-cast immersed sections, and portal buildings housing the ventilation fans. At its lowest crossing under the estuary the tunnel roadway is 68 feet below sea level. The tube was designated an historic landmark by the City of Oakland in 1992. The Webster Street Tube was constructed in the early 1960's and is of similar construction to the Posey Tube. It is about 4,400 feet long and is 71 feet below sea level at its lowest point.

Caltrans has determined that the soil within the limits of both tubes has poor to fair seismic characteristics. Liquefaction has been found to be a significant hazard for both tubes. Liquefaction of the soil below the tubes could allow the tube to float or be displaced laterally resulting in loss of integrity, severe distortion, structural damage or total failure.

The jet grouting retrofit method would densify the ground around the tube with a mixture of cement and natural soil. With the jet grouting method, a high-pressure jet lance is jetted into the ground to the desired depth. The lance is a double or triple tube pipe. Once at depth, a horizontal water jet is turned on which carves out a cylindrical cavern around the pipe, while excavating soil is removed up along the pipe. The next step is to replace the water jet with a jet of cement grout. The end result is an irregular column consisting of a mixture of soil and cement. The columns will be overlapped and will form a continuous wall or mass that will have considerable strength. The stone column retrofit method will only be used in the water area around the Webster tube. This method will involve the driving or vibrating of hollow 18" diameter steel piles around the base of the tube structure. The piles will be filled with clean graded stone aggregate that will enhance the soil stability.

ANALYSIS:

To facilitate the retrofit work for both the Posey & Webster tubes, Caltrans will need to secure several temporary construction easements from the Port. These various surface easements are adjacent to the actual tube rights of way, and will be used primarily for equipment storage, supplies and construction staging. Caltrans has existing easement rights for the land and water areas directly above the tube structures.

Staff has negotiated the terms and conditions of a "Right of Way Easement Agreement" which will grant Caltrans the easement rights that they require. Ellis Partners has also been involved in these negotiations, since portions of the proposed Caltrans easements are within the Jack London Square Phase II development area. The following is a summary of the major terms and conditions of the proposed Agreement:

- **Term:** The term of the agreement would commence on January 1, 2002, and would expire December 31, 2004.
- **Premises:** Two (2) temporary construction easements adjacent to the Posey Tube totaling approximately 97,025 s.f. of land and water area. One (1) temporary construction easement adjacent to the Webster tube totaling approximately 70,107 s.f. of water area.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

- **Use:** Construction work associated with the retrofit of the Posey & Webster tubes using jet grouting and stone column methods.
- **Compensation:** Caltrans will reimburse the Port approximately \$590,000 for their use of the temporary easement areas. This amount is based on the appraised rate of \$140 per square foot (10% return) for land areas and actual marina berth rental rates (\$8 plf) for the water areas. Staff believes this amount is sufficient to reimburse the Port for anticipated lost revenue projected to be \$330,500 (marina = \$218,000; parking = \$112,468) during the course of the project.
- **Marketing Fund:** Port staff will develop a marketing program to help mitigate some of the potential economic impacts of the retrofit project on Port tenants in the immediate project area. This program may include print advertising, special promotions, free customer parking, and periodic updates in "Currents" magazine. The goal of the program will be to attract new business for the affected Port tenants. Caltrans has agreed to contribute an additional \$25,000 to help fund this program.
- **Project Phasing:** The agreement will contain a construction phasing plan/schedule that will outline the approximate number of months that Caltrans will need to complete certain segments of the project, and the approximate dates that they will occupy those segments. This phasing plan/schedule was reviewed and accepted by Ellis Partners and does not conflict with their anticipated development schedule for the Phase II development of Jack London Square.
- **Damages:** The agreement will contain a provision for the payment of damages to the Port and Ellis Partners in the event that the construction phasing plan/schedule is exceeded. This provision is needed to assure that the Ellis development schedule is not compromised. Caltrans would pay damages of up to \$2,000 per day to the Port for the benefit of Ellis Partners depending on the location of the delay. The Port would also receive additional compensation from Caltrans based on the appraised rate if any portion of the construction project exceeds 12-months.
- **Marina Improvements:** Caltrans will pay the entire cost associated with the removal and subsequent re-installation of portions of the Jack London Square East & Center Basins marina docks and improvements. Port staff will provide Caltrans with marina as-builts, and will work with Caltrans staff to insure that the marina improvements are protected and properly reinstalled. The affected portions of the marina would be removed for a one-year period. Caltrans would be responsible for relocating the marina berthers to alternate marina facilities.
- **Restoration of Project Site:** Caltrans agrees to fully restore and repair any damage to the project areas. This includes damages to surface parking lots, underground utilities, landscaping areas, etc.
- **Vehicle Access:** Caltrans will provide for continued vehicular access between parking lots 5, 7 & 9 during the term of the agreement. At least one vehicle entrance will remain open at all times over the duration of the project. Caltrans will provide necessary signage to direct pedestrian and vehicular traffic.
- **Construction Guidelines:** The agreement will contain guidelines for construction activities in the project areas. This will cover safety issues, construction fencing, contractor parking, dust control, work hours, etc.
- **Toxic Materials:** The agreement will contain the Port's standard language regarding toxic materials.
- **Relocation Assistance:** Caltrans will be solely responsible for the payment of relocation assistance benefits to displaced marina berthers, as required by law. Benefits would include actual moving expenses for all displaced berthers, and potential rent differential payments for live-aboard berthers.
- **Insurance:** The Port will agree to accept the State's letter of self-insurance.
- **Future Boat Shows:** Caltrans agrees to cooperate with the boatshow operator and Port to accommodate future boat shows in the area.

Staff has explored ways to help reduce the impact of the construction project on the surrounding Port tenants, namely the Il Pescatore Restaurant, Old Spaghetti Factory, Kincaids and Heinholds First and Last Chance. A marketing program will be implemented during construction, with the goal of attracting additional customers and maintaining business activity. As mentioned earlier, Caltrans will contribute \$20,000 toward that marketing program.

Also, the marina berthers are very concerned about the eventual de-construction/re-construction of the marina improvements, due to the retrofit project. They have had ongoing meetings with Port and Caltrans staff to articulate their concerns, and to get a better understanding of the Caltrans relocation assistance program. Staff will continue to meet with the berthers to update them on the project and address their concerns.

This item was discussed in both the December and January Commercial Real Estate Committee Meetings.

CEQA: Ministerial Action; Exempt CEQA; Section 15268

SUSTAINABILITY OPPORTUNITIES:

The temporary construction easements are necessary to allow Caltrans to implement a seismic retrofit project to protect public safety. The seismic retrofit project is not a Port project; therefore any sustainability opportunities associated with the project are outside the Port's scope of authority.

OPTIONS:

- Approve staff recommendation
- Approve staff recommendation with additional conditions
- Do not approve staff recommendation

RECOMMENDATION:

It is recommended that the Board approve and authorize the Executive Director to execute the proposed Right of Way Easement Agreement and any related documents with Caltrans for the Webster & Posey Street tube seismic retrofit, as outlined above.

Agenda Sheet

DATE: January 29, 2002

ITEM NO: 13S

SUBJECT: Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION:

CALENDAR MEMO

FACTUAL BACKGROUND:

M.A. Lindquist Company, Inc., has been hired by the Carpenters Union Local 2236, to construct a new union building at 115 Broadway Street in Oakland, California. The facility is constructed on privately owned land which is adjacent to Port-owned land currently leased to the owner of the Jack London Cinema, Dow Pac. The Port-owned alleyway, which will be impacted by the requests for various easements to allow the construction of the Carpenters Union building, is currently used as an emergency exit for the Jack London Cinema and contains other subsurface utilities. Port of Oakland Lessee, Dow Pac, has provided written consent to allow the proposed easements. M.A. Lindquist Company, on behalf of the Carpenters Union, has requested the Port of Oakland grant an easement for subsurface utility purposes in the above-mentioned alleyway. M. A. Lindquist Company informed the Port of Oakland that during construction they mistakenly placed subsurface pilings on approximately 70 square feet of Port of Oakland property within the alleyway. Also, M. A. Lindquist was informed by the City of Oakland of a need for a second exit from the building for emergency purposes. Due to the configuration of the site, the most likely place for an emergency exit is in the Port-owned alleyway.

Analysis:

Within the "alleyway" the calculations for the aforementioned easements are as follows:

1. Pacific Gas and Electric Company Easements for Subsurface Utilities- 197.43 Square Feet (Easement A)
2. Encroachment Easement - 70.0 Square Feet (Easement B)
3. Emergency Ingress and Egress Easement - approximately 9 feet x 200+ feet. (Easement C)

The easements do not appear to have a negative impact on the Port of Oakland property or the use of the property by the Port Lessee, Dow Pac. The Port would not be responsible for either the maintenance and monitoring or have any ongoing liability for the easements.

As compensation for the easements outlined above and as shown on the attached maps, it is proposed to receive in payment from the Carpenters Union the following:

1. P.G. & E. Easement - \$500.00 nominal fee
2. Encroachment Easement - \$3,500 (70.00 S.F. x \$50.00 psf)
3. Emergency Ingress and Egress Easement - \$500.00 nominal fee

CEQA Determination:

The Port of Oakland's granting of the aforementioned easements would not entail approval of any physical changes in the environment and is therefore exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the State of California CEQA Guidelines. The Carpenters Union Building Project is subject to approval by the City of Oakland, which determined, on March 7, 2001, that the project is exempt from CEQA, pursuant to Section 15332 (In-fill Development Projects) of the State of California CEQA Guidelines.

Sustainability:

There are no obvious environmental opportunities involved in this project.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Grant of Easement for a Subsurface Utility Easement
to Pacific Gas and Electric Co., Encroachment Easement,
and Emergency Ingress and Egress Easement to the
Carpenters Union for the Property located at 115 Broadway
Street, Oakland, California

Page 2

Options:

1. Approve the granting of the easements as outlined above.
2. Disapprove the easements, which would impact the ability of the Carpenters Union to occupy the office building.
3. Renegotiate the compensation for the easements.

Recommendations:

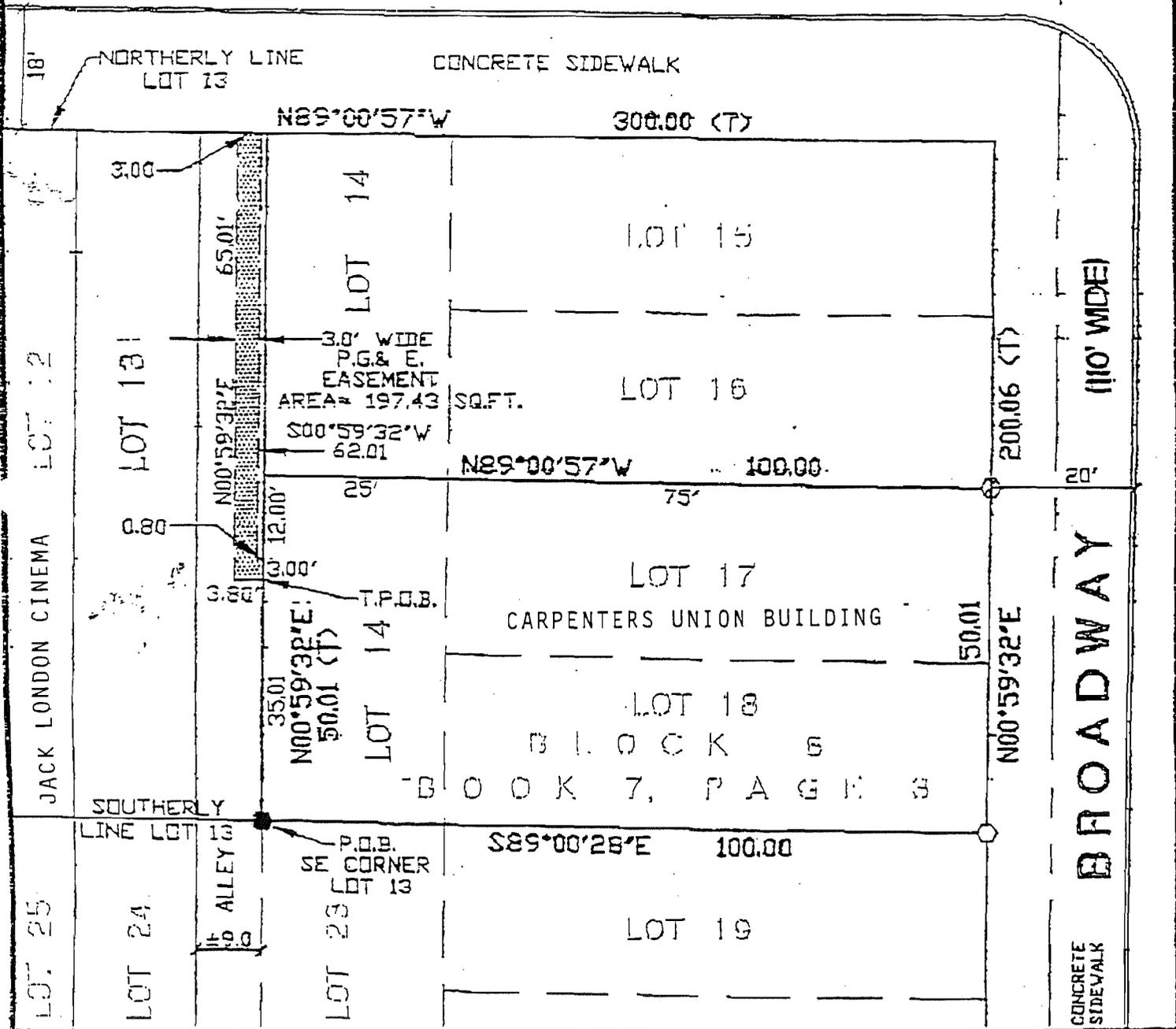
It is recommended the Board authorize the Executive Director to execute easements as outlined above, after review as to form and legality by the Port Attorney.

Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California

RECEIVED
 ENDPOINT C.M.

2nd STREET (80.5' WIDE)

MONUMENT LINE

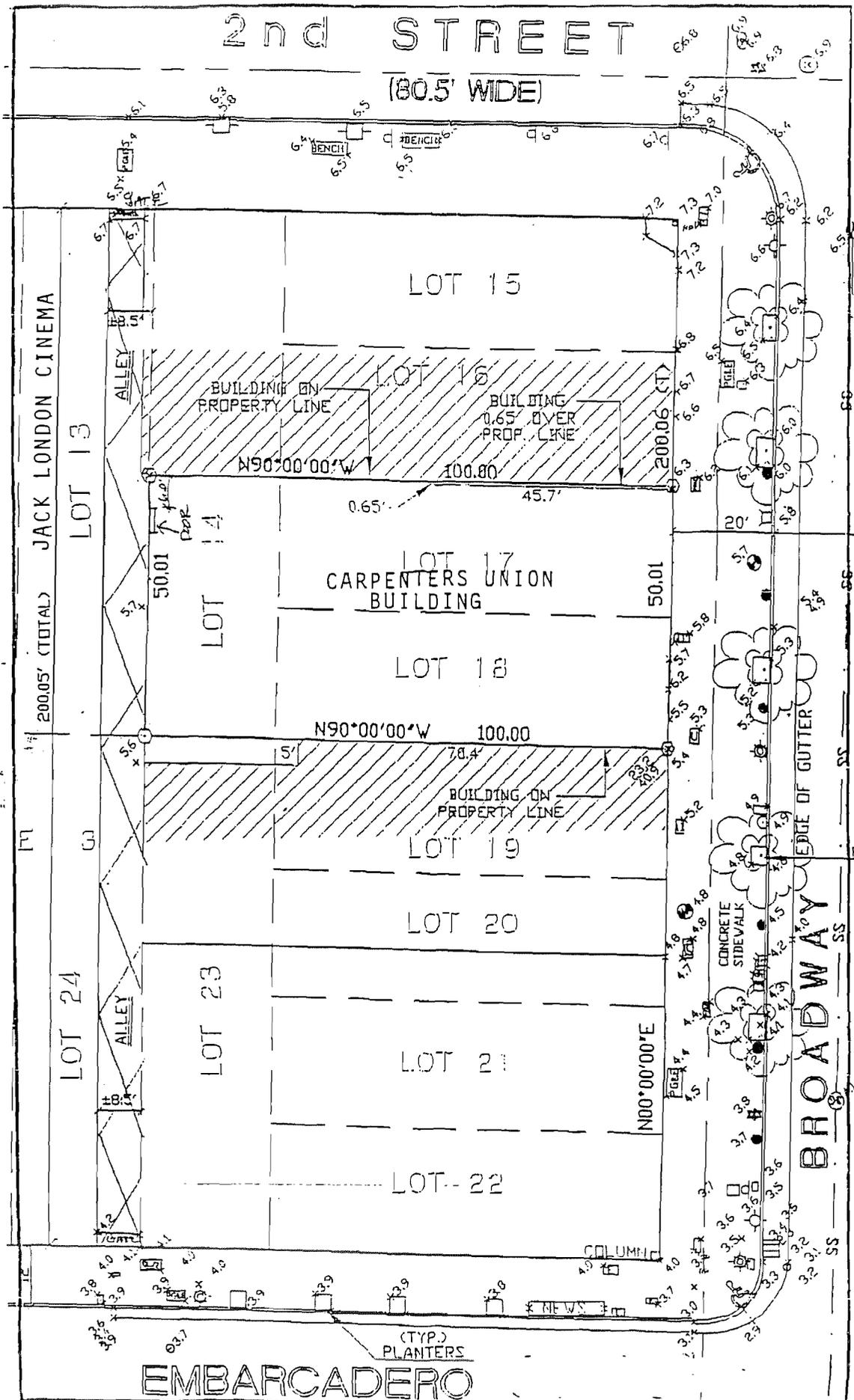


PLAT TO ACCOMPANY LEGAL DESCRIPTION - P.G. & E. EASEMENT (EXHIBIT "A")

 BENCHMARK CONSULTANTS SURVEYING = MAPPING = ENGINEERING	2738 WEST TREGALLAS ROAD - SUITE B ANTIOCH, CA 94509 (925) 757-9035	SCALE:	JOB NO.:
		1" = 20'	00-046
DATE:		DWG FILE:	
CHANGE		MARIS-LEDWIG	

EASEMENT "A" - P.G. & E EASEMENT

Grant of Easement for a Subsurface Utility Easement to Pacific Gas and Electric Co., Encroachment Easement, and Emergency Ingress and Egress Easement to the Carpenters Union for the Property located at 115 Broadway Street, Oakland, California



EMBARCADERO

EASEMENT "C" - EMERGENCY INGRESS AND EGRESS EASEMENT

Agenda Sheet

DATE: January 29, 2002

SUBJECT: PERSONNEL ITEMS
 - Creation of Classification/Position
 - Title Change

**DUPLICATE
 OF PRIOR
 CALENDAR MEMO**

ITEM NO: 31S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani *[Signature]*

FACTUAL BACKGROUND:

I. CREATION OF A CLASSIFICATION/POSITION--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification **Airport Security Manager** and assignment to **Salary Schedule 575.2** (a--\$7888; b--\$8281; c--\$8695; d--\$9218; e--\$9770). This is needed to meet the new FAA security requirements as a result of the September 11, 2001 attacks.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Airport Security Manager	OPER	Aviation	1	E	575.2 (a--\$7888; b--\$8281; c--\$8695; d--\$9218; e--\$9770).

II. TITLE CHANGE - (2 Readings)

A. It is requested that the Board approve the following title change. This new title is more appropriate for the duties and responsibilities that will be performed. The new title will not result in a change in salary.

CURRENT TITLE	NEW TITLE
Deliveryman	Port Deliveryperson

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of a classification/position and title change.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of New License and Concession Agreement with Bay Air, Inc and John Roth for Additional Apron Space (7843 Earhart Road, North Airport)

DATE: February 5, 2002

ITEM NO: 2S

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Bay Air, Inc. and John Roth (Bay Air), occupants of approximately 33,093sf of hangar and apron space at Bay C of Hangar 7 (Building L-710) since 1997, seek additional aircraft parking area. As no such space is available at Hangar 7, Bay Air is requesting available apron space at nearby Bay D of Hangar 8 (Building L-810). 6,230sf of such space became available as of August 1, 2001. 629sf of adjacent space additionally became available as of September 1, 2001. Bay Air, having occupied the subject area since that time and earlier on a tenancy-at-will basis following expiration of a Right-of-Entry and Indemnity Agreement, now seeks a more formal occupancy agreement i.e., a one-year License and Concession Agreement (Agreement) retroactive to August 1, 2001.

ANALYSIS:

Pursuant to the Agreement, the aircraft parking only use would remain the same; monthly rent would be \$623.00 (\$0.10 per sf per mo.) on August 1, 2001 and increase at the same rate to \$685.90 on September 1, 2001 due to the previously stated increase in apron space. The Agreement, which would include a standard thirty (30) day mutual cancellation provision, would give Bay Air neither implied nor expressed rights to provide retail (e.g. primary or secondary) fueling services.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve the License and Concession Agreement with BayAir, Inc. and John Roth as described above.

Approved by Resolution No.

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

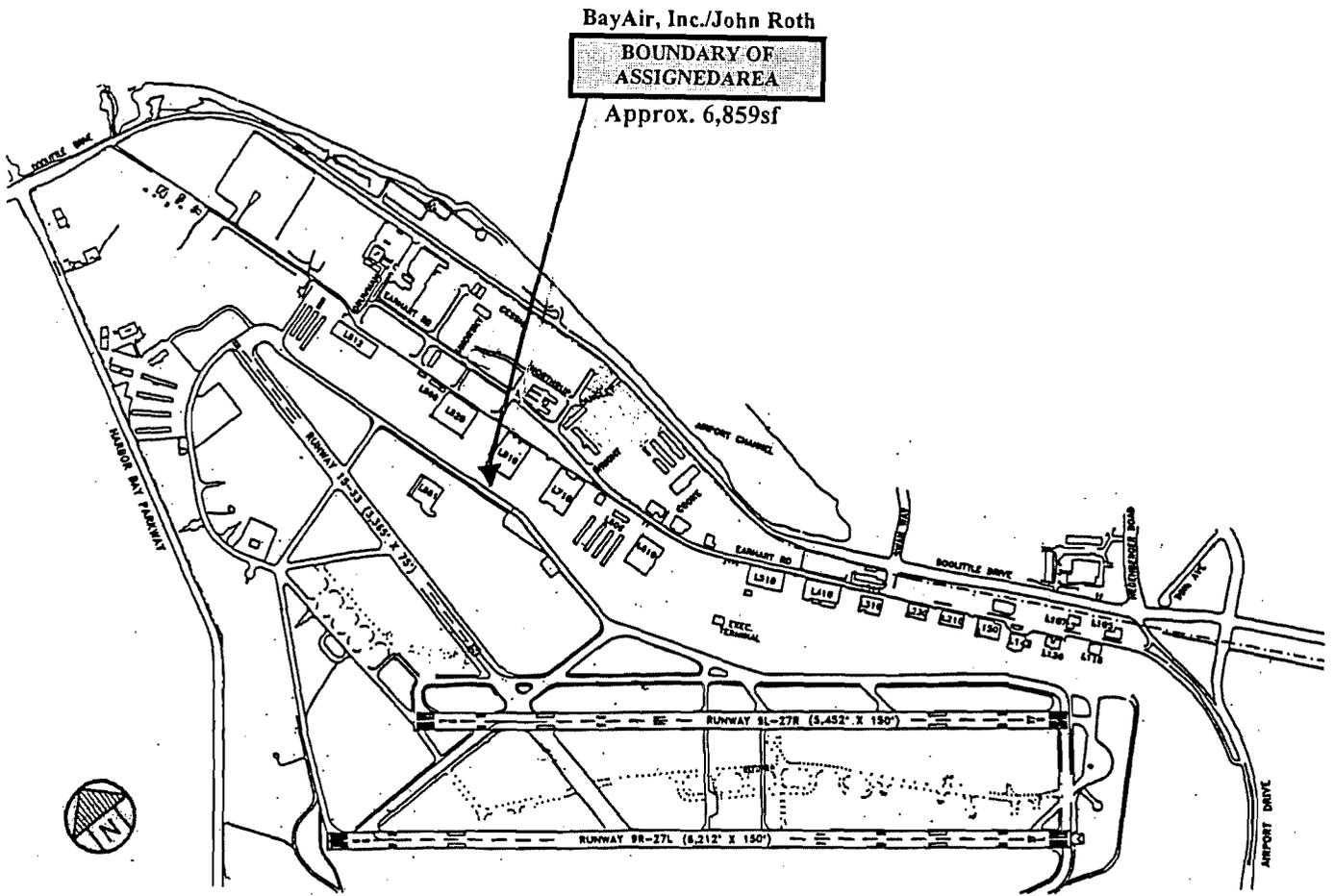
02026 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

FEB - 5 2002 DATE

**Board of Port Commissioners
Calendar Item**

**Approval of New License and Concession
Agreement with Bay Air, Inc and John Roth for
Additional Apron Space (7843 Earhart Road, North
Airport)**



Airport Properties

Port of Oakland

**Oakland
International Airport
North Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 3S

SUBJECT: Approval of License and Concession Agreement with ADSD, Inc. dba A.P. Enterprises (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

ADSD, Inc. dba A.P. Enterprises (A.P. Enterprises) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated July 1, 2000 and an Agreement to Extend Right-of-Entry and Indemnity Agreement dated April 1, 2001 to repair ground service equipment. No premises are occupied by A.P. Enterprises under the agreements. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. During the period of January 1, 2001 through December 31, 2001, the Port received the minimum \$250 per month.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) would have a one-year term commencing January 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to repair ground service equipment. No premises would be occupied by A.P. Enterprises under the Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

s aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve the subject License and Concession Agreement with ADSD, Inc. dba A.P. Enterprises as described above.

Approved by Resolution No.

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

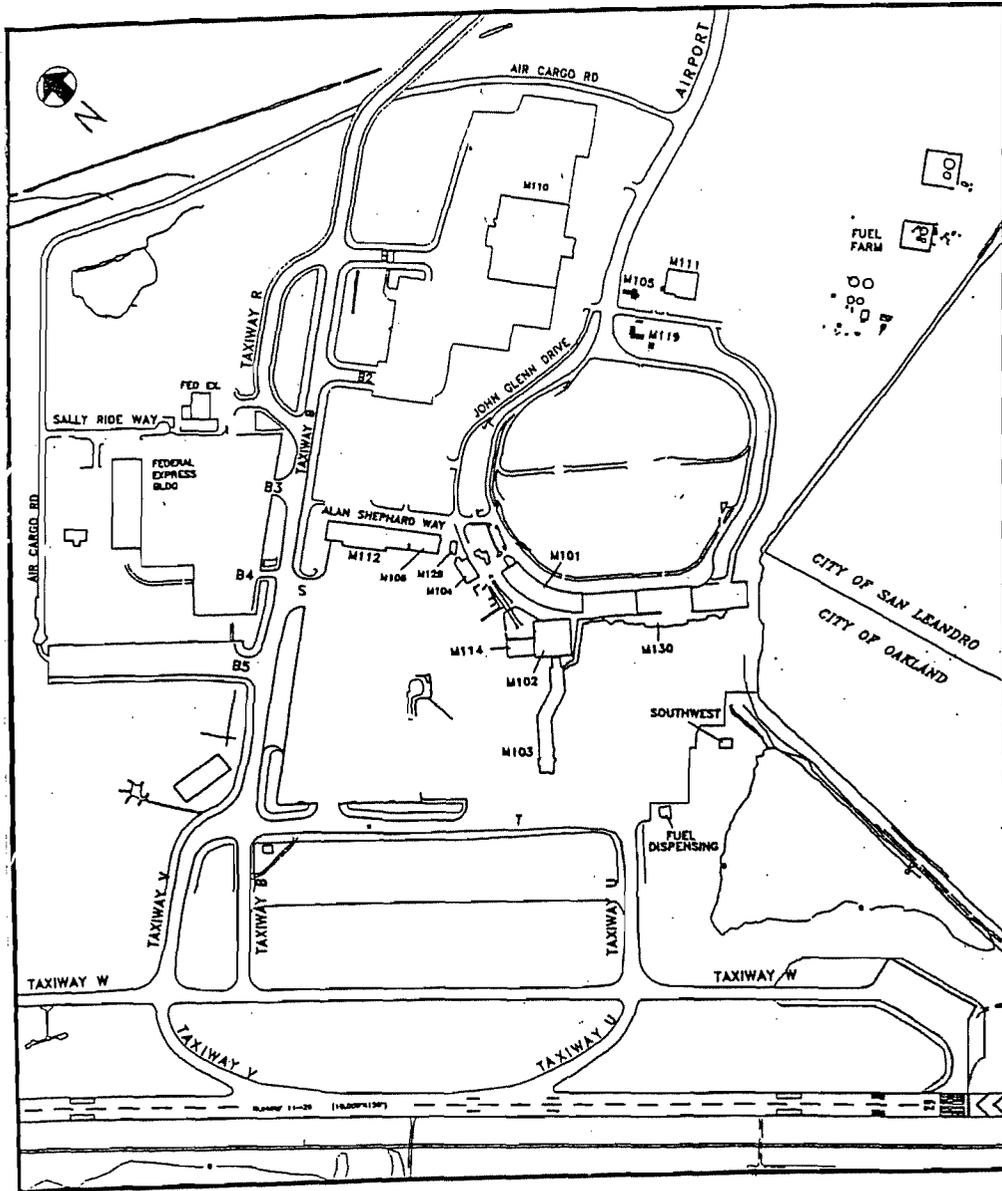
02027 BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

Signature of Assistant Secretary of the Board

FEB - 5 2002 DATE

**Board of Port Commissioners
Calendar Item**

Approval of License and Concession Agreement with
ADSD, Inc. dba A.P. Enterprises (#1 Airport Drive,
South Airport)



NO EXCLUSIVE PREMISES GRANTED.
ADSD, INC. DBA A.P. ENTERPRISES IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

DATE: February 5, 2002

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

ITEM NO: 4S

PROGRAM AREA:

- Airport Operations ci
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten mark]*

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport. This action thereby authorizes the Executive Director and/or Director of Aviation to enter into separate agreements with each of the below-listed companies.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service. [A copy of that initial Board letter, which provides an historical and legal context to this action, accompanies this item.] Since that time, additional carriers and operators have started service or are expected to soon. This action adds the following additional carriers and operators as airlines and other operators authorized by the Board to do business at the Airport.

The additional carrier is: American Eagle Airlines.

The additional operators are: Evergreen Aviation Ground Logistics Enterprises and OneSource Building Services.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the Lead Agency's determination. The new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit will use existing facilities at Oakland International Airport. This use will not result in an expansion of use.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

[Signature]
SECRETARY OF THE BOARD

FEB - 5 2002

DATE

Assistant

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

The resulting drafts, now proposed for the Board's approval, retain the Airport's very flexible rate-setting and space/use methodologies, while providing longer-term continuity and greater legal surety for the Port. For example, the proposed Space/Use Permit combines into a single document many of the present Right-of-Entry and Multi-Year License and Concession Agreement provisions contained within the Port's existing agreements. But, it allows through delegation to the Director of Aviation, reassignment or relinquishment of various Airport spaces from time-to-time on a 30-day basis, such as aircraft gate assignments, terminal building space, airline ramp space, etc.

Nonetheless, all new carriers and related users commencing service at the Airport must still secure the Board's prior approval before 270 days (9 months) have elapsed (the present practice). The terms of each of these proposed agreements is for up to ten (10) years (like the multi-year license agreements), but still terminable by the Port with 30-days notice. In addition, the proposed Space/Use Permit also would be used for non-airline Airport tenants such as ground handlers, security checkpoint firms, skycap services, and other non-concessionaires. Finally, the Board still would retain approval authority for establishing or adjusting all Airport rates and charges by amending Ordinance #1149, just as it does now.

FOR INFORMATION ONLY

As stated above, it is the standard practice at major airports to operate under two agreements within the terminal building environment. Since the Airport does not have long-term leases with its airline tenants, instead operating under the more flexible ordinance rate-setting methodology, two agreements are more appropriate than one. Finally, these proposed agreements would *not* supplant long-term ground leases under which certain airlines operate (e.g., FedEx Metroplex, United Airlines Maintenance Base).

The following scheduled airlines would enter into an Airline Operating Agreement and Space/Use Permit: Airborne, Alaska/Horizon Air, Aloha, America West, American, Ameriflight, City Bird, Corsair, Delta, Emery Worldwide, Evergreen Aviation, Federal Express, Martinair Holland, Mexicana, SATA/Sun Trips, Southwest, United Parcel Service, and United Airlines. The following other tenants would enter into a Space/Use Permit only: Aeronova, FAA, Hallmark Aviation, Hilltop Aviation, ITS, Argenbright, DEA, Air General, Ogden Aviation, Ontario Aircraft, Trans Air, Servicemaster, Pacific Aviation, US-INS, Today's Aircraft, US Customs, Huntleigh, Roberts Janitorial, OFFC/DynAir and Worldwide Flight.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project had been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or licenses and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of the use beyond that previously existing.

OPTIONS:

1. Take no action, leaving the existing agreements in place.
2. Delay approval of new standardized Airline Operating Agreement and Space/Use Permit pending additional review
3. Approve the proposed ordinance adopting a standardized Airline Operating Agreement and Space/Use Permit.

RECOMMENDATION:

It is recommended that the Board pass an ordinance approving standardized language for an Airline Operating Agreement and Space/Use Permit at Oakland International Airport, authorizing the Executive Director to enter into individual agreements with each of the existing and prospective airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport, and authorizing the Executive Director to convert all existing agreements with such tenants operating within the terminal building complex to the standardized agreement and/or permit.

FOR INFORMATION ONLY

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 5S

SUBJECT: Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SD*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Cal-Air Aviation Services, Inc. (Cal-Air) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated July 1, 2000 and an Agreement to Extend Right-of-Entry and Indemnity Agreement dated April 1, 2001 to perform visual transit inspections of aircraft. No premises are occupied by Cal-Air under the agreements. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. During the period of January 1, 2001 through November 30, 2001, the Port received an average of \$370 per month as a percentage of gross revenues.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) would have a one-year term commencing January 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to perform visual transit inspections of aircraft. No premises would be occupied by Cal-Air under the Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve the subject License and Concession Agreement with Cal-Air Aviation Services, Inc. as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02028
BOARD ACTION TAKEN Assistant

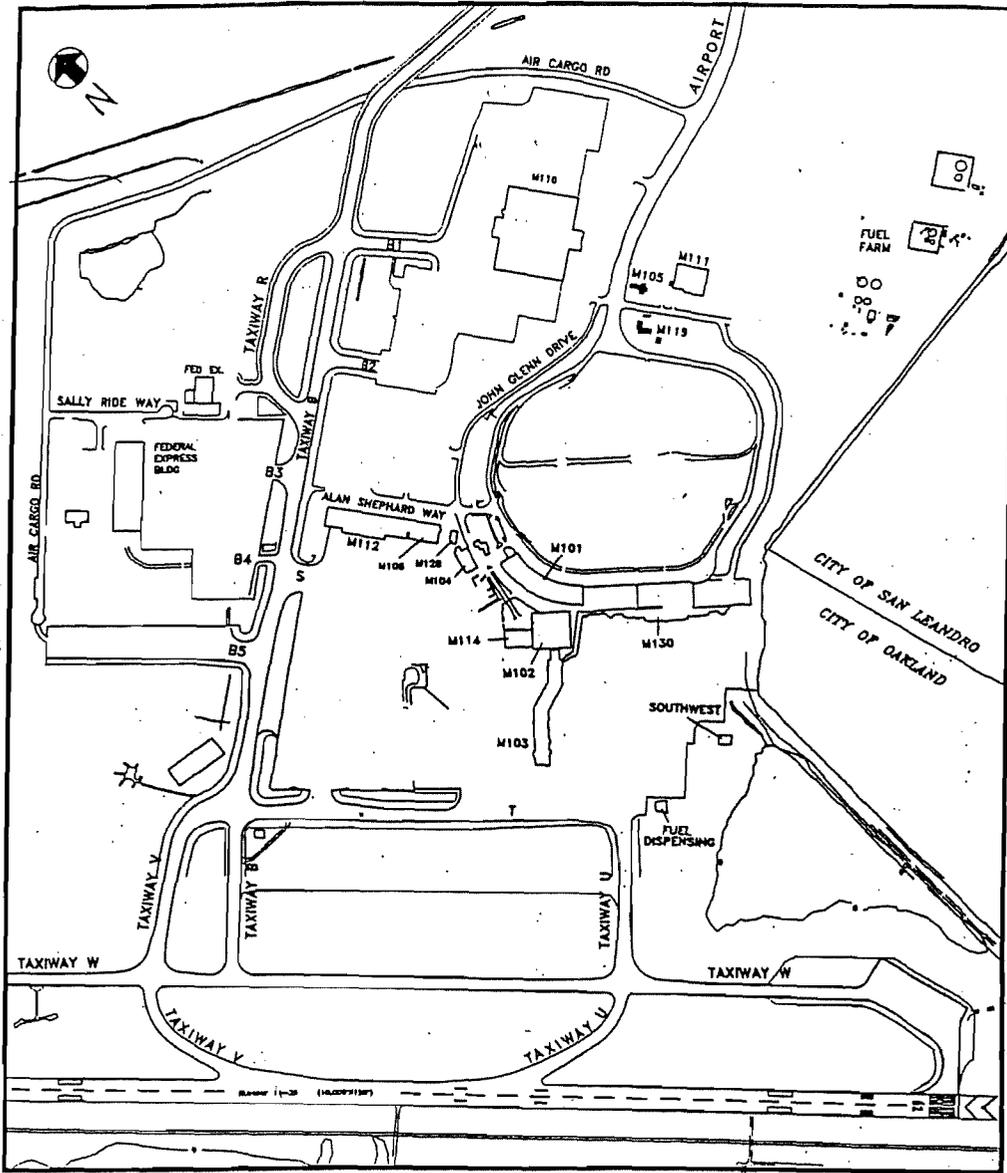
[Signature]
SECRETARY OF THE BOARD

FEB - 5 2002

DATE

**Board of Port Commissioners
Calendar Item**

Approval of License and Concession Agreement with
Cal-Air Aviation Services, Inc. (#1 Airport Drive,
South Airport)



NO EXCLUSIVE PREMISES GRANTED.
CAL-AIR AVIATION SERVICES, INC. IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

DATE: February 5, 2002

SUBJECT: Ratification of Addenda and Award of Contract for Construction of Interim Ticket Counters, Building M-102, OIA

ITEM NO: 6S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Six bids were received and opened on January 11, 2002, for the **Construction of Interim Ticket Counters, Building M-102, Oakland International Airport, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
Stevelle Construction Co., Inc.	Emeryville, CA	X		**\$1,866,889.00 \$1,866,886.00
N. V. Heathorn, Inc.	San Leandro, CA	X		**\$1,874,317.20 \$1,874,310.00
West Coast Contractors, Inc.	Fairfield, CA			\$2,036,000.00
Angotti & Reilly, Inc.	San Francisco, CA			\$2,071,726.00
M. A. Lindquist Co., Inc.	Oakland, CA	X		\$2,173,741.00
Cal-Custom Construction, Inc.	Novato, CA			**\$3,211,002.00 \$3,211,021.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise
Bid corrected in accordance with Document 00200, Instructions to Bidders.

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On November 20, 2001, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on January 4, 2002.

Addenda

Addendum No. 1 included a revised version of Document 00430, now titled "Port of Oakland Subcontractor and Supplier List Form"; a new Document 00824, "Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) Substance Abuse Prevention Policy – Drug Testing", as well as new language in Document 00200 stating that the implementation costs of this policy must be included in the Total Bid Price; language describing the circumstances under which project work must be performed at night; and an expanded version of Section 01560, "Airport Security and Safety," reflecting recent heightened security concerns. Certain drawings were modified to incorporate technical changes, as well as incorporating phasing plan changes reflecting the requirements of the new Section 01560.

Addendum No. 2 modified Section 14540, "Baggage Handling Systems," to allow bidders to employ a specialty supplier of baggage handling systems equal to that specified in the original document. The bid date was postponed to January 11, 2002 to allow time for the bidders to revise their bids accordingly, if they wished. These addenda did not change the physical work of the Contract.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02029
BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

FEB - 5 2002

DATE

ANALYSIS:

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy, for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time in those locations. Based on the comparison of the modified bid amounts, Stevelle Construction Co., Inc., remains the apparent low bidder.

The Port's Social Responsibility Division analyzed the bids for compliance with the Policy, and concurs with this recommendation.

Accordingly, it is recommended that Stevelle Construction Co., Inc., be considered to be the lowest responsible bidder for the purposes of this Contract.

Subcontractor Listing

Stevelle Construction Co., Inc. listed the following subcontractors. The remainder of the work will be performed by Stevelle Construction Co., Inc.

SUBCONTRACTORS SUBCONTRACTING AREA (Including Trucking)	LOCATION	LIABE	LBABE	\$\$\$ AND % OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
<u>FKI Logistex</u> Baggage Handling Systems	Grand Prairie, TX			\$370,229.00 / 19.83%
<u>Warehouse Engineering</u> Vertical Reciprocating Conveyor	Hayward, CA		X	\$35,713.00 / 1.91%
<u>KML</u> HVAC	Oakland, CA	X		\$48,950.00 / 2.62%
<u>Red Top Electric</u> Electrical	Hayward, CA		X	\$137,550.00 / 7.37%
<u>Berkeley Cement Inc.</u> Concrete	Berkeley, CA	X		\$49,520.00 / 2.65%
<u>All American Tile and Terrazzo</u> Ceramic Tile	Richmond, CA		X	\$18,765.00 / 1.01%
<u>Weigh-Tronix</u> Baggage Scales	Hayward, CA		X	\$25,642.00 / 1.37%
<u>BK Mill & Fixture</u> Custom Cabinets	Newark, CA		X	\$94,880.00 / 5.08%
<u>Electronic Technologies Corp.</u> Card Readers, Video Equipment	Dublin, CA		X	\$33,501.00 / 1.79%
<u>Shepard Steel Company</u> Reinforcing Steel	So. San Francisco, CA			\$17,449.00 / 0.93%
<u>Alarcon Bohm Corp.</u> Selective Demolition, Light Demo	Oakland, CA	X		\$37,854.00 / 2.03%

SUBCONTRACTORS SUBCONTRACTING AREA (Including Trucking)	LOCATION	LIABE	LBABE	"\$" AND "%" OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
J.C. Metal Structural Steel	San Francisco, CA			\$249,000.00 / 13.34%
Blakeway Metal Stainless Steel Cladding	San Francisco, CA			\$169,492.00 / 9.08%
Skyline Contract Glass Glazing	San Leandro, CA	X		\$98,100.00 / 5.25%
Satellite Painting Painting	Fremont, CA		X	\$29,900.00 / 1.60%
Lombard Diamond Selective Demolition / Hard Demo	Santa Clara, CA			\$19,490.00 / 1.04%

Budget

The budget for this work is budgeted in CIP Element No. A2.00251.07. The funding source is PFCs. The low bid is within the project budget for this work. The Project Budget Detail is attached.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

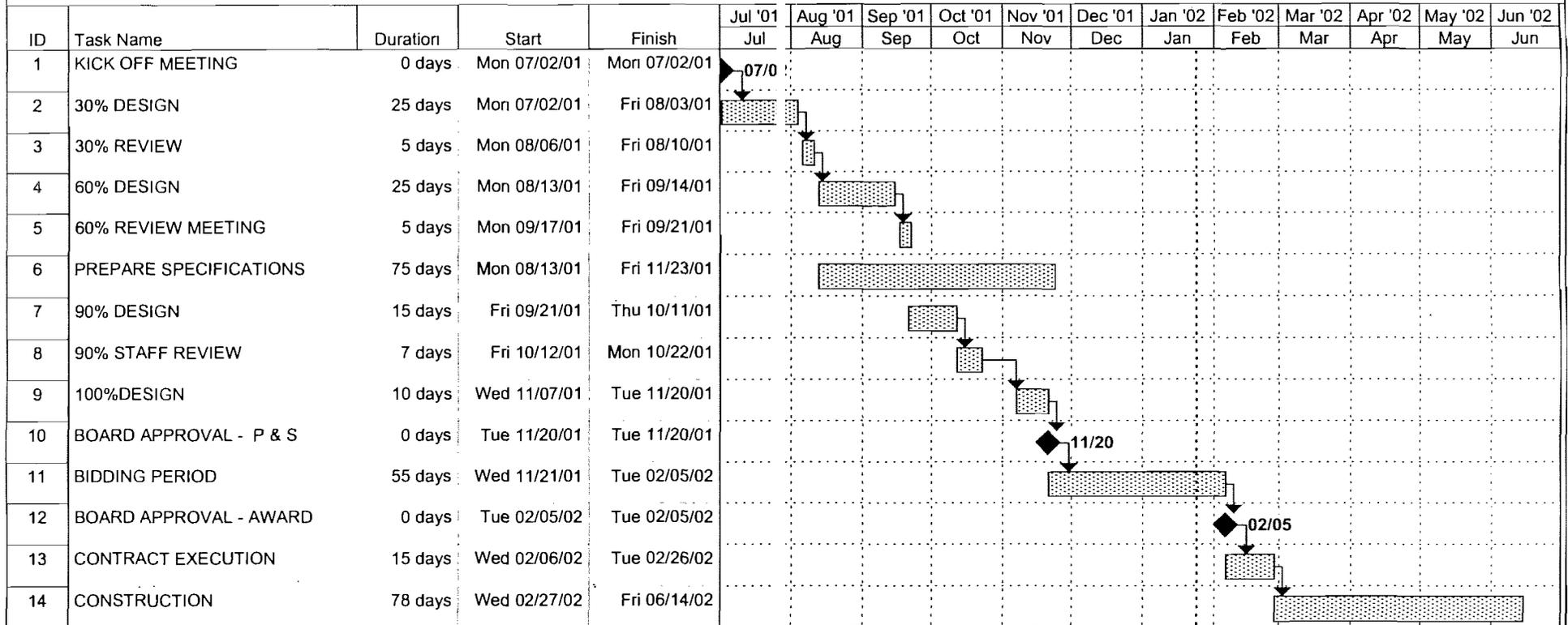
Sustainable Opportunities

A sustainable development strategy has been implemented for the design and construction of this project. The existing HVAC system will be modified to operate more efficiently and energy efficient fluorescent lighting will be used. For the demolition work, it is anticipated that the contractor will salvage any materials that can be reused or sold. Since this project is located in the public area of Terminal 1, noise impacts during construction may require that certain items of work be performed at night.

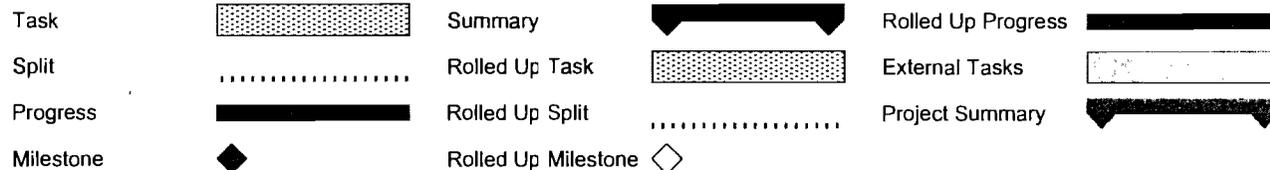
RECOMMENDATION:

It is recommended that Stevelle Construction Co., Inc., be found to be the lowest responsible responsive bidder, that Addenda No. 1 and No. 2 be ratified, that the Contract for the above project be awarded to Stevelle Construction Co., Inc., for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.

CONSTRUCTION OF INTERIM COUNTERS BUILDING M-102, OIA



Project: SCHEDULE
Date: Thu 01/24/02



**PROJECT BUDGET DETAIL
January 23, 2002**

PROJECT TITLE: Construction of Interim Ticket Counters, Building M-102, OIA

CIP NO: A2.00251.07

W.O. #'s: 106568, 106593, 106594 and 106623

PROPOSED FUNDING SOURCES: Port cash

Narrative: The feasibility study and planning were tracked under work order 106568. The construction of the new Interim Ticket Counters is being tracked under work order #106593 and 106594. The relocation of CA-One Services is being tracked under work order #106623.

Budget: The Construction of Interim Ticket Counters and Relocation of CA-One Services are included in the CIP Element # A2.00251.07. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00251.07

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Planning Ticket Counters W.O.#106593	1	1				1					3
Study of Interim Ticket Counter W.O.#106568	1	1	80								82
Purchase Trailers & Site-work W.O.#106623	32	55	100	373		7					567
Design and Construct Ticket Counters W.O.#106594	113	189	453	2,067		30					2,852
Total =	147	246	633	2440	0	38	0	0	0	0	3504

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.
2. Refer to WMS report by Work Order for direct cost data.
3. OCIP budget not shown (per S. Blinn).
4. CC: to Director of Eng's Secretary {Ivey keeps copies of all PDS(s)}.

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 7S

^{TD}
SUBJECT: Approval of Plans and Project Manual for Construction of
Asphalt Concrete Overlay of Runway 9L-27R, North Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for the **Construction of Asphalt Concrete Overlay of Runway 9L-27R, North Field, Oakland International Airport, Oakland, California**, and are hereby submitted for approval and authorization to advertise for bids.

The work consists of constructing an asphalt concrete overlay of Runway 9L-27R and portions of Taxiways "E", "F", "G" and "H". The work also includes constructing asphalt concrete shoulders for the runway and taxiways; placing pavement striping and markings; removing and replacing existing runway edge light assemblies and installing runway guard lights.

ANALYSIS:

The last major pavement improvement of Runway 9L-27R was approximately thirty-five years ago. Although Runway 9L-27R was designed for and used previously by air carrier aircraft, in recent years it has been used primarily for general aviation, including corporate jet operations with occasional air carrier operations. This runway was also used as a runway and taxiway by air carrier aircraft during the overlay of Runway 11-29 last summer, which further accelerated the deterioration of the runway pavement. The runway pavement has lasted well beyond its useful life and has deteriorated to the point where an overlay is needed to function safely and to maintain existing FAA standards. The runway shoulders will also be paved to enhance safety, reduce weed control requirements adjacent to the Runway, and reduce flying debris and sign damage caused by aircraft using the runway as a taxiway after landing on 9R-27L (there is no parallel taxiway to Runway 9R-27L).

Environmental

The proposed project is exempt from requirements of California Environmental Quality Act in accordance with State CEQA Guidelines Section 15301, Class 1. (a, c, d and f).

General Plan

Pursuant to Section 727 of the City Charter, the Project has been determined to conform to the policies of the Oakland General Plan.

Budget

This project is budgeted under CIP Item No. A1.00626.06. The Project Budget Detail is attached. The funding source will be Passenger Facility Charges (PFC).

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02030

BOARD ACTION TAKEN Assistant

Stam Krupp SECRETARY OF THE BOARD
DATE FEB - 5 2002

Project Labor Agreement

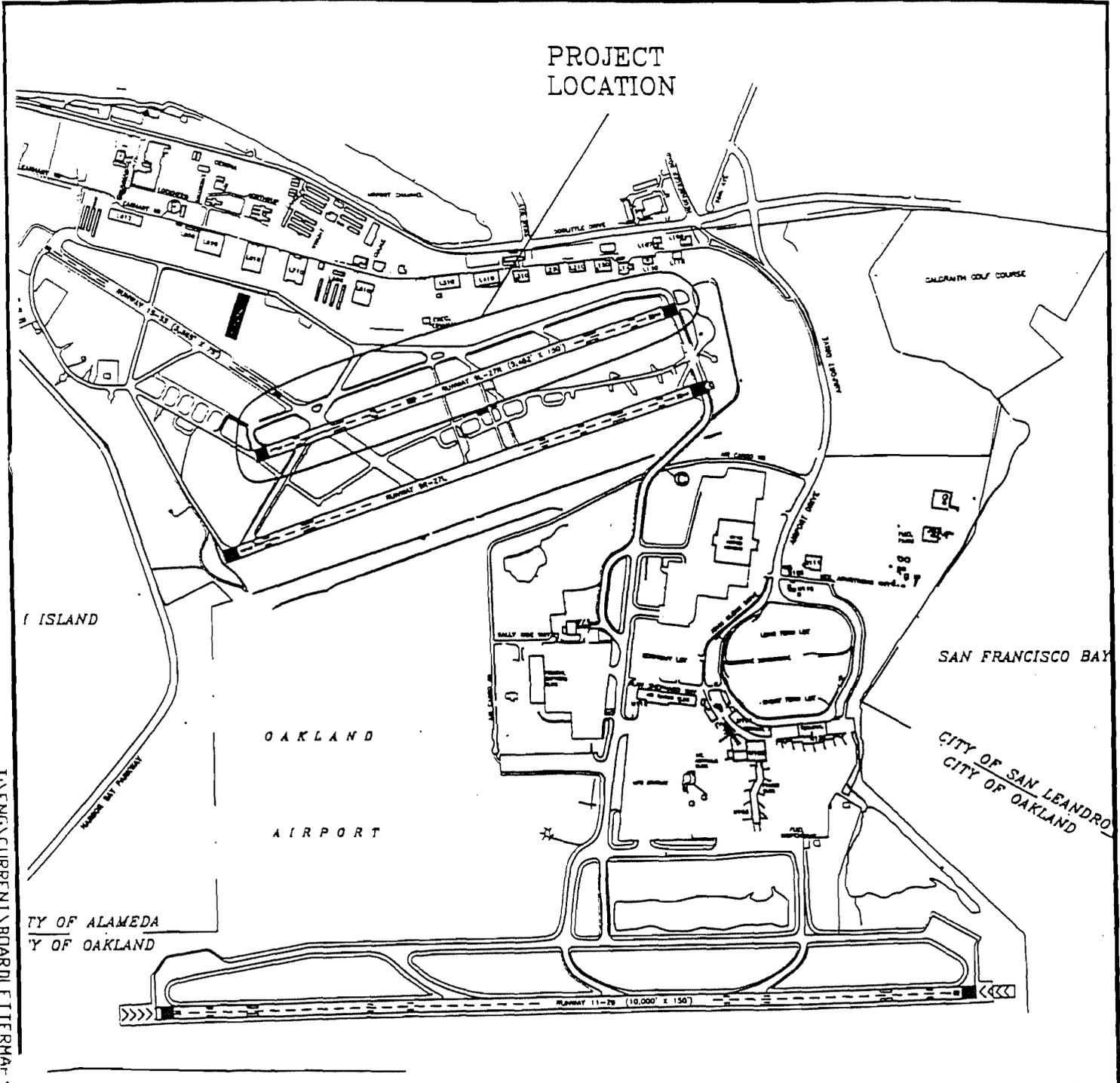
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

Sustainable Opportunities

A sustainable development strategy has been implemented for the design and construction of this project. The trench spoils, excavated materials, and asphalt grindings will be used as fill on airport property. The construction of the project will also be phased to maintain operations of the North Field for the tenants as well as the general aviation community.

RECOMMENDATION:

It is recommended that the Plans and Project Manual be approved and authorization be given to advertise for bids to be received on March 13, 2002.



PROJECT
LOCATION

I:\ENGCURRENT\BOARDLETTERMAN\106563BL.DWG

PORT OF OAKLAND

PORT OF OAKLAND

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

January 17, 2002

PROJECT TITLE: Construction of Asphalt Overlay for Runway 09L-27R

CIP NO: A1.00626.06

W.O. #'s: 106563

PROPOSED FUNDING SOURCES: Passenger Facility Charges (PFC)

Narrative- Runway 09L-27R requires overlay because the existing asphalt concrete surface has deteriorated, safety features require updating, and this runway must be maintained as the only alternative runway at Oakland International Airport having an Instrument Landing System (ILS). The work will also include the following: overlay of portions of intersecting taxiways E, F, G, and H; construction of asphalt concrete shoulders for the runway and portions of the taxiways; removal and replacement of existing runway edge lighting; installation of runway guard lighting; placement of pavement striping and marking; and a \$265,000 Change Order, performed during summer 2001, for overlaying approximately 300 feet of Runway 09L-27R to match grade with a new overlay of Taxiway B.

Budget The current CIP budget for this project is included in the CIP in Element A1.00626.06. It is summarized in Table 1 below:

Table 1: Overall Budget Summary (1000's) for CIP Element A1.00626.06

Project Components	Port Labor & Fringes	Portwide OH	Consult	Const Cost	Misc & Other	Totals
Construction of Asphalt Overlay for Runway 09L/27R	\$327	\$556	\$40	\$4,403	\$89	\$5,415

Remarks-

1. Assumes in-house CM

Agenda Sheet

DATE: February 5, 2002

SUBJECT: Recommend Approval of a New License and Concession Agreement with National Furniture Liquidators, Inc. for 44,792 square feet of Warehouse and Office Space for Premises Located at 845 Embarcadero

ITEM NO: 115

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION

National Furniture Liquidators, Inc. (NFL) currently leases 40,792 square feet of warehouse and 4,000 square feet of office space in Port Building H-232 at 845 Embarcadero. The lease expires on March 4, 2002. Development is planned for this site as it is included in the Oak to Ninth area. It is recommended that the Port enter into a License and Concession Agreement with NFL, allowing both parties a sixty-day cancellation clause. NFL currently uses the premises for storage, distribution, and sale of new and used furniture and will continue the same use throughout the term of the new agreement.

ANALYSIS:

The proposed License and Concession Agreement will extend NFL's occupancy for one year and will expire on March 4, 2003.

Licensee	Location	Property Description	Rate	Agreement Date
National Furniture Liquidators, Inc.	845 Embarcadero	40,792 square feet of warehouse space and 4,000 square feet of office space	Previous: \$14,333 per month @ (.33 psf) Proposed: \$15,293 per month @ (.34 psf)	March 5, 2002

National Furniture Liquidators, Inc. was not included as part of the annual target rental rate renewal package approved by the Board on September 20, 2001.

This project has been determined to conform to the City of Oakland General Plan as a continuation of real estate asset management uses.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

The recommended action is approval of a new License and Concession agreement with an existing tenant. No substantive changes in the site or the tenant's operations are expected to result, and no sustainability opportunities have been identified.

OPTIONS:

1. Approve the License Agreement as outlined above with a 6.7% rent increase and 60-day cancellation clause.
2. Deny approval of the proposed License Agreement as outlined above.
3. Terminate the tenancy resulting in loss of revenue.

RECOMMENDATION:

It is recommended the Board approve the License and Concession Agreement with National Furniture Liquidators, Inc.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02031

BOARD ACTION TAKEN

Assistant

[Signature]

SECRETARY OF THE BOARD

FEB - 5 2002

DATE

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 22S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Ratification of Addendum and Award of Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Six bids were received and opened on December 19, 2001, for the **Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000, Oakland, California.** The following bids were received:

ANALYSIS:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
W.E. Lyons Construction Co.	Oakland	X		\$918,533.00
Angotti & Reilly Inc.	San Francisco, CA			\$942,000.00
M.A. Lindquist Co., Inc.	Oakland, CA	X		\$948,193.00
Bay Construction Co.	Oakland, CA	X		\$987,000.00
Stevelle Construction Co., Inc.	Emeryville, CA	X		\$992,188.00
BBI Construction	Oakland, CA	X		\$1,022,000.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On November 6, 2001, the Board of Port Commissioners approved the Plans and Project Manual to advertise for bids to be received on December 19, 2001.

Addendum

Addendum No. 1 was issued by the Chief Engineer to make minor changes to the Plans and Project Manual. The Addendum did not significantly change the physical work of the contract.

ANALYSIS:

Bid Protest

A bid protest letter was received from the third lowest bidder, M.A. Lindquist Co., Inc. (Lindquist), dated December 26, 2001 (Attachment A). Lindquist claimed that the apparent low bidder, W.E. Lyons Construction Co. (Lyons), failed to: 1) submit the subcontractors listing on the Addendum; 2) list all Suppliers and Subcontractors with values of 1/2 of 1% of the total bid; 3) list all Suppliers; 4) list the Prime Contractor; and 5) provide the addresses, phone numbers, and license numbers of each Subcontractor/Supplier, thus making Lyons non-responsive in their bid proposal. No other bid protests were received within the protest period. Therefore, any other bid protests have been waived. In a letter dated January 7, 2002, Lyons responded to the Lindquist protest letter (Attachment B).

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02033
BOARD ACTION TAKEN

[Signature]
Assistant SECRETARY OF THE BOARD

FEB - 5 2002
DATE

Port Ordinance No. 1606, Section 5(e), authorizes the Board to waive any informalities or minor irregularities in the bids. A defect may be waived as minor if the defect cannot have affected the ultimate result of the competitive bid process, e.g., the variance would not affect the time, price or quality of the work. As explained below, Port Staff concluded that Lindquist's objections to the low bidder were either without merit or identified only inconsequential defects that could be considered a minor irregularity, as allowed in Port Ordinance No. 1606, Section 5(e).

1. Lyons did supply the Port with the subcontractor listings on the original Port of Oakland Subcontractor and Supplier List Form. Addendum 1 was simply an updated version of the form. Even though the Port requested that bidders submit the names of their subcontractors on Addendum 1, the low bidder's failure to use the updated form could not affect the time, price or quality of the work. Therefore, this defect may be waived as a minor irregularity.
2. Lyons listed all subcontractors it will utilize and will do the remaining work themselves. If a prime contractor fails to specify a subcontractor, the law presumes that the prime contractor will perform the work. Lyons possesses Class A & Class B licenses. Therefore, Lyons possesses the proper licenses to perform the work themselves. If the apparent low bidder, Lyons, is awarded the contract and later decides to subcontract any portion of the work, the prime contractor may be subject to a penalty.
3. There is no requirement to list suppliers. This is optional. Bidders list suppliers in order to obtain preferential points under the Port's Local Business Utilization policy. Bidders are not required to avail themselves of the preference points. Therefore, Lyons' failure to list suppliers is not a defect in the bid.
4. The obsolete subcontractor list form that Lyons used omitted a box in which to identify the name and address of the prime contractor. However, the name and address of the prime contractor could easily be determined from other parts of the bid documents. Therefore, the failure to identify the prime contractor on the subcontractor list form is a minor irregularity, which can be waived.
5. Lyons' subcontractor list omitted the license number for the three listed subcontractors: 1) Aqua Duct Mechanical, 2) Knickerbocker, and 3) Climate Industrial. In a letter dated January 7, 2002, Lyons supplied the license numbers for these three subcontractors. Port staff verified the subcontractors' license numbers and current status through the Contractors State License Board website. There are no other licensed contractors with the same names as the listed subcontractors; therefore, Lyons did not have any opportunity to shop for bids or switch subcontractors after it submitted its bid. The omission of the license numbers is therefore a minor irregularity that may be waived.

Non-Discrimination and Small/Local Business Utilization Policy

The modified bid amounts are as follows:

BIDDER	MODIFIED BID AMOUNT
W.E. Lyons Construction Co.	\$848,741.30
Angotti & Reilly Inc.	\$924,800.00
M.A. Lindquist Co., Inc.	\$882,985.02
Bay Construction Co., Inc.	\$907,626.08
Stevelle Construction Co., Inc.	\$950,002.88
BBI Construction	*\$1,022,000.00

* Port staff did not perform preference points analysis, because its bid amount was more than 10% over the Total Bid Price of the apparent low bidder

The Port's Social Responsibility Division analyzed the bids for compliance, and concurs with the recommendation. Therefore, it is recommended that Lyons be considered to be the lowest responsible bidder for the purposes of this contract.

Subcontractor Listing

Lyons listed the following subcontractors:

SUBCONTRACTORS SUBCONTRACTING AREA (including Trucking)	LOCATION	LIABE*	LBABE*	“\$” AND “%” OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
Casey-Fogli Concrete Contractors, Inc. Concrete	Hayward, CA		x	\$6,200.00/ 0.67%
Mc Grath Steel Company Rebar	Emeryville, CA	**		\$22,515.00/ 2.45%
Oris Pacheco & Sons, Inc Drywall	Napa, CA			\$26,800.00/ 2.92%
Knickerbocker Partition Corp. Toilet Accessories	San Francisco			\$8,678.00/ 0.94%
Innerspace Engineering Corporation dba: Innerspace Lockers	San Mateo, CA			\$7,500.00/ 0.82%
Inland Masonry, Inc. Concrete Unit Masonry	Pleasant Hill, CA		**	\$19,917.00/ 2.17%
F. Rodgers Insulation Interiors, Inc. Insulation	Livermore, CA		X	\$2,710.00/ 0.30%
The Smith Company, Inc. Overhead Doors	Roseville, CA			\$14,640.00/ 1.60%
Aqua-Duct Mechanical Plumbing	Hayward, CA		**	\$101,000.00/ 11.00%
Kemo Fire Protection Co. Fire Sprinklers	Galt, CA			\$16,230.00/ 1.77%
Linoleum Sales Co. Inc. dba: Anderson Carpet Resilient Flooring	Oakland, CA	X		\$4,247.00/ 0.46%
US Perma, Inc. dba: California Tile Installers Ceramic Tile	San Jose, CA			\$17,748.00/ 1.93%
Atlantis Interiors Acoustical Ceilings	Sausalito, CA			\$3,438.00/ 0.37%
California Electrical Company Electrical	Oakland, CA	X		\$225,500.00/ 24.55%
Climate Industrial Engineering Inc. HVAC	Hayward, CA		**	\$33,624.00/ 3.66%
Shepherd & Son, Inc. Painting	San Leandro, CA	X		\$8,500.00/ 0.93%

** Not certified with the Port of Oakland at time of analysis

Environmental

The construction and operation of the Berths 57-58 marine terminal was evaluated in the Environmental Impact Report (EIR) prepared for the project in conformance with the California Environmental Quality Act (CEQA). Further CEQA review was conducted to evaluate the construction of a container wharf at Berth 59. The EIR identified a number of significant impacts and included mitigation measures to avoid or reduce to a less-than-significant level the project-related impacts. Mitigation measures reducing construction-related impacts, such as noise and air emissions, are included in the Plans and Project Manual for the Construction of Crane Maintenance Building D-137, as applicable. However, even after mitigation, impacts on freeway traffic and air quality would remain significant. The EIR identified a program including all feasible air quality mitigation measures and explained why the Port could not feasibly reduce freeway impacts.

Budget

The budget for this work is funded under CIP Element No. M6.00585.03. The funding source is Port cash, and bonds. The low bid is within the project budget for this work. The Project Budget Detail is attached.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

Sustainable Opportunities

The project is consistent with the Port's sustainable development strategy. The Port's Vision 2000 Maritime Development Program's EIR addresses the general work practices that will endeavor to minimize waste, as much as practicable, through recycling packaging materials to reduce quantities intended for landfills. The project incorporates the Port's ongoing program to divert construction and demolition debris from landfill.

RECOMMENDATION:

It is recommended that W.E. Lyons Construction Co., be found to be the lowest responsible responsive bidder, that any defects in the bid of W.E. Lyons Construction Co., be waived as inconsequential, that Addendum No. 1 be ratified, that the Contract for the above project be awarded to W.E. Lyons Construction Co., for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND

Vision 2000 Program

Activity Description	Early Start	Early Finish	2001					2002					2003											
			AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR		
Vision 2000																								
Berth 57/58/59 Wharf & Yard																								
Crane Maintenance Building																								
Design																								
100% Design Submittal		24AUG01A	◆	100% Design Submittal																				
P&S Approval (Board Meeting)		06NOV01A			◆	P&S Approval (Board Meeting)																		
Bid																								
Bid Opening		19DEC01A			◆	Bid Opening																		
Board Award Of Contract	05FEB02	05FEB02																						
Construction Milestone																								
Notice to Proceed	15FEB02																							
Substantial Completion		28OCT02																				◆	Substantial Completion	
Final Completion		27NOV02																					◆	Final Completion

Start Date 09OCT97
 Finish Date 01FEB06
 Data Date 01JAN02
 Run Date 11JAN02 11:30
 © Primavera Systems, Inc.

Early Bar
 Progress Bar
 Critical Activity

MPTB
 Sheet 1 of 1
 Crane Maintenance
 Bldg D-137
 Berth 57-59



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL
January 16, 2002

PROJECT TITLE: Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000, Oakland, California

CIP NO: M6.00585.03

W.O. #'s: 103812

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Crane Maintenance Building D-137 at Berths 57-59, is tracked under work order # 103812.

Budget: This project is included in the CIP Element # M6.00585.03 budget which is summarized in Table 1 below with the project estimate shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contin-gency	Tenant Impvt. Work	Totals
M6.00585.03	216 (19)	368 (33)	8000 (700)	500 (45)						9084 (797)
Total =	216	368	8000	500						9084

Remarks:

ATTACHMENT A

m.a. lindquist co. inc.
construction - management
1800 broadway, suite 350
oakland, ca 94612-2139

December 26, 2001

Chief Engineer
Port of Oakland
530 Water Street
Oakland, CA 94607

Re: Bid Protest of Crane Maintenance Building D-137 at Berths 57-59

Dear Sirs:

This letter will serve as formal protest of the aforementioned bid submitted for the Crane Maintenance Building on Wednesday, December 19 at 2:00 PM. M. A. Lindquist believes that W. E. Lyons is non-responsive in their bid proposal for the reasons outlined below.

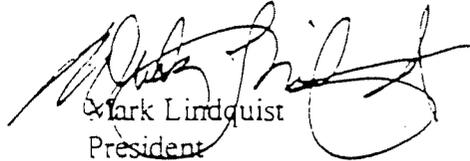
- 1) The sub listings are on the wrong form. Addendum 1 was issued on November 29, 2001 replacing the sub listing form and instructing bidders to discard the form in the specification.
- 2) Failure to list *all* Suppliers and Sub-contractors with values of $\frac{1}{2}$ of 1% of the total bid (i.e. \$4,593.00).
- 3) The following suppliers are not listed:
 - a. Doors/frames/hardware
 - b. Millwork
 - c. Pre-engineered metal building
 - d. Windows
 - e. Sitework
- 4) The Prime Contractor is not listed, which should include all self-performed work, general conditions, overhead and profit.
- 5) The Sub/Supplier listings do not contain addresses, phone numbers, license numbers.

M.A. Lindquist Co., Inc. is an Equal Opportunity Employer. Males and females of all races and ethnicities are encouraged to apply. Males and females of all races and ethnicities are encouraged to apply.

The following day we requested and received the actual Subcontractor and Supplier Lists for W.E. Lyons and the second lowest apparent bidder, Angotti & Riley. Upon examination we believe that inconsistencies in the submitted bid documents seem to indicate both W.E. Lyons' and Angotti & Riley's bids are potentially non-responsive.

We have enclosed copies of each of the bidders' sub/supplier listings and a spread sheet showing what M. A. Lindquist believes to be the inconsistencies..

Sincerely,



Mark Lindquist
President

cc: W.E. Lyons Co.
Angotti & Riley Construction
File
enc

	MAL	sub	LIABE	LBABE	WE Lyons	sub	LIABE	LBABE	Angotti	sub	LIABE	LBABE
vct	4,247	anderson	x		4,247	anderson	x		4,247	NONE		
insulation	2,710	f rodgers		x	2,710	f rodgers		x	2,710	NONE		
drywall	26,206	diablo valley		x	26,800	pacheco		no?	26,800	pacheco		no?
masonry	19,917	inland		x	19,917	inland		x	19,532	monterey bay	?	?
millwork	5,980	bk mill		x	5,980	NONE			5,180	Y&D	no	no
d/l/h	11,180	bk mill		x	11,180	NONE			11,180	NONE		
concrete	8,500	casey fogli	x	x	6,200	casey fogli	x	x	79,299	bcj	x	x
rebar	22,515	mcgrath	x	x	22,515	mcgrath	x	x	22,515	mcgrath	x	x
preeng bldg	126,923	star/eandi	x	x	126,923	NONE			138,689	lyons	x	x
plumbing	94,000	F1 Develop.			101,000	aqueduct	?	?	94,000	F1 Develop.		x
fec prot	13,270	vintage		x	16,230	kemo	?	?	13,270	vintage		x
ceramic	15,983	pennacchio	no?	no?	17,748	cal tile	?	?	15,983	pennacchio	no?	no?
hvac	38,000	monterey		x	33,624	climate industrial	?	?	38,624	climate industrial	?	?
windows	30,000	Westpac	x	x	30,000	NONE			30,000	NONE		
overhead doors	14,640	smith			14,640	smith			11,263	overhead(not per spec)	no	no
acoustic clg	3,438	alta specialty		x	3,438	atlantis	?	?	3,438	atlantis	?	?
toilet part	8,890	service	x	x	8,678	knickerbocker	?	?	8,890	NONE		
lockers	7,150	service	x	x	7,500	innerspace	?	?	7,150	NONE		
grading	15,000	western	x	x	15,000	NONE			15,000	NONE		
elec	195,000	cal elec	x	x	225,500	cal elec	x	x	215,000	cal elec	x	x
subtotal	663,549				699,830				762,770			
GC (balance of \$)	273,272	MAL	x	x	210,203	DIDN'T LIST!	x	x	177,635	DIDN'T LIST!		
didn't list:					didn't list:				didn't list:			
misc steel	6,372	eandi			8,500	shepherd	x	x				
paint	5,000	madson							1,595	wolf	?	?
concrete seal												
total	948,193				918,533				942,000			
1/2 of 1% =	4,741				4,593				4,710			

PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM
(See Document C) for instructions)

Bidder W. E. Lyons Construction Co., Inc. Bid Date December 19, 2001

1. Submit this Document 00430 with the Bid as provided for in Document 00200, Instructions to Bidders.
2. Include Prime Bidder, Joint Venture Partners, and first-tier subcontractors performing Work in excess of one half of one percent (0.5%) of total bid value.
3. List ALL trucking brokers that will participate in the work, regardless of whether the broker's bid will or will not exceed 0.5% of the total bid value and regardless of whether the Bidder is requesting any local business preference points for the listed broker(s).
4. In order to claim additional local participation credit, certified LIABE and LBABE subcontractors of any tier, and suppliers performing less than one half of one percent (0.5%) of the Prime Bidder's total bid may be listed, as well as those performing in excess of one half of one percent (0.5%), which are required to be listed.
5. Dollar amount of work performed by any tier subcontractors (including trucking brokers) and suppliers shall be listed only once and shall not incorporate the dollar value of any other listed entity.
6. Dollar amount of materials or supplies bought by the Bidder for use and installation by a listed subcontractor shall be listed separately and clearly indicated that the Bidder is procuring the materials or supplies for the identified subcontractor.

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
1. Name: <u>Cherry Gohlis</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>Concrete</u>	<u>265292</u>	<u>X</u>	<u>X</u>		<u>6200</u>
2. Name: <u>McGrath Steel</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>Rebar</u>	<u>161512</u>	<u>X</u>	<u>X</u>		<u>22515</u>

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non-Discrimination and Small Local Business Utilization Policy, Document 0001)
Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)

*** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts

(Bidder to attach additional sheets if necessary)

REC'D EQ 101
1
ENCLAVING SERVICES

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
3 Name: <u>Oriv Products</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>Drywall</u>	<u>770553</u>				<u>2,680.00</u>
4 Name: <u>KWICKERDOCKER</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>TOILET PARTITION TOILET ACCESS.</u>					<u>8,678</u>
5 Name: <u>INNERSPACE</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>LOCKS</u>	<u>605211</u>				<u>7500</u>

- * LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small/Local Business Utilization Policy, Document 00411)
Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.
- ** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)
- *** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts

(Bidder to attach additional sheets if necessary)

PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM

W. E. Lyons Construction Co., Inc.

Bid Date: December 19, 2001

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
3 Name: INLAW INLAW Address: MALDEN City/State/Zip: Phone/Fax #:	CMU	330215	<input checked="" type="checkbox"/>	<input type="checkbox"/>		19,917 22,000
4 Name: F. Podgors Address: City/State/Zip: Phone/Fax #:	Insulation	692205	<input type="checkbox"/>	<input type="checkbox"/>		2710
5 Name: Smith Co. Address: City/State/Zip: Phone/Fax #:	Overland Pcs	747469	<input type="checkbox"/>	<input type="checkbox"/>		14640

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small Local Business Utilization Policy, Document 00810) Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)

*** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts.

(Bidder to attach additional sheets if necessary)

AA-3748/103812

02400-0

REC'D 12/19/01 PORT OF OAKLAND BUSINESS SERVICES

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
Name: <u>Aqua Duct Plumb</u> 3 Name: <u>COMACK PLUMBING</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>PLUMBING</u>	<u>322-399</u> <u>261195</u>				<u>101,000</u> <u>126,244</u>
4 Name: <u>SIMPSON GRUNDWALD</u> Address: <u>140 FIRE + SECURITY</u> <u>Kemo</u> City/State/Zip: _____ Phone/Fax #: _____	<u>PIPE</u> <u>SPRINKLER</u>	<u>771133</u>				<u>16,230</u> <u>24,800</u>
5 Name: <u>AMPSON</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>RESILIENT</u> <u>FLOORING</u>	<u>C15 242101</u>				<u>4297</u>

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non-Discrimination and Small or a Business Utilization Policy, Document 00810)
 Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)

*** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts.

(Bidder to attach additional sheets if necessary)

SEE PG. 101 FOR REQUIREMENT SERVICES

PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM

Blk W. E. Lyons Construction Co., Inc.

Bid Date: December 19, 2001

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
3 Name <u>CALIFORNIA TILE INDUSTRIES</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>CERAMIC TILE</u>	<u>439110</u>				<u>17,748</u>
4 Name <u>ATLANTIS INTERIORS</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>ACoustICAL CEILING</u>					<u>3458</u>
5 Name <u>Cady Electronics</u> Address: _____ City/State/Zip: _____ Phone/Fax #: _____	<u>Electrical</u>	<u>103393</u>				<u>225,500</u>

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non-Discrimination and Small/Local Business Utilization Policy, Document 00010)
 Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding
 ** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)
 *** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts.

(Bidder to attach additional sheets if necessary)

AA-3746/103812

03462-0

DEC 20 2001 11:27AM ENGINEERING SERVICES

7

PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM
(See Document 0020 Instructions)

Bidder: Angotti & Kelly Inc.Bid Date: December 19, 2001

1. Submit this Document 00430 with the Bid as provided for in Document 00200, Instructions to Bidders.
2. Include Prime Bidder, Joint Venture Partners, and first-tier subcontractors performing Work in excess of one-half of one percent (0.5%) of total bid value.
3. List ALL trucking brokers that will participate in the work, regardless of whether the broker's bid will or will not exceed 0.5% of the total bid value and regardless of whether the Bidder is requesting any local business preference points for the listed broker(s).
4. In order to claim additional local participation credit, certified LIABE and LBABE subcontractors of any tier, and suppliers performing less than one-half of one percent (.5%) of the Prime Bidder's total bid may be listed, as well as those performing in excess of one-half of one percent (.5%), which are required to be listed.
5. Dollar amount of work performed by any tier subcontractors (including trucking brokers) and suppliers shall be listed only once and shall not incorporate the dollar value of any other listed entry.
6. Dollar amount of materials or supplies bought by the Bidder for use and installation by a listed subcontractor shall be listed separately and clearly indicated that the Bidder is procuring the materials or supplies for the identified subcontractor.

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractor's License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder***
			LIABE	LBABE		
Prime Bidder: _____ Address: _____ City/State/Zip: _____ Phone/Fax #: _____						
SUBCONTRACTORS/TRUCKING BROKERS/SUPPLIERS:						
1. Name: <u>Berkley Concrete</u> Address: _____ City/State/Zip: <u>Berkeley, CA</u> <u>yes</u> Phone/Fax #: _____	<u>concrete</u>					<u>79,299.⁰⁰</u>

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non-Discrimination and Small Local Business Utilization Policy, Document 00010). Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area).

*** For LIABE or LBABE Prime Bidder: Total bid amount excluding all Subcontractors' bid amounts.

(Bidder to attach additional sheets if necessary)

AA-3746/100812

00430-1

PORT OF OAKLAND SUBCONTRACTOR AND SUPPLIER LIST FORM

Bid

Angotti & Reilly Inc.

Bid Date:

December 19, 2001

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Absolute Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractor's License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder
			LIABE	LBABE		
2. Name: <u>WOLF</u> Address: _____ City/State/Zip: <u>SAN LEANDRO</u> Phone/Fax #: _____	YES concrete work					1595. ⁰⁰
3. Name: <u>McCAINTA STEEL</u> Address: _____ City/State/Zip: <u>EMERYVILLE</u> Phone/Fax #: _____	YES STEEL ROOF		X	X		22,515
4. Name: <u>Mansaray Masonry</u> Address: _____ City/State/Zip: <u>SAN JOSE</u> Phone/Fax #: _____	NO masonry					19,532
5. Name: <u>LYONS</u> Address: _____ City/State/Zip: <u>OAKLAND</u> Phone/Fax #: _____	YES metal building					138,689

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small Business Utilization Policy Document 00810) Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)

(Bidder to attach additional sheets if necessary)

AA-3746/103012

00430-2

SECTION 01.33.00.00 WORK

00

Bidder

Angotti & Reilly Inc.

Bid Date:

December 19, 2001

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Terms**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder
			LIABE	LBABE		
6. Name: <u>Y&D CABS</u> Address: _____ City/State/Zip: <u>SANTA CLARA</u> Phone/Fax #: _____	<u>CABINETS</u>					<u>5,180.⁰⁰</u>
7. Name: <u>Overhead Door</u> Address: _____ City/State/Zip: <u>Sunnyvale</u> Phone/Fax #: _____	<u>overhead door</u>					<u>11,200.⁰⁰</u>
8. Name: <u>Oris Proffco</u> Address: _____ City/State/Zip: <u>NAPA</u> Phone/Fax #: _____	<u>Dayroll</u>					<u>26,800</u>
9. Name: <u>Accurate Int</u> Address: _____ City/State/Zip: <u>SAN LITO, CA</u> Phone/Fax #: _____	<u>Ac city</u>					<u>\$ 3,485.⁰⁰</u>

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small Local Business Utilization Policy, Document 00810) Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area).

(Bidder to attach additional sheets if necessary)

SEE 20 101 11 0004 11 RECEIVING SERVICES

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Term**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder
			LIABE	LBABE		
10. Name: PANACHTIA TILE Address: City/State/Zip: SANTA ROSA NO Phone/Fax #:	ceramic tile					15,983.00
11. Name: Vintage Fire P Address: City/State/Zip: Dinuba, CA NO Phone/Fax #:	Fire protection			X		13,270.00
12. Name: Climate Indus Eng Address: 148 City/State/Zip: Hayward cont read Phone/Fax #:	HVAC			X		38,624
13. Name: PAICH Plumbing Address: 148 City/State/Zip: PALMDALE NOT ON LIST Phone/Fax #: (cant read) on list	Plumbing		2	2		94,000

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small Local Business Utilization Policy Document 00010). Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding.

** Term: Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area).

(Bidder to attach additional sheets if necessary)

Name, address, and telephone number of office of Subcontractor, Trucking Broker or Supplier (Also list Prime Bidder if LIABE or LBABE)	Type or Portion of Work to be Performed or Materials to be Supplied	Contractors License Number (if applicable)	Check if LIABE and/or LBABE and if Requesting Credit*		Year**	Dollar Amount of Bid of Each Subcontractor, Trucking Broker or Supplier to Prime Bidder
			LIABE	LBABE		
10. Name: <u>CALIF ELECTRIC</u> Address: _____ City/State/Zip: <u>OAKLAND CA</u> Phone/Fax #: _____	<u>ELEC</u>		<u>X</u>	<u>X</u>		<u>215,000⁰⁰</u>
11. Name: _____ Address: _____ City/State/Zip: _____ Phone/Fax #: _____						
12. Name: _____ Address: _____ City/State/Zip: _____ Phone/Fax #: _____						
13. Name: _____ Address: _____ City/State/Zip: _____ Phone/Fax #: _____						

* LIABE - Local Impact Area Business Enterprise, LBABE - Local Business Area Business Enterprise (See Non Discrimination and Small Local Business Utilization Policy, Document 00810)

Bidder and subcontractors intending to receive preference points, must be certified by Port of Oakland prior to time of bidding

** Year Length of time (in years) located in the LIA or LBA (LIA = Local Impact Area, LBA = Local Business Area)

(Bidder to attach additional sheets if necessary)

DEC 20 2001 10:00 AM ENGINEERING SERVICES

511

ATTACHMENT B

W.F. LYONS
CONSTRUCTION CO.
Since 1926

January 7, 2002

Theresa O'Guinn
Port of Oakland
Engineering Services
530 Water Street
Oakland, Ca. 94607

RE: Crane Maintenance Building
D-137 project

Dear Ms. O'Guinn

I am in receipt of your letter dated January 2, 2002 referencing additional information needed on form 00430 and requested response to M. A. Lindquist letter of protest.

Subcontract form 00430

- Knickerbockers License No. 359969
- Inland Masonry, Inc. will perform work described in Division 04220 Concrete Unit Masonry (CMU)
- Aqua Duct Plumbing has two license numbers. We inserted their old number, the correct license number for Aqua Duct Plumbing is 353721
- Atlantis Interiors license number is 618201
- Climate Industries license number is 705027

M. A. Lindquist - Letter of Protest

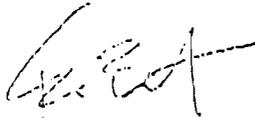
- Addendum No. 1 was noted received on our bid proposal. The Subcontractor listing form provided with addendum 1 requires the exact same information as form 00430, in fact addendum 1 is labeled as form 00430-4.
- W.F. Lyons has listed all subcontractors in excess of .5 of 1% of the contract amount. It is common practice for all contractors to exclude suppliers who will not provide labor at the jobsite. If that is not the case, than every piece of material down to each nail must have its origin identified.
- Suppliers
 - a) Doors frames and hardware will be purchased from Commercial Mill Company and installed by Lyons employees. There will be no subcontract issued.
 - b) Millwork will be fabricated and installed by Lyons employees.

- c) The pre-engineered metal building will be purchased from Varco Pruden and installed by Lyons employees (Lyons is an authorized builder of VP Buildings). There will be **no** subcontract issued.
- d) Windows are part of the metal building package; Lyons employees will install.
- e) Division 2 - Site Work is not used in the specifications; we therefore did not list a subcontractor.
 - W. E. Lyons Construction is named throughout the proposal form as the Prime Contractor. It is understood that any work not subcontracted will be performed by Lyons employees
 - The three missing license numbers have been provided to the port. Addresses and phone numbers are easily available to M. A. Lindquist or any other bidding contractor, the necessary information, name and contract amount has been provided in all cases.

Lastly, could you please provide our office with a copy of M. A. Lindquist bid documents for our review.

Please contact me should you require any further information. I look forward to a response from the Port.

Respectfully,



Kevin Butler
Project Manager
W.E. Lyons Construction Co.



W.E. LYONS
CONSTRUCTION CO.
Since 1926

January 7, 2002

Mr. David L. Alexander
Port Attorney
530 Water Street, 4th Floor
Oakland, Ca. 94607

RE: Construction of Crane Maintenance Building
D-137 at Berths 57-59

Dear Mr. Alexander,

Please accept this letter as proof that W.E. Lyons Construction Co. and all listed subcontractors are willing, ready and able to comply with the MAPLA. Additionally W.E. Lyons Construction Co. and all our subcontractors performing work on this project shall execute document 00630, Letter of Assent without modification or qualification within twenty (20) days of Notice of Award.

Respectfully,

Kevin Butler
Project Manager
W.E. Lyons Construction Co.



W.E. Lyons Construction Co.
530 Water Street
Oakland, CA 94607
Tel: 510 568 3105
Fax: 510 568 3105
www.welyons.com

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 33S

SUBJECT: Personnel Items
- Termination

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. TERMINATION—Resolution (1 Reading)

A) It is requested that the Board approve the termination of Carmelia Cravatt, Assistant Port Construction Administrator, in the Engineering Construction Department, during probation, effective the close of the workday of February 6, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding termination.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02037
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

FEB - 5 2002
DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director
DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS
PHILLIP H. TAGAMI
President
FRANK KIANG
First Vice President
DARLENE AYERS-JOHNSON
Second Vice President
DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, February 19, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

READING OF THE MINUTES:

Regular meeting of December 4, 2001.

Deferred - regular meeting of December 18, 2001; regular
meeting of January 15, 2002; adjourned regular meeting of
January 29, 2002; and February 5, 2002.

OPEN SESSION: 4:00 p.m.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

PRESENTATION:

Sustainability Awards 2001

COMMITTEE REPORTS:

City/Port Liaison
Commercial Real Estate
Maritime

READING OF SUMMARY ITEMS: (Marked "S")

5 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius and Certain Related Actions; Adoption of Eleventh Supplemental Indenture for Port's Revenue Bonds to Exclude Customer Facility Charges from Certain Pledged Revenue; Approval of Consultant Agreement with a Kevin Harper, CPA for Conducting an Audit of Agreed Upon Procedures for Customer Facility Charge; and Approval of First Supplemental Agreement to Ground Lease for Interim Consolidated Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc., Budget Rent A Car System, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.). (Resolutions and Ordinance)
- 2** Authorization to Dispense with Standard Bidding Procedures for Procurement of Security Checkpoint Equipment. (Resolution)
- 3** Ratification of Change Order to Contract for Overlay of Taxiway D (South of Taxiway M) and Taxiway J, North Field, OIA. Resolution)
- 4** Ratification of Change Order to Contract for Construction of Dollar Rent-A-Car Utility Infrastructure, North Field, OIA. (Resolution)

- 5** Approval of Consultant Agreement with Kimley-Horn and Associates, Inc., for Engineering Services for Overlay of Taxiway D and Apron Improvements, South of Building L-812, North Field, OIA. (Resolution)
- 6** Approval of Consultant Agreement with HNTB to Provide Specialized Professional Services to Assist in the Preparation of Environmental Documentation for the Airport Development Program. (Resolution)
- 7S** Approval of New License and Concession Agreement with Avis Rent A Car System, Inc. and Adoption of Resolution for a Building Permit for Vehicle Overflow Parking (Adjacent to Building L-814, North Airport). (Resolution)
- 8S** This item not used.
- 9S** Approval of First Supplemental Agreement to License and Concession Agreement, and First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with National Car Rental System, Inc. (Resolution)

COMMERCIAL REAL ESTATE

- 11** Approval of Sublease with Jack London Square Partners for Port Occupied Office Space in 70 Washington Street. (Resolution)

MARITIME

- 21** Approval to Enter into an Agreement for a Study on Maritime Activity Impacts on Congressional & State Legislative Districts. (Resolution)
- 22** Authorization to Include the Construction of the Gear Storage Building, D-139, at Berths 57-59, Inner Harbor Channel, Vision 2000, in the Port's Small Business Program. (Resolution)
- 23S** This item not used.

OPERATIONS

- 31S** Personnel Items: Salary Adjustment. (Resolution)
- 32S** Travel Authorization. (Resolution)

- 33S** Request for Authorization to Engage Hale & Estrada LLC for Professional Services Related to Filling the Vacant Position of Director of Administrative Services. (Resolution)

BUILDING PERMIT APPLICATION: ("S")

Enterprise Rent-A-Car, relocation of an existing rental car key kiosk at the South Airport Short Term Parking Lot.

Ryan International Airlines, construction of partition walls and interior finishes to create offices and storage rooms.

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

LEGAL

- 41** Amending Port Ordinance 1006 to Add Section 5(L), Clarifying the Application of the California Subletting and Subcontracting Fair Practices Act (Public Contract Code §4100 et seq.) to Port Contracts; Establishing Exceptions; Delegating to the Executive Director Authority to Implement the Act. (Ordinance)

Vote on the following resolutions except number 21:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Uribe and President Tagami – 6
Noes: None
Absent: Commissioner Scates – 1

Vote on Number 21:

Ayes: Commissioners Kiang, Kramer, Protopappas,
Uribe and President Tagami – 5
Noes: Commissioner Ayers-Johnson – 1
Absent: Commissioner Scates - 1

RESOLUTIONS:

- 02041 1** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH KEVIN HARPER, CPA FOR CONDUCTING AN AUDIT OF AGREED UPON PROCEDURES FOR CUSTOMER FACILITY CHARGE CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 1)
- 02042 2** AUTHORIZING THE EXECUTION AND DELIVERY OF AN ELEVENTH SUPPLEMENTAL TRUST INDENTURE TO COMPORT WITH THE REVISIONS OF SECTION 1936 OF THE CALIFORNIA CIVIL CODE. (Airport – 1)
- 02043 3** APPROVING AND AUTHORIZING EXECUTION OF FIRST SUPPLEMENTAL AGREEMENT TO GROUND LEASE FOR INTERIM CONSOLIDATED RENTAL CAR FACILITIES. (Airport – 1)
- 02044 4** FINDING AND DETERMINING THAT IS IN THE BEST INTEREST OF THE PORT TO PROCURE ON THE OPEN MARKET, WITHOUT COMPETITIVE BIDDING, FROM HEIMANN SYSTEMS CORPORATION, TEN HEIMAN MODEL 60401 (TRX-TYPE) X-RAY MACHINES, AND UPON INFORMAL PROPOSALS, TWO ION TRACK INSTRUMENT ITEMIZER ETD MACHINES, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE PROCUREMENT CONTRACTS FOR SAME. (Airport – 2)
- 02045 5** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH McGUIRE AND HESTER FOR OVERLAY OF TAXIWAY D (SOUTH OF TAXIWAY M) AND TAXIWAY J, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 3)

- 02046 6** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH LFR, INC. FOR CONSTRUCTION OF DOLLAR RENT-A-CAR UTILITY INFRASTRUCTURE, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport - 4)
- 02047 7** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HORN AND ASSOCIATES, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport - 5)
- 02048 8** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HNTB FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport - 6)
- 02049 9** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT AND BUILDING PERMIT WITH AVIS RENT A CAR SYSTEM, INC. (Airport - 7S)
- 02050 10** APPROVING AND AUTHORIZING EXECUTION OF A FIRST SUPPLEMENTAL AGREEMENT TO LICENSE AND CONCESSION AGREEMENT, AND A FIRST SUPPLEMENTAL AGREEMENT TO GROUND LEASE FOR INTERIM RENTAL CAR FACILITY WITH NATIONAL CAR RENTAL SYSTEM, INC. AS AMENDED. (Airport - 9S)
- 02051 11** APPROVING AND AUTHORIZING THE EXECUTION OF SUBLEASES WITH JACK LONDON SQUARE PARTNERS. (Commercial Real Estate - 11)
- 02052 12** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MARTIN ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 21)

- 02053 13** GRANTING AUTHORIZATION TO INCLUDE THE CONSTRUCTION OF GEAR STORAGE BUILDING D-139 AT BERTHS 57-59 INNER HARBOR CHANNEL, VISION 2000, OAKLAND, CALIFORNIA, IN THE SMALL BUSINESS PROGRAM, FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR SUCH WORK WITHOUT COMPETITIVE BIDDING; AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 22)
- 02054 14** CONCERNING CERTAIN TRAVEL. (Operations - 32S)
- 02055 15** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HALE & ESTRADA FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 33S)
- 02056 16** GRANTING ENTERPRISE RENT A CAR COMPANY OF SAN FRANCISCO, PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02057 17** GRANTING RYAN INTERNATIONAL AIRLINES, PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02058 18** APPROVING AND AUTHORIZING EXECUTION OF A JOINT DEFENSE, COMMON INTEREST AND CONFIDENTIALITY AGREEMENT WITH CA ONE SERVICES, INC. (Closed Session - 40)
- 02059 19** APPROVING APPOINTMENT OF SPECIAL COUNSEL. (Closed Session - 40)
- 02060 20** DECLARING ELECTION OF OFFICER OF THE BOARD OF PORT COMMISSIONERS.
- 02061 21** APPROVING SALARY ADJUSTMENT OF DIRECTOR OF AVIATION. (Operations - 31S)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Uribe and President Tagami – 6
Noes: None
Absent: Commissioner Scates - 1

ORDINANCES SUBMITTED:

1 ("S") Port Ordinance No. 3682 being, "AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.

2 ("S") Port Ordinance No. 3683 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH AMERICAN PRESIDENT LINES, LTD."

Final.

3 ("S") Port Ordinance No. 3684 being, "AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH EVERGREEN MARINE CORP. (TAIWAN) LTD."

Final.

4 Port Ordinance No. ____ being, "AN ORDINANCE IMPOSING A CUSTOMER FACILITY CHARGE ON EACH PERSON WHO RENTS AN AUTOMOBILE FROM A CUSTOMER FACILITY LOCATED ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS; OBLIGATING EACH RENTAL CAR COMPANY THAT OPERATES A CUSTOMER FACILITY ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS TO COLLECT A CUSTOMER FACILITY CHARGE FROM EACH PERSON WHO RENTS AN AUTOMOBILE FROM SUCH CUSTOMER FACILITY AND TO REMIT SUCH CUSTOMER FACILITY CHARGE TO THE PORT OF OAKLAND; IMPOSING CERTAIN REPORTING AND OTHER OBLIGATIONS ON SUCH RENTAL CAR COMPANIES; AND PROVIDING AN EFFECTIVE DATE."

Airport – 1 to print.

- 5** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING PORT ORDINANCE 1606 TO ADD SECTION 5(L), CLARIFYING THE APPLICATION OF THE CALIFORNIA SUBLETTING AND SUBCONTRACTING FAIR PRACTICES ACT (PUBLIC CONTRACT CODE §4100 ET SEQ.) TO PORT CONTRACTS; ESTABLISHING EXCEPTIONS; DELEGATING TO THE EXECUTIVE DIRECTOR AUTHORITY TO IMPLEMENT THE ACT."

Legal – 41 to print.

APPEARANCES: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ELECTION OF OFFICERS:

As provided for in the By-Laws
(Secretary of the Board – Resolution)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, March 5, 2002 at 3:00 PM.**

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: February 19, 2001

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBJECT: Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius and certain related actions; Adoption of Eleventh Supplemental Indenture for Port's Revenue Bonds to exclude Customer Facility Charges from certain Pledged Revenue; Approval of Consultant Agreement with a Kevin Harper, CPA for conducting an Audit of Agreed Upon Procedures for Customer Facility Charge; and Approval of First Supplemental Agreement to Ground Lease for Interim Consolidated Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc, Budget Rent A Car Systems, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.) .

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

State legislation that was effective on January 1, 2002 enables rental car companies in California to pass through to their customers a \$10.00 per contract customer facility charge that is imposed by an airport. The Board is asked to pass an ordinance that establishes such a customer facility charge ("CFC") at Oakland International Airport. The rental car companies would collect \$10.00 from the on-airport rental car customers on behalf of the Port. The legislation limits use of the CFC funds to pay for consolidated rental car facilities and common transportation systems serving them. The legislation also provides that if the Airport requires common busing to transport all rental car customers between the consolidated facilities and the Terminal, then off-airport rental car companies' customers must use the common rental car transportation system and off-airport rental car companies must charge to their customers a CFC that is commensurate with the common transportation costs.

At Oakland International Airport, the CFC would generate approximately \$6 million in annual revenue to the Port. When common busing commences at Oakland International Airport in approximately January 2003, the off-airport rental car companies would collect a \$6.00 per contract CFC from their customers on behalf of the Port to cover the cost of common busing between the consolidated interim consolidated facility and the terminal; and is estimated to generate less than \$50K in annual revenue to the Port.

- Several actions are needed to impose the CFC in accordance with the enabling State legislation:
1. Amend the Port's Trust Indenture so the CFC funds may be used for authorized rental car projects;
2. Pass an ordinance imposing CFC effective April 1, 2002;
3. Authorize a contract with an independent auditor to conduct an audit of CFC expenditures that will comply with the legislation; and
4. Modify the Ground Leases for the interim consolidated facility to allow the CFC to cover a portion of the ground rent to reimburse indebtedness for the interim facility.

ANALYSIS:

The Airport activity has grown from 9.2 million annual passengers ("MAP") in FY97/98 to 11.3 MAP in FY00/01. Rental car customer facilities have remained relatively constant during that period resulting in a shortage of rental car customer facilities and curbside. The Port and the rental car companies are investing significant funds to construct rental car customer facilities to serve the current passenger levels and the 2% - 3% annual increase expected in FY02/03 and beyond.

Approved by Ordinance passed to print

Approved by Resolution No. 02041, 02042

02043

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FEB 19 2002

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BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD DATE

The proposed CFC is necessary to help fund the capital investment in new consolidated rental car customer facilities needed at Oakland International Airport. Funds from the CFC would:

- 1) reimburse the Port for certain costs incurred in site preparation, demolition, upgrading utilities and roadway infrastructure, planning and negotiating the terms for occupancy of the consolidated Interim Rental Car Facility on the North Airport;
- 2) pay a portion of the debt service on the indebtedness incurred by the Port in the construction of the Interim Rental Car Facility with a corresponding reduction in the Base Rent payable by the Participating Rental Car Companies under their Ground Leases with the Port;
- 3) reimburse the Participating Rental Car Companies for the common busing costs to transport all rental car customers (including off-airport rental car customers) between the Terminal and the consolidated Interim RAC Facility on the North Airport; and
- 4) pay a portion of the debt service on the indebtedness incurred by the Port to design, finance and construct long term consolidated rental car facilities at and in the new parking garage.

To the extent such proceeds are pledged, CFCs may be pledged solely to the repayment of Port debt incurred for the authorized rental car projects. Therefore it is necessary at this time to also amend the Port's Master Trust Indenture to exclude from the general pledge of Port revenues the CFCs, except to the extent CFCs may be used to pay debt service on bonds issued to fund such rental car projects. It is recommended that the Board authorize the Executive Director to execute an Eleventh Supplemental Trust Indenture with the U.S. Bank, N.A, as Trustee, authorizing such amendment. The Port Attorney has received an opinion of bond counsel that such amendment is permitted under the Master Trust Indenture. Once the debt obligations relating to any facilities financed with a CFC are repaid, the airport's authority to impose the CFC would likewise terminate in accordance with the terms of the Port CFC Ordinance.

The legislation limits the aggregate amount collected to not exceed the reasonable costs to finance, design and construct the consolidated facilities and transportation system and the reasonable costs of providing the busing network, as determined by an independent audit paid for by the airport. To ensure compliance with the legislation, the Port is retaining the services of Kevin Harper, CPA to set forth audit procedures. Mr. Harper has previously contracted with the Port Auditor for audit work supporting the Port. It is expected that the audit will support the imposition of the CFC at the rate of approximately \$6 million per year for at least the next 4 to 5 years, and probably longer. The cost of the audit services is expected to be approximately \$70,000. However, since additional audits over the next 2 to 3 years may be required by statute, the Board is requested to approve an additional \$30,000, if needed, for such additional audit services. The budget for the audit costs is covered under CIP A1.00816.03. The audit is an administrative cost expected to be reimbursable from CFC funds.

The proposed First Supplemental Agreement to the Ground Leases with 7 of the 8 the rental car companies participating in the Interim Rental Car Facility provides for the credit to the Base Rent from the use of the CFC funds to pay a portion of the debt service on the indebtedness incurred by the Port in financing the Interim Rental Car Facility, to impose certain record submission and record keeping requirements on the Participating Rental Car Companies relating to the use of the CFC funds to pay the common busing costs, and will make certain other minor changes to the Ground Lease.

Social Responsibility Division: The Port's Social Responsibility Division has determined that Kevin Harper, CPA is responsive to and meets the intent of the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy. The firm is located in Union City and there are no sub-consultants. The Social Responsibility Division concurs with the recommendation of this firm. EEO-1 (Workforce reports) are on file for each of the rental car companies except for Fox. Fox does not currently have an Oakland operation but has agreed to submit the EEO-1 form when the new consolidated interim facility is built.

General Plan: Not applicable

Sustainability Opportunities: There are no obvious sustainability opportunities involved.

Environmental Clearance: The above ordinance establishing a customer facility charge is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 210080(b)(8) and CEQA Guidelines (Title 14, California Code of Regulations, Chapter 3), Article 18, Sections 15273(a)(4) and 15061(b)(3). The basis for the exemption under Sections 21080(b)(8) and 15273(a)(4) is that the rules and regulations are established and imposed for the purpose of managing its constrained curbside resources as necessary to maintain service within existing service levels. Under Section 15061(b)(3) it can be seen with certainty that there is no possibility that the proposed Customer Facility Charge, Eleventh Amendment to the Trust Indenture, or the contract for the services of an independent auditor referenced herein will have a significant affect on the environment. Section 15273(a)(4) applies to rates, tolls, fares, and charges made by a public agency. CEQA does not apply to the establishment, modification, structuring, re-structuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of obtaining funds for capital projects, necessary to maintain service within existing service areas. The CFC is needed to help fund the capital investment in new consolidated rental car facilities. The project is, therefore, statutorily exempt from CEQA.

In 1984, under Port Ordinances No. 2581 the Port amended CEQA Guidelines Section 15301 to include subsection (p) that categorically exempts renewals, extensions, or amendments to leases or license and concession agreements or the execution of leases that involve negligible or no expansion of use beyond that previously existing. The Port's amendment to the list of Categorical Exemptions complies with CEQA Guidelines, Article 19, Section 15300.4, Application by Public Agencies.

OPTIONS:

1. Take no action. Do not pass the ordinance, amend the Indenture, conduct the audit or amend the leases. The result would be that the additional funds needed for common rental car busing and paying a portion of the debt service on rental car facilities would not be available to the Port. This would place the Port at a financial disadvantage compared to the other California airports that have enacted similar charges and are using the funds to pay for consolidated rental car facilities and common transportation systems.
2. Direct staff to revise the terms of the ordinance and lease amendments that limit CFC expenditures for common busing for the interim facility and for the long-term facility costs. This would require the Port to and the rental car tenants to pay more of the interim facility design, financing and construction costs.
3. Amend the Indenture, pass an ordinance imposing the CFC, approve the consultant agreement with Kevin Harper, CPA for the independent audit and pass a resolution approving the First amendments with the seven rental car companies as described above.

RECOMMENDATION:

It is recommended that:

1. the aforementioned, Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius; Obligating Each Rental Car Company that Operates a Customer Facility on the Airport or Within the Rental Car Radius to Collect a Customer Facility Charge from Each Person Who Rents an Automobile from such Customer Facility and to Remit Such Customer Facility Charge to the Port of Oakland; and Imposing Certain Reporting and Other Obligations of Such Rental Car Companies, and providing an effective date, be approved;

2. the Board authorize the Executive Director to execute an Eleventh Supplemental Trust Indenture with the U.S. Bank, N.A, as Trustee, authorizing such amendment;
3. the Board authorize the Executive Director and the Port Attorney to take all other actions necessary to implement the Ordinance provisions and the Eleventh Supplemental Indenture;
4. the Board waive competitive bidding and award the contract with Kevin Harper, CPA for an amount not to exceed \$100,000, and authorize the Executive Director to sign the agreement, subject to the Port Attorney's review and approval of the documents;
5. The Board approve the First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc, Budget Rent A Car Systems, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, and TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.); and
6. This action is not dependent upon the Board's approval of and the bankruptcy court's approval of the First Supplemental Agreement to the License and Concession Agreement and the First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with National Car Rental System, Inc. or the Board's approval of their assignment to ANC Rental Corporation described under separate agenda sheet.
7. This action is not dependent upon National Rental Car System, Inc.'s or its parent company, ANC Rental Corporation, assuming the three existing license and concession agreements for the (1) operation of the rental car concession and rental of counter space; (2) rental of spaces in the Ready Return lot; and (3) rental of overflow parking for vehicle storage, or the issuance of 30-Notices to terminate each of the three existing agreements, in the event that ANC assumes the existing agreements through an action of the bankruptcy court, without agreeing to the condition of operating only one brand, and/or without paying the past due pre-petition monies owed.

Agenda Sheet

DATE: February 19, 2002

ITEM NO: 2

SUBJECT: Authorization to dispense with standard bidding procedures for procurement of security checkpoint equipment

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

BACKGROUND:

The Port of Oakland completed upgrades to the security checkpoints in Terminals 1 and 2 in November and December last year. The upgrades included adding one checkpoint line (x-ray machine / metal detector combination) to the then existing three lines in each terminal (for a total of four lines in each terminal). Each checkpoint with four lines is expected to provide an adequate level of service through the spring of 2002, keeping the maximum wait time in the security checkpoint queue to under 40 minutes during the peak periods, with an average wait time of about 15 minutes throughout the rest of the day.

In anticipation of increased passenger traffic this summer, the Port retained TransSolutions, LLC, to prepare a simulation of passenger flow in Building M-102, where the Terminal 1 security checkpoint is located. The simulation results showed that four checkpoint lines in Terminal 1 would provide an extremely low level of service. In fact, four lines would create an average wait in the queue of over 90 minutes. On the other hand, six lines would keep the maximum wait time in the queue to under 35 minutes during the peak periods, with an average wait time of less than 15 minutes throughout the rest of the day. Although six lines would also be desirable in Terminal 2, physical limitations in Building M-130 preclude more than five lines without major reconstruction that could not be accomplished by this summer.

Aviation Planning staff, in association with their As-Needed Aviation Planning Consultant, Ricondo & Associates, developed concepts to add two checkpoint lines in Terminal 1 (for a total of six lines) and one line in Terminal 2 (for a total of five lines). Engineering is working with their On-Call Architect, Charles Jennings Architects, to prepare plans and specifications for the minor building modifications required to accommodate the additional checkpoint lines in Terminals 1 and 2.

ANALYSIS:

In addition to requiring new security checkpoint equipment (i.e., x-ray machines, metal detectors, and electronic trace detection (ETD) machines) for the new lines, the existing x-ray machines in Terminals 1 and 2 are outdated and in need of replacement, with the exception of one new Heimann Model 6040i x-ray machine in Terminal 2. New x-ray machines are more reliable and provide (1) x-ray technicians with higher resolution images of the contents of carry-on baggage, allowing for faster, more detailed searches and shorter processing times, and (2) x-ray technician training and monitoring features as required by the Federal Aviation Administration (FAA)/Transportation Security Administration (TSA).

Prior to September 11, 2001, and the Aviation and Transportation Security Act, the FAA Security Equipment Integrated Products Team (SEIPT) provided new security checkpoint equipment to airlines as a grant. However, the SEIPT has not yet been funded for this federal fiscal year, and there are many uncertainties as to when FAA/TSA-provided equipment might be available. Further, the TSA will be taking over the operation of security checkpoints (from the airlines) nationwide as early as February 2002, including ownership of all equipment. Given the nationwide need for additional equipment (not just in the aviation industry), it is unclear when the TSA would supply additional and/or replacement equipment at Oakland International Airport.

Given these uncertainties and the Port's need for additional checkpoint lines this spring (more specifically, by June 1, 2002), we recommend the Port procure the additional and replacement security checkpoint equipment directly from the manufacturers with a committed delivery date. Therefore, we recommend the Board approve the purchase of 10 new x-ray machines (six for Terminal 1 and four for Terminal 2), two new ETD machines (one for the new lines in Terminal 1 and one for the new line in Terminal 2), and three new metal detectors (two for Terminal 1 and one for Terminal 2). Because the TSA intends to take over the operation of security checkpoints nationwide, including ownership of all equipment, we anticipate that the FAA/TSA will reimburse the Port for the purchase of this equipment, either directly, through Airport Improvement Program (AIP) grants, and/or Passenger Facility Charge (PFC) funding.

There are two manufacturers of FAA/TSA-approved x-ray equipment: Heimann Systems Corporation and PerkinElmer

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No. 02044

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Assistant SECRETARY OF THE BOARD

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Instruments. Only Heimann Systems Corporation is capable of delivering appropriate equipment by June 1, 2002: Heimann Model 6040i (TRX-type) x-ray machines. Each Heimann Model 6040i (TRX-type) x-ray machine is estimated to cost \$65,000, including shipping/handling, State use tax, import/export duties, installation, limited technician training, and a 24-month warranty (parts and labor).

ETD machines produced by different manufacturers have very distinct operational, maintenance, and technician training requirements. Therefore, it is important to match the existing ETD machines currently in operation in Terminals 1 and 2. It is suggested that the Board approve the purchase of two Ion Track Instrument Itemiser ETD machines. Each Ion Track Instrument Itemiser ETD machine is estimated to cost \$40,000, including shipping/handling, State sales tax, installation, limited technician training, and a 24-month warranty (parts and labor).

The additional metal detectors for the three new lines in Terminals 1 and 2 should match the existing metal detectors in Terminals 1 and 2, which are less than three months old. Therefore, it is suggested that the Board approve the purchase of two Ceia USA metal detectors (Model 01PN10) for Terminal 1, and one Metorex Security Products metal detector (Model 200) for Terminal 2. Each metal detector is estimated to cost \$8,500.00, including shipping/handling, State sales/use tax, and a three year warranty (parts only).

The useful life of security checkpoint equipment is estimated to be five years.

ENVIRONMENTAL:

Installing and operating new security checkpoint equipment would require minor interior alterations (such as providing partitioning and electrical conveyances) to the existing terminal buildings. Operating this equipment would not involve a type of use beyond what presently occurs at the security checkpoints located within the terminals. The project is determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA Guidelines, Article 19, Section 15301(a) and (f).

GENERAL PLAN:

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

BUDGET:

The total cost for 10 new Heimann 6040i x-ray machines is estimated to be \$650,000.00. The total cost for two new Ion Track Instruments Itemiser ETD machines is estimated to be \$80,000.00. The total cost of two new Ceia USA metal detectors and one new Metorex Security Products metal detector is estimated to be \$25,500.00. Therefore, the total cost for all of the required security checkpoint equipment is estimated to be \$755,500.00. Because the TSA intends to take over the operation of security checkpoints nationwide, including ownership of all equipment, we anticipate that the FAA/TSA will reimburse the Port for the purchase of this equipment, either directly, through Airport Improvement Program (AIP) grants, and/or Passenger Facility Charge (PFC) funding. This equipment is not budgeted for fiscal year 2002.

SUSTAINABILITY:

Port staff will work with the airlines and FAA/TSA to use the old x-ray equipment for training purposes (off-Airport) and/or donate it to a charitable organization, such as a local school district or museum that may be interested in improving security.

RELATED INFORMATION/PROJECTS:

In March 2002, we anticipate presenting a Board letter for the construction of the physical improvements in Terminals 1 and 2 to accommodate 6 and 5 security checkpoint lines, respectively. Based on preliminary, conceptual planning sketches, we anticipate the construction cost only (i.e., without architectural and engineering services, construction management, Port overhead, etc..) to be less than \$500,000.

RECOMMENDATION:

Authorize the Executive Director to execute procurement agreements with (1) Heimann Systems Corporation for the purchase of 10 Heimann Model 6040i (TRX-type) x-ray machines, not to exceed \$650,000.00, and (2) Ion Track Instruments for the purchase of two Ion Track Instruments Itemiser ETD machines, not to exceed \$80,000. Authorize staff to prepare a purchase order to Ceia USA for two metal detectors and Metorex Security Products for one metal detector, not to exceed \$25,500.00 total.



Agenda Sheet

^{JD}
SUBJECT: Ratification of Change Order to Contract for
Overlay of Taxiway D (South of Taxiway M)
and Taxiway J, North Field, OIA

DATE: February 19, 2002
ITEM NO: 3

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Port has a contract with McGuire and Hester for the **OVERLAY OF TAXIWAY D (SOUTH OF TAXIWAY M) AND TAXIWAY J, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT**, which became effective on January 18, 2001, for lump sum and unit prices totaling \$4,463,223. The work consists of a partial overlay of Taxiway D and an overlay of Taxiway J, including drainage and utility relocations, electrical lighting modifications, and installation of new pavement markings.

In the fall of 2000, Port staff was finalizing the plans and project manual for the overlay of Runway 11-29. During this overlay, departing planes would use Taxiway W, which was to be converted to a temporary runway, and landing aircraft would use Runway 27L-9R at the Airport's North Field. All landing passenger and air cargo aircraft would have to use Taxiway B to travel from the North Field to the South Field. Taxiway B was inspected in the fall of 2000, and was found to be in fair condition, with some areas beginning to show some signs of needing pavement improvements. It was decided that a re-inspection would be done after the winter rains and prior to overlay of Runway 11-29 in August. This re-inspection indicated that over 5,000 square yards of Taxiway B asphalt needed improvements to make it safe during the overlay of Runway 11-29.

ANALYSIS:

Gallagher and Burk, the Contractor awarded the contract to do the overlay of Runway 11-29, was asked for a quote to do the emergency improvements to Taxiway B. They declined, indicating that their efforts in preparing for the overlay of Runway 11-29 would not allow them to do the improvements to Taxiway B.

It was decided that it was in the best interests of the Port to make the emergency pavement improvements to Taxiway B as a Change Order to the McGuire and Hester Contract for the Overlay of Taxiways D and J project. The cost of this Change Order was \$110,188.

The Change Order work involved cold milling (grinding and removing) the top 4 inches of damaged pavement and replacing it with new asphalt. The improvement work covered approximately 5,289 square yards of Taxiway B.

Environmental

The condition of the Taxiway B pavement was adequate to accommodate the normal traffic on the taxiway. However, it would not have accommodated the increased large aircraft traffic diverted by the Runway 11-29 project. Since this work was necessitated by the Runway 11-29 project, it is considered to be a component of it.

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Approved by Resolution
No. 02045
BOARD ACTION TAKEN

[Signature]
Assistant SECRETARY OF THE BOARD

FEB 19 2002
DATE

The Board of Port Commissioners approved a Categorical Exemption for the Runway 11-29 Overlay/Rehabilitation project on September 19, 2000. The Categorical Exemption was filed with the Alameda County Recorder on September 21, 2000

This project has also been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15269, Emergency Projects; (b) Emergency improvements to publicly-owned facilities necessary to maintain service essential to the public health, safety or welfare; and, (c) Specific actions necessary to prevent or mitigate an emergency.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The plan was to perform the improvements to Taxiway B only if found to be absolutely necessary, since the added use of Taxiway B was for a very short period (10 days +/-) during the overlay of Runway 11-29. Due to the deterioration of the taxiway during the winter of 2001, the improvements became necessary. Consequently, this Change Order for \$110,188 will be charged to the Runway 11-29-overlay project. This expense is budgeted in CIP Element No. A2.00641.04 and the funding source is Port cash. The overall cost of the Runway 11-29 overlay project remains within the Total Project Budget for the work.

There have been no other executed Change Orders relating to the Runway 11-29 overlay project at this time. This Change Order for \$110,188 is approximately 0.08% of the original contract amount of \$14,438,383 for the Runway 11-29 project.

Sustainable Opportunity

In order to reduce waste generation, the Contractor was directed to off-haul the asphalt concrete grindings to the 68-acre site at the North Field to be used as road base in another project.

OPTIONS:

The alternative to making the emergency improvements would have been to allow the increased traffic on the existing pavement, thereby deteriorating it to the point that it would require a shutdown and a more expensive reconstruction.

RECOMMENDATION:

It is recommended that the Board ratify this Change Order for \$110,188 to McGuire and Hester for the above-described work.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 14, 2001**

PROJECT TITLE: Construction of Overlay of Runway 11-29 and Conversion of Taxiway W to Temporary Runway 12-30

CIP NO: A2.00641.04

W.O. #'s: 106506, 106581, 106590

PROPOSED FUNDING SOURCES: Port cash, bonds and grants

Narrative: The Construction of Overlay of Runway 11-29 is being tracked under work order no. 106506. The work to convert Taxiway "W" to Temporary Runway 12-30 is being tracked under work order no. 106581 and includes the filling of wetlands in order to satisfy the FAA grading criteria for runway safety areas. This activity will require mitigation in the form of wetland creation at an offsite location. The wetland mitigation is a separate project being tracked under work order no. 106590.

Budget: These three projects are all included in the CIP Element # A2.00641.04 budget which totals \$21,500,000. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00641.04

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Tenant Const. Cost	Totals
Construction of Overlay of Runway 11-29	492	836	70 +	9719			0	0	0	11,560
			443							
Conversion of Taxiway W to Temporary Runway 12-30	288	490	512 +	6508			0	0	0	8,330
			532							
Damon Slough Mitigation Site Improvements	57	96	316	1141			0	0	0	1,610
Total =	837	1,422	898 + 975 1873	17,368			0	0	0	21,500

Remarks/Notes:

1. CM costs for Overlay of R/W 11-29 and conversion of T/W W to temp R/W 12-30 include testing as required by FAA.
2. Design consultant cost for Damon Slough Mitigation Site Improvements includes 5 years of annual monitoring and regulatory reporting.

Agenda Sheet

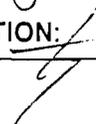
DATE: February 19, 2002

ITEM NO: 4

SUBJECT: Ratification of Change Order to Contract for
Construction of Dollar Rent-A-Car Utility Infrastructure,
North Field, OIA

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Joseph K. Wong EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with LFR Inc., for the **CONSTRUCTION OF DOLLAR RENT-A-CAR UTILITY INFRASTRUCTURE, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND CALIFORNIA**, which became effective on October 10, 2000, with lump sum and unit prices totaling \$2,194,956. The work consists of design and construction of potable water, firewater, electric, gas, electrical controls and telecommunication, and sanitary sewer infrastructure to support Dollar Rent-A-Car and other facilities at the North Airport.

ANALYSIS:

1) Relocate Existing Firewater Line

The scope of this contract calls for the Contractor to design and construct new utilities at the North Airport in accordance with the criteria specified in the contract documents. The contractor prepared the design of the new sanitary sewer (SS) line in Earhart Road based on "as-built" utility drawings provided by the Port. The "as-built" drawings show an existing firewater (FW) line that runs approximately straight and parallel to the street curb. The contractor designed the alignment for the new SS line in such a way as to avoid this FW line. However, while excavating the SS line trench, the contractor found the FW line to be in direct conflict with the new sewer line alignment at two locations. It was imperative to have the FW line relocated first to allow the installation of the new SS line.

The contract work was being delayed due to unstable subsoil conditions. In order not to further delay the completion of the utilities, it was in the Port's best interest to have the Contractor relocate the FW line promptly. Due to significant uncertainties in the work, the Port directed the Contractor to proceed with the relocation work on a force-account basis (time-and-material). The Port's estimated total cost of the work is \$130,000. Staff has issued a \$75,000 change order for this work pending negotiations with the contractor on the final amount. The estimated balance for this work item is \$55,000.

2) Dispose of Non-Contaminated Fill

The Contractor discovered unstable subsoil consisting of non-contaminated bay mud throughout the project site. Since bay mud is unsuitable for use as a backfill material, the Contractor was directed to dispose of this material at Port-approved disposal sites. The contract includes the disposal of non-contaminated fill as a unit-price item (\$15.20 per ton) for up to an estimated amount of 1,000 tons. The Contractor actually disposed of 13,500 tons of bay mud (12,500 tons above the contract estimate). Staff negotiated a rate of \$6.80 per ton (\$8.40 less than the bid unit price) for this excess quantity, or a total disposal cost of \$85,000. Staff has written and issued a \$37,400 change order for this item, leaving a balance of \$47,600.

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No. 02046

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

FEB 19 2002

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3) Furnish Imported Backfill Material

The Contractor was directed to furnish imported backfill material to replace the bay mud excavated and disposed of under Item 2 above. The contract includes importing backfill material as a unit price item (\$26.60 per ton) for up to an estimated amount of 1,000 tons. The contractor actually furnished and delivered to the project site 13,500 tons of backfill material (12,500 tons above the contract estimate). The Port's estimated total cost for furnishing this excess quantity of material is \$326,600 or about \$26.13 per ton. Staff originally issued a \$52,000 change order for this work item pending negotiations with the Contractor on the final amount. The estimated balance for this item is \$274,600.

4) Perform Miscellaneous Extra Work

To resolve outstanding issues for closing out this contract, Staff is currently negotiating additional change orders estimated at a cost of \$100,000. This work, which has been completed, includes: a) relocation of existing power and street lighting conduits inaccurately shown on the as-built drawings; b) repair of existing fire protection lines, including installation of new water valves and chlorination; c) modification to an electrical switchgear at the request of Port Facilities; and, d) excavation to identify existing utilities not shown on the contract plans.

The total estimated amount for this change order (balance of amount for Items 1, 2 and 3, plus full cost for Item 4) is \$477,200. In accordance with Ordinance 1606, Staff's approval of change orders on this contract is limited to \$219,496 (10% of the original contract amount). As of this date, Staff has approved and issued change orders totaling approximately \$216,000. Since the above total change order amount of \$477,200 would exceed the Staff approval limit (\$219,496), the Board's approval of \$477,200 to cover the estimated costs of the above four work items is hereby requested.

Budget

The Project is budgeted under CIP Element Number A1.00816.04. The funding source is Port bonds.

The Board and staff have approved 14 change orders to date for this project totaling \$537,898 or 24.5% of the total original award amount. Of this amount, \$76,190 (3.5%) is for additional storm drain and electrical systems upgrade, \$51,118 (2.3%) is for temporary utilities to maintain tenants' operations, \$164,660 (7.5%) is partial payment made for work already completed under work items 1, 2, and 3 above; and \$245,930 (11.2%) is for work performed for other projects at the North Airport outside the scope of this contract, and which was previously approved by the Board. The total amount for all change orders, including the change order work which is the subject of this Board letter, is \$1,015,098 or 46.2% of the total original award amount.

Sustainable Opportunity

A large quantity of the bay mud excavated from this project, including that provided for in this change order work, was hauled to the Galbraith project site at the South Airport for use as fill in the construction of the planned golf course. Also, an old existing high voltage feeder that was to be removed and disposed of as part of this project was reused to provide a temporary electrical service to a tenant facility at the North Airport.

OPTIONS:

1) Relocate Existing FW Line

- a) Re-design the SS line – Staff investigated the possibility of having the Contractor re-design the alignment for the new SS line to avoid interference with the existing FW line. Re-routing the SS line is much less expensive than for the FW line. However, it was determined that re-designing the SS line was not possible as the line must run straight at a proper slope into an existing sewer manhole for self-cleaning and unimpeded gravity flow.
- b) Hire another contractor or utilize Port forces – The urgency of relocating the FW line precluded the Port from utilizing the services of other contractors or Port forces. Employing others to perform this work would have taken at least two months to complete the work and would have further delayed restoring firewater service.

2) Dispose of Non-Contaminated Fill, and, Furnish Imported Backfill Material

Re-use bay mud as backfill – Bay mud could have been dried and used as backfill to meet the designed compaction requirements. However, this alternate method would have been impractical and would have substantially delayed completion of the project.

3) Perform Miscellaneous Extra Work

Hire another contractor or utilize Port forces – To employ others to perform this work would have been impractical and costly, as they would have worked in the same trench as the contractor. This option would also have further delayed the completion of the project.

RECOMMENDATION:

It is recommended that the Board ratify this change order for a total estimated amount of \$477,200 to LFR, Inc., as described above.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

February 8, 2002

PROJECT TITLE: Construction of Dollar Rent-A-Car Utility Infrastructure, North Field

CIP NO: A1.00341.01

W.O. #: 106435

PROPOSED FUNDING SOURCES: Port Cash

Narrative: Construction of Dollar Rent-A-Car Utility Infrastructure

Budget: This project is accounted for under CIP Element # A1.00341.01 (Construction of Dollar Rent-A-Car Utility Infrastructure, North Field). This is also one of the projects for the North Field Rental Car Facility Development Program. The current project budget totals \$4,460,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's)

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outside Legal	Misc.	LERRS	Allow.	Tenant Costs	Totals
Construction of Dollar Rent-A-Car Utility Infrastructure (W.O.106435)	234	380	---	3,812	13	21	---	---	---	4,460

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.



Agenda Sheet

DATE: February 19, 2002

ITEM NO: 5

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: ^{TD} Approval of Consultant Agreement with Kimley-Horn and Associates, Inc., for Engineering Services for Overlay of Taxiway D and Apron Improvements, South of Building L-812, North Field, OIA

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

Built in the 1940's, Taxiway D is showing signs of deterioration and is in need of pavement and taxiway light improvements. The taxiway will also require widening in order to meet the needs of larger air cargo aircraft and to conform to FAA design requirements. The apron south of Building L-812 was also built in the 1940's and is in need of pavement reconstruction. This project is part of a program to reconstruct existing aprons and taxiways at the North Field to enhance safety and extend the life of the facilities.

The consultant will provide engineering design and construction support services for the project, **Overlay of Taxiway D and Apron Improvements, South of Building L-812**. This project consists of: 1) overlaying and widening the taxiway and shoulder of Taxiway D (south of Building L-812); 2) installing new taxiway lights and signs; 3) modifying/raising existing storm drainage and utility structures; 4) pavement striping and marking; 5) installation of twin 48" diameter storm drain lines along Taxiway D; 6) installation of twin 48" diameter storm drain lines along Harhart Road; 7) installation of a 10" diameter fire protection water line; and 8) reconstruction of the apron between Taxiway D and Building L-812. The length of Taxiway D to be modified is approximately 1,000 feet and will conform to the newly completed Taxiways D and J overlay project. The design and construction of the project will conform to all applicable city, state, and FAA codes and standards.

ANALYSIS:

On February 22, 1999, the Aviation Committee approved the concept of creating a "final list" of consultants from which to select consultants for future FAA-funded projects involving airfield improvement work such as aircraft aprons, taxiways, runways, etc. This "final list" will be maintained and used at any time over the next three years (through February 2002). On June 15, 1999, the Board approved the selection of Harding Lawson Associates, Group Inc., from the list to provide engineering services for the Reconstruction of Apron Southeast of Building L-820 project. On September 20, 1999, the Board approved the selection of Parsons Brinckerhoff Quade & Douglas, Inc., to provide engineering services for the Overlay of Taxiway D (South of Taxiway M) and Taxiway J project. On August 4, 2000, the Board approved the selection of AGS, Inc./HNTB to provide engineering services for the Overlay of Taxiway B (between Runways 27L and 27R) and Taxiway C project. The remaining consultant teams on the "final list" are listed below:

1. Kimley-Horn and Associates, Inc.
2. John T. Warren & Associates
3. Nichols-Vallerga & Associates
4. P & D Aviation

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Approved by Resolution

No. 02047
 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

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Kimley-Horn & Associates, Inc., (Kimley-Horn) is recommended to provide the required engineering design and construction support services for the project, Overlay of Taxiway D and Apron Improvements, South of Hangar L-812. Although the design of this project will not be FAA funded, the selection of a consultant from this list is appropriate in that the scope of work (airfield improvements) is in line with the selection criteria used to create the "final list". The selection of Kimley-Horn was based on their project team's oral presentation; qualifications and relevant experience of the team and key project personnel; and the Port's Social Responsibility Division (SRD) scores.

The Kimley-Horn team consists of the following:

Team	Location	% of Work	SRD Status	Role
Kimley-Horn and Associates, Inc.	Oakland, CA	79.3	LIA	Prime Consultant
AGS, Inc.	Oakland, CA	8.0	LIA	Geotechnical Studies
Roy D. McQueen & Associates (RMA)	Sterling, VA	10.0	*	Pavement Testing and Engineering
Ray I. Juachon & Associates, Inc.	Oakland, CA	2.7	LIA	Electrical Design

LIA: Local Impact Area Business Enterprise

* RMA will use Nichols Consulting Engineers, Chtd. (NCE), an LIA firm, for pavement testing services. NCE will perform 27% of RMA's pavement work, or 2.7% of the total work.

SRD has participated in all phases of the selection process and has determined that Kimley-Horn is responsive to the Port's Non-Discrimination and Small/Local Business Utilization Policy. The EEO-1 Work Force Reports/Professional Services Questionnaires are on file for each firm on the team.

Budget

The amount of the agreement will be approximately \$750,000 based on the agreed upon scope of work and terms of the contract. In addition, it is requested that the Executive Director be authorized to approve an additional \$100,000 for potential changes in scope, for a possible total amount of approximately \$850,000.

The project is budgeted under CIP Element Nos. A1.00626.09 and A1.00626.12, and the funding sources are AIP-20, 21, Port cash, and PFC's. The Project Budget Detail and Schedule are attached.

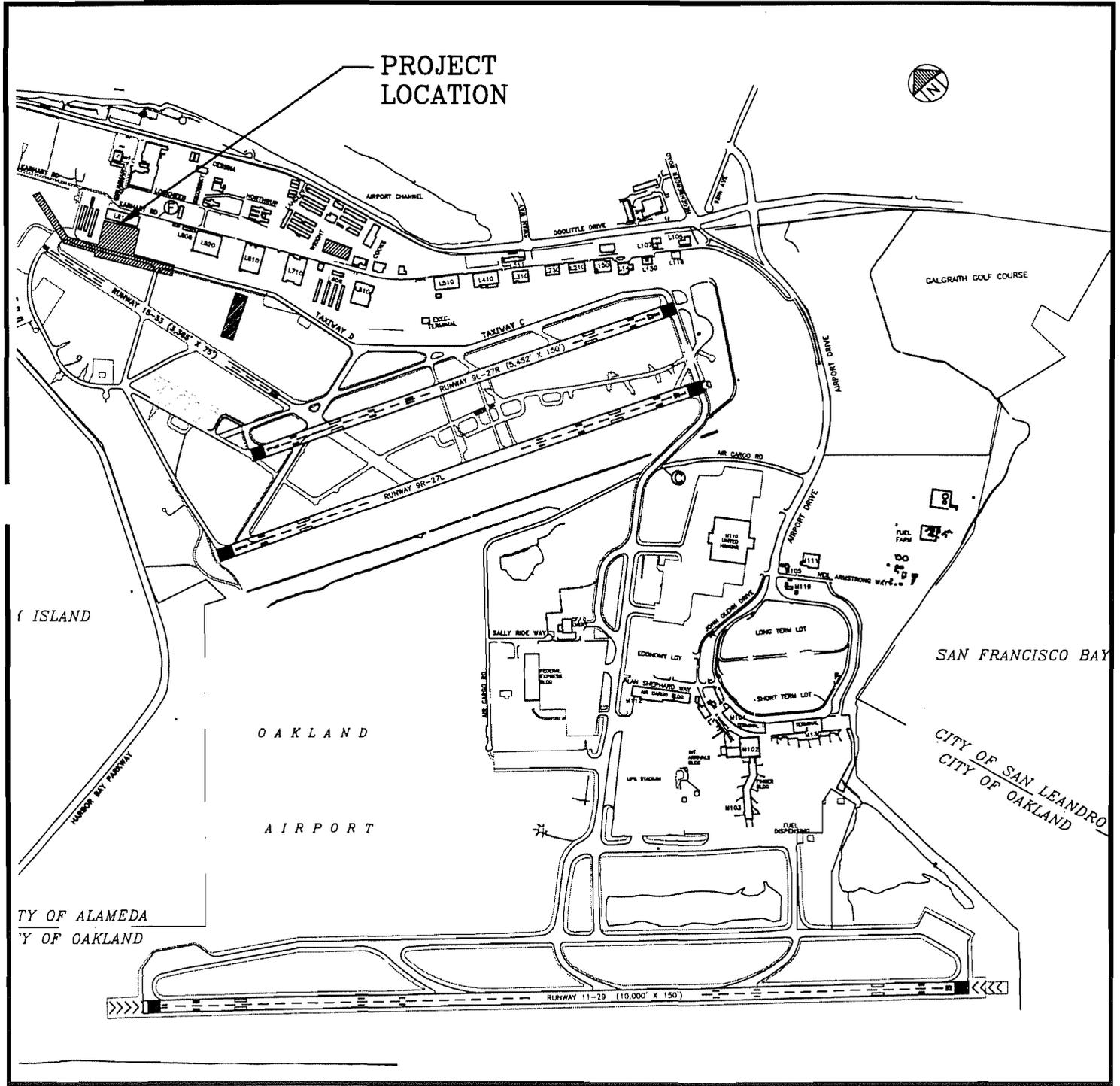
Sustainable Opportunities

Kimley-Horn will determine opportunities in incorporating equipment and materials that utilize sustainable resources in construction and operation, as described in the Port's Sustainability Policy. This will include cost benefit analysis and lifecycle cost analysis of compliance with proposed sustainable features.

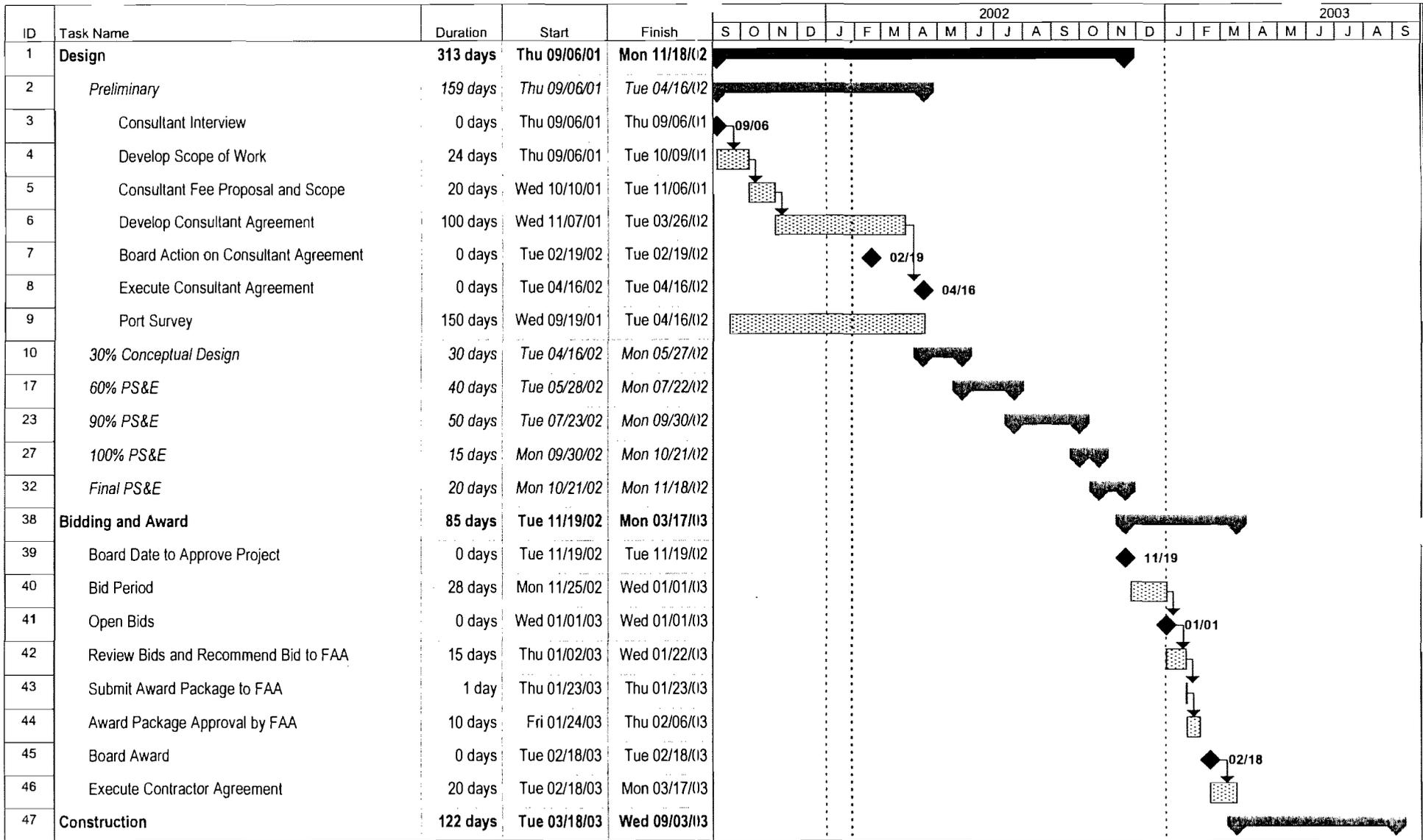
RECOMMENDATION:

It is recommended that the Board:

- 1) Determine that the engineering design services as described above are professional services; and
- 2) Authorize the preparation and execution of an agreement with Kimley-Horn and Associates, Inc., in accordance with the provisions stated above.



PORT OF OAKLAND



Project: Overlay of T/W D & Apron Improvements
 South of Bulding L-812, North Field, OIA
 Date: Mon 01/28/02 3:45 PM

Task		Summary		Rolled Up Progress	
Split		Folled Up Task		External Tasks	
Progress		Folled Up Split		Project Summary	
Milestone		Folled Up Milestone			

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

January 22, 2002

PROJECT TITLE: Construction of Overlay of Taxiway D and Aircraft Apron Adjacent to Bldg. L-812

CIP NO: A1.00626.09 and A1.00626.12

W.O. #'s: 106597, 106431 (closed), 106457 (closed), new work order number pending

PROPOSED FUNDING SOURCES: Port cash, bonds and grants

Narrative- Taxiway D and the aircraft apron adjacent to Building L-812 (approximately 120,000 square feet) are showing signs of deterioration and in need of pavement and lighting improvements. In addition, two storm drainage improvement components consistent with the North Field Master Grading Plan (the first being the 2-48" diameter SD adjacent to T/W D; and the second being twin 48" SD along Earhart Road) are being incorporated into this project.

Budget- The Overlay of Taxiway D is included in CIP Element # A1.00626.12. The Construction of the Aircraft Apron is included in CIP for A1.00626.09. Current budgets for both projects do not accurately reflect the current scope of work. The revised budget is shown below:

Table 1: Overall Budget Summary (1000's) for CIP Element A1.00626.09 and A1.00626.12

Project Components	Port Labor & Fringes (1)	Portwide OH	Consult. (3)	Const. Cost	Misc. & Other (2)	Totals
Construction of Aircraft Apron Adjacent to Bldg. L-812 (wo# pending, CIP No: A1.00626.09)	\$182	\$308	\$384	\$2,447	\$50	\$3,371
Construction of AC Overlay of TW D west of Hanger L-820 and Master Storm Drainage Improvements (wo# 106597, CIP No: A1.00626.12) See remarks	\$215	\$366	\$466	\$2,811	\$50	\$3,908
Subtotal =	\$397	\$674	\$850	\$5,258	\$100	\$7,279
Closed work order #'s						
Reconstruct Damaged Concrete Pavement South of Bldg. L-812 (wo#106457, CIP No.: A1.00626.09)	\$50	\$6	\$13	\$0	\$21	\$89
Estimate for Repair of Damaged Concrete Pavement (wo# 106431, CIP No.:A1.00626.09)	\$57	\$7	\$0	\$311	\$20	\$395
Subtotal (A1.00626.09) =	\$106	\$13	\$13	\$311	\$41	\$484
Reconstruction of portion of TW D in front of Bldg. L-812 (wo#106221, CIP No.: A1.00626.12)	\$19	\$15	\$26	\$0	\$5	\$65
Provide strategies for strengthening TW D west of TW M (wo# 106548, CIP No.: A1.00626.12)	\$3	\$4	\$0	\$0	\$0	\$7
Subtotal (A1.00626.12) =	\$22	\$19	\$26	\$0	\$5	\$72
Total (CIP No. A1.00626.09)=	\$288	\$321	\$397	\$2,758	\$91	\$3,855
Total (CIP No. A1.00626.12)=	\$237	\$385	\$492	\$2,811	\$55	\$3,980
Grand Total=	\$525	\$706	\$889	\$5,569	\$146	\$7,835

Remarks-

1. Assumes in-house CM
2. Includes \$100,000 for outside survey, security, testing, advertising, & reprographics (\$50,000 for CIP No.: A1.00626.09 and \$50,000 for CIP No.:A1.00626.12).
3. Includes \$100,000 in consult. potential changes in scope (\$50,000 for CIP No.: A1.00626.09 and \$50,000 for CIP No.:A1.00626.12).

Agenda Sheet

DATE: February 19, 2002

ITEM NO: 6

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

JKE
TD
 SUBJECT: Approval of Consultant Agreement with HNTB to Provide Specialized Professional Consulting Services to Assist in the Preparation of Environmental Documentation for the Airport Development Program

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

On December 16, 1997, the Board of Port Commissioners certified a Final Environmental Impact Report (FEIR) for the Port's Airport Development Program (ADP). The Board's certification was challenged in court. The State Court of Appeal ruled for the Port on several counts, but required the Port to complete a Supplemental EIR (SEIR) to address potential increases in toxic air contaminant emissions and potential related health and environmental risks, potential increases in nighttime aircraft noise, and potential impacts on the burrowing owl. Subsequently, the Port negotiated and executed a First Phase Settlement Agreement with the petitioners to the litigation that allows twelve of the ADP projects to proceed while the Port completes the SEIR.

Since the Port became aware of the State Court of Appeal ruling, Port staff has worked diligently to develop a project management plan consistent with Port project management procedures. This project management plan reflects the assessment of Port staff of the activities and resources that are required to complete the supplemental environmental analysis and SEIR document. The project management plan also identified a need for specialized skills in aviation planning and aviation-related environmental analysis for the first 18 months of the SEIR effort.

On January 28, 2002, the Board of Port Commissioners approved the execution and preparation of a professional services agreement with Environmental Science Associates consulting team to prepare the SEIR document. Having retained the SEIR consultant team, Port staff are now prepared to address the aviation planning and environmental analysis tasks that will lead to the administrative draft, draft and final Supplemental EIR. In order to accomplish these tasks within the project time frame, Port staff propose to hire HNTB. HNTB's scope of services will be to assist in the Port's internal strategic planning, scoping and SEIR documentation efforts. HNTB will accomplish its scope of services primarily through the assignment of a dedicated HNTB staff person to the Port's SEIR project, with a focus on daily environmental and strategic planning support. HNTB will assist the Port staff in the management of the project, the coordination of the consulting teams, and the oversight of the technical and non-technical work of the consultants. HNTB will be responsible for all aspects of the ADP SEIR production, including review of all deliverables and coordination of team input into the documents. It is anticipated that HNTB will dedicate approximately 130 staff hours/month to this project for a duration of 18 months.

ANALYSIS

In order to make decisions regarding the Terminal Expansion Project and other ADP components in a timely manner, it is necessary for planning and environmental document preparation to continue without delay. Port staff considered a number of options to proceed with the staffing of the ADP SEIR, including "in-house" staff, other consultant firms, and contract staff. Given the highly specialized nature of this assignment and the limited availability of candidates and/or firms who met the Port's criteria. Port staff recommends retaining the services of HNTB. HNTB offers the most appropriate specialized technical background and professional experience in aviation planning and environmental review to assist the Port in the tasks discussed above and is able to begin work immediately.

Sustainable Opportunity

The professional services agreement will have no direct impact on sustainability, but as ADP projects are implemented each will explore opportunities for sustainability.

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Approved by Resolution
 No. 02048
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[Signature]
 Assistant SECRETARY OF THE BOARD

FEB 19 2002
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Budget

The professional services agreement will provide compensation not to exceed the contract maximum of \$230,000. It is further recommended that the Executive Director be authorized to approve additional work up to \$50,000. However, it should be noted that these cost estimates are preliminary and may be subject to change, depending on the results of the initial scoping effort and legal negotiations.

The SEIR effort is budgeted under CIP element A2.00686.02. The funding source will initially be Port cash, with the intention of reimbursement by future PFCs.

RECOMMENDATION:

It is recommended that the Board:

1. Determines that the environmental services as described above are professional services; and
2. Authorizes the preparation and execution of an agreement with HNTB, as described above.

Agenda Sheet

DATE: February 19, 2002

ITEM NO: 11

SUBJECT: Approval of Sublease with Jack London Square Partners for Port occupied office space in 70 Washington Street

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Effective with the close of escrow for the sale of the Jack London Square Existing Assets from OPA to Jack London Square Partners (JLSP), the Port, which occupies office space in 70 Washington Street, must have the ability to enter into subleases with JLSP for Port occupied office space.

The Port has occupied space in 70 Washington Street as follows:

- 1,792 sf of space on the ground floor for the Engineering Crane Section
- 9,875 sf of space on the second floor for the Commercial Real Estate and OEO Divisions
- 3,398 sf of space on the fourth floor for the Environmental Health and Safety Compliance Department of the Engineering Division (EH&SD) of the Engineering Division.

The total space occupied currently is 15,065 square feet.

The sublease with JLSP would be for two years commencing on the closing date of the Existing Assets purchase.

The base rent would be \$2.20 psf per month through the end of the two-year term. Customary expense pass throughs would be applicable. For the purpose of calculating the pass throughs, the base year for space occupied by the Port prior to October 1, 2001 would be calculated on calendar year 2000 and the base year for space occupied after October 1, 2001 would be calculated on calendar year 2001. The total base rent per month would be \$33,143 or \$397,716 per year.

There would be no security deposit required.

ANALYSIS:

The Port has had a need for additional office space as a result of the addition of staff due to the large Capital Improvement projects now being undertaken. The Port subleased space to Amtrak for its West Coast Headquarters at a time when the Port had excess office space in the 530 Water Street headquarters building. The sublease for the Amtrak space does provide the Port with substantial excess rent over and above what the Port pays to OPA.

- The Crane Section for approximately three years.
- Commercial Real Estate and OEO for approximately 20 months
- EH&SD for two months.

Our needs for this space may continue for the next two years or longer. Each of the individual spaces will have an individual sublease to afford the Port maximum flexibility.

OPTIONS:

The only option is to enter into subleases for the space the Port occupies in the 70 Washington Street building; however, there are options to term lengths. A shorter term would require the Port to secure other office space either in the headquarters building or outside of Jack London Square. There could be additional costs for moving. A two-year term will provide the Port time to plan for future office space needs either within the headquarters building or at an acceptable alternative location, or potentially to extend the subleases in 70 Washington Street as required.

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Approved by Resolution No. 02051

BOARD ACTION TAKEN

Assistant

Sharon K. King

SECRETARY OF THE BOARD

FEB 19 2002

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SUSTAINABILITY OPPORTUNITY

At this time the staff is exploring opportunities, as they become available, to consolidate its operations into the headquarters building which could improve efficiencies in the future. At this time there are no obvious environmental issues or opportunities in entering into these subleases.

RECOMMENDATION:

It is recommended that approval be given to entering into subleases between Jack London Square Partners and the Port for the spaces presently occupied by the Port in the 70 Washington Street Building as outlined above.

**Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet**

Date: February 19, 2002

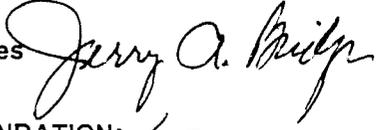
Item No. 21

PROGRAM AREA

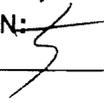
- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval To Enter Into An Agreement For A Study on Maritime Activity Impacts on Congressional and State Legislative Districts

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION:



FACTUAL BACKGROUND:

The Port has sought and continues to seek federal and state funding for a wide variety of capital improvement programs. Of particular importance, in 1999, as part of the federal Water Resources Development Act, we sought and Congress authorized funding for the Oakland Harbor Navigation Improvement Project (the -50 foot project). Although this legislation authorized the necessary funding for the project, it must still be appropriated every year through separate appropriations legislation throughout the life of the project, which is four to five years. We are working with our congressional representatives on an on-going basis to secure the necessary funding.

In addition to funding for the -50 foot project, next year, the Port will be going to Congress to ask for funding for other projects including the JIT, the Inland Rail project and the Connector, among others. Congress will also be creating the next generation of the Transportation Equity Act, since the current TEA-21 is set to expire in 2003. The Port will be seeking authorization for funding for several of its projects through this process.

At the state level, the Port will be returning to request funding for the -50 foot project. Never before has the state participated in funding this project. Furthermore, the state has not actively engaged in funding port infrastructure projects in quite some time.

Securing funding for long-range capital intensive projects such as these is always a challenge. This was the case even in the late 1990s, a time of state and federal budget surpluses. As such surpluses turn into potential deficits in a recession economy, our task becomes even more difficult, especially when many of the priorities of the government have turned to combating terrorism in the wake of the September 11 terrorist attacks.

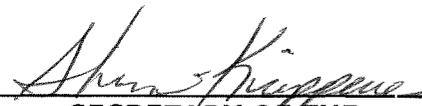
Analysis:

In order for the Port to be successful in securing funding for infrastructure projects in a time of more limited government budgets and competing interests it is essential that we engage in an aggressive approach. Part of our success in securing the necessary authorization in 1999, and appropriations over the past two years, was our ability to demonstrate to Members of Congress the broad impact of the Port of Oakland's activities to Congressional Districts not only throughout California, but to Congressional Districts outside of California. We

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No. 02052

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Assistant **SECRETARY OF THE BOARD**

FEB 19 2002

DATE

we were able to do that by compiling cargo shipper information from regions outside of the Bay Area, and correlate these shippers with Congressional Districts and States. Armed with that information, we were able to make arguments to Members of the California Congressional Delegation and key Members of the House and Senate outside of California regarding the importance of the Port of Oakland to their Districts and States. This experience has demonstrated that the most effective way to approach lobbying members of the State Legislature and Congress is to show them the nexus between their Districts and the Port of Oakland.

In the past, we have been able to produce this information on a case by case basis. However, in order to maximize our effectiveness at both the state and federal levels, it is important that we lobby using a more all-encompassing approach. Therefore, we are proposing to hire Martin Associates to implement a comprehensive study that will identify key exporters and importers throughout California and the Nation. In addition, the company will match these shippers to State Legislative Districts in California, and the federal Congressional Districts inside of California and also outside of the state. By doing so, we will be able to more fully show the Port's many positive impacts on many Congressional and State Legislative Districts. We will then utilize that information to approach Members for their support. By showing the Port's value to their Districts, we believe they will be more likely to support the Port's projects/funding requests.

Sustainability Opportunities:

One of the key elements of sustainability opportunities is the economic factor. The purpose of commissioning this study is to discover the wide-reaching economic impacts that Port of Oakland maritime activity has throughout the state and country. With the knowledge that we gain from this report, we will be in a much stronger position to lobby for funding for our projects. Without funding for the harbor deepening and related projects, the Port of Oakland will not be in a position to sustain its projected revenues and to provide the resulting anticipated increases in employment and economic vitality for our region. This study will provide us with the tools to maximize our lobbying efforts to maintain and enhance our position as a competitive seaport.

Other sustainability efforts include: utilizing CD ROM instead of paper for the raw data for the project and teleconferencing instead of in-person meetings.

Options:

We can either continue our lobbying effort without this valuable information and do our best to make our case before the legislative bodies or we can utilize this information to better increase our chances for success.

Recommendation:

It is recommended that the Board authorize the Executive Director to enter into a contract for \$32,500 with Martin Associates. In addition, we respectfully request that an additional \$10,000 be available for unforeseen and exceptional circumstances. The term of the agreement will be from February 2002-April 2002.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Authorization to Include the Construction of Gear Storage Building D-139 at Berths 57-59 Inner Harbor Channel, Vision 2000, in the Port's Small Business Program

DATE: February 19, 2002

ITEM NO: 22

PROGRAM AREA:

- Program area options: Airport Operations, Commercial Real Estate, Maritime Operations C.I., Overall Operations. Maritime Operations C.I. is checked.

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Plans and project manual have been prepared for the CONSTRUCTION OF GEAR STORAGE BUILDING D-139 AT BERTHS 57-59, INNER HARBOR CHANNEL, OAKLAND, CALIFORNIA, and are hereby submitted for approval and authorization to advertise for bids.

ANALYSIS:

This project is a critical element of the Port's Vision 2000 Maritime Development Program. Construction of the Gear Storage Building will take place within the Berths 57-59 Terminal container yard. The Gear Storage Building will provide a facility for the Berths 57-59 tenant to store equipment used to for the berthing and unloading of cargo shipping vessels. The stored equipment includes, but is not limited to, slings, shackles, various pallets, etc. The Berths 57-59 container yard is located immediately behind the Berths 57-59 wharf on property comprised of the former Naval Fleet Industrial Supply Center, Oakland (FISCO) and Union Pacific Railroad (UP) property.

Initially, only bids from eligible, Port-certified Small Business Enterprises (SBEs) will be accepted. Only small businesses in Oakland, Alameda, Emeryville and San Leandro qualify for the Port's certification as SBEs. If one or more certified SBEs submit a bid that is acceptable to the Port, it is the Port's intention to award the contract under the SBE program. If no qualified bids are received from eligible SBEs, new bids will be solicited from all qualified contractors.

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 Program and this particular project conform to the policies of the Oakland General Plan.

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply for this work.

However, if a qualifying small local contractor submits a proposal that is acceptable to the Port and said contractor is otherwise eligible for exemption from the MAPLA under the program established in the MAPLA's Appendix "G" - Letter of Understanding re: Small Business Utilization Program, it is the Port's intention to exercise the exemption and to award the contract under that program.

Environmental

The construction and operation of the Berths 57-58 marine terminal was evaluated in the Environmental Impact Report (EIR) prepared for the project in conformance with the California Environmental Quality Act (CEQA). Further CEQA review was conducted to evaluate the construction of a container wharf at Berth 59. The EIR identified a number of significant impacts and included mitigation measures to avoid or reduce to a less-than-significant level the project-related impacts. Mitigation measures reducing construction-related impacts, such as

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No. 02053

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Signature of Assistant Secretary of the Board

FEB 19 2002

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noise and air emissions, are included in the Plans and Project Manual for the Construction of the Gear Storage Building, as applicable. However, even after mitigation, impacts on freeway traffic and air quality would remain significant. The EIR identified a program, including all feasible air quality mitigation measures, and explained why the Port could not feasibly reduce freeway impacts.

On April 20, 1999, the Board certified the Berths 55-58 Project EIR, and approved the project with the recommended mitigation measures, including all feasible air quality mitigation measures.

Sustainability

The Gear Storage Building project is consistent with the Port's sustainable development strategy. The Port's Vision 2000 Maritime Development Program's EIR addresses the general work practices that will endeavor to minimize waste, as much as is practicable, through recycling packaging materials to reduce quantities intended for landfills. The Gear Storage Building project incorporates the Port's ongoing program to divert construction and demolition debris from landfills.

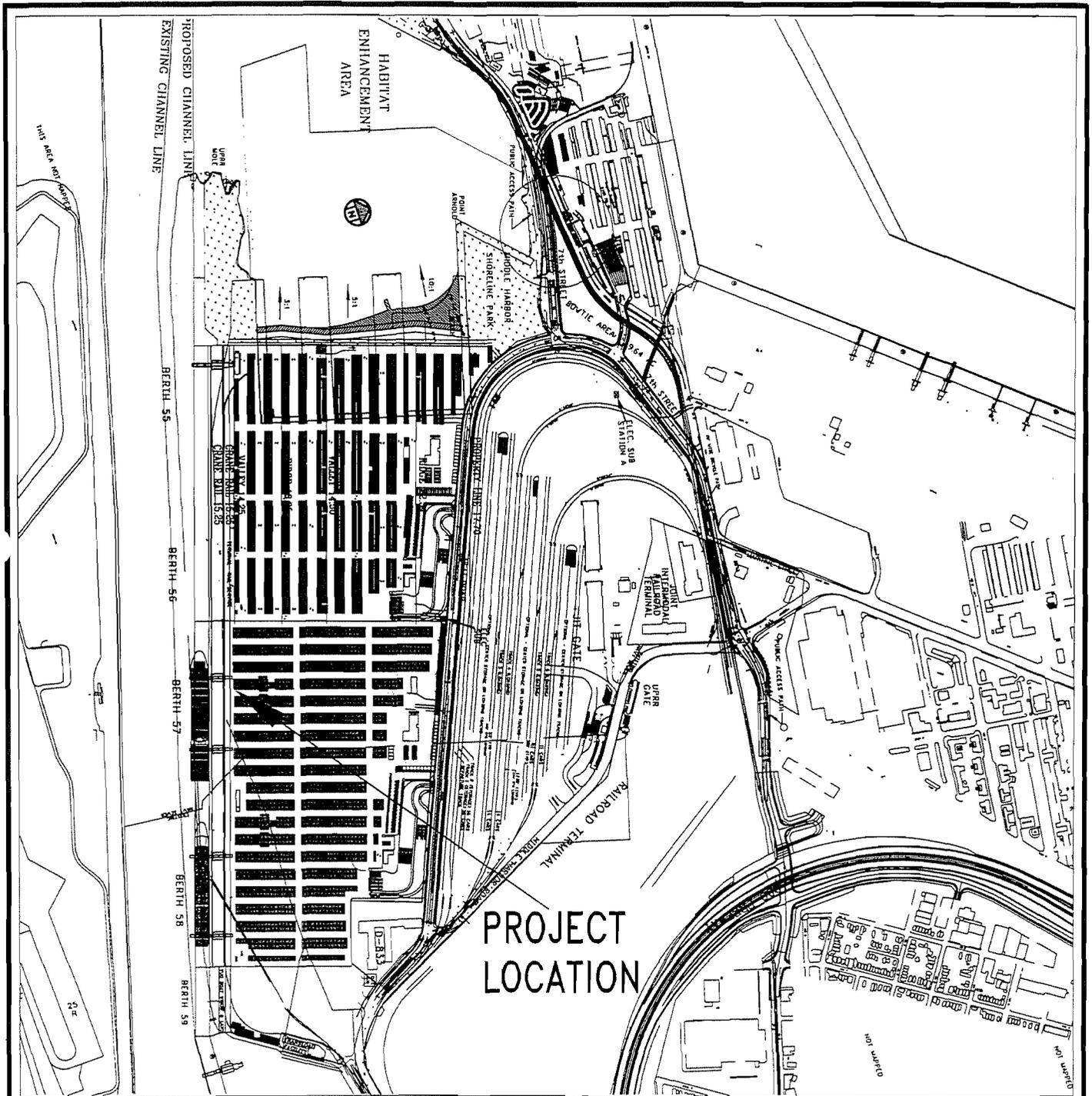
Budget

The work is budgeted under CIP Element No M6.00585.03. The funding source is Port bonds.

RECOMMENDATION:

It is recommended that the project for the Construction of the Gear Storage Building at Berths 57-59, Inner Harbor Channel, be included in the Port's Small Business Program, and that it be found to be in the best interests of the Port to dispense with standard bidding procedures. It is also recommended that the Executive Director be authorized to execute a contract for this work with a small local contractor who submits an acceptable proposal.

It is further recommended that the Executive Director be authorized to execute a contract for this work with any qualified contractor, based on competitive proposals, if the attempt to secure acceptable bids from small local contractors is not successful.



PORT OF OAKLAND

VISION 2000

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

January 30, 2002

PROJECT TITLE: Construction of Gear Storage Building D-139 at Berths 57-59, Vision 2000, Oakland, California

CIP NO: M6.00585.03

W.O. #'s: 103812

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Gear Storage Building D-139 at Berths 57-59, is tracked under work order # 103812.

Budget: This project is included in the CIP Element # M6.00585.03 budget which is summarized in Table 1 below with the project estimate shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.03	216 (3)	368 (5)	8000 (100)	500 (6)						9084 (114)
Total =	216	368	8000	500						9084

Remarks:

Agenda Sheet

DATE: February 19, 2002

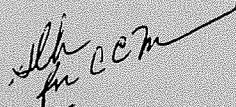
ITEM NO: 40

SUBJECT: CLOSED SESSION

PROGRAM AREA:

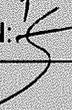
- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Christopher C. Marshall



ccm

EXECUTIVE OFFICE RECOMMENDATION:



1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) Section 54956.9 4 matter.
2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
 Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
 Under Negotiation: Price and terms of payment

Property: Various Parcels, Jack London Square
 Negotiating Parties: Port and Jack London Square Partners
 Under Negotiation: Price and Terms of Payment

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 020584
02059

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

FEB 19 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

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Executive Director

JOHN GLOVER
Deputy Executive Director

DAVID L. ALEXANDER
Port Attorney

CHRISTOPHER C.
MARSHALL
Secretary of the Board

February 19, 2002

Legal-41

Board of Port Commissioners
Of the City of Oakland
Oakland, California

RE: Amending Port Ordinance No. 1606

Dear Commissioners:

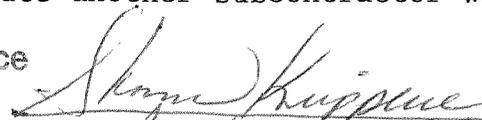
It is recommended that the Board of Port Commissioners ("Board") approve an amendment to Port Ordinance No. 1606, clarifying the application of the Subletting and Subcontracting Fair Practices Act (Pub. Con. C. §4100 et seq.) ("Act") to Port contracts with respect to alternative project delivery processes, and delegating to the Executive Director the authority to implement the Act.

I. Discussion

Under the California Subletting and Subcontracting Fair Practices Act (Pub. Con. C. §4100 et seq.), contractors submitting bids on public works contracts are required to list with their bids the names of all subcontractors that will furnish work in excess of 0.5% of the contract price. The purpose of the Act is to protect the public in general and subcontractors in particular from bid shopping and bid peddling. In the absence of the subcontracting listing requirement, an unscrupulous prime contractor can stimulate destructive competition among its subcontractors by demanding that they undercut one another in order to keep their share of the work. The Legislature found that such practices harm the public interest by decreasing the quality of construction on public projects, contributing to insolvency among contractors, and diminishing the wages of workers.

Under the Act, the prime contractor is required to use the subcontractor that it originally listed in its bid. The prime contractor may only substitute another subcontractor with the approval

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Assistant Secretary of the Bd.

FEB 19 2002

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of the awarding agency. Of course, the prime contractor may have a legitimate justification for replacing a listed subcontractor. The law enumerates nine separate grounds that justify replacement of a subcontractor; however, the incumbent subcontractor may demand a hearing to contest the substitution. (Pub. Con. C. §4107, 4110.) If the prime contractor is found to have wrongfully replaced a listed subcontractor, it may be penalized up to 10% of the subcontract amount and its contract may be terminated. (Pub. Con. C. §4110.) The penalized prime contractor may demand a public hearing to contest the penalties. (Pub. Con. C. §4110.) The hearings authorized under the Act can be time consuming and raise complex technical issues.

Because the Port operates under the Oakland City Charter, it is generally exempt from the requirements of the Public Contract Code. Notwithstanding, the Port has historically applied the Act to its public works contracts in recognition of the sound policy it represents. However, as the Port progresses through its ambitious capital improvement program, it will begin to utilize non-traditional project delivery processes such as design-build and construction manager at risk. Under these approaches, the project owner executes a contract with the contractor before the design-documents are completed. It is therefore impractical or impossible for the bidder to identify all the subcontractors at the time it submits its proposal. For this reason, some authorities have concluded that the subcontractor listing requirement poses a substantial obstacle to the use of design-build contracts by public agencies. (Roberts & Smith, *Design-Build Contracts Under State and Local Procurement Laws*, 25 Pub. Con. L.J., 654 (Summer 1996).) Strict application of the subcontractor listing requirement may therefore limit the Port's ability to reap the full benefits of alternative project delivery methods.

The proposed ordinance makes three important clarifications in the application of the Act to Port public works contracts. First, it preserves the essential requirement that bidders submit a list of subcontractors, but allows the Port flexibility to establish a date for the submission of the subcontractor list after execution of the contract. The flexibility is not unlimited. Under the draft ordinance, the date specified in the contract documents for submission of the subcontractor list cannot be later than the date on which the Port approves the design for the project. The draft ordinance also provides that for projects which will be delivered in multiple phases, the Port may permit the bidder to submit its subcontractor information prior to the commencement of work on each phase. Such a provision provides added flexibility for the Port to enter into master developer contracts for large projects.

Second, the Board sometimes authorizes a waiver of standard bidding procedures and authorizes the Executive Director to award the contract based on complete plans and specifications. This may occur for a variety of reasons, including when the project must be value engineered because the original bids exceed the project budget. As a result, the scope of the project may be modified with a resulting change in the amount and nature of subcontracted work. In such circumstances, the ordinance provides that the date for submission of subcontractor information shall not be later than the date the contractor executes the contract.

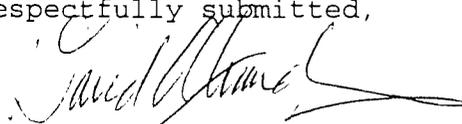
Third, the proposed ordinance delegates to the Executive Director, or his or her designee, the responsibility of implementing the Act. For example, the Executive Director may designate the Chief Engineer to approve requests for subcontractor substitutions, to hold hearings and to impose penalties for violation of the Act. Authorizing an officer to perform these functions offers two advantages. First, a Port officer with an engineering background can consider any technical questions presented. Second, the Board may realize a time savings by avoiding the necessity for presiding over a hearing. Because the Act enumerates the detailed standards for its implementation, the staff role would generally be limited to fact-finding and assessing a penalty.

Finally, review of the draft ordinance by the Administrative Committee led to inclusion of a provision making explicit the Board's inherent authority to exempt any contract from the application of the subcontractor listing law. Thus, the Board will maintain the maximum flexibility to develop innovative project delivery methods as the Port's needs evolve in the future.

II. Conclusion

It is recommended that the Board approve the proposed amendment to Port Ordinance No. 1606, Section 5.1., clarifying the application of the Act to Port public works contracts and delegating to the Executive Director the responsibility to implement the Act.

Respectfully submitted,


DAVID L. ALEXANDER
Port Attorney

Cc: Charles W. Foster
Tay Yoshitani

SUMMARY AGENDA & BOARD CALENDAR
February 19, 2002

AIRPORT

7S Approval of New License and Concession Agreement with Avis Rent A Car System, Inc. and Adoption of Resolution for a Building Permit for Vehicle Overflow Parking (Adjacent to Building L-814, North Airport). (Resolution)

Recommends approval of the agreement to provide parking area on the North Airport and approval to construct the paving improvements required for the overflow parking.

8S This item not used.

9S Approval of First Supplemental Agreement to License and Concession Agreement, First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with National Car Rental System, Inc. and Conditional Assignment to ANC Rental Corporation, Inc. of the License and Concession Agreement and the Ground Lease for the Interim Rental Car Facility, as Amended (Langley St. & Doolittle Dr., North Airport). (Resolution)

Notifies of the bankruptcy of National and recommends approval to assign the agreements for the Interim Rental Car Facility to the parent firm, ANC Rental Corporation.

MARITIME

23S This item not used.

OPERATIONS

31S Personnel Items: Salary Adjustment. (Ordinance)

Recommends approval of the new salary.

SUMMARY AGENDA
February 19, 2002

32S Travel Authorization. (Resolution)

Recommends approval for the travel of two Electrical/Mechanical Engineers to Shanghai, China to inspect the cranes.

33S Request for Authorization to Engage Hale & Estrada LLC for Professional Services Related to Filling the Vacant Position of Director of Administrative Services. (Resolution)

Recommends approval to retain the firm for professional services relating to filling the vacant position.

ORDINANCES: ("S")

Port Ordinance No. 3682 being, "AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Provides approval to add three signatories to the operating agreement.

Port Ordinance No. 3683 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH AMERICAN PRESIDENT LINES, LTD."

Provides for a Nonexclusive Preferential Assignment Agreement with American President Lines, Ltd.

Port Ordinance No. 3684 being, "AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION OF A NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH EVERGREEN MARINE CORP. (TAIWAN) LTD."

Provides for a Nonexclusive Preferential Assignment Agreement with Evergreen Marine Corp. (Taiwan) Ltd.

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 4S

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport. This action thereby authorizes the Executive Director and/or Director of Aviation to enter into separate agreements with each of the below-listed companies.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service. [A copy of that initial Board letter, which provides an historical and legal context to this action, accompanies this item.] Since that time, additional carriers and operators have started service or are expected to soon. This action adds the following additional carriers and operators as airlines and other operators authorized by the Board to do business at the Airport.

The additional carrier is: American Eagle Airlines.

The additional operators are: Evergreen Aviation Ground Logistics Enterprises and OneSource Building Services.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the Lead Agency's determination. The new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit will use existing facilities at Oakland International Airport. This use will not result in an expansion of use.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN


SECRETARY OF THE BOARD

FEB - 5 2002

DATE

Assistant

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

Agenda Sheet

DATE: March 21, 2000

ITEM NO: _____

SUBJECT: First Reading of Ordinance Approving Standardized Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA: _____

SUBMITTED BY: _____

EXECUTIVE OFFICE RECOMMENDATION: _____

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

This proposed action would approve a new standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport's terminal building complex (e.g., terminal buildings, concourses, connector, ramp offices, adjacent apron space, RON aircraft parking, multi-tenant cargo building). In addition, this proposed action would authorize the Executive Director to enter into individual agreements with each of the existing airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport.

Almost all airports have agreements with an airline operating agreement or airport/airline lease and use agreement. Such agreements usually encompass the particular range of activities at the airport: rental of aircraft gates, terminal building space, terminal building facility, terminal building and other infrastructure, security, communication and insurance, environmental and toxic materials issues, default, assignment, etc.

Most such airports also have a real estate agreement with their tenants governing the particular transactional and properties aspects at the airports. The Port's current License and Concession Agreement has served this purpose for many years.

A consultant assisted staff in developing a new standardized Airline Operating Agreement and Space/Use Permit for the Airport that conforms to the Airport's particular rate-setting and space/use methodologies. For example, the Port establishes the airlines' rates and charges usually on an annual basis by adopting an ordinance (Port Ordinance #1149). Further, all space used by airlines at the Airport's terminal building complex, including aircraft gate usage, is rented on a month-to-month basis. These two very flexible methodologies enable the Airport to add, remove, or reassign space on an as-needed basis, while increasing or decreasing rates as necessary.

Following several drafts and staff reviews, the proposed Airline Operating Agreement and Space/Use Permit were distributed for comment to the Airport Liaison Officer (ALO) and representatives from each of the airlines. Staff further met with the ALO and the airlines earlier this month to finalize particular terms and conditions within the agreements to the mutual satisfaction of the parties, including the Port Attorney's own requirements.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

The resulting drafts, now proposed for the Board's approval, retain the Airport's very flexible rate-setting and space/use methodologies, while providing longer-term continuity and greater legal surety for the Port. For example, the proposed Space/Use Permit combines into a single document many of the present Right-of-Entry and Multi-Year License and Concession Agreement provisions contained within the Port's existing agreements. But, it allows through delegation to the Director of Aviation, reassignment or relinquishment of various Airport spaces from time-to-time on a 30-day basis, such as aircraft gate assignments, terminal building space, airline ramp space, etc.

Nonetheless, all new carriers and related users commencing service at the Airport must still secure the Board's prior approval before 270 days (9 months) have elapsed (the present practice). The terms of each of these proposed agreements is for up to ten (10) years (like the multi-year license agreements), but still terminable by the Port with 30-days notice. In addition, the proposed Space/Use Permit also would be used for non-airline Airport tenants such as ground handlers, security checkpoint firms, skycap services, and other non-concessionaires. Finally, the Board still would retain approval authority for establishing or adjusting all Airport rates and charges by amending Ordinance #1149, just as it does now.

ANALYSIS

FOR INFORMATION ONLY

As stated above, it is the standard practice at major airports to operate under two agreements within the terminal building environment. Since the Airport does not have long-term leases with its airline tenants, instead operating under the more flexible ordinance rate-setting methodology, two agreements are more appropriate than one. Finally, these proposed agreements would *not* supplant long-term ground leases under which certain airlines operate (e.g., FedEx Metroplex, United Airlines Maintenance Base).

The following scheduled airlines would enter into an Airline Operating Agreement and Space/Use Permit: Airborne, Alaska/Horizon Air, Aloha, America West, American, Ameriflight, City Bird, Corsair, Delta, Emery Worldwide, Evergreen Aviation, Federal Express, Martinair Holland, Mexicana, SATA/Sun Trips, Southwest, United Parcel Service, and United Airlines. The following other tenants would enter into a Space/Use Permit only: Aeronova, FAA, Hallmark Aviation, Hilltop Aviation, ITS, Argenbright, DEA, Air General, Ogden Aviation, Ontario Aircraft, Trans Air, Servicemaster, Pacific Aviation, US-INS, Today's Aircraft, US Customs, Huntleigh, Roberts Janitorial, OFFC/DynAir and Worldwide Flight.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project had been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or licenses and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of the use beyond that previously existing.

OPTIONS:

1. Take no action, leaving the existing agreements in place.
2. Delay approval of new standardized Airline Operating Agreement and Space/Use Permit pending additional review
3. Approve the proposed ordinance adopting a standardized Airline Operating Agreement and Space/Use Permit.

RECOMMENDATION:

It is recommended that the Board pass an ordinance approving standardized language for an Airline Operating Agreement and Space/Use Permit at Oakland International Airport, authorizing the Executive Director to enter into individual agreements with each of the existing and prospective airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport, and authorizing the Executive Director to convert all existing agreements with such tenants operating within the terminal building complex to the standardized agreement and/or permit.

FOR INFORMATION ONLY

Agenda Sheet

SUBJECT: New Non-Exclusive Preferential Assignment
with American President Lines ("APL")

Date: February 5, 2002

Item No. 23

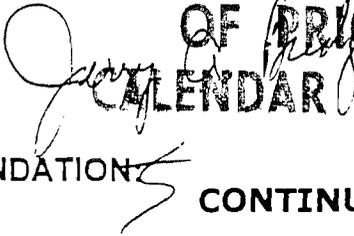
DUPLICATE

OF PRIOR

CALENDAR MEMO

CONTINUED ITEM

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

The initial term of the various Agreements for the premises at Berths 60 – 63 which are assigned to American President Lines (APL) expired July 31, 2001. These Agreements are collectively referred to for convenience as the "Original Agreement". APL owns and operates 3 cranes at the facility. The original Agreement provided for 2 seven (7) year options. APL has exercised its first 7 year option. Maritime staff has been negotiating a new Agreement with APL Lines for Berths 60 – 63 for over a year. The APL Berths 60 – 63 facility in its current configuration is old and in need of rehabilitation. At one time the facility was operated as two (2) distinct and separate terminals.

Seatrains Lines commenced operations in 1968 and U. S. Lines occupied and had adjoining operations until its bankruptcy in 1987. The combining of the two previous terminals along with the age of the gate, buildings and yard pavement result in a facility that is crowded when compared to current standards for a marine container terminal. Accordingly, APL and the Port have been negotiating capital improvements of approximately \$45 million dollars to be funded by the Port. APL will also be investing in a new gantry crane for the facility.

ANALYSIS

It is significant to mention that the existing boundaries of the APL terminal are irregular. This irregularity makes for less efficient use of the Premises for storage of containers when compared to more modern facilities with a more rectangular outline.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

**Approved by Ordinance
passed to print**

FEB - 5 2002

BOARD ACTION TAKEN DATE



Assistant SECRETARY OF THE BOARD

The configuration of the existing terminal also has boundaries that are not optimally located and an old yard lighting system. Given the age and condition of the facility it is proposed that a new Agreement be authorized containing the following elements:

Since APL is still investigating the various tax impacts of the terms of the proposed new Agreement, Maritime staff has indicated that the Port would be flexible in structuring the new Agreement, including entering into a number of related agreements, in order to address APL's tax considerations, so long as the Port is not disadvantaged and so long as APL is legally bound for a period of 15 years to substantially the terms of the proposed New Agreement which are set forth below.

1. Term:

A fifteen (15) year term is proposed with two additional option periods of 5 years each.

2. Premises:

It is proposed that the Premises consist of the land and water area included in the Agreement together with the "Sherex" premises for a total land area of approximately 79.38 acres and a total berthing area of approximately 9.17 acres.

3. Improvements:

Major portions of the \$45 million dollars in work to the facility will include demolition and/or reconstruction of the maintenance and marine operations buildings, the reefer wash facility and the outbound canopy. The container yard pavement will also be reconstructed. The electrical and lighting systems will be refurbished and work will be done to the reefer bunkers and racks.

4. USE:

It is proposed that APL have the right to assign the new Agreement to Eagle Marine, its terminal operating subsidiary, provided that APL remain liable under the Agreement. The new Agreement will continue to treat APL cargo from APL ships and APL cargo from Mitsui OSK Lines/ Hyundai Merchant Marine vessels working at Berth 30 (TRAPAC) as primary use cargo for compensation purposes at the APL Terminal. Hyundai cargo from/to APL ships at the APL Premises shall continue to be treated on a Secondary Use Cargo basis for purposes of compensation under the secondary use provisions of the Berth 30 Tra Pac terms. Matson cargo from APL ships at the APL Terminal will continue to be treated under the compensation terms of the Matson Lease Agreement. Mitsui cargo from or to APL ships at the APL Premises will continue to be subject to the Berth 30 use provisions for compensation purposes.

APL vessels and cargo as well as all existing other users of the existing Berths 60 – 63 which are classified as secondary users as of August 1, 2001, shall be considered primary users and will be credited towards the primary use Minimum Annual Guarantee and Breakpoint ("MAG/BP"). These users which shall be considered as primary are ANZDL, Columbus, FESCO and P&O Nedlloyd (collectively referred to as the Oceania Group), Star Shipping and Toyofuji.

However, the cargo for Hyundai, Matson and Mitsui ("Additional Users") shall be treated in accordance with today's practice and as specified in the above preceding paragraph and shall not be credited towards the Primary Use MAG. Primary Use shall also include any new shipping line user which has not called the Port before the term commencement of the proposed new Agreement.

5. Compensation:

A. Basic Provisions

The annual breakpoint (BP) for all primary use shall be 218,000 loaded twenty foot equivalent units ("TEU"). As of August 1, 2001 and during the construction period through completion of the upgrades, in lieu of paying the prevailing Port Tariff charges for dockage, wharfage, wharf demurrage and wharf storage, the following will apply:

The Port would be compensated for the land, berthing area and existing improvements as follows:

Rehabilitation Construction Acreage Completed	MAG
Up to 50% completion	\$ 6,800,000.00
Up to 70% completion	\$ 7,600,000.00
Up to 90% completion	\$ 8,400,000.00
Up to 100% completion	\$ 9,600,000.00

All renovation to the buildings must be completed before the Port is compensated at the MAG level of \$9,600,000.00. All loaded TEUs which exceed the BP of 218,000 loaded TEUs during construction shall be assessed the BP rate of \$25.00.

B. Escalation to Compensation:

Under the proposed new Agreement the MAG shall be comprised of compensation payments to the Port for the land and berthing area (the "submerged land area") as well as for the improvements to the facility. The agreed upon value as of 8/1/01 for the land is \$11.75 per square foot while the submerged land value is at \$ 5.875 per square foot, both compensating the Port at 10% rate of return. The land and submerged land values will be subject to the increase in the fair market value (FMV) of the land and submerged land areas during every 5 years of the term of the new Agreement and the portion allocated to the land and water areas for the MAG shall be adjusted accordingly. However, this adjustment shall not result in an increase of more than 10% to the land and submerged land values during any 5 year period.

The balance of the MAG, comprised of the improvements component, shall also be subject to increase and adjustment in accordance with any dockage and wharfage rate increases in the same Port's Tariff 2-A. Furthermore, the above Breakpoint rate of \$25.00 shall also be subject to the same percentage increase as the MAG.

C. IPI Incentive:

For years 1 through 10, if in any contract year the Primary Use IPI volume defined below exceeds both the following IPI loaded TEU Breakpoint levels (defined below) and total Primary Use exceeds the Breakpoint level of 218,000 loaded TEUs, then the Port at the conclusion of each such contract year shall refund the following amounts for each such loaded IPI TEU which exceeds the following IPI Breakpoints:

<u>CONTRACT YEAR</u>	<u>LOADED TEU IPI BP</u>	<u>REFUND/IPI TEU ABOVE IPI BP</u>
1	26,200	\$ 5.00
2	27,510	\$ 5.00
3	30,000	\$ 7.00
4	35,000	\$ 7.00
5	40,000	\$ 7.00
6	45,000	\$ 8.00
7	50,000	\$ 8.00
8	55,000	\$ 8.00
9	60,000	\$ 8.00
10	65,000	\$ 8.00

Interior Point Intermodal ("IPI") Cargo is defined as cargo originating from or terminating at the following geographic locations; in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest Territories of Canada, the Canadian provinces of Manitoba or Northwest territories or Canadian provinces easterly thereof.

D. APL Risk of Losing 3rd Party Clients:

If APL loses a third party client, those customers that were previously defined as secondary users but under the proposed new Agreement would be classified as primary users as of August 1, 2001, as delineated above, to another Port tenant, then APL shall receive loaded TEU credits that will be applied to future BP payments once the Breakpoint level is reached in any contract year.

E. Most "Favored Nation" Clause Pertaining to 3rd Party Users:

The Port would agree that if it should take any actions or make any subsequent agreements that would put APL in a disadvantaged position compared to other Port tenants regarding APL's ability to compete for other 3rd party clients it would enter into good faith renegotiations to ensure that APL will be provided similar treatment.

F. APL Risk of Losing Current Alliance Partners:

APL is presently in a cooperative working relationship with Hyundai Merchant Marine and Mitsui SK Line. This current arrangement is more commonly referred to as the New World Alliance. In the event of an unforeseen New World Alliance restructuring which results in a new cooperative working association wherein APL has one or more new cooperative relationships with other steamship companies because one or more of the other current New World Alliance partners leaves the existing Alliance, the Port and APL shall agree to enter into good faith negotiations to adjust the annual loaded TEU Breakpoint level but there shall be no change to the MAG payment requirement.

G. Port Revenue Risk Due to Transferring Existing Activity to APL Terminal:

If an existing Port of Oakland customer moves from another Port terminal to the APL facility as a Primary User, the BP level of 218,000 TEUs shall increase by 30% ; or 75% of the loaded TEU activity from the shipping line customer which moves to the APL facility, whichever results in the greater BP.

6. MAINTENANCE:

In the proposed new Agreement the Port would retain the maintenance obligations of each party as stated in the Original Agreement. In consideration for the Port providing the terminal office/gate complex and maintenance and repair facility on the premises to APL rent-free, APL shall with respect to such Rent Free structures perform, at APL's own cost and expense, any and all maintenance, repairs, replacement, rehabilitation, reconstruction and cleanup or removal, whether structural or non-structural, whether required by operations of APL, by actions or others or otherwise, including, without limitation, structures, utilities, plumbing, painting, all electrical facilities, lighting including poles and lighting, walls, foundations, air conditioning and heating, and landscaping.

FINANCIAL IMPACT TO THE PORT:

APL will take a rental increase from approximately \$5.7 million annually to \$6.8 million annually during rehabilitation. The new compensation of 6.8 million annually will escalate as completed construction is phased in so that APL will guarantee to the Port 9.6 million annually when the work is completed.

ALTERNATIVES:

APL wants to solidify its presence in Oakland and grow it's business opportunities with a rehabilitated facility.

If the APL facility is not rehabilitated and made competitive then it will be difficult for them to achieve operating economies of scale and harder to grow the throughput at the facility.

The proposed new Agreement is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

The proposed new Agreement includes the renovation and upgrading of the terminal facilities. Based on the repairs and upgrades contemplated at this time, this project has been determined to be exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 2 (Guidelines Section 15302), which consists of 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; Class 4, which consists of minor public or private alterations of land, including but not limited to (a) grading on land with a slope less than 10%, and (b) new gardening or landscaping. The Board of Port Commissioners adopted the Categorical Exemption on January 29, 2002. However, as the exact details of the work are refined, the degree of work contemplated at this time could potentially change significantly; should this occur, further environmental review may be required. Prior to entering into a construction contract for any proposed construction upgrades and improvements, the Board may need to make new findings under CEQA.

The upgrades and improvements that are anticipated under this agreement will not increase the terminal capacity.. This statement is made based on the discussion on terminal capacity in the 1997 San Francisco Bay Seaport Plan. Further, a study conducted in 1999 by a consultant to the Port describes its analysis and forecast on throughput capacity as conservative and estimated maximum reasonable throughput capacity under the current terminal operating economics. According to this analysis, the throughput capacity, analyzed on a TEU per acreage basis, may be increased by performance improvements, increased storage capacities and reduced dwell time. Improved performance at the terminals, including the deepening of the channels to allow for bigger ships, can only account to a marginal growth (estimated at 1% per year) because the economics of the container storage and even more the land-side transport of the containers is the bottle-neck at the Port of Oakland. (*JWD 1999, pg. 3*)

SUSTAINABLE OPPORTUNITIES:

In accordance with Resolution No. 20467, the above proposed rehabilitation work will be evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. For example, sustainability considerations will be incorporated in the design, engineering and reconstruction of the APL Terminal to the extent feasible in order to recycle building materials where practicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving and authorizing the execution of a new Non-Exclusive Preferential Assignment Agreement, or agreements, with APL in accordance with the foregoing provisions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: February 5, 2002

ITEM NO: 24

SUBJECT: Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd.

PROGRAM AREA: —

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

DUPLICATE OF PRIOR

CALENDAR ITEM

SUBMITTED BY: Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND

Marine Terminals Corporation ("MTC") operates and provides terminal services at the Ben E. Nutter Terminal under a Management Agreement, which expires June 30, 2004.

The Nutter Terminal is a public container terminal comprised of approximately 58 acres and four gantry cranes. Several shipping lines operate at the Nutter Terminal under separate Terminal Use Agreements ("TUA") with the Port. The China Shipping TUA expires in 2003; the Yang Ming TUA expires in 2006 and the Evergreen Line TUA expires in 2005. Evergreen is now the largest user of the Nutter Terminal. Evergreen is also the owner of shipping line Lloyd Triestino Di Navigazione S.P.A. ("L.T"). The Board approved the addition of L.T. to the Evergreen TUA on July 18, 2000. There are also two other users of the Nutter Terminal and they are Trans Pacific Lines ("TPL") and Wan Hai Lines, which operate as Non-TUA lines that pay Port charges through MTC.

Hanjin and Senator Lines previously were TUA users of Nutter Terminal. In June 2001, Hanjin, who has controlling interest in Senator, transferred both lines to the new facility at Berth 55/56 under a Preferential Assignment Agreement. This move created an opportunity to backfill terminal capacity at the Nutter Terminal.

Last October, Evergreen approached the Port seeking a new Non-Exclusive Preferential Assignment Agreement for the entire Nutter Terminal. Negotiations took place at Evergreen's Headquarters in Taipei. The key elements to the proposed new Preferential Assignment Agreement are outlined below.

TERM: The term is ten years with two five-year options.

SUBSEQUENT ASSIGNMENTS

It is anticipated that Evergreen and MTC will form a limited liability corporation to jointly operate the Nutter Terminal. The Port would agree not unreasonably to withhold its approval to an assignment of the proposed Agreement to the limited liability, but Evergreen would remain responsible under the Agreement.

PRIMARY USE

Primary use for compensation purposes will consist of Evergreen, as well as, all current users of the Nutter Terminal as of January 1, 2002. All "new users" shall also be considered primary users. A new user is considered a shipping line neither of whose cargo or vessels have used any Port maritime facilities in the last twelve months before becoming a new user.

It is significant to note that Oakland is the only major West Coast Port that differentiates pricing terms on the basis of primary and secondary use. In the current competitive market shipping lines and terminal operators are asking for more flexibility when negotiating marine terminal agreements. The proposal to incorporate current other tenants of the facility as primary users allows for the flexibility sought by the shipping lines and terminal operators. The proposed Agreement would, however, distinguish between primary usage and use of the Nutter Terminal for which full Port tariff charges would be assessed to a shipping line that does not qualify as a primary user.

Termination of the existing Evergreen TUA and the MTC Management Agreement would be a required condition for the new Agreement with Evergreen to become effective. The Port and Evergreen also agree reasonably to cooperate in efforts to terminate existing TUAs with other users of the Nutter Terminal. It is not a requirement of the proposed Evergreen Assignment, however, that the existing TUAs be terminated. During the term of the proposed Evergreen Agreement and while an existing TUA

Approved by Ordinance

passed to print

- MOTION
- RESOLUTION
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- INFORMATION ONLY

Approved by Resolution

No. 02034

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

FEB - 5 2002

DATE

continues, Evergreen will provide or cause to be provided the same terminal services to users under continuing TUAs.

COMPENSATION TERMS

In lieu of the Port's full tariff charges for dockage wharfage, wharf demurrage, wharf storage, and crane rental, Evergreen will be subject to the following all-inclusive rates, breakpoint levels and minimum annual guarantees ("MAG") for primary use:

Contract Years 1-2	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate	Breakpoint
MAG \$ 9,015,000.00	Local Cargo		
	1-75,000		\$63.50
	75,001 & more		\$31.00
	IPI Cargo		
	1-40,000		\$40.00
	40,001-75,000		\$37.50
	75,001 & more		\$25.00

Contract Years 3-5	Annual Loaded TEUs Breakpoints	\$/Loaded TEU All-Inclusive Rate	Breakpoint
MAG \$10,256,000.00	Local Cargo		
	1-96,000		\$63.50
	96,001 & more		\$31.00
	IPI Cargo		
	1-104,000		\$40.00
	104,001 & more		\$25.00

Contract Years 6-10	Annual Loaded TEUs Breakpoints	
MAG \$11,603,853.00	Local Cargo	
	The "MAG" for years six through ten shall equate to greater of \$11,603,853.00 of the then prevailing agreement rates multiplied by the breakpoints commencing in year six.	
	1-108,615	
	108,616 & more	
IPI Cargo		
	1-117,670	
	117,671 & more	

IPI INCENTIVES

As indicated above, there are considerable incentives for discretionary IPI cargo. IPI cargo ("Interior Interpoint Intermodal Cargo") will be defined as cargo originating from or terminating at the following geographic locations: in the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico or states easterly thereof, or in the Northwest territories of Canada, the Canadian provinces of Manitoba or Northwest territories of Canadian provinces easterly thereof. The above IPI rates shall be assessed from the first intermodal IPI loaded TEU vessel deployments where Oakland becomes Evergreen's published, regularly scheduled West coast first inbound port of call. The potential for new IPI cargo could be as high as 100,000 TEUs during the first contract year.

ESCALATION

The 3 and above rates shall increase on a weighted average basis at the same time as Port tariff rates increase. In addition, beginning with the 11th and 16th contract year and at the beginning of each option period exercised, all loaded TEU breakpoint levels shall be adjusted by the percentage increase in the Fair Market Value of the land and water areas within the premises for the previous 5 year period.

ANALYSIS

The ability to backfill available space at Nutter Terminal based on the terms described above is a good revenue generating opportunity for the Port.

The Port stands to gain an estimated \$1.5 million dollar annual incremental revenue increase for each of contract years one through two. Additionally, the annual incremental revenue increase for each of contract years three through five can be up to \$2.5 million dollars.

The proposed assignment to Evergreen is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of the use beyond that previously existing.

The Port analyzed the impacts of expansion in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), and for construction of a joint intermodal terminal (Final Environmental Impact Statement/Environmental Impact Report, Joint Intermodal Terminal (JIT), June 1999, Resolution 99245). The latter document analyzed the impacts of increases in intermodal throughput of over 260,000 lifts by 2010. The EIRs for vision 2000 and the JIT analyzed impacts by anticipating reuse and more efficient configuration of existing terminals. Thus, changes in the tenancy of the existing marine terminals is categorically exempt under Section 15301 of the CEQA guidelines which provides for leasing property where that lease involves negligible or no expansion of an existing lease.

SUSTAINABLE OPPORTUNITIES

In accordance with resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. Evergreen will use the existing premises and facilities that presently comprise the Nutter Terminal.

RECOMMENDATION

It is recommended that the Board take the following action in accordance with the foregoing:

- 1) Pass a resolution approving, and authorizing execution of an agreement with Marine Terminals Corporation to terminate its existing Management Agreement for the Nutter Terminal, and approving and authorizing execution of agreements with the TUA users of the Nutter Terminal to terminate the TUAs. (Termination of the Management Agreement and the Evergreen TUA would be a condition for the new Evergreen Agreement to become effective, but the Port would only enter into the termination agreements if Evergreen and the Port have entered into the new Evergreen Agreement); and
- 2) Give first reading to an ordinance approving and authorizing execution of the proposed new Non-Exclusive Preferential Assignment Agreement with Evergreen for the Nutter Terminal.

Agenda Sheet

DATE: February 19, 2002

ITEM NO: 7S

SUBJECT: Approval of New License and Concession Agreement with Avis Rent A Car System, Inc. and Adoption of Resolution for a Building Permit for Vehicle Overflow Parking (Adjacent to Building L-814, North Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Avis Rent A Car System, Inc. (Avis) has operated an airport rental car concession under various agreements with the Port since 1970. Avis rents counter spaces in both terminals of the airport and ready return parking lot space. Avis also operates a service facility for its rental vehicles on the South Airport. Avis, a participant in the combined rental car facility project, requires overflow parking beyond that to be provided by that project. To this end, Avis seeks both a permit to re-surface and/or recondition a vacant, approximately 38,000sf, semi-paved, former FedEx truck area and a one-year License and Concession Agreement to occupy same.

ANALYSIS:

Pursuant to the terms of the one-year Agreement with Avis, the premises would be used only for re-creation of a parking lot and rental car parking and storage. No customer service would be allowed at this site. The Agreement would commence March 1, 2002 with a 30-day termination provision. Rent would be \$5,284.78 per month. The estimated cost of a 2" asphalt overlay of the premises is approximately \$60,000 to be done by Avis.

The aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

In conformance with the Port's Sustainability Policy implemented in November 2000, the tenant's contractor will separate salvageable material for reuse or sale.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving 1) a License and Concession Agreement and 2) a Building Permit for Avis Rent A Car System, Inc. as described above.

- MOTION
- RESOLUTION
- ORDINANCE
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Approved by Resolution No. 02049

BOARD ACTION TAKEN

Assistant



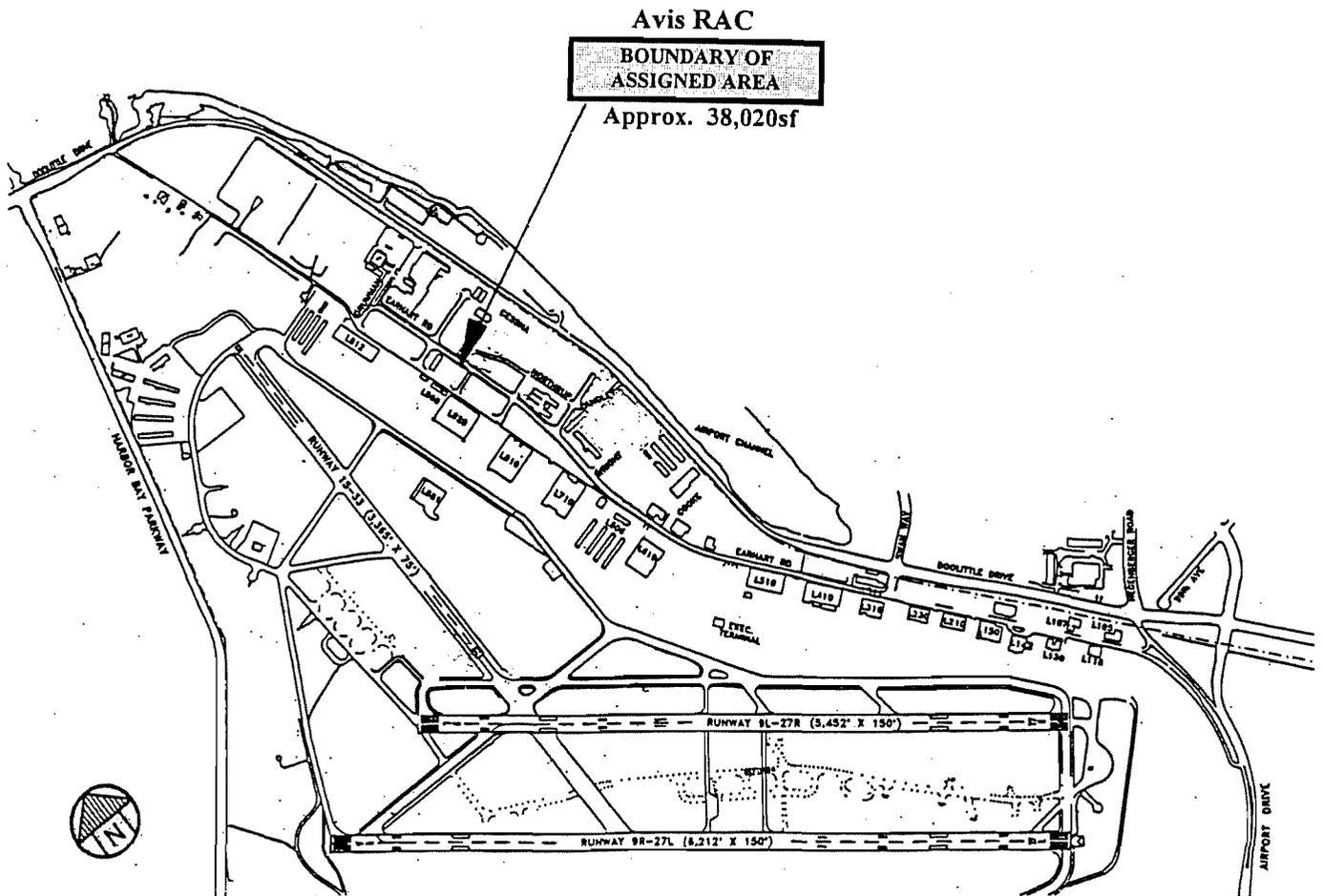
SECRETARY OF THE BOARD

FEB 19 2002

DATE

Board of Port Commissioners Calendar Item

Approval of New License and Concession Agreement with Avis Rent A Car System, Inc. and Adoption of Resolution for a Building Permit for Vehicle Overflow Parking (Adjacent to Building L-814, North Airport)



Airport Properties

Port of Oakland

**Oakland
International Airport
North Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: February 19, 2002

ITEM NO: 9S

SUBJECT: REVISED - Approval of First Supplemental Agreement to License and Concession Agreement, and First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with National Car Rental System, Inc. and Conditional Assignment to ANC Rental Corporation, Inc. of the License and Concession Agreement and the Ground Lease for the Interim Rental Car Facility, as amended (Langley St. & Doolittle Dr., North Airport)

PROGRAM AREA:

- Airport Operations C.I.
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

Background:

National Car Rental System, Inc. ("National") is one of the eight rental car companies participating in the interim consolidated rental car facility on the North Airport. National has requested consent to assign all of its Agreements to its parent company ANC Rental Corporation ("ANC"). National is a subsidiary of ANC Rental Corporation, and a sister company under ANC to Alamo Rental Caris the parent company of two rental car brands, National and Alamo. The companies operate independently and appeal to two different customer segments, business and leisure. Alamo operated at the Airport between 1991 and 1998. Alamo participated in the negotiations for the Interim Rental Car Facility that culminated in March 2001 with a Memorandum of Understanding. Alamo was invited to, but did not, sign the MOU to participate the interim consolidated facility. National has operated at the Airport since 1971. National participated in the negotiations and signed the MOU, Ground Lease and License and Concession Agreement for the interim consolidated rental car facility on the North Airport.

The events of September 11, 2001 and the resultant downturn in travel put extreme pressure on ANC to restructure its businesses. It filed under Chapter 11 of the United States Bankruptcy Code on November 13, 2001. At the time that ANC filed for bankruptcy, National was in arrears \$91,000 on prepetition rents. As part of its restructuring plans, ANC has been kings assignment of on-airport the Agreements agreements of its subsidiary companies, National, to itself in order to operate both brands from shared rental car facilities (dual branding).

The Ground Lease and the License and Concession Agreement for the interim consolidated rental car facilities were approved by the Board subsequent to National's November 13, 2001, bankruptcy filing. Since the Agreements have not been fully executed by the Port, they are not yet effective. The bankruptcy court would have to approve execution of the Agreements by National. Following negotiations with ANC, with respect to the lease and license of the Interim car rental facilities, ANC has agreed that it will operate from those and other on-airport facilities (under month-to-month hold-over provisions of three license and concession agreements), only under the National brand name. If the bankruptcy court approves that National may enter into the Agreements, National wishes to assign the Agreements to its parent company, ANC Rental Corporation. This also would be subject to the approval of the bankruptcy court. As a condition of the execution of the Agreements the Port proposes to impose conditions on the lessee, its assigns and successors, to assure continued Port control over the authorized use of its facilities by National and its parent company ANC. As an option, the Port may wish to require as part of consideration, if National has not assumed its prior agreements with the Port and cured same, that National or ANC assure the cure of its prepetition indebtedness to the Port. However, ANC seeks execution of a first supplemental agreement to the lease and the license and concession agreements with respect to the interim car rental facilities that would provide assurances with respect to the long-term car rental facilities to be built as part of the Port's TEX program, that ANC may propose or bid (as determined by the Board in its sole discretion) for a lease and/or license to operate rental car facilities under either or both the Alamo or National brand. It is understood that any such assurance would subject to rules, regulations and specifications for bidding, and/or proposing, established by and in the best interest of the Port and applicable to all competing rental car companies, in accordance with operational and financial requirements, without differentiating ANC from other competing rental car companies solely on the basis that ANC may propose or bid to operate two brands (National and Alamo), on Port facilities.

Analysis:

National Car Rental brand captures approximately 13% of the rental car market and expands the choice of available

- MOTION
RESOLUTION
ORDINANCE
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No. 02050

BOARD ACTION TAKEN

Assistant

Signature of Assistant Secretary

SECRETARY OF THE BOARD

FEB 19 2002

DATE

~~options for passengers. It is desirable to retain National's presence and participation in the interim consolidated rental car facility and common busing operation. The assignment of the Agreements to ANC would not result in any noticeable change for customers of either the airport or National Car Rental.~~

~~Upon assignment of the Agreements by National to ANC, National will remain liable for the obligations under the Agreements, along with its assignee, ANC.~~

~~As part of ANC's bankruptcy reorganization plan, ANC requested that it be allowed to operate under its two brands, National and Alamo. This request was considered and is not recommended for approval for the Interim Facility. The Port conducted an extensive negotiation process with National and Alamo, culminating in the Agreements with National only. Providing the assignee, ANC, with the ability to operate both the National and Alamo brands under a single Agreement goes beyond the scope of operations contemplated at the time the Agreements were negotiated. As a result, ANC has withdrawn its request. However, because the Port desires the fullest possible competition for operators at the long term rental car facilities, the opportunities for additional brands and operators not currently operating at Oakland will be available and ANC, along with other rental car companies with similar corporate structures, will be allowed to compete and can be considered, to use long term rental car premises under more than one brand name for ANC and other operators, when the long term rental car facilities are competitively offered.~~

~~The First Supplemental Agreement to the License and Concession Agreement allows National to operate only its National Rental Car brand at the Interim Rental Car Facility. Similarly, the First Supplemental Agreement to the Ground Lease allows National to operate only its National Rental Car brand at the Interim Rental Car Facility under the Lease. The First Supplemental Agreement to the Ground Lease, also incorporates modifications described for the other 7 rental car companies participating in the Interim Rental Car Facility, including: credit to the Base Rent from the use of the CFC funds to pay a portion of the debt service on the indebtedness incurred by the Port in financing the Interim Rental Car Facility, to use certain record submission and record keeping requirements on the Participating Rental Car Companies relating to the use of the CFC funds to pay the common busing costs, and certain other minor changes to the Ground Lease.~~

~~The consent to the assignment is recommended, conditioned upon:~~

- ~~a. ANC continuing to operate only the National Rental Car brand under these two Agreements at Oakland's interim rental car facility.~~
- ~~b. National remaining liable and obligated under the Agreements (its liabilities would not be extinguished by the assignment); and,~~
- ~~c. ANC issuing two letters of credit, one for each agreement's security deposits to reflect the assignment.~~

~~To effectuate the intent of ANC and the recommendation of Port staff, a First Supplemental Agreement to the License and Concession Agreement for the Interim Car Rental Facilities and a First Supplemental Agreement to the Ground Lease provide the following terms and conditions:~~

- ~~a. National may operate only its National Rental Car brand at the Interim Rental Car Facility;~~
- ~~b. the First Supplemental Agreement to the Ground Lease, incorporates modifications described for the other 7 rental car companies participating in the Interim Rental Car Facility, including: credit to the Base Rent from the use of the CFC funds to pay a portion of the debt service on the indebtedness incurred by the Port in financing the Interim Rental Car Facility, to impose certain record submission and record keeping requirements on the Participating Rental Car Companies relating to the use of the CFC funds to pay the common busing costs, and certain other minor changes to the Ground Lease;~~
- ~~c. both of the proposed supplemental agreements provide assurances that ANC will have an opportunity to compete for on-airport premises with respect to the Port's long term rental car facilities, acknowledge that ANC may bid or propose without differentiation from other rental car companies, and recognize that ANC may seek to use premises at the long term rental car facilities for its Alamo and National brand names. However, the supplemental agreements do not require the Port to select ANC, or otherwise impose any condition that would result in an infringement of Board discretion in selecting the rental car companies that may operate from and use the long term rental car facilities;~~

- d. execution of the Lease and License and Concession Agreements for the Interim Car Rental Facilities and respective First Supplemental Agreements (four agreements) is null and void if National does not obtain bankruptcy court approval to execute the agreements, assume existing license and concession agreements and pay in full all prepetition amounts due and owing the Port.

General Plan: Not applicable

Sustainability Opportunities: There are no obvious sustainability opportunities involved.

Environmental Clearance: In June 1984, under Port Ordinances No. 2581 the Port amended CEQA Guidelines Section 15301 to include subsection (p) that categorically exempts renewals, extensions, or amendments to leases or license and concession Agreements or the execution of leases that involve negligible or no expansion of use beyond that previously existing. The Port's amendment to the list of Categorical Exemptions complies with CEQA Guidelines, Article 19, Section 15300.4, Application by Public Agencies.

Social Responsibility Division: An EEO-1 (Workforce report) is on file for National Car Rental System, Inc. Subsequent to the approval by the bankruptcy court and the assignment to ANC Rental Corporation an updated EEO-1 form will be requested from ANC Rental Corporation.

Options:

1. Postpone action until after the bankruptcy court hearing authorizing National Car Rental to enter into the Agreements for the Interim Rental Car Facility. ~~The Port could also require as consideration for the Agreements for the interim facility that National cure the pre-petition amount due (\$91K) incurred under its License and Concession Agreements with the Port as discussed in the Agenda Sheet related hereto. This may delay the work on the interim facility. The start of the new parking garage is tied to the relocation of the rental car facilities to the interim site. The parking garage is needed to meet current parking demand and generate revenue needed by the Port.~~
2. Decline to execute the Agreements with National. ~~As part of ANC's reorganization process, it is possible that the subsidiary company National will be dissolved and will no longer exist. In this case, absent an assignment, the Agreements would be no longer valid, and National would cease operating at the Airport. This option would temporarily reduce the number of on-airport car companies, provide temporarily, less choice for passengers, and reduce Airport revenues.~~
3. Approve, subject to the bankruptcy court's permission to enter into the Agreements, ~~the conditional assignment of the Interim Rental Car Facility Agreements, as described above.~~

Recommendation:

It is recommended that the Board approve and authorize the Executive Director to execute the License and Concession Agreement for the Interim Car Rental Facilities and First Supplemental Agreement to the License and Concession Agreement and the Lease for the Interim Car Rental Facilities and First Supplemental Agreement to the Lease with National Car Rental System, Inc. subject to:

- a) the bankruptcy court's approval for National Car Rental System, Inc. to execute and enter into the License and Concession Agreement, First Supplemental Agreement to the License and Concession Agreement, the Ground Lease, the First Supplemental Agreement to the Ground Lease, described above, with the Port for the Interim Rental Car Facility; and
- b) the Board's approval of the First Supplemental Agreement to the Ground Lease and the First Supplemental to the License and Concession Agreement, outlined above, which provides that operation of a brand other than National shall be grounds for termination of the agreements by the Port without releasing National from the obligations thereunder;
- c) assumption by National of its existing license and concession agreements, with bankruptcy court approval, and payment of its entire outstanding prepetition debt to the Port (approximately \$91,500).

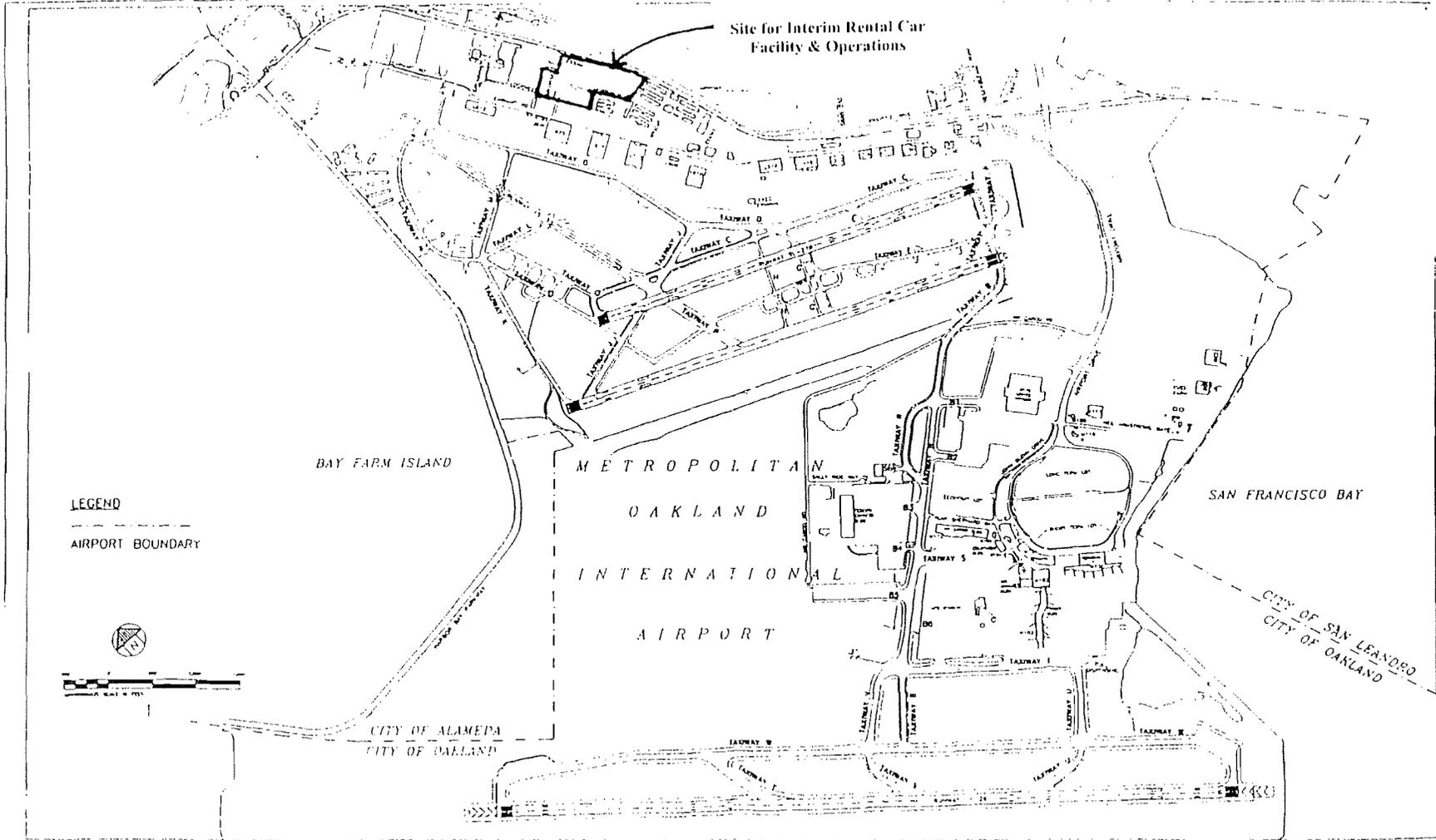
~~Approval of First Supplemental Agreement to License and Concession Agreement,
First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with
National Car Rental System, Inc. and Conditional Assignment to ANC Rental
Corporation the License and Concession Agreement and the Ground Lease for
Interim Consolidated Rental Car Facility, as amended (Langley St. & Doolittle Dr., North Airport)~~

February 19, 2002
Page 4 of 43

~~It is further recommended that the Board approve and authorize the Executive Director to execute the consent to assignment of the above-described Agreements subject to:~~

- ~~a) the bankruptcy court's approval for National Car Rental System, Inc. to assign the Agreements to ANC Rental Corporation, Inc. upon the limitations and conditions set forth in said Agreements described below;~~
- ~~b) the Board's condition that the assignment to ANC Rental Corporation is subject to the following:
 - ~~i) ANC continuing to operate only the National Car Rental brand at Oakland's Interim Rental Car Facility under the License and Concession Agreement and the Ground Lease;~~
 - ~~ii) A breach of the condition against operation of a brand other than National shall be grounds for termination of the Agreements by the Port without release of National or ANC from the obligations thereunder;~~
 - ~~iii) National remaining liable and obligated under the License and Concession Agreement and the Ground Lease for the Interim Rental Car Facility; and~~
 - ~~iv) ANC issuing a letter of credit security deposit for the License and Concession Agreement and letter of credit security deposit for the Ground Lease, to reflect the assignment.~~~~

~~In the alternative, it is further recommended that the Board condition its approval and authorizations described above to require as part of the consideration for its approvals and authorizations, that National, if it has not assumed its prior agreements with the Port and cured its prepetition indebtedness thereunder, shall cure all of its prepetition indebtedness to the Port.~~



Site for Interim Rental Car Facility & Operations

BAY FARM ISLAND

METROPOLITAN
OAKLAND
INTERNATIONAL
AIRPORT

SAN FRANCISCO BAY

CITY OF SAN LEANDEO
CITY OF OAKLAND

CITY OF ALAMEDA
CITY OF OAKLAND

LEGEND
AIRPORT BOUNDARY



PORT OF OAKLAND
530 WATER STREET OAKLAND, CALIFORNIA

Site Plan

NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	NO. 9	NO. 10	NO. 11	NO. 12	NO. 13	NO. 14	NO. 15	NO. 16	NO. 17	NO. 18	NO. 19	NO. 20	NO. 21	NO. 22	NO. 23	NO. 24	NO. 25	NO. 26	NO. 27	NO. 28	NO. 29	NO. 30	NO. 31	NO. 32	NO. 33	NO. 34	NO. 35	NO. 36	NO. 37	NO. 38	NO. 39	NO. 40	NO. 41	NO. 42	NO. 43	NO. 44	NO. 45	NO. 46	NO. 47	NO. 48	NO. 49	NO. 50	NO. 51	NO. 52	NO. 53	NO. 54	NO. 55	NO. 56	NO. 57	NO. 58	NO. 59	NO. 60	NO. 61	NO. 62	NO. 63	NO. 64	NO. 65	NO. 66	NO. 67	NO. 68	NO. 69	NO. 70	NO. 71	NO. 72	NO. 73	NO. 74	NO. 75	NO. 76	NO. 77	NO. 78	NO. 79	NO. 80	NO. 81	NO. 82	NO. 83	NO. 84	NO. 85	NO. 86	NO. 87	NO. 88	NO. 89	NO. 90	NO. 91	NO. 92	NO. 93	NO. 94	NO. 95	NO. 96	NO. 97	NO. 98	NO. 99	NO. 100
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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: PERSONNEL ITEMS
Salary Adjustment

DATE: February 19, 2002

ITEM NO: 31S

SUBMITTED BY: John Glover 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND:

I. SALARY ADJUSTMENT -- Resolution (1 Reading)

A) It is requested that the Board approve the salary adjustment for **Steven Grossman, Director of Aviation** from \$12,453 per month to \$14,584 per month.

RECOMMENDATION

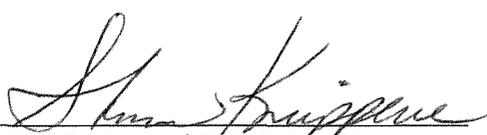
It is recommended that the Board of Port Commissioners approve the preceding salary adjustment.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02061
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

FEB 19 2002
DATE

Agenda Sheet

SUBJECT: Request for Authorization to Engage
Hale & Estrada LLC for Professional Services
Related to Filling the Vacant Position of
Director of Corporate Administrative Services

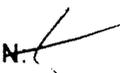
DATE: February 19, 2002

ITEM NO: 33S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Hale & Estrada LLC is a minority woman-owned executive search firm. They have extensive experience working with the Port. In addition to their technical experience, they have human resource experience as well and they have extensive experience working with public sector organizations. They have a wide array of networking resources to conduct a diverse search.

In November 2001, the Port engaged Hale & Estrada to perform an executive search to fill the vacant position of Director of Corporate Administrative Services. The firm was directed to conduct a local (Bay Area) search, and was compensated under the Executive Director's contracting authority.

The local search did not provide as many qualified candidates as anticipated, and we have determined that it is in the best interests of the Port to expand the search to a larger geographic area before making a final selection for this position. Hale & Estrada demonstrated excellent professional skills and judgement in the local search, and we believe their work to date on this search will enhance the quality and efficiency of the broader effort. Hale and Estrada has agreed to credit the payment for their work on the local search to this contract, and to perform the new search for a net payment of \$25,000.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to engage the services of Hale & Estrada LLC for executive search services to fill the vacant position of Director of Corporate Administrative Services for a contract fee not to exceed \$25,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02055

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

FEB 19 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director
DAVID L. ALEXANDER
Port Attorney
JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, March 5, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

READING OF THE MINUTES:

Regular meeting of December 18, 2001.

Deferred - regular meeting of January 15, 2002; adjourned
regular meeting of January 29, 2002; regular meeting of
February 5, 2002; and regular meeting of February 19, 2002.

OPEN SESSION: 4:00 p.m.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Administration
Aviation
Audit, Budget & Finance
Maritime

READING OF SUMMARY ITEMS: (Marked "S")

6 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Proposed 2002 Airline Landing Fees and Tenant Terminal Space Rentals. (Ordinance)
- 2** Authorization to Dispense with Standard Bidding Procedures for the Design, Installation and Maintenance of the Expansion of the Common Systems Equipment in Terminal 1 Including the Expansion of the Flight Information Display System at Both Terminals at Oakland International Airport. (Resolution)
- 3** Ratify Action of Staff and Approve First Supplemental Agreement with Master Architect Joint Venture (MAJV) for Master Architect and Design Consultant Services for the Terminal Expansion Program. (Resolution)
- 4S** This item not used.
- 5S** Approval of Building Permit Application by Sierra Academy of Aeronautics, Inc., to Construct Exterior Tenant Improvements at 9351 Earhart Road, (Building L-142), North Airport, OIA. (Resolution)
- 6S** Ratification of Addendum and Award of Contract for Construction of Third Curbside Improvements, South Airport, OIA. (Resolution)

COMMERCIAL REAL ESTATE

- 11** Amendment to Parking Rates for Jack London Square. (Ordinance)
- 12** Recommended Approval of Proposed Assignment of the "C.R. Gibb, and the Boatel" Lease Agreement (Waterfront Plaza Hotel), to a Newly Formed Limited Liability Company, "Waterfront Plaza Hotel LLC". (Resolution)
- 13S** Recommend Approval of New License and Concession Agreement with Laura M. Lee dba The Reef Restaurant. (Resolution)

MARITIME

- 21** Supplemental Agreement with Evergreen Marine Corp. (Taiwan) Ltd. to Accommodate Operations of New Shipping Company Hatsu Marine Ltd. (Resolution)

OPERATIONS

- 31** Approval of an Ordinance Revision of the Port of Oakland Permit Ordinance No. 2082 to allow for Building Permits to be Granted for a Period Longer than 360 Days. (Ordinance)
- 32** Approval to Enter into an Agreement with Nossamun, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services. (Resolution)
- 33** Approval to Enter into a First Supplemental Agreement with Platinum Advisors for State Administrative and Regulatory Lobbyist Services. (Resolution)
- 34** Recommended Approval of Port of Oakland Disadvantaged Business Enterprise FY 01-02 Federal Highway Administration Goals & Methodology Report. (Resolution)
- 35** Personnel Items: Creation of Salary Schedules; Creation of Classifications/Positions; and Title Changes & Amendment of Salary Schedule Assignment. (Ordinance)
- 36S** Authorization to Purchase Software for Use in Analyzing Financial Data for the Port's CIP. (Resolution)

37S Travel Authorization. (Resolution)

38S Approval of the Sixth Supplemental Agreement with PricewaterhouseCoopers Dated June 9, 1996-1997 to Perform Audit Services for FY June 2002 and A Separate Agreement with Yano and Associates to Review and Update the Port's Indirect Cost Allocation Plan for FY 2001. (Resolution)

CLOSED SESSION

40 Under Separate Cover by Secretary of the Board.

BUILDING PERMIT APPLICATION: ("S")

The Hertz Corporation, relocation of an existing rental car key kiosk at the South Airport parking lot due to change in the FAA mandated security zone.

Avis Rent-A-Car Systems Inc., relocation of an existing rental car key kiosk at the South Airport parking lot due to a change in the FAA mandated security zone.

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Scates, Uribe and President Tagami – 7

Noes: None

Absent: None

RESOLUTIONS:

02062 1 FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO AWARD THE CONTRACTS FOR DESIGN, INSTALLATION AND MAINTENANCE OF THE EXPANSION OF THE COMMON USE TERMINAL EQUIPMENT SYSTEM, SOUTH AIRPORT, TERMINAL 1, AND THE EXPANSION OF THE FLIGHT INFORMATION DISPLAY SYSTEM AT BOTH TERMINALS, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF CONTRACTS FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport – 2)

- 02063 2** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH HELLMUTH, OBATA + KASSABAUM, INC., KPA CONSULTING ENGINEERS, INC., KWAN HENMI ARCHITECTURE/PLANNING, INC. AND POWELL & PARTNERS ARCHITECTS DOING BUSINESS AS MASTER ARCHITECT JOINT VENTURE FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 3)
- 02064 3** GRANTING SIERRA ACADEMY OF AERONAUTICS, INC., PERMISSION TO PERFORM CERTAIN WORK. (Airport - 5S)
- 02065 4** RATIFYING AND APPROVING ADDENDUM TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF THIRD CURBSIDE IMPROVEMENTS, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND AWARDED CONTRACT TO McGUIRE AND HESTER, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport - 6S)
- 02066 5** CONSENTING TO ASSIGNMENT OF LEASE FROM C. R. GIBB AND THE BOATEL TO WATERFRONT PLAZA HOTEL. (Commercial Real Estate - 12)
- 02067 6** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH LAURA M. LEE DOING BUSINESS AS THE REEF RESTAURANT. (Commercial Real Estate - 13S)
- 02068 7** APPROVING AND AUTHORIZING EXECUTION OF SUPPLEMENTAL AGREEMENT TO TERMINAL USE AGREEMENT WITH EVERGREEN MARINE CORP. (TAIWAN) LTD. AND LLOYD TRIESTINO DI NAVIGAZIONE S.P.A. (Maritime - 21)
- 02069 8** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH NOSSAMUN, GUTHNER, KNOX & ELLIOTT, LLP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 32)

- 02070 9** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH PLATINUM ADVISORS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 33)
- 02071 10** APPROVING THE GOALS & METHODOLOGY REPORT FOR THE FEDERAL HIGHWAY ADMINISTRATION/CALTRANS. (Operations - 34)
- 02072 11** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR PURCHASE OF POWERPLAY SOFTWARE LICENSES WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SAME BASED ON RECEIPT OF INFORMAL PROPOSALS. (Operations - 36S)
- 02073 12** CONCERNING CERTAIN TRAVEL. (Operations - 37S)
- 02074 13** FINDING AND DETERMINING THAT A PROPOSED SIXTH SUPPLEMENTAL AGREEMENT WITH PRICEWATERHOUSE-COOPERS AND YANO AND ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 38S)
- 02075 14** GRANTING AVIS RENT CAR SYSTEM, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02076 15** GRANTING THE HERTZ CORPORATION, PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02077 16** AUTHORIZING LEGAL ACTION REGARDING CONVEYANCES BY THE FEDERAL GOVERNMENT TO THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION OF INTERESTS IN THE OAKLAND ARMY BASE AND ADJACENT PROPERTY, AND APPROVING APPOINTMENT OF SPECIAL COUNSEL. (Closed Session - 40)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami – 7

Noes: None

Absent: None

ORDINANCES:

1 ("S") Port Ordinance No. 3685 being, "AN ORDINANCE IMPOSING A CUSTOMER FACILITY CHARGE ON EACH PERSON WHO RENTS AN AUTOMOBILE FROM A CUSTOMER FACILITY LOCATED ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS; OBLIGATING EACH RENTAL CAR COMPANY THAT OPERATES A CUSTOMER FACILITY ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS TO COLLECT A CUSTOMER FACILITY CHARGE FROM EACH PERSON WHO RENTS AN AUTOMOBILE FROM SUCH CUSTOMER FACILITY AND TO REMIT SUCH CUSTOMER FACILITY CHARGE TO THE PORT OF OAKLAND; IMPOSING CERTAIN REPORTING AND OTHER OBLIGATIONS ON SUCH RENTAL CAR COMPANIES; AND PROVIDING AN EFFECTIVE DATE."

Final.

2 ("S") Port Ordinance No. 3686 being, "AN ORDINANCE AMENDING PORT ORDINANCE 1606 TO ADD SECTION 5(L), CLARIFYING THE APPLICATION OF THE CALIFORNIA SUBLETTING AND SUBCONTRACTING FAIR PRACTICES ACT (PUBLIC CONTRACT CODE §4100 ET SEQ.) TO PORT CONTRACTS; ESTABLISHING EXCEPTIONS; DELEGATING TO THE EXECUTIVE DIRECTOR AUTHORITY TO IMPLEMENT THE ACT."

Final.

3 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3634 RELATING TO LANDING AND TENANT TERMINAL SPACE RENTAL FEES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Airport - 1

4 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3044, FIXING CERTAIN REVISED PARKING RATES AT THE PARKING FACILITIES IN JACK LONDON SQUARE."

Commercial Real Estate – 11 to print.

- 5** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2083 TO ALLOW BUILDING PERMITS TO BE GRANTED FOR MORE THAN 360 DAYS."

Operations – 31 to print.

- 6** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULES, AND AMENDING PORT ORDINANCE NO. 3681 TO CORRECT SECTION 5.121 OF PORT ORDINANCE NO. 867."

Operations – 35 to print.

APPEARANCES: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be an adjourned regular meeting held on Tuesday, March 26, 2002 at 3:00 PM.**

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 1

SUBJECT: Proposed 2002 Airline Landing Fees
and Tenant Terminal Space Rentals

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

After meeting with the Airline Affairs Committee, the following rates and charges are recommended for Calendar Year 2002:

<u>Landing Fees</u>	<u>Current Charges</u>	<u>Proposed</u>
<u>SIGNATORY, BASED AIRLINES</u>		
Landing Fee	\$ 1.06	\$ 1.14
Training Landing Fee	0.53	0.57
Minimum Charge Per Landing	13.25	14.25
<u>NON-SIGNATORY, BASED AIRLINES</u>		
Landing Fee	1.33	1.43
Training Landing Fee	0.66	0.71
Minimum Charge Per Landing	16.56	17.81
<u>NON-BASED AIRLINES</u>		
Landing Fee	1.33	1.43
Training Landing Fee	0.66	0.71
Minimum Charge Per Landing	16.56	17.81
<u>Terminal Space Rental</u>		
Type I – Ticketing Counter	7.694 psf/pm	7.470 psf/pm
Type II – Office Space	6.925 psf/pm	6.723 psf/pm
Type III – Baggage Claim	6.155 psf/pm	5.976 psf/pm
Type IV – Baggage Make-Up	5.386 psf/pm	5.229 psf/pm
<u>Other Charges</u>		
Holdroom, Loading Bridge	19,086 per month	17,448 per month
Secondary Use, Signatory, Based Airline with Holdroom	114.40 per enplaning operation	111.80 per enplaning operation
Secondary Use, Non-Signatory, Based Airline with Holdroom	143.00 per enplaning operation	139.75 per enplaning operation
Secondary Use, Signatory, Based Airline without Holdroom	0.88 per enplaning pax	0.86 per enplaning pax
Secondary Use, Non-Signatory, Based Airline without Holdroom	1.10 per enplaning pax	1.08 per enplaning pax

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAR - 5 2002

DATE

<u>Other Charges</u>	<u>Current Charges</u>	<u>Proposed</u>
Secondary Use, Holdroom & Loading Bridge Non-Based Airline	1.10 per enplaning pax	1.08 per enplaning pax
Secondary Use, Signatory, Affiliated Airline	0.88 per enplaning pax	0.86 per enplaning pax
Secondary Use, Non-Signatory, Affiliated Airline	1.10 per enplaning pax	1.08 per enplaning pax
Secondary Use, Signatory, Affiliated Airline Using Small Aircraft	0.77 per enplaning pax	0.72 per enplaning pax
Secondary Use, Non-Signatory, Affiliated Airline Using Small Aircraft	0.96 per enplaning pax	0.90 per enplaning pax
Baggage Claim Area, Non-Based Airline	0.65 per deplaning pax	0.59 per deplaning pax
Terminal Use Fee Non-Based Airline	1.35 per enplaning pax	1.09 per enplaning pax

As in the past, rate setting for both landing rates and terminal rental rates is based on financial data as of June 30, 2001. The direct and indirect expenses of operations in the field and ramp area and in the terminal are computed and reduced by revenues resulting from airline activity. The remaining expenses are then paid by the airlines in the form of landing fees and terminal rental rates.

The effective date for the proposed charges for airlines that belong to the Airline Affairs Committee is retroactive to January 1, 2002. Current billings, whether higher or lower than the rates proposed will be subject to an additional charge or credit offset following the effective date of the new ordinance rates. For non-based airlines, ground handlers and car rental companies, the effective date is scheduled to be retroactive to April 1, 2002. Tenants having 30-day notice provisions in their agreements have been notified prior to March 1, 2002.

The Board of Port Commissioners hereby finds and determines that the imposition of the above changes pursuant to Section 1 of this ordinance is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 21080(b)(8) and Sections 15273 and 15061(b)(3) of Title 14 of the California Code of Regulations. The basis for the exemption under Sections 21080(b)(8) and 15273 is that the rates are established and imposed for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas. In addition, in view of the minor amount of the rate increase under Section 15061(b)(3) it can be seen with certainty that there is no possibility that imposition of the rates referenced herein will have a significant affect on the environment.

RECOMMENDATION:

It is recommended that the aforementioned rates and charges and amendments to Port Ordinance 3634 be approved.

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 2

SUBJECT: Authorization to Dispense with Standard Bidding Procedures for the Design, Installation and Maintenance of the Expansion of the Common Systems Equipment in Terminal 1 Including the Expansion of the Flight Information Display System at Both Terminals at Oakland International Airport

PROGRAM AREA:

- Airport Operations C. I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

This program proposes the approval of a series of purchase orders, agreements, and contracts for the design purchase, installation and maintenance of an expansion of the existing Common Systems (MUSE – Multi-User System Equipment by ARINC Inc.) and the Flight Information Display system (FIDs) equipment currently at Oakland International Airport (OAK). The "MUSE" application is a combined hardware/software infrastructure system permitting any number of airline operators to access their proprietary reservation, ticketing and boarding (i.e. "native") applications through Port owned "common use" equipment. The expansion of MUSE will include all of the remaining ticket counters in Terminal 1 (T1) and the new international ticket counters to be built in T1. The FIDs expansion will include backwall displays behind all of the ticket counters in T1 and FIDs banks throughout Terminals 1 and 2 at the airport. As OAK has enjoyed tremendous success in the incumbent carriers adding new service as well as adding service from new entrant carriers (Allegro, RyanAir, Spirit, et. al.) the effort to find space for these operations is a compelling case for optimizing utilization of our existing facilities through the sharing of those facilities where possible. Common systems facilitate optimal utilization of ticket counters and gates at OAK while the FIDs application will provide a consistent and reliable display of flight information for the OAK traveler. OAK, and its incumbent carriers, have already enjoyed the flexibility that common systems can provide to a facility. The entrance of Continental Airlines into the OAK market would not have been possible had it not been for the ability to seamlessly integrate their operations into the physical ticket and gate holdroom counter space through MUSE. Additionally, all of the carriers were able to easily move their operations around the Terminal 1 gates, during the "New T1 Gates Project" due to the fact that they simply had to "log on" at an assigned gate and have full "native" application functionality.

ANALYSIS:

Common Systems are quickly becoming the preferred solution for airports and airlines worldwide. It is the de facto standard for all carriers and major airports in the international community, with over 130 installations worldwide, and is being deployed at more US airports each year, since its introduction in 1985. The emphasis is based on a "shared use" environment rather than a "dedicated use" of facilities, hardware, software and infrastructure. This emphasis is based on the philosophy of defending the deregulation of the aviation industry (1978), meaning, by removing the requirement of the Federal government upon the Airlines to service regulated carrier routes, and the consequent subsidies to serve low capacity markets, the airlines are now allowed to compete in a free market environment. What this means to Oakland International Airport is that, as a federally certified airport, it is required to offer service in a free market environment to all who would wish to enter the Bay Area market via OAK. With the new Terminal and Gates not due to come online for several years and the fact that the current facilities are operating at well over 130% of designed capacity, the expansion of both MUSE and FIDs will provide a technical vehicle for the current expansion needs of the incumbent carriers, short term entrant carrier needs and provide useful consistent information for the traveling public.

ARINC is one of two common systems providers, approved by the International Air Transportation Association (IATA), in the world. The other provider is SITA with their Common Use Terminal Equipment (CUTE) application. However, the two systems are proprietary and cannot be integrated into each other, meaning, to award this expansion to SITA would require that the existing common systems at OAK would have to be retrofitted to properly integrate with the new application platform. Accordingly, staff recommends staying with the MUSE system. Regardless of that fact, staff has verified that the current proposal from ARINC to design the expansion of MUSE and to install the equipment after the required construction work has been completed is competitively priced with the SITA product.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02062
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

MAR - 5 2002

DATE

ARINC is a 69-year-old, 2500-employee, aviation and communication company with 2001 revenues of \$558 million. Its shareholders, of which it has 40, must be an airline or aviation-related company, and none can own greater than 20% of its stock. ARINC provides other airline services to over 100 domestic and international carriers at over 300 airports within the United States alone. ARINC has an existing office in the City of Alameda, thereby qualifying it as a Local Impact Area company under the Port's local business enterprise program.

ARINC operates common systems applications at a number of leading international airports (e.g. New York JFK, Narita Japan, Washington Dulles, Las Vegas, Manchester England and San Francisco's International Terminal). They also have installed and maintained FIDs platforms for Wichita Intercontinental and all FIDs for Delta Airlines. They just have been awarded systems contracts for Vancouver BC and Toronto Canada. Another firm, Ferranti Air Systems Limited (FASL), operates at a number of international airports and was recently awarded the FIDs contract for Kansas City International Airport.

ARINC will also compete with FASL for furnishing and installing the FIDS equipment.

FASL is a British Corporation based in Manchester U.K. that has been in business since 1980. They have worked with ARINC at a number of airport sites, successfully integrating their product into the Common Systems architecture deployed in those locations. FASL would only be proposing on the FIDs portion of this work

The overall estimated contract and equipment cost for the expansion of MUSE and FIDs at OAK is \$3.7 million. The funding source will be from Passenger Facility Charges, Application No. 10.

GENERAL:

In addition to ARINC being a LIA business enterprise, staff has worked with ARINC to identify a number of areas within the proposed work whereby small and local business participation would be realized. These include the network (LAN) infrastructure extension contract, purchase of some of the computer hardware and the subcontracting of the millwork fabrication and installation. The same sub-contracting of local services would apply if the FIDs contract were to be awarded to FASL.

The value of the public works construction proposed to be awarded to local contractors is \$428,490 of which \$283,490 is for millwork from BK Mill in Newark, CA and the LAN extension (\$145,000) by ACS Dataline of the Northwest in Livermore, CA. However, should the Port be unable to negotiate a contract with either of the aforementioned contractors, other local contractors, who are in compliance with the MAPLA requirements, will be selected and awarded the contract to perform the work. In addition, proposals will be sought from local vendors for the purchase of some of the computer hardware (\$100,000).

Staff proposes to award two (2) public works contracts; one for the millwork, including installation, to BK Mill and one for the LAN extension to ACS Dataline of the Northwest. Both of the contractors will work from plans prepared by ARINC or FASL and will conform to the requirements of the MAPLA.

The sum amount of the purchases, installation agreement(s) and construction contracts will not exceed \$3.7 million, plus about \$300,000 in applicable local, sales and use taxes. In addition, it is requested that the Executive Director be authorized to approve up to an additional \$550,000 (15%) for potential changes in scope of work. Finally, hardware maintenance fees for the second through fifth years of the contract will approximate \$450,000 per year when performed by ARINC; ongoing license fees for the second through fifth years of the contract will approximate \$100,000 per year.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (a) which exempts interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances, and Section 15061 (b) (3) which renders projects not subject to review for exemption under CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

OPTIONS:

The available common systems options are:

1. Maintain the existing common systems environment and add additional ticket counters to the system platform on an "urgent as needed basis" including the co-location of FIDs kiosks in strategic locations corresponding to anticipated gate assignments of carriers without their own FIDs units.
2. Deploy the MUSE expansion without the FIDs banks and backwall display equipment, resulting in a savings of \$1.3 million and the need to provide for "hard media" backwall displays for carrier branding. The traveling public would be far less well served by this option.
3. Negotiate an agreement with ARINC for the design and installation of the MUSE expansion, negotiate an agreement with either ARINC or FASL for the FIDs expansion and award the two public works contracts as described above.

PROJECT LABOR AGREEMENT:

The provisions of the Maritime and Aviation Project Labor Agreement (MAPLA) apply to the public works construction portions of this work but not to the installation of the MUSE and FIDs equipment.

SUSTAINABILITY:

The MUSE system allows for the more efficient use of current facilities and thus reduces the need to expend resources on new construction.

RECOMMENDATION:

It is recommended that it be found to be in the best interests of the Port to dispense with standard bidding procedures and authorize the Executive Director, and his designees, where permitted, to enter into multiple purchase orders, installation agreements and construction contracts in an aggregate amount up to \$3,700,000, based on the receipt of proposals, to design and install the MUSE and FIDs expansions-all as described above. In addition, it is requested that the Executive Director be authorized to approve up to \$550,000 (15%) for potential changes in scope of work. It is further recommended that the Executive Director be authorized to approve expenditures for hardware maintenance performed by ARINC during the second through fifth year of the contract for approximately \$450,000 per year, and ongoing license fees for the second through fifth years of the contract in the amount of approximately \$100,000 per year.

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 3

SUBJECT: Ratify Action of Staff and Approve First Supplemental Agreement with Master Architect Joint Venture (MAJV) for Master Architect and Design Consultant Services for the Terminal Expansion Program

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

PURPOSE:

The approved concept and delivery method for the Terminal Expansion Program resulted in changes to the project description and the Master Architect's scope of work for the subsequent design phases. Staff is requesting authorization to execute the First Supplemental Agreement with the MAJV to address these changes. Also, staff has directed the MAJV to perform additional services that were time sensitive and essential to the overall program. The cost of these additional services are included in the program budget. Staff is requesting that the Board ratify staff action and increase the MAJV's contract to compensate them for these services. Furthermore, staff is also requesting that the Board authorize an additional amount for potential future changes in scope.

FACTUAL BACKGROUND:

On November 16, 1999, the Board authorized the execution of the professional services agreement with the Master Architect Joint Venture (MAJV), a four firm joint venture consisting of Hellmuth, Obata + Kassabaum, Inc.; KPa Consulting Engineers, Inc.; Kwan Henmi architecture/planning, inc.; and Powell & Partners Architects, for Master Architect and Design Consultant services related to the Terminal Expansion (Tex) Program.

The Master Architect's scope of work, as described in the agreement, balanced the Port's needs for a functional airport design and the Port's desire to maximize local participation by consultants and contractors in lead roles. The scope of work consists of the following major components:

1. Program Verification, functional concept design and theme development for the entire program;
2. Concept Design Services for the entire program;
3. Schematic Design Services for the entire program including the development of standards and criteria for subsequent design projects within the Terminal Expansion Program;
4. Final Design of the Main Terminal Building (Stages 1 and 2) and Program Systems;
5. Construction and Closeout Services for the Main Terminal Building (Stages 1 and 2) and Program Systems; and
6. Design Coordination and Review Services for the subsequent design completion projects within the Terminal Expansion Program.

The consultant has agreed to perform the scope of work as described in the contract for a maximum total of \$42,600,000 (without escalation). This amount is based on Year 2000 values and includes a lump sum amount for the agreed-upon scope of work and approximately \$1.5 Million in allowances for the following items:

1. Documentation of existing conditions;
2. Presentation Model;
3. Post-Occupancy Surveys/Reviews;
4. Community and Business Outreach Services;
5. Reproduction

- MOTION
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Approved by Resolution No.

02063
BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

MAR - 5 2002
DATE

With the approval of the contract, the Board also authorized the Executive Director to approve up to an additional \$1,000,000 for potential increases in scope.

The contract language also provides for adjustment to the contract price for escalation to be determined yearly and capped by the Bay Area Consumer Price Index for Urban Consumers. Furthermore, the contract language provides for the addition or deletion of scope, as determined by the Port, as the Airport Development Program develops over time. If additions or deletions are made that result in adjustments in the contract price, they will be done in accordance with the terms of the agreement as negotiated.

PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH THE MAJV

The TEx Program Management Team and the MAJV concluded the Program Verification and Concept Development Phase of the project with the approval of the TEx Decision Document on August 7, 2001, ten months later than originally scheduled due largely to revisions to the Program resulting from the Peer Review and the preparation of the decision documents. The decision document also proposed a delivery method that would reduce the number of design and construction contracts for the program. The proposed Master Builder concept for program delivery was presented to the Aviation Committee on August 29, 2001 and the Board on February 5, 2002.

The approved delivery method for the program is different than what was originally anticipated in the MAJV contract and results in changes to the MAJV's scope of work and deliverables for the Schematic Design and subsequent phases of the program. With the Master Builder approach, the MAJV will prepare a set of schematic design documents for the terminal buildings and related systems and four design-build procurement packages. The MAJV will also prepare final design documents for all the terminal buildings and related systems.

In order to provide the revised deliverables for the Schematic Design and have a zero-cost change order for this current phase, the TEx PMT and MAJV staff have agreed on revisions to the original scope of work which resulted in additions, deferment and deletion of some scope. These revisions reflect the new level of effort associated with the Master Builder concept during Schematic Design.

The Master Builder concept will result in changes to the MAJV's contract for the subsequent phases also. Under the Master Builder concept, the MAJV will be responsible for final design on the existing terminals in addition to the new terminal and related systems. However, the TEx PMT and MAJV staff have yet to commence negotiations on the scope and fee for the subsequent phases. It is anticipated that those negotiations will be concluded this summer. Specific details of the negotiations and the resultant change in scope and fees for the remaining phases of the MAJV contract will be presented to the Board for approval prior to proceeding with the next phase of design work.

CONTRACT STATUS-SCHEMATIC DESIGN PHASE

The MAJV was authorized to proceed with Schematic Design on August 27, 2001, ten months later than originally scheduled. The MAJV incurred additional costs as a result of the delay and have sought compensation from the Port. Furthermore, there have been changes to the program that have resulted in additional costs to the MAJV contract. Some of these changes were necessary in order to respond to security requirements from the September 11th terrorist attacks.

The changes to the program are broken down into two categories:

1. Change Orders - Within the Approved Concept and the \$1.387B Program Budget;
2. Change Orders - New Scope.

Change Orders – Within the Approved Concept and the \$1.387 Billion Program Budget

The following change orders represent delay costs and changes that are a normal occurrence of the design process. These items are included in the \$1.387 B program estimate but needs to be reallocated to the MAJV contract.

1. Delay Costs during the Concept Phase: The agreement allowed for 9 months for the Program Verification and Concept Development Phase. Based on the agreed upon schedule, this phase was to be completed on October 31, 2000. The schedule for this phase was extended because of the changes resulting from the Peer Review conducted in December 2000 and the final approval process for the recommended concept. The final negotiated cost associated with this delay is \$553,000 for the period of December 20, 2000 to August 27, 2001.

Negotiated Cost: \$ 553,000

2. Redesign of Air Cargo Rd. Intersection : The roadway alignment for the approved concept will require changes to the Air Cargo Rd. intersection or Contract A. Since this structure is not yet built and in order to minimize any reconstruction on the bridge shortly after it is completed, staff recommends that the intersection be redesigned now to accommodate the TEx program. The MAJV submitted a lump sum proposal for this work.

Lump Sum Cost: \$ 100,000

3. Revision to BART alignment: The MAJV was directed to proceed with Schematic Design for the program assuming a "Bay alignment". Subsequently, the Port changed its direction and asked the MAJV to assume a "straight-in alignment" for the program. This change in direction required the MAJV to re-do work already completed for the garage project. The MAJV submitted a lump sum proposal for this work.

Lump Sum Cost : \$ 26,000

4. Geotechnical work for the Garage: The MAJV was asked to perform geotechnical work for the garage so that the information may be included in the design-build procurement package.

Estimated Cost: \$ 50,000

Change Orders – New Scope

1. Security Studies: The recent terrorist attacks have resulted in changes to the airport security requirements. The approved concept anticipated some of these increased security requirements and incorporated features in the program to address them such as a 300' separation between the terminal building and the garage. However, staff conducted a security review with the various stakeholders including the airlines, the FAA and Aviation staff to determine what additional changes to the program, if any, were needed as a result of the new security situation. As a result of the security review, the MAJV was asked to perform additional security studies.

The MAJV performed the additional studies on a time and materials basis against a not-to-exceed amount of \$235,000. Implementation of the changes that result from the security analysis may result in an additional cost up to \$600,000.

Estimated Cost: \$ 835,000

2. Changes to Garage and Customer Services Building for Rental Car Agencies (RACs): The rental car industry is about to implement Customer Facility Charges (CFCs) which will provide additional funding for the rental car facilities. As a result of this funding source, the RACs have reconsidered and expanded their requirements at the garage and the Customer Services Building (CSB). These changes include: increased floor heights for the first two levels of the garage, increased queueing space and office space requirements in the CSB, additional ramps between the first two floors of the garage and their quick turn-around facility (QTA); and other additional facilities to support the RAC functions.

Estimated Cost: \$ 100,000

Furthermore, staff requests that the Board authorize the Executive Director to approve an additional \$1,000,000 for potential increase in scope. This amount represents approximately 10% of the design fees for the Schematic Design Phase of the program.

Description	Date	Amount
Board Authorized Maximum Compensation	November 12, 1999	\$ 43.6 Million
Additional Amount Requested	Proposed	\$ 3.9 Million
Total Proposed Maximum Compensation	Proposed	\$ 47.5 Million

Sustainability

Sustainable opportunities will be considered and incorporated, to the extent feasible, in the execution of this contract and the design of the project.

OPTIONS:

1. The most logical option was to use a Supplemental Agreement to modify the scope of the MAJV contract during Schematic Design to address the change in the approved concept plan and the delivery method. The recommended increase in the amount of this agreement is sufficient to allow the involved consultant to perform the work since the changes in scope are so integrated with the design of the terminal which they are engaged in.
2. Assigning these tasks to consultants other than the MAJV would result in additional costs for coordination and delay.

COMMENDATION:

It is recommended that the Board:

1. Approve the execution of a First Supplemental Agreement with the MAJV to reflect changes as a result of the TEx Program delivery method for Schematic Design Phase only; and
2. Ratify action of staff and authorize up to an additional \$ 3.9 Million increase in MAJV contract for the delay costs and additional services described above, including \$1,000,000 for changes to be authorized by the Executive Director.

Agenda Sheet

SUBJECT: Authorization to Execute Agreement with Hellmuth, Obata + Kassabaum, Inc.; KPa Consulting Engineers, Inc.; Kwan Henmi architecture/planning, inc.; and Powell & Partners Architects (dba Master Architect Joint Venture, or MAJV) for Master Architect and Design Consultant Services for the Terminal Expansion Program, OIA

Date: November 16, 1999

Item No. 2

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On March 2, 1999, the Board authorized the staff to begin negotiations of an agreement for the Master Architect and Design Consultant services with the four firm joint venture consisting of Hellmuth, Obata + Kassabaum, Inc.; KPa Consulting Engineers, Inc.; Kwan Henmi architecture/planning, inc.; and Powell & Partners Architects. The joint venture team is now formally known as the Master Architect Joint Venture (MAJV).

Agreement has now been reached on the Master Architect's scope of work and compensation provisions. In summary, the Master Architect's scope of work consists of the following major components:

1. Program Verification, functional concept design and theme development for the entire program;
2. Conceptual Design Services for the entire program;
3. Schematic Design Services for the entire program including the development of standards and criteria for subsequent design projects within the Terminal Expansion Program;
4. Final Design of the Main Terminal Building (Stages 1 and 2) and Program Systems;
5. Construction and Closeout Services for the Main Terminal Building (Stages 1 and 2) and Program Systems; and
6. Design Coordination and Review Services for the subsequent design completion projects within the Terminal Expansion Program.

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BOARD ACTION REQUIRED

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN _____ **DATE** _____

SECRETARY OF THE BOARD

The following table shows the MAJV team members, their OEO status, local business status, roles in the project, and planned share of the work.

Company	Prime/Sub	Firm Location	OEO Status	Nature of Work to be Performed	% of Work
Hellmuth, Obata + Kassabaum	Prime/Sub	San Francisco		Proj. Mgmt.; Arch.; E/M Eng.	31.8%
Kpa Consulting Engineering, Inc.	Prime/Sub	Oakland	LIA/MBE	Proj. Mgmt.; Arch; Structural Eng.	11.2%
Kwan Henmi architecture/planning, inc.	Prime	Oakland	LIA/WBE	Int. Design; Concession Stds.	6.7%
Powell Partners Architects	Prime	Oakland	LIA/MBE	Architecture	7.1%
Bohannon Eberts Design LLC	Sub	Berkeley	LBA/WBE	Signage	1.1%
Construction Control Svcs. Corp.	Sub	Oakland	LIA/MBE	Safety & Training	0.4%
Cordoba Corporation	Sub	Oakland	LIA/MBE	Outreach	0.2%
Edgett Williams	Sub	Mill Valley, CA		Vert. Circulation	0.6%
The Engineering Enterprise	Sub	Oakland	LIA	Electrical Eng.	2.1%
F2 Technologies	Sub	Oakland	LIA/MBE	Special Systems	0.8%
Fine Art by Day	Sub	Oakland	LIA/WBE	Art Program	0.4%
Finish Hardware Technologies	Sub	N. Hollywood, CA		Hardware	0.4%
FW Engineers	Sub	Oakland	LIA/MBE	Electrical Eng.	2.5%
Geomatrix	Sub	Oakland	LIA	Geotechnical Eng.	0.4%
Glover/Resnick	Sub	Roseville, CA		Security	1.5%
Hanscomb, Inc.	Sub	San Francisco		Cost Est./Sched.	2.2%
Horton Lees Lighting Design	Sub	San Francisco	WBE	Lighting	0.2%
International Parking Design	Sub	Oakland	LIA	Parking	0.6%
KPa	Sub	Oakland	LIA/MBE	Structural Eng.	7.8%
Kwan Henmi	Sub	Oakland	LIA/WBE	Interiors	3.1%
Pattillo & Garrett	Sub	Oakland	LIA/WBE	Landscape Architect	1.4%
Rolf Jensen & Assoc.	Sub	Walnut Creek, CA	LBA	Life Safety	0.7%
Sicular Consulting	Sub	Berkeley	LBA	Waste Management	0.4%
SITA	Sub	Elgin, Ill		Special Systems	2.3%
SJ Engineers	Sub	Oakland	LIAMBE	Mechanical Eng.	4.2%
TransSolutions	Sub	Ft. Worth, TX		Simulations	0.6%
United System Construction Services	Sub	Oakland	LIA/MBE	Cost Estimating	0.9%
URS Greiner	Sub	Oakland	LIA	Civil/Site Util./Baggage	8.1%
Wilson Ihrig	Sub	Oakland	LIA	Acoustics	0.3%

The Port's Office of Equal Opportunity has evaluated the MAJV and determined that the MAJV is responsive to the Port's Non-Discrimination and Local Business Utilization Policy. Of the total contract work, approximately 56.1% will be done by firms within the LIA, approximately 57.9% will be done within the LBA, and approximately 53.7% will be done by MWBE firms.

TERMS OF CONTRACT:

The consultant has agreed to perform the scope of work as described in the contract for a maximum total of \$42,600,000. This amount is based on Year 2000 values and includes a lump sum amount for the agreed-upon scope of work and approximately \$1.3 Million in allowances for the following items:

1. Documentation of existing conditions;
2. Presentation Model;
3. Community and Business Outreach Services;
4. Reproduction

The contract language also provides for adjustment to the contract price for escalation. The adjustment for escalation will be determined yearly and will be capped by the Bay Area Consumer Price Index for Urban Consumers. It is estimated that escalation to the year 2009 will add approximately \$2.8 Million to the contract price.

The consultants will be covered under the Port's Owner Controlled Insurance Program (OCIP).

The contract language provides for the addition or deletion of scope, as determined by the Port, as the Airport Development Program develops over time. If additions or deletions are made that result in adjustments in the contract price, they will be done in accordance with the terms of the agreement as negotiated.

BUDGET:

The contract for basic services is for \$42.6 Million plus adjustments for escalation as governed by the contract. The budget provides for an estimated amount of \$2.8 Million in escalation, for an estimated total of \$45.4 Million for basic services. In addition, it is requested that the Executive Director also be authorized to approve up to an additional \$4.5 Million (10%) for potential increases in scope for a total budgeted possible contract amount of \$49.9 Million. This work is covered under CIP Item Nos. A2.00820.03, A2.00820.08, A2.00821.01, A2.00821.02, A2.00822.01, and A2.00828.04.

RECOMMENDATION:

It is recommended that the Board:

1. Authorize the Executive Director to enter into agreement with the MAJV to provide master architect and engineering design services for the Terminal Expansion Program at Oakland International Airport for a total amount of \$42,600,000 plus adjustments for escalation for basic contract services.
2. Authorize the Executive Director to approve up to an additional \$4,500,000 for potential increases in scope.

For Information

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

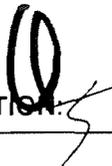
ITEM NO: 11

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Amendment to Parking Rates for Jack London Square

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Existing parking facilities serving Jack London Square include (but are not limited to) 1) 284 parking stalls in the Underground garage; 2) 1,000 parking stalls in the Washington Street garage; 3) 597 parking stalls in Lots 5, 7, and 9; 4) 54 parking stalls in Lot 11; and 5) 100 parking stalls in the Oak Street lot. We are currently under contract with Ampco System Parking to operate our parking facilities.

As a result of the Port's current financial situation, the Commercial Real Estate Division analyzed the current parking revenues and expenses in Jack London Square and has identified possible sources of additional income and savings. The last parking rate increase for our parking facilities occurred in August, 2000, when the Board of Port Commissioners approved an amendment to an ordinance approving an increase in transient and monthly parking rates.

It has been almost two years since the last parking rate increase and it is recommended that parking rates and parking operations be modified to include the following adjustments:

- 1) Increasing the validated rate charged to transient parkers.
- 2) Increasing the monthly parking fee for all parking facilities.
- 3) Terminating the JLS Employee Shuttle program.
- 4) Allowing non-Port tenants access and use of our monthly parking program during non-peak periods.

Attached is an area map showing the various JLS parking facilities serving Jack London Square.

ANALYSIS:

1. Validated Rate: Under the existing parking fee schedule, validated rates include a \$0.50 charge for the first hour. It is recommended increasing this charge to \$0.75 for the first hour at the Washington Street garage, the Underground garage, and Lots 5, 7, and 9. Based on current parking statistics, this rate modification could generate an approximate \$171,000 additional annual income.
2. Monthly Parking Rates: Port Staff recommends increasing monthly parking rates by approximately 5%, as shown in the table below:

Location	Existing Monthly Rate	Proposed New Monthly Rate
Washington Street Garage, Levels 1 - 7	\$133.00	\$140.00
Washington Street Garage, Level 5 - 7	\$80.00	\$85.00
Lots 5, 7, and 9	\$74.00	\$78.00
Lot 11	\$74.00	\$78.00
Oak Street Lot	\$20.00	\$20.00

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

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MAR - 5 2002

DATE

Monthly parkers include Port employees, Jack London Square tenants and their employees. This rate modification could generate an approximate \$27,625 additional annual income. As part of the analysis performed, a survey of parking rates for other parking facilities was conducted. In most cases the proposed rates are equal to or less than others in the Jack London district and downtown area.

3. Jack London Employee Shuttle: The Employee Shuttle program began in June 2000, as a cost-saving alternative for employees and tenants and to encourage use of public transportation. Due to its low ridership (approximately 50 riders per day), increasing shuttle costs and the need to reduce our expense budget, we decided to terminate the shuttle services as of February 15th. The shuttle operated on two 4-hour schedules (a.m. and p.m.) Monday – Friday for a total of 8 hours per day, transporting Port employees and JLS tenants to 12th Street Bart, the Oak Street lot and Jack London Square. The Oak Street parking lot will continue to be available as a cost-saving parking alternative at the current rate of \$20.00 per month and five AC Transit bus lines will continue between 12th Street and JLS. The elimination of the shuttle service will save the Port approximately \$100,000 per year.
4. Parking for Non-Port Tenants: Over the past few years we have noticed increasing demand by district merchants and their employees for access to our parking facilities. It is proposed allowing a limited number of non-Port tenants use of Port-owned parking facilities through a monthly parking agreement (cancelable upon 30 days notice). We propose that rates for non-Port tenants be equal to those charged to Port employees and tenants, with restricted use, Monday – Friday, during non-peak hours.

Upon approval by the Board the above rate increases would be effective 30 days from Board approval, thereby providing adequate notice to those affected. This matter was discussed with the Commercial Real Estate Committee in January and recommended for consideration by the full Board.

BUDGET IMPACT:

The above actions would result in an approximate annual revenue increase of \$198,625 and a cost saving of approximately \$100,000.

OPTIONS:

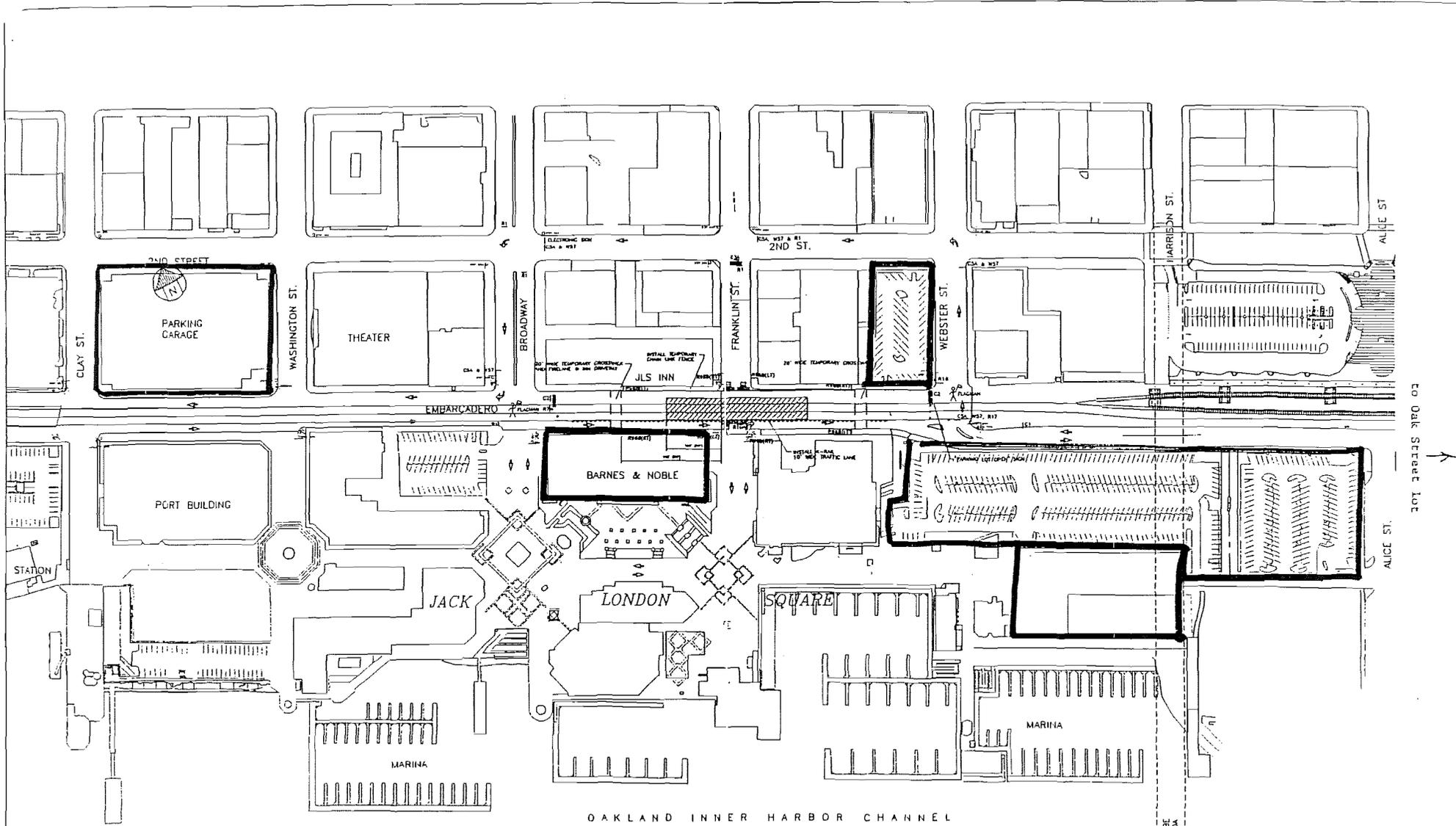
- 1) Approve the staff recommendation resulting in increased revenues and reduction of expenses.
- 2) Do not approve the staff recommendation and continue status quo.

SUSTAINABILITY:

There are no significant sustainability opportunities associated with these actions, however we believe that allowing non-Port tenants use of our resources will assist local businesses lacking parking options. Additionally, although the shuttle was initially provided to encourage public transit usage, it did not prove to be a cost-effective operation for the Port.

RECOMMENDATION:

It is recommended that the Port Board pass an Ordinance approving an amendment to the existing parking rates charged in Jack London Square.



OAKLAND INNER HARBOR CHANNEL
 STAGE 1-FRANKLIN ST (JULY 15-JULY 22)

0000-001 EAC W.C. #103221
 1-12-03-18-03 4:30PM

REVISIONS
 P. JUD
 FIELD NOTES
 "PORT OF OAKLAND DATUM"
 9.732' BELOW UTM SEA LEVEL
 CAUTION:
 CHECK TITLE FOR LATEST REVISIONS

NO.	REVISIONS	DATE	APP. B.

REVIEWED	FINANCE DEPARTMENT
REVIEWED	CONSTRUCTION DEPARTMENT
REVIEWED	PROJECT FINANCING DEPARTMENT

DRAWN	DC
DESIGNED	REC. ENGINEER NO.
CHECKED	REC. ENGINEER NO.
REVIEWED	REC. ENGINEER NO.

PORT OF OAKLAND
 530 WATER ST. OAKLAND, CALIFORNIA

CHIEF ENGINEER	C. 23287
APPROVED	REC. ENGINEER NO. C. 33413
RECOMMENDED	REC. ENGINEER NO. C. 25748

CAUTION THIS PLAN MAY BE REDUCED	JACK LONDON SQUARE	DATE: 06-28-03
	TRAFFIC CONTROL PLAN FOR	SCALE: 1"=20'
	JLS CROSSWALK IMPROVEMENT PROJECT	SHEET 2 OF 6 SHEETS
	STAGE 1-FRANKLIN ST	AA-3752

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 12

SUBJECT: Recommended Approval of Proposed Assignment of the " C.R. Gibb and the Boatel" Lease Agreement (Waterfront Plaza Hotel) to a newly formed Limited Liability Company, "Waterfront Plaza Hotel LLC"

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

Clyde R. Gibb currently leases 1.09 acres of land in Jack London Square for the operation of the Waterfront Plaza Hotel. The 55-year ground lease commenced July 1, 1990 and expires June 30, 2045.

Mr. Gibb has requested the Board's approval to the assignment of his leasehold interest from the current ownership structure C.R. Gibb, an Individual, and the Boatel, a California Limited Partnership, as tenants in common to a newly formed limited liability company, Waterfront Plaza Hotel LLC. Section 18.4 of the Lease Agreement requires the Board's consent to the proposed assignment.

In addition, Mr. Gibb further requests that Section 18.4 of the Lease be amended to provide that any future transfer of interest to Mrs. Joan Gibb, not be deemed as an assignment of the Lease requiring Port approval. This stems from Mr. Gibb's pledge of a percentage of the membership interests in the LLC to Mrs. Gibb as security for a promissory note.

ANALYSIS:

Mr. Gibb's attorney has provided Port staff with a copy of the proposed Operating Agreement for the LLC and a proposed Consent to Assignment Agreement. The Port Attorney's office has reviewed the proposed documents and advises that they are acceptable to protect the Port's interests.

It should be noted that the proposed assignment would not result in any immediate changes to the current management structure or operation of the hotel. Section 4.2 of the Operating Agreement does provide that if either Mr. Gibb or Mr. Sam Nassif are not the manager of the LLC, the LLC will then be managed by a professional third party property management firm acceptable to the Port.

SUSTAINABILITY:

No Sustainable opportunities are available.

OPTIONS:

1. Consent to the proposed Assignment and Amendment as outlined above
2. Do not approve the proposed Assignment or Amendment

RECOMMENDATION:

It is recommended that the Board consent to the assignment of the Lease from C.R. Gibb, an Individual, and the Boatel, a California Limited Partnership, as tenants in common to the Waterfront Plaza Hotel LLC, and that the Executive Director be authorized to execute any necessary assignment documents on behalf of the Port. It is further recommended that the Board approve the amendment of Section 18.4 of the Lease, as detailed above, and that the Executive Director be authorized to execute any amendment documents on behalf of the Port.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

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BOARD ACTION TAKEN



Assistant SECRETARY OF THE BOARD

MAR - 5 2002

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Agenda Sheet

DATE: March 5, 2002

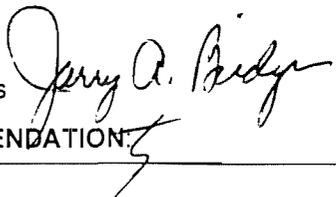
ITEM NO: 21

SUBJECT: Supplemental Agreement with Evergreen Marine Corp. (Taiwan) Ltd. to Accommodate Operations of New Shipping Company Hatsu Marine Ltd.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Evergreen Marine Corporation (Taiwan) Ltd. ("Evergreen") has a five year Terminal Use Agreement (TUA) with the Port that expires July 31, 2005. This major container shipping line operates globally in numerous trade routes. Evergreen is also the owner of shipping line Lloyd Triestino Di Navigazione S.P.A. ("LT"). On October 2, 2001, the Board authorized LT as a user under the Evergreen TUA, subject to the same compensation and economic incentives.

Last October, Evergreen approached the Port seeking a new Non-Exclusive Preferential Assignment Agreement for the entire Nutter Terminal. Negotiations took place at Evergreen's Headquarters in Taipei. The Board approved the proposed new Preferential Assignment Agreement on February 5, 2002. Evergreen is reviewing the proposed contract documents for assignment of the Nutter Terminal

Recently, Evergreen launched a new British-flagged shipping company, Hatsu Marine Ltd. The new company will develop a global container network. It will initially operate a Trans-Pacific service involving slot sharing with Evergreen and LT on services linking Europe, Asia, and North America. Hatsu Marine Ltd. currently owns one ship, the Hatsu Eagle, with a capacity of 6,332 twenty-foot equivalent units (TEU). It will take delivery of a sister ship, Hatsu Envoy, March 2002. Three more ships are scheduled to join the Hatsu fleet. The company expects to add additional ships after that, as well as, new buildings and other acquisitions. Evergreen continues to operate under its existing TUA and is requesting that while the documents for the new Preferential Assignment are being reviewed, Hatsu Marine Ltd. be added to the TUA. The first Hatsu vessel called November 19, 2001. The proposed Supplemental Agreement to the TUA will have the economic provisions relate back to November 19, 2001.

ANALYSIS AND FINANCIAL IMPACT

Under the existing TUA Evergreen vessels call twice weekly. Evergreen indicates the Hatsu deployment will increase Oakland vessel calls under their control to three times per week. Evergreen is also optimistic with their cargo projections resulting from the Hatsu service. Based on the compensation elements and economic incentives in the current TUA, we estimate an increase of as much as \$500,000.00 per year in Port net revenues from dockage and wharfage activity. Additional revenues will be generated from increased crane rental activity as well.

The proposed modifications to the Evergreen TUA is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of the use beyond that previously existing.

SUSTAINABILITY OPPORTUNITIES AND FINDINGS

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

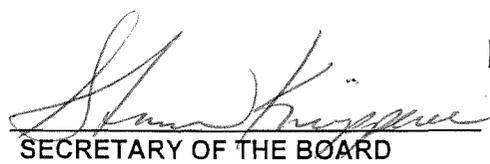
RECOMMENDATION

Approval of the proposed Supplemental Agreement as outlined above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02068

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAR - 5 2002

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

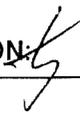
ITEM NO: 31

SL ^{TD} A SUBJECT: Approval of an Ordinance Revision of the Port of Oakland Permit Ordinance No. 2083 to Allow for Building Permits to be Granted for a Period Longer than 360 Days

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Commercial Real Estate (CRE) and Engineering Divisions are working with several developers who have expressed an interest in applying for building permits that allow for multi-phased development projects to be constructed over several years. The current Port Building Permit Ordinance No. 2083 provides for only a one year shelf-life for building permits.

CRE, Engineering and Legal have given considerable thought as to how to best accommodate the need for a longer shelf-life and still encourage work authorized by a building permit to proceed in an timely basis. The solution staff suggests is to give the Board the option of setting a specific expiration date to begin work that is greater than 360 days from the time the building permit is approved. Otherwise the permit will expire in 360 days as it currently does.

Aside from being responsive to the wishes of the development community, staff believes that this Ordinance change is desirable from an overall planning and landuse prospective as it gives the Port the flexibility to grant a building permit for a period greater than 360 days should the Port so choose.

Currently, Section 3 of Port Ordinance No. 2083, as amended, reads as follows:

“(4) Expiration. A building permit application approved pursuant to this ordinance shall expire and become null and void if the building or work authorized by such building permit is not commenced within one hundred eighty (180) calendar days from the date of approval of the application or within an additional extension period of one hundred eighty (180) calendar days which the Chief Engineer of the Port may grant upon written application therefor, or if the building or work authorized by such building permit application is suspended or abandoned at any time after the work is commenced for a period in excess of three hundred sixty-five (365) calendar days.”

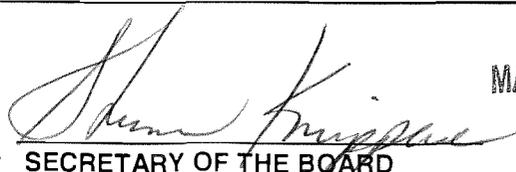
It is recommended that Section 3 of Ordinance No. 2083, as amended, be further amended to read as follows:

“(4) Expiration. - **Unless otherwise specified at the time of approval**, a building permit application approved pursuant to this ordinance shall expire and become null and void if the building or work authorized by such building permit is not commenced within one hundred eighty (180) calendar days from the date of approval of the application or within an additional extension period of one hundred eighty (180) calendar days which the Chief Engineer of the Port may grant upon written application therefore, or if the building or work authorized by such building permit application is suspended or abandoned at any time after the work is commenced for a period in excess of three hundred sixty-five (365) calendar days.”

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

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DATE

Environmental Determination

The Board of Port Commissioners finds and determines that this project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(a) (3) of the CEQA Guidelines.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to Oakland General Plan, because the general plan provides for the issuance of building permits by the Port, as authorized by Section 708 of the Charter.

Budget

Approval of this ordinance revision will not have a direct cost impact to the Port. Disapproval could impact Port revenues, as developers might be less interested in proposing large multi-phased developments within the Port Area.

Sustainability Opportunities

There are no obvious sustainability opportunities involved. However, as a part of the building permit process, Port tenants will be encouraged to comply with the Port's Sustainability Policy for tenant improvements.

RECOMMENDATION:

It is recommended that the Board:

1. Approve the CEQA exemption for this project; and
2. Approve the First reading of this ordinance amending ordinance No. 2083, as amended, "An Ordinance Establishing Rules and Regulations for the Issuance of Building Permits in the Port Area" as described above.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 32

SUBJECT: Approval to Enter into an Agreement with Nossamun, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The Governmental Affairs Department contracts on an annual basis for legislative advocacy and lobbying services performed at the State level. The Port has recently incorporated an aggressive strategy to obtain funding for its critical projects and to oppose legislation that would be detrimental to the Port and its customers. The scope of work is attached.

ANALYSIS:

The Government Affairs manager extensively researched and interviewed many firms in Sacramento in order to ensure that the Port of Oakland had a wide array of firms from which to choose its Sacramento legislative lobbyist. After much analysis, the field was reduced to five candidate firms. One firm removed itself from consideration upon the determination that there would be significant conflicts of interest with a new client. A Port review panel consisting of the President of the Board and the Chair of the Administrative Committee interviewed the final four candidates and ranked the firms as follows:

- 1) Nossamun, Guthner, Knox & Elliott
- 2) Edelstein & Gilbert
- Dellums, Brauer, Halterman
- Government Strategies

Each of the firms interviewed demonstrated excellent qualifications and significant interest in working with the Port. Following the interviews, the Government Affairs Manager contacted approximately 6 references for each of the top 2 firms to augment the information received by the panel. After analyzing these discussions, it was determined that the references supported the decision by the panel. Therefore, the recommendation of Nossamun, Guthner, Knox & Elliott is based on their proposal, oral presentation, qualifications of the team members, recommendations from legislative staff and other clients, legislative advocacy experience and overall interest, enthusiasm and responsiveness.

It is recommended that the annual amount of the contract be \$75,000, which will include ancillary expenses such as faxes, in-house copying, postage, telephone and travel. The term of the agreement will be from March 5, 2002 through February 28, 2003 with authorization for the Executive Director to extend the agreement for one additional year, with a cost-of-living adjustment, if it is determined that the consultant has demonstrated satisfactory performance. It is also requested that the Board grant the Executive Director authority to approve up to an additional \$10,000, if necessary, for unforeseen work.

FISCAL IMPACT:

There are funds in the current Government Affairs budget to support these services.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No.

02069

BOARD ACTION TAKEN

Assistant

Sharon K. Kasper
SECRETARY OF THE BOARD

MAR - 5 2002

DATE

SUSTAINABILITY OPPORTUNITIES:

There are no readily apparent sustainability opportunities.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into an Agreement with Nossamun, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services as set forth above and that the Board further authorize the Executive Director to extend the Agreement for one additional year, with a cost-of-living adjustment if it is determined that the consultant has demonstrated satisfactory performance

SCOPE OF SERVICES

The legislative consultant will act as the Sacramento advocate and perform the following qualified services:

- Perform as the primary Sacramento advocate for the Port of Oakland. Serve as liaison between the Port of Oakland and the State Legislature, the executive branch and other officials in state government as directed by the Port. (Administration lobbying will be in conjunction with the Administration lobbyists.) Proactive communication between the Port and advocate will be accomplished through the Port's Manager of Governmental Affairs.
- With the assistance of the Manager of Governmental Affairs, the advocate/consultant will provide input on specific goals and objectives for the Port's advocacy program for the coming legislative session along with development of strategies necessary for their accomplishment.
- On a limited basis, the consultant/advocate will provide copies of bills; amendments; committee reports and analyses; regulations; or other information reasonably available, which may be pertinent to the Port's interests.
- The consultant will provide information, from time to time, on emerging issues that could have a significant impact on Port policy and practices. The consultant will review and provide ongoing reports and input on key state legislation that is being tracked. This will be done in a format that will enable the Manager of Governmental Affairs to monitor legislation affecting the Port and any of its operations.
- The consultant may on occasion be asked to attend a Port Commission meeting or periodic management and staff briefings when deemed necessary.
- Prepare briefing materials. Arrange appointments with members of the Legislature or Administration for Port Commissioners and Port staff when they travel to Sacramento in furtherance of the Port's advocacy program. When necessary, the advocate will testify before legislative committees on behalf of the Port.
- Develop strategic coalitions with associations and governmental organizations in furtherance of the Port's legislative agenda
- On behalf of the Port, the Consultant/advocate will register with the necessary State officers and agencies and comply with all reporting requirements mandated by the Fair Political Practices Commission (FPPC).

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

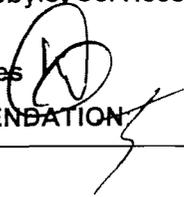
DATE: March 5, 2002

ITEM NO: 33

SUBJECT: Approval to Enter into a First Supplemental Agreement With Platinum Advisors for State Administrative and Regulatory Lobbyist Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

In May of 2002, our original agreement with the Port's state administrative/regulatory lobbyist in Sacramento, Platinum Advisors, will expire. Darius Anderson and members of his firm have provided effective state administration advocacy services for the Port of Oakland over the past year. (Please see attachment from Platinum Advisors outlining their work since June of 2001.)

The existing agreement provides for an annual payment not to exceed \$5000 per month.

It is recommended that Platinum Advisors continue to be retained by the Port of Oakland for lobbying services. The Scope of Work for the new agreement is will remain essentially. However, since the Port anticipates a very aggressive legislative lobbying effort (due to the recent actions by members of the state legislature), it is recommended that Platinum be available to assist the Port's legislative lobbying team when they have contacts that would benefit the Port's program.

It is recommended that the annual amount of the contract be \$60,000 (\$5,000/month), which will include ancillary expenses such as faxes, in-house copying, postage, telephone and travel. The term of the agreement will be from March 5, 2002 through February 28, 2003, with authorization for the Executive Director to extend the agreement for one additional year, with a cost-of-living adjustment, if it is determined that the consultant has demonstrated satisfactory performance. It is also requested that the Board grant the Executive Director authority to approve up to an additional \$10,000, if necessary, for unforeseen work.

FISCAL IMPACT:

There are funds in the current Communications Division budget to support these services.

SUSTAINABILITY OPPORTUNITIES:

There are no readily apparent sustainability opportunities.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into an agreement with Platinum Advisors as set forth above and that the Board further authorize the Executive Director to extend the Agreement for one additional year, with a cost-of-living adjustment if it is determined that the consultant has demonstrated satisfactory performance.

Approved by Resolution
No. 02070

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAR - 5 2002

DATE

PLATINUM ADVISORS

MEMORANDUM

TO: EVE GROSSMAN BUKOWSKI, PORT OF OAKLAND
FROM: KRISTIN BEARD AND DARIUS ANDERSON, PLATINUM ADVISORS
RE: PROPOSAL FOR EXPANSION OF SCOPE OF SERVICES
DATE: 2/20/02

Platinum Advisors serves as the Port of Oakland's administrative lobbying firm in California. Platinum lobbies the Governor's Office, as well as key administrative agencies and departments on behalf of the Port of Oakland. This report is to summarize Platinum's work on behalf of the Port of Oakland during 2001 (the contract began in July) and to discuss the proposal of services for 2002.

OBJECTIVE I: BART-Oakland Airport Connector Project

Platinum's number one objective has been to secure funding and approval for the connector project. The following tasks were undertaken:

1. Platinum utilized its key relationships within the Governor's Policy Unit to educate the key deputy on the benefits of the project, so that the deputy could aid the agency in making an informed decision.
2. Platinum initialized conversations with CALTRANS regarding their questions and concerns with the project.
3. Platinum has ongoing conversations with the Business, Transportation and Housing Agency's Secretary and key Deputy regarding their questions and concerns with the project. Agency has been very forthcoming with information regarding the status and timing of the decision. Platinum has made it very clear the importance of the project moving forward this year, as well as the level of funding.
4. Platinum arranged presentation by the coalition with key deputies at the Business, Transportation and Housing Agency.
5. Platinum has lobbied key Commissioners on the California Transportation Commission to keep them abreast of the project. Platinum has relayed the information from agency, the crucial timing of the project, the necessity for the full \$45 million, etc. The deputies have engaged Platinum and the Port with different funding packages to make it a viable candidate with the current economy and Platinum has been able to give informed answers with the aid of Port representatives.
6. Platinum has participated in biweekly Connector meetings to keep the coalition informed on the progress, and to consult on the continuing

strategy.

Platinum has advised on the letter writing campaign set forth by the coalition (timing, audience, delivery and message).

STATUS: All information received from Agency and the Administration is despite of the shortfall of ITIP funding for all projects, the Connector project has been included in the recommendation projects for funding. Platinum Advisors is working with BT&H and CTC to secure language in the resolution reiterating their commitment for the full \$35 million. Platinum is also working with individual commissioners on their concerns/questions regarding the project.

OBJECTIVE II: Aid the Port of Oakland in obtaining an exemption from rolling blackouts issued by the Public Utilities Commission in light of the current energy crisis. Tasks undertaken by Platinum Advisors:

1. Conversations with the staff and Chair of the PUC to educate them on the Port's need (for public good) to be exempted from rolling black outs.

STATUS: Platinum was able to secure an exemption (amidst thousands of other requests for exemptions) from the Public Utilities Commission, protecting the Port from rolling blackouts.

OBJECTIVE III: Build a presence for the Port of Oakland within Governor Gray Davis' Administration as a trusted voice within the state. Tasks undertaken by Platinum Advisors:

1. Platinum Advisors individual lobbyists (local, state and federal level lobbyists) have attended Port briefings and tours with key individuals (local, state and federal staff).
2. Platinum lobbyists in San Francisco, Sacramento and Washington D.C. have consulted and strategized on a number of issues for the Port including but not limited to the Connector project, the Dredging issue, the Energy crisis, the Terrorism and Security threat to the Port, the Economic Stimulus Package, etc.
3. Platinum has worked with the Association of Port Authority's, as well as the City of Oakland and other individual ports to make sure the Port of Oakland's position is heard.
4. Platinum provides monthly invoice reports on activities, as well as having conversations with the Port's Government Relations Director several times a week regarding current activities.
5. Platinum provides timely insight into current affairs, including actions taken by the Governor on the current budget crisis, as well as position papers and press releases on policy decisions.

Proposal of Services for 2002

To continue a strong presence for the Port of Oakland in order to have a positive impact on administrative issues. Platinum Advisors and the Port of Oakland understand the impact that key legislators and regulatory bodies can have on the operations of the Port. In this era of term limits and new faces in the Administration both at the state and federal level, we realize the importance of staying in touch and continuously reaching out to new players to educate them about the Port.

Platinum's Goals in relation to Port of Oakland:

- Continue to provide advice and counsel to the Port concerning state administrative matters.
- Continue to enhance the Ports relationships by organizing tours and educational briefings with key administrative officials.
- Build new relationships with key players and new administrative personnel, who might not be aware of the Port's issues.
- Continue to monitor any pertinent regulatory actions that may be of interest.
- Implement a government relation's plan that will increase the knowledge of administrative officials and regulators about the Port's presence in California.
- Act, as liaison between the key players, and other interest groups to ensure the Port's presence is known within the political arena.
- Augment the legislative lobbying efforts of the Port's legislative advocate on a case by case basis (as determined by the Port).

The proposed fee for these services shall remain at \$5,000. per month with an addendum agreement that Platinum and the Port will revisit this amount if it becomes necessary for Platinum to assist in the legislative lobbying efforts. Platinum would also need to amend the lobbying registration form to including any legislative efforts.

Platinum would like to thank the Port of Oakland for the opportunity to work on their behalf. Please feel free to call Kristin Beard at Platinum Advisors with any questions. Thank you.

Agenda Sheet

SUBJECT: Recommended Approval of Port of Oakland
Disadvantaged Business Enterprise FY 01-02
Federal Highway Administration Goals & Methodology Report

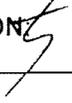
DATE: March 5, 2002

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Port of Oakland is a recipient of federal funds from the Department of Transportation for both construction and consulting projects. These funds are administered by the Port on behalf of the Federal Highway Administration/Caltrans. In the past, to be eligible to receive the federal funds, the Port developed and implemented a Disadvantaged Business Enterprise ("DBE") Program that met the federal guidelines as set forth in 49 Code of Federal Regulations Part 23.

On August 7, 2001, the Board approved the Port's Disadvantaged Business Enterprise Program as well as the FY 00-01 FAA and FHWA/Caltrans Goals and Methodology Reports. The DBE Program has again been used to develop DBE participation goals for FHWA/Caltrans projects that will be awarded during FY 01-02. A draft of this program was approved by the FHWA/Caltrans for a 45-day public notice and comment period. That period expired on November 22, 2001, and no substantive comments have been received. A copy of the final draft of the report was sent to Caltrans for approval. The Port received Caltrans approval of the Port's annual goal of 15% DBE participation for FHWA/Caltrans funded projects on January 22, 2002.

RECOMMENDATION:

It is recommended that the Board approve the Port's DBE FY 01-02 Goals & Methodology Reports for FHWA/Caltrans, setting a goal of 15% DBE participation.

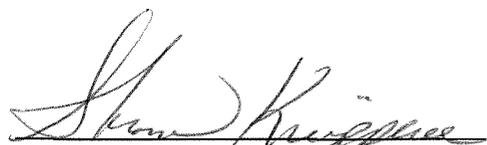
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02071

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

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Agenda Sheet

DATE: March 5, 2002

ITEM NO: 35

SUBJECT: PERSONNEL ITEMS

Creation of Salary Schedules

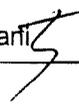
Creation of Classifications/Positions

Title Changes & Amendment of Salary Schedule Assignment

SUBMITTED BY: John Glover 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULES--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the following Salary Schedules in order to implement their assignments to the creation of new classifications later on this agenda.

Salary Schedule	Rep. Unit	Salaries
243.6	D	a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098
257.5	D	a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020
528.2	E	a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669
565.5	E	a--\$7508; b--\$7883; c--\$8277; d--\$8774; e--\$9300
572.5	E	a--\$7790; b--\$8180; c--\$8589; d--\$9104; e--\$9650
579.2	E	a--\$8073; b--\$8477; c--\$8901; d--\$9435; e--\$10,001
581.5	E	a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099

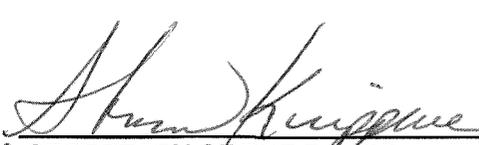
II. CREATION OF CLASSIFICATIONS/POSITIONS--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification of **Human Resource Supervisor** and assignment to **Salary Schedule 543.1** (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276). This classification will replace the Payroll/Benefits Supervisor and Personnel & Employee Services Supervisor classifications and will be more reflective of the application of the concept of broad classifications. The third position is being created to accommodate the classification resulting from a desk audit conducted on the Management Assistant classification in the Human Resources department.

NEW CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Human Resource Supervisor	OPER	CAS	3	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)

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BOARD ACTION TAKEN Assistant  SECRETARY OF THE BOARD

MAR - 5 2002

DATE

- B. It is requested that the Board approve the creation of the following classifications as a result of the Maritime Division Reorganization. Refer to item IIIA.

NEW CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Assistant Marketing Manager	OPER	Maritime	1	E	565.5 (a--\$7508; b--\$7883; c--\$8277; d--\$8774; e--\$9300)
Documentation & Statistics Assistant	OPER	Maritime	1	D	230 (a--\$4296; b--\$4512; c--\$4736; d--\$5021; e--\$5322)
Manager, Project Management Services	OPER	Maritime	1	E	576.3 (a--\$7934; b--\$8330; c--\$8745; d--\$9269; e--\$9825)
Maritime Accounts/Budget Analyst II	OPER	Maritime	1	D	243.6 (a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098)
Maritime Projects Coordinator I	OPER	Maritime	1	D	237 (a--\$4605; b--\$4837; c--\$5080; d--\$5383; e--\$5706)
Pricing and Contracts Analyst II	OPER	Maritime	2	D	243.6 (a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098)
Senior Maritime Account Manager	OPER	Maritime	3	E	559.8 (a--\$7283; b--\$7647; c--\$8029; d--\$8511; e--\$9021)
Senior Maritime Accounts/Budget Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Senior Maritime Accounts/Budget Services	OPER	Maritime	1	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)
Senior Maritime Marketing Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Senior Maritime Projects Administrator	OPER	Maritime	2	E	538.4 (a--\$6519; b--\$6846; c--\$7187; d--\$7619; e--\$8076)
Senior Pricing and Contracts Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Supervisor Pricing & Contract Services	OPER	Maritime	1	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)

It is requested that the Board approve the creation of the classification of **Assistant Airport Noise Abatement Specialist** and assignment to **Salary Schedule 226** (a--\$4129; b--\$4334; c--\$4554; d--\$4826; e--\$5115) and **Associate Airport Noise Abatement Specialist** and assignment to **Salary Schedule 240** (a--\$4748; b--\$4983; c--\$5223; d--\$5548; e--\$5879). This is a result of the Noise Abatement series classification study. Refer to item IIIC.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Assistant Airport Noise Abatement Specialist	OPER	Aviation	1	D	226 (a--\$4129; b--\$4334; c--\$4554; d--\$4826; e--\$5115)
Associate Airport Noise Abatement Specialist	OPER	Aviation	1	D	240 (a--\$4748; b--\$4983; c--\$5223; d--\$5548; e--\$5879)

D. It is requested that the Board approve the creation of the following classifications as a result of the Finance Division Reorganization. Refer to Item IIID.

NEW CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Manager, Budget & Analysis	OPER	Finance	1	E	572.5 (a--\$7790; b--\$8180; c--\$8589; d--\$9104; e--\$9650)
Manager, Financial Planning	OPER	Finance	1	E	579.2 (a--\$8073; b--\$8477; c--\$8901; d--\$9435; e--\$10,001)
Manager, Financial Systems	OPER	Finance	1	E	567 (a--\$7559; b--\$7937; c--\$8334; d--\$8834; e--\$9364)
Port Accounting Supervisor	OPER	Finance	1	E	528.2 (a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669)
Port Budget Coordinator	OPER	Finance	2	E	528.2 (a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669)
Port Controller	OPER	Finance	1	E	586.2 (a--\$8345; b--\$8762; c--\$9200; d--\$9753; e--\$10,338)

TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULE ASSIGNMENT-- Ordinance (2 Readings)

- A. It is requested that the Board approve the following title changes and amendment of the salary schedule assignment as indicated. The new titles are more appropriate for the duties and responsibilities that will be performed as a result of the Maritime Division Reorganization. Refer to item IIB.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Manager, Contracts, Pricing and Insurance	Manager, Business Development and Marketing	581.5 (a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099)
Manager, Capital Programs and Budget Services	Manager, Maritime Finance and Budgeting	576.3 (a--\$7934; b--\$8330; c--\$8745; d--\$9269; e--\$9825)
Chief Wharfinger	Manager, Tenant Services and Chief Wharfinger	581.5 (a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099)
Intermodal/Cargo Services Specialist – Marine Commercial Representative V	Senior Maritime Account Manager	559.8 (a--\$7283; b--\$7647; c--\$8029; d--\$8511; e--\$9021)
Senior Management Assistant – Marine Commercial Representative V-A	Senior Maritime Account Manager	No change
Senior Maritime Projects Administrator – Traffic Representative V	Supervisor Maritime Project Management Services	No change

- B. It is requested that the Board approve the following title change and amendment of the salary schedule assignment as a result of the Noise Abatement series classification study. Refer to Item IIC.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Noise Abatement Specialist	Senior Airport Noise Abatement Specialist	254 (a--\$5458; b--\$5730; c--\$6017; d--\$6377; e--\$6761)

- C. It is requested that the Board approve a title change for the following classifications. The new title is more appropriate for the duties and responsibilities performed. The new title will replace the classification of Payroll/Benefits Supervisor and Personnel & Employee Services Supervisor and will be more reflective of the application of the concept of broad classifications. The new title will not result in a change in salary. Refer to item IIA.

CURRENT TITLE	NEW TITLE
Payroll/Benefits Supervisor	Human Resource Supervisor
Personnel /Employee Services Supervisor	Human Resource Supervisor

- D. It is requested that the Board approve the following title changes and amendment of the salary schedule assignment as indicated. The new titles are more appropriate for the duties and responsibilities that will be performed as a result of the Finance Division Reorganization. Refer to item IID.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Manager, Purchasing Department	Manager, Port Purchasing	567 (a--\$7559; b--\$7937; c--\$8334; d--\$8834; e--\$9364)
Risk Manager	Port Risk Manager	561.7 (a--\$7354; b--\$7723; c--\$8108; d--\$8593; e--\$9111)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedules, creation of classifications/positions, and title changes and amendment of salary schedule assignments.

Agenda Sheet

DATE: March 5, 2002

SUBJECT: CLOSED SESSION

ITEM NO: 40

SUBMITTED BY: John T. Betterton

EXECUTIVE OFFICE RECOMMENDATION:



PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

1. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.**
Significant exposure to litigation pursuant to subdivision (b) Section 54956.9 4 matter.
2. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.**
Initiation of litigation pursuant to subdivision (c) of Section 54956.9 1 matter.
3. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:**

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and terms of payment

Property: SSAT Terminal, Berths 57-59
Negotiating Parties: Port of Oakland and Stevedoring Services of America
Under Negotiation: Price and Terms of Payment

Property: Various Parcels, Jack London Square
Negotiating Parties: Port and Jack London Square Partners
Under Negotiation: Price and Terms of Payment

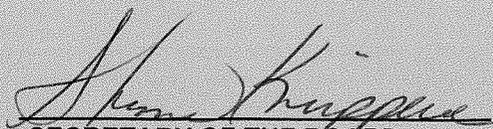
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- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02077

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

MAR - 5 2002

DATE

SUMMARY AGENDA & BOARD CALENDAR
March 5, 2002

AIRPORT

- 4S** Approval of Second Supplemental Agreement with Dollar Rent A Car Systems, Inc. Lease (Langley Street & Doolittle Drive, North Airport). (Resolution)

Recommends approval of certain rent credits to cover construction expenses necessitated by the Port.

- 5S** Approval of Building Permit Application by Sierra Academy of Aeronautics, Inc., to Construct Exterior Tenant Improvements at 9351 Earhart Road, (Building L-142), North Airport, OIA. (Resolution)

Approves permits for the tenant to make exterior improvements.

- 6S** Ratification of Addendum and Award of Contract for Construction of Third Curbside Improvements, South Airport, OIA. (Resolution)

Notifies of the bids received and award of the contract to the low bidder.

COMMERCIAL REAL ESTATE

- 13S** Recommend Approval of New License and Concession Agreement with Laura M. Lee dba The Reef Restaurant. (Resolution)

Recommends the approval of a 1 year agreement for The Reef Restaurant.

OPERATIONS

- 36S** Authorization to Purchase Software for Use in Analyzing Financial Data for the Port's CIP. (Resolution)

Authorizes purchase of financial software.

- 37S** Travel Authorization. (Resolution)

Recommends approval for the travel of two Aviation employees to meet potential customers in Asia, and to attend a trade conference in Seoul.

SUMMARY AGENDA
March 5, 2002

38S

Approval of the Sixth Supplemental Agreement with Pricewaterhousecoopers Dated June 9, 1996-1997 to Perform Audit Services for FY June 2002 and A Separate Agreement with Yano and Associates to Review and Update the Port's Indirect Cost Allocation Plan for FY2001. (Resolution)

Recommends approval to retain the firm to perform audit services for Fiscal Year 2002.

ORDINANCES: ("S")

Port Ordinance No. 3685 being, "AN ORDINANCE IMPOSING A CUSTOMER FACILITY CHARGE ON EACH PERSON WHO RENTS AN AUTOMOBILE FROM A CUSTOMER FACILITY LOCATED ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS; OBLIGATING EACH RENTAL CAR COMPANY THAT OPERATES A CUSTOMER FACILITY ON THE AIRPORT OR WITHIN THE RENTAL CAR RADIUS TO COLLECT A CUSTOMER FACILITY CHARGE FROM EACH PERSON WHO RENTS AN AUTOMOBILE FROM SUCH CUSTOMER FACILITY AND TO REMIT SUCH CUSTOMER FACILITY CHARGE TO THE PORT OF OAKLAND; IMPOSING CERTAIN REPORTING AND OTHER OBLIGATIONS ON SUCH RENTAL CAR COMPANIES; AND PROVIDING AN EFFECTIVE DATE."

Provides for collection of a facility charge from rental car customers.

Port Ordinance No. 3686 being, "AN ORDINANCE AMENDING PORT ORDINANCE 1606 TO ADD SECTION 5(L), CLARIFYING THE APPLICATION OF THE CALIFORNIA SUBLETTING AND SUBCONTRACTING FAIR PRACTICES ACT (PUBLIC CONTRACT CODE §4100 ET SEQ.) TO PORT CONTRACTS; ESTABLISHING EXCEPTIONS; DELEGATING TO THE EXECUTIVE DIRECTOR AUTHORITY TO IMPLEMENT THE ACT."

Provides for amendment of Port Ordinance 1606 to enhance project delivery by allowing for flexibility in the subcontractor listing requirement.

Agenda Sheet

DATE: February 19, 2001

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

SUBJECT: Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius and certain related actions; Adoption of Eleventh Supplemental Indenture for Port's Revenue Bonds to exclude Customer Facility Charges from certain Pledged Revenue; Approval of Consultant Agreement with a Kevin Harper, CPA for conducting an Audit of Agreed Upon Procedures for Customer Facility Charge; and Approval of First Supplemental Agreement to Ground Lease for Interim Consolidated Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc, Budget Rent A Car Systems, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.) .

SUBMITTED BY: Steven J. Grossman *SJG*

EXECUTIVE OFFICE RECOMMENDATION: *SJG*

FACTUAL BACKGROUND:

State legislation that was effective on January 1, 2002 enables rental car companies in California to pass through to their customers a \$10.00 per contract customer facility charge that is imposed by an airport. The Board is asked to pass an ordinance that establishes such a customer facility charge ("CFC") at Oakland International Airport. The rental car companies would collect \$10.00 from the on-airport rental car customers on behalf of the Port. The legislation limits use of the CFC funds to pay for consolidated rental car facilities and common transportation systems serving them. The legislation also provides that if the Airport requires common busing to transport all rental car customers between the consolidated facilities and the Terminal, then off-airport rental car companies' customers must use the common rental car transportation system and off-airport rental car companies must charge to their customers a CFC that is commensurate with the common transportation costs.

At Oakland International Airport, the CFC would generate approximately \$6 million in annual revenue to the Port. When common busing commences at Oakland International Airport in approximately January 2003, the off-airport rental car companies would collect a \$6.00 per contract CFC from their customers on behalf of the Port to cover the cost of common busing between the consolidated interim consolidated facility and the terminal; and is estimated to generate less than \$50K in annual revenue to the Port.

Several actions are needed to impose the CFC in accordance with the enabling State legislation:

1. Amend the Port's Trust Indenture so the CFC funds may be used for authorized rental car projects;
2. Pass an ordinance imposing CFC effective April 1, 2002;
3. Authorize a contract with an independent auditor to conduct an audit of CFC expenditures that will comply with the legislation; and
4. Modify the Ground Leases for the interim consolidated facility to allow the CFC to cover a portion of the ground rent to reimburse indebtedness for the interim facility.

ANALYSIS:

The Airport activity has grown from 9.2 million annual passengers ("MAP") in FY97/98 to 11.3 MAP in FY00/01. Rental car customer facilities have remained relatively constant during that period resulting in a shortage of rental car customer facilities and curbside. The Port and the rental car companies are investing significant funds to construct rental car customer facilities to serve the current passenger levels and the 2% - 3% annual increase expected in FY02/03 and beyond.

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passed to print

Approved by Resolution
No. *02041, 02042*

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BOARD ACTION TAKEN

Assistant *Sharon Kruppene* SECRETARY OF THE BOARD

FEB 19 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

The proposed CFC is necessary to help fund the capital investment in new consolidated rental car customer facilities needed at Oakland International Airport. Funds from the CFC would:

- 1) reimburse the Port for certain costs incurred in site preparation, demolition, upgrading utilities and roadway infrastructure, planning and negotiating the terms for occupancy of the consolidated Interim Rental Car Facility on the North Airport;
- 2) pay a portion of the debt service on the indebtedness incurred by the Port in the construction of the Interim Rental Car Facility with a corresponding reduction in the Base Rent payable by the Participating Rental Car Companies under their Ground Leases with the Port;
- 3) reimburse the Participating Rental Car Companies for the common busing costs to transport all rental car customers (including off-airport rental car customers) between the Terminal and the consolidated Interim RAC Facility on the North Airport; and
- 4) pay a portion of the debt service on the indebtedness incurred by the Port to design, finance and construct long term consolidated rental car facilities at and in the new parking garage.

To the extent such proceeds are pledged, CFCs may be pledged solely to the repayment of Port debt incurred for the authorized rental car projects. Therefore it is necessary at this time to also amend the Port's Master Trust Indenture to exclude from the general pledge of Port revenues the CFCs, except to the extent CFCs may be used to pay debt service on bonds issued to fund such rental car projects. It is recommended that the Board authorize the Executive Director to execute an Eleventh Supplemental Trust Indenture with the U.S. Bank, N.A, as Trustee, authorizing such amendment. The Port Attorney has received an opinion of bond counsel that such amendment is permitted under the Master Trust Indenture. Once the debt obligations relating to any facilities financed with a CFC are repaid, the airport's authority to impose the CFC would likewise terminate in accordance with the terms of the Port CFC Ordinance.

The legislation limits the aggregate amount collected to not exceed the reasonable costs to finance, design and construct the consolidated facilities and transportation system and the reasonable costs of providing the busing network, as determined by an independent audit paid for by the airport. To ensure compliance with the legislation, the Port is retaining the services of Kevin Harper, CPA to set forth audit procedures. Mr. Harper has previously contracted with the Port Auditor for audit work supporting the Port. It is expected that the audit will support the imposition of the CFC at the rate of approximately \$6 million per year for at least the next 4 to 5 years, and probably longer. The cost of the audit services is expected to be approximately \$70,000. However, since additional audits over the next 2 to 3 years may be required by statute, the Board is requested to approve an additional \$30,000, if needed, for such additional audit services. The budget for the audit costs is covered under CIP A1.00816.03. The audit is an administrative cost expected to be reimbursable from CFC funds.

The proposed First Supplemental Agreement to the Ground Leases with 7 of the 8 the rental car companies participating in the Interim Rental Car Facility provides for the credit to the Base Rent from the use of the CFC funds to pay a portion of the debt service on the indebtedness incurred by the Port in financing the Interim Rental Car Facility, to impose certain record submission and record keeping requirements on the Participating Rental Car Companies relating to the use of the CFC funds to pay the common busing costs, and will make certain other minor changes to the Ground Lease.

Social Responsibility Division: The Port's Social Responsibility Division has determined that Kevin Harper, CPA is responsive to and meets the intent of the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy. The firm is located in Union City and there are no sub-consultants. The Social Responsibility Division concurs with the recommendation of this firm. EEO-1 (Workforce reports) are on file for each of the rental car companies except for Fox. Fox does not currently have an Oakland operation but has agreed to submit the EEO-1 form when the new consolidated interim facility is built.

Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius; Adoption of Eleventh Supplemental Indenture for Port's Revenue Bonds to exclude Customer Facility Charges from certain Pledged Revenue; Approval of Consultant Agreement with Kevin Harper, CPA for conducting an Audit of Agreed Upon Procedures for Customer Facility Charge; and Approval of First Supplemental Agreement to Ground Lease for Interim Consolidated Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc, Budget Rent A Car Systems, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, , and TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.)

General Plan: Not applicable

Sustainability Opportunities: There are no obvious sustainability opportunities involved.

Environmental Clearance: The above ordinance establishing a customer facility charge is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 210080(b)(8) and CEQA Guidelines (Title 14, California Code of Regulations, Chapter 3), Article 18, Sections 15273(a)(4) and 15061(b)(3). The basis for the exemption under Sections 21080(b)(8) and 15273(a)(4) is that the rules and regulations are established and imposed for the purpose of managing its constrained curbside resources as necessary to maintain service within existing service levels. Under Section 15061(b)(3) it can be seen with certainty that there is no possibility that the proposed Customer Facility Charge, Eleventh Amendment to the Trust Indenture, or the contract for the services of an independent auditor referenced herein will have a significant affect on the environment. Section 15273(a)(4) applies to rates, tolls, fares, and charges made by a public agency. CEQA does not apply to the establishment, modification, structuring, re-structuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of obtaining funds for capital projects, necessary to maintain service within existing service areas. The CFC is needed to help fund the capital investment in new consolidated rental car facilities. The project is, therefore, statutorily exempt from CEQA.

In 1984, under Port Ordinances No. 2581 the Port amended CEQA Guidelines Section 15301 to include subsection (p) that categorically exempts renewals, extensions, or amendments to leases or license and concession agreements or the execution of leases that involve negligible or no expansion of use beyond that previously existing. The Port's amendment to the list of Categorical Exemptions complies with CEQA Guidelines, Article 19, Section 15300.4, Application by Public Agencies.

OPTIONS:

1. Take no action. Do not pass the ordinance, amend the Indenture, conduct the audit or amend the leases. The result would be that the additional funds needed for common rental car busing and paying a portion of the debt service on rental car facilities would not be available to the Port. This would place the Port at a financial disadvantage compared to the other California airports that have enacted similar charges and are using the funds to pay for consolidated rental car facilities and common transportation systems.
2. Direct staff to revise the terms of the ordinance and lease amendments that limit CFC expenditures for common busing for the interim facility and for the long-term facility costs. This would require the Port to and the rental car tenants to pay more of the interim facility design, financing and construction costs.
3. Amend the Indenture, pass an ordinance imposing the CFC, approve the consultant agreement with Kevin Harper, CPA for the independent audit and pass a resolution approving the First amendments with the seven rental car companies as described above.

RECOMMENDATION:

It is recommended that:

1. the aforementioned, Port Ordinance Imposing a Customer Facility Charge on Each Person Who Rents an Automobile from a Customer Facility Located on the Metropolitan Oakland International Airport or Within the Rental Car Radius; Obligating Each Rental Car Company that Operates a Customer Facility on the Airport or Within the Rental Car Radius to Collect a Customer Facility Charge from Each Person Who Rents an Automobile from such Customer Facility and to Remit Such Customer Facility Charge to the Port of Oakland; and Imposing Certain Reporting and Other Obligations of Such Rental Car Companies, and providing an effective date, be approved;

2. the Board authorize the Executive Director to execute an Eleventh Supplemental Trust Indenture with the U.S. Bank, N.A, as Trustee, authorizing such amendment;
3. the Board authorize the Executive Director and the Port Attorney to take all other actions necessary to implement the Ordinance provisions and the Eleventh Supplemental Indenture;
4. the Board waive competitive bidding and award the contract with Kevin Harper, CPA for an amount not to exceed \$100,000, and authorize the Executive Director to sign the agreement, subject to the Port Attorney's review and approval of the documents;
5. The Board approve the First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with Avis Rent A Car System, Inc., Dollar Rent A Car Systems, Inc, Budget Rent A Car Systems, Inc., Enterprise Rent A Car Company of San Francisco, Fox Rent A Car, Inc., The Hertz Corporation, and TRAC Team, Inc. (Thrifty Rent-A-Car System, Inc.); and
6. This action is not dependent upon the Board's approval of and the bankruptcy court's approval of the First Supplemental Agreement to the License and Concession Agreement and the First Supplemental Agreement to Ground Lease for Interim Rental Car Facility with National Car Rental System, Inc. or the Board's approval of their assignment to ANC Rental Corporation described under separate agenda sheet.
7. This action is not dependent upon National Rental Car System, Inc.'s or its parent company, ANC Rental Corporation, assuming the three existing license and concession agreements for the (1) operation of the rental car concession and rental of counter space; (2) rental of spaces in the Ready Return lot; and (3) rental of overflow parking for vehicle storage, or the issuance of 30-Notices to terminate each of the three existing agreements, in the event that ANC assumes the existing agreements through an action of the bankruptcy court, without agreeing to the condition of operating only one brand, and/or without paying the past due pre-petition monies owed.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607

TELEPHONE: (510) 627-1100

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Port Attorney

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Secretary of the Board

February 19, 2002

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

Legal-41

Board of Port Commissioners
Of the City of Oakland
Oakland, California

RE: Amending Port Ordinance No. 1606

Dear Commissioners:

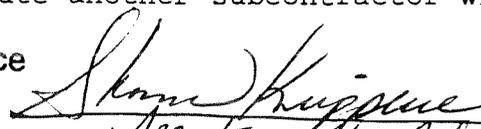
It is recommended that the Board of Port Commissioners ("Board") approve an amendment to Port Ordinance No. 1606, clarifying the application of the Subletting and Subcontracting Fair Practices Act (Pub. Con. C. §4100 et seq.) ("Act") to Port contracts with respect to alternative project delivery processes, and delegating to the Executive Director the authority to implement the Act.

I. Discussion

Under the California Subletting and Subcontracting Fair Practices Act (Pub. Con. C. §4100 et seq.), contractors submitting bids on public works contracts are required to list with their bids the names of all subcontractors that will furnish work in excess of 0.5% of the contract price. The purpose of the Act is to protect the public in general and subcontractors in particular from bid shopping and bid peddling. In the absence of the subcontracting listing requirement, an unscrupulous prime contractor can stimulate destructive competition among its subcontractors by demanding that they undercut one another in order to keep their share of the work. The Legislature found that such practices harm the public interest by decreasing the quality of construction on public projects, contributing to insolvency among contractors, and diminishing the wages of workers.

Under the Act, the prime contractor is required to use the subcontractor that it originally listed in its bid. The prime contractor may only substitute another subcontractor with the approval

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Assistant Secretary, Pro Bd. Act

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of the awarding agency. Of course, the prime contractor may have a legitimate justification for replacing a listed subcontractor. The law enumerates nine separate grounds that justify replacement of a subcontractor; however, the incumbent subcontractor may demand a hearing to contest the substitution. (Pub. Con. C. §4107, 4110.) If the prime contractor is found to have wrongfully replaced a listed subcontractor, it may be penalized up to 10% of the subcontract amount and its contract may be terminated. (Pub. Con. C. §4110.) The penalized prime contractor may demand a public hearing to contest the penalties. (Pub. Con. C. §4110.) The hearings authorized under the Act can be time consuming and raise complex technical issues.

Because the Port operates under the Oakland City Charter, it is generally exempt from the requirements of the Public Contract Code. Notwithstanding, the Port has historically applied the Act to its public works contracts in recognition of the sound policy it represents. However, as the Port progresses through its ambitious capital improvement program, it will begin to utilize non-traditional project delivery processes such as design-build and construction manager at risk. Under these approaches, the project owner executes a contract with the contractor before the design-documents are completed. It is therefore impractical or impossible for the bidder to identify all the subcontractors at the time it submits its proposal. For this reason, some authorities have concluded that the subcontractor listing requirement poses a substantial obstacle to the use of design-build contracts by public agencies. (Roberts & Smith, *Design-Build Contracts Under State and Local Procurement Laws*, 25 Pub. Con. L.J., 654 (Summer 1996).) Strict application of the subcontractor listing requirement may therefore limit the Port's ability to reap the full benefits of alternative project delivery methods.

The proposed ordinance makes three important clarifications in the application of the Act to Port public works contracts. First, it preserves the essential requirement that bidders submit a list of subcontractors, but allows the Port flexibility to establish a date for the submission of the subcontractor list after execution of the contract. The flexibility is not unlimited. Under the draft ordinance, the date specified in the contract documents for submission of the subcontractor list cannot be later than the date on which the Port approves the design for the project. The draft ordinance also provides that for projects which will be delivered in multiple phases, the Port may permit the bidder to submit its subcontractor information prior to the commencement of work on each phase. Such a provision provides added flexibility for the Port to enter into master developer contracts for large projects.

Second, the Board sometimes authorizes a waiver of standard bidding procedures and authorizes the Executive Director to award the contract based on complete plans and specifications. This may occur for a variety of reasons, including when the project must be value engineered because the original bids exceed the project budget. As a result, the scope of the project may be modified with a resulting change in the amount and nature of subcontracted work. In such circumstances, the ordinance provides that the date for submission of subcontractor information shall not be later than the date the contractor executes the contract.

Third, the proposed ordinance delegates to the Executive Director, or his or her designee, the responsibility of implementing the Act. For example, the Executive Director may designate the Chief Engineer to approve requests for subcontractor substitutions, to hold hearings and to impose penalties for violation of the Act. Authorizing an officer to perform these functions offers two advantages. First, a Port officer with an engineering background can consider any technical questions presented. Second, the Board may realize a time savings by avoiding the necessity for presiding over a hearing. Because the Act enumerates the detailed standards for its implementation, the staff role would generally be limited to fact-finding and assessing a penalty.

Finally, review of the draft ordinance by the Administrative Committee led to inclusion of a provision making explicit the Board's inherent authority to exempt any contract from the application of the subcontractor listing law. Thus, the Board will maintain the maximum flexibility to develop innovative project delivery methods as the Port's needs evolve in the future.

II. Conclusion

It is recommended that the Board approve the proposed amendment to Port Ordinance No. 1606, Section 5.1., clarifying the application of the Act to Port public works contracts and delegating to the Executive Director the responsibility to implement the Act.

Respectfully submitted,



DAVID L. ALEXANDER
Port Attorney

Cc: Charles W. Foster
Tay Yoshitani

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 5S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of a Building Permit Application by Sierra Academy of Aeronautics, Inc., to Construct Exterior Tenant Improvements at 9351 Earhart Road (Building L-142), North Field, OIA

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Sierra Academy of Aeronautics, Inc., has made an application to construct improvements to the entryway to the Airport Operating Area (AOA), the south facade, and portions of the southwest elevation of Building L-142, North Field. The construction will include the following work:

- Remove wood frame lean-to shed at south elevation, including two non-secure doors and windows.
- Install a new secure and "disabled accessible" door and portico to the AOA at south elevation.
- Remove two existing non-accessible doors and replace with window units at south elevation.
- Reconfigure window and door openings at south elevation and southwest corner.
- Construct site improvements at new entry, including new "disabled accessible" entry ramp.
- Rework drainage to allow storm water runoff to drain to existing catch basin.

ANALYSIS:

Environmental

Building L-142, originally constructed as the administrative office for the Airport at the North Field, was the westernmost of a succession of four linked Buildings built in conjunction with five aircraft hangars. The building was linked to the original restaurant building L-136, which was located between it and the hotel building L-130, and connected in turn to a fourth building to the east. All buildings were presumed to be of the same style, described as "Spanish Colonial", although both the restaurant and fourth building no longer exist. Building L-142 is sometimes incorrectly identified as the original terminal. Using the services of an independent architect, staff conducted an analysis of the building and the proposed remodeling. The analysis is required by the California Environmental Quality Act (CEQA) and by the requirement that Port actions conform to the City of Oakland's General Plan. The analysis identified one potential significant environmental issue: the building, based on a drive-by City survey, may be a potential historic resource. The City of Oakland has taken two actions regarding North Field as a potential historic resource. In 1980, the City designated the North Field, exclusive of the structures and facilities, as an Oakland City Landmark (refer to Port Ordinance No. 9872 adopted on 2/5/80). In 1997, the City conducted a city-wide reconnaissance survey that resulted in a list of potential historic resources. At the Airport, the list includes Building L-142 and other buildings at the North Field. The list also identified a potential historic district at the North Field. Building L-142 is located within that potential district. Copies of the ordinance and survey list are provided under separate cover.

The Port analysis involved two steps 1) An evaluation of the eligibility of the building for inclusion on a historic list(s). The evaluation determined that Building L-142 has been repeatedly altered and expanded more or less continually beginning less than a year after its initial construction and continuing up to the 1960's. The extensive changes to Building L-142 resulted in the building's loss of integrity to the period of significance that extends from 1927-1941. 2) A review of the proposed remodeling within the context of a potential historic district. The proposed remodeling will not substantially change the overall character of the building. The remodeling will

- ACTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02064

BOARD ACTION TAKEN

[Signature]
Assistant SECRETARY OF THE BOARD

MAR - 5 2002

DATE

our on modern sections of the building outside of the period of significance. The remodeling will improve the façade. The remodeling will be consistent with the existing building scale and will not add to the height or bulk. In conclusion, the proposal will not cause the loss of status nor have a negative impact on a potential historic district. The two step analysis concludes that: a) the building is old but is not a historic resource; and b) the proposed building remodeling will not preclude future decisions on a potential historic district at the North Field.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15301, Class 1, (a, d, and f).

General Plan

Pursuant to section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The estimated value of the work is approximately \$ 140,000. All costs are the responsibility of Sierra.

Sustainability

In conformance with the Port's Sustainability Policy implemented in November 2000, the tenant's contractor will separate salvageable construction material and debris for reuse or sale.

RECOMMENDATION:

It is recommended that the Board, based on the findings set forth in this Agenda Sheet, approve the CEQA determination and this building permit application.

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 6S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Ratification of Addendum and Award of Contract for Construction of Third Curbside Improvements, South Field, OIA

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *JKW*

FACTUAL BACKGROUND:

Three bids were received and opened on January 30, 2002 for the **Construction of Third Curbside Improvements, South Field, Oakland International Airport, Oakland, California.**

The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
McGuire and Hester	Oakland, CA	X		\$843,115.00
Gallagher & Burk, Inc.	Oakland, CA	X		\$885,295.00
Angotti & Reilly, Inc.	San Francisco, CA			\$1,448,000.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On December 18, 2001, the Board of Port Commissioners approved the Plans and Project Manual to advertise for bids to be received on January 30, 2002.

Addendum

Addendum No. 1 was issued by the Chief Engineer to make minor changes to the Plans and Project Manual. The Addendum did not significantly change the physical work of the contract.

ANALYSIS:

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. The modified bid amount for McGuire and Hester is \$778,874.00 and the modified bid amount for Gallagher & Burk is \$811,204.00. Therefore, it is recommended that McGuire and Hester be considered to be the lowest responsible bidder for the purposes of this contract.

The Port's Social Responsibility Division analyzed the bids for compliance, and concurs with the recommendation.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02065

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD



MAR - 5 2002

DATE

Subcontractor Listing

McGuire and Hester listed the following subcontractors:

SUBCONTRACTORS SUBCONTRACTING AREA (including Trucking)	LOCATION	LIABE*	LBABE*	“\$” AND “%” OF EACH SUBCONTRACTOR’S BID TO PRIME CONTRACTOR
Arrow Signs Demo Grading, Bus Shelters, Paving	Oakland, CA	X		\$95,000.00/ 11.27%
Cal Simmons Trucking Trucking	Oakland, CA	X		\$25,000.00/ 2.97%
Airport Pavement Markings Striping	San Mateo, CA			\$10,910.00/ 1.29%
MF Maher, Inc. Concrete	Vallejo, CA			\$96,300.00/ 11.42%
Tennyson Electric Electrical	Livermore, CA		**	\$69,500.00/ 8.24%

** Not certified with the Port of Oakland at time of analysis

Budget

The construction of the third curbside improvements is budgeted in CIP Element No. A2 00756 01. The Project Budget Detail is attached. The funding will be Port cash.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply to this work.

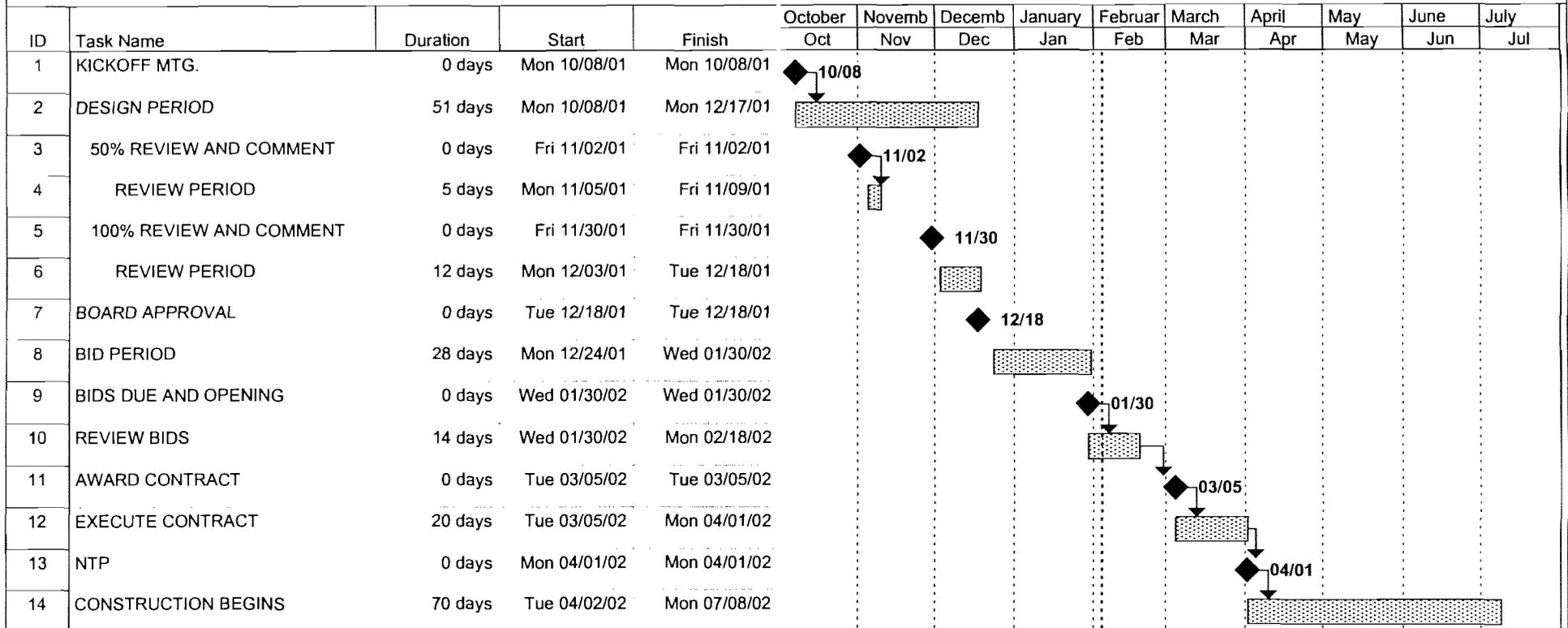
Sustainable Opportunities

A sustainable development strategy has been implemented for the design and construction of this project. The trench spoils and excavated materials will be used as fill on airport property. The bus shelters and light poles will be relocated to existing parking facilities when the terminal expansion program extends to this area.

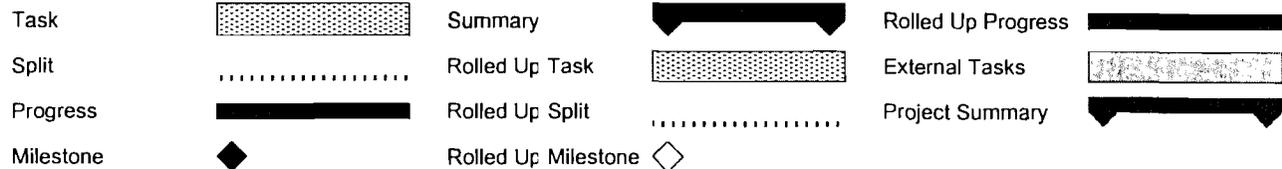
RECOMMENDATION:

It is recommended that McGuire and Hester be found to be the lowest responsible responsive bidder, that Addendum No. 1 be ratified, that the Contract for the above project be awarded to McGuire and Hester for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.

CONSTRUCTION OF THIRD CURBSIDE IMPROVEMENTS, SOUTH FIELD, OIA



Project: REVCURB
Date: Mon 02/04/02



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
February 4, 2002**

PROJECT TITLE: Construction of Third Curbside Improvements

CIP NO: A2.00756.01

W.O. #: 106523, 106445

PROPOSED FUNDING SOURCES: Port Cash & Bond

Narrative: Design and Construction of Third Curbside Improvements

Budget: This project is accounted for under CIP Element # A2.00756.01 (Construct Third Curbside and Roadway, Terminals 1 & 2). This is also one of the projects for the North Field Rental Car Facility Development Program. The project budget totals \$1,780,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A2.00756.01

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outside Legal	Misc.	LERRS	Allow.	Tenant Costs	Totals
Design & Construction of Third Curbside Improvement (W.O.106523)	85	145	225	1,103	---	12	---	---	---	1,570
Study of Third Curbside Improvement (W.O.106445)	26	44	140		---					210
Total	111	189	365	1,103	---	12	---	---	---	1,780

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2001

ITEM NO: 13S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Recommend Approval of New License and Concession Agreement with Laura M. Lee dba: The Reef Restaurant

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Laura Lee assumed operation of the Oyster Reef Seafood Restaurant on January 2, 2001, under a Right-of-Entry & Indemnity Agreement. Subsequently, the Board approved a one-year License and Concession Agreement, which expired February 9, 2002. The premises include a 2,090 square foot restaurant in the North Basin of the Embarcadero Cove area. During the first year of her occupancy, normal operations were adversely impacted by the crash landing of an airship on the roof of the restaurant, the Embarcadero Reconstruction Project and Homewood Suite construction. Despite all this, the restaurant increased gross sales by approximately 44% compared to the same period the year prior to her occupancy.

ANALYSIS:

It is proposed that the Port enter into a second License and Concession Agreement for a term of one year. The term of the Agreement would not be extended without a resolution approved by the Board of Port Commissioners. Language in the Agreement will negate the standard Holdover Provision in the License and Concession Agreement and will also contain a provision requiring the Licensee to complete all upgrades required by the Alameda County Health Department in the inspection report dated 12/27/00. The proposed rent will be \$1.07 per square foot for 2,090 square feet, against 7% of gross sales. The increase in minimum rent represents a 6.7% adjustment. The effective date would be February 10, 2002.

Sustainability opportunities are not available in this agreement as no construction is anticipated.

The lease has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewal, extension or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

Pursuant to Section 727 of the City Charter, the agreement has been determined to conform to the policies of the Oakland General Plan.

The Agreement was included in the Annual Target Rents for License and Concession Agreements approved by the Board in August 2001. It was also recommended for consideration by the full Board by the Commercial Real Estate Committee on February 6, 2002.

OPTIONS:

1. Approve the agreement for operation of a seafood restaurant.
2. Deny execution of the agreement. This option would decrease revenue a minimum of \$25,000.00 per year.

RECOMMENDATION:

It is recommended that the Board approve the above listed agreement.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02067

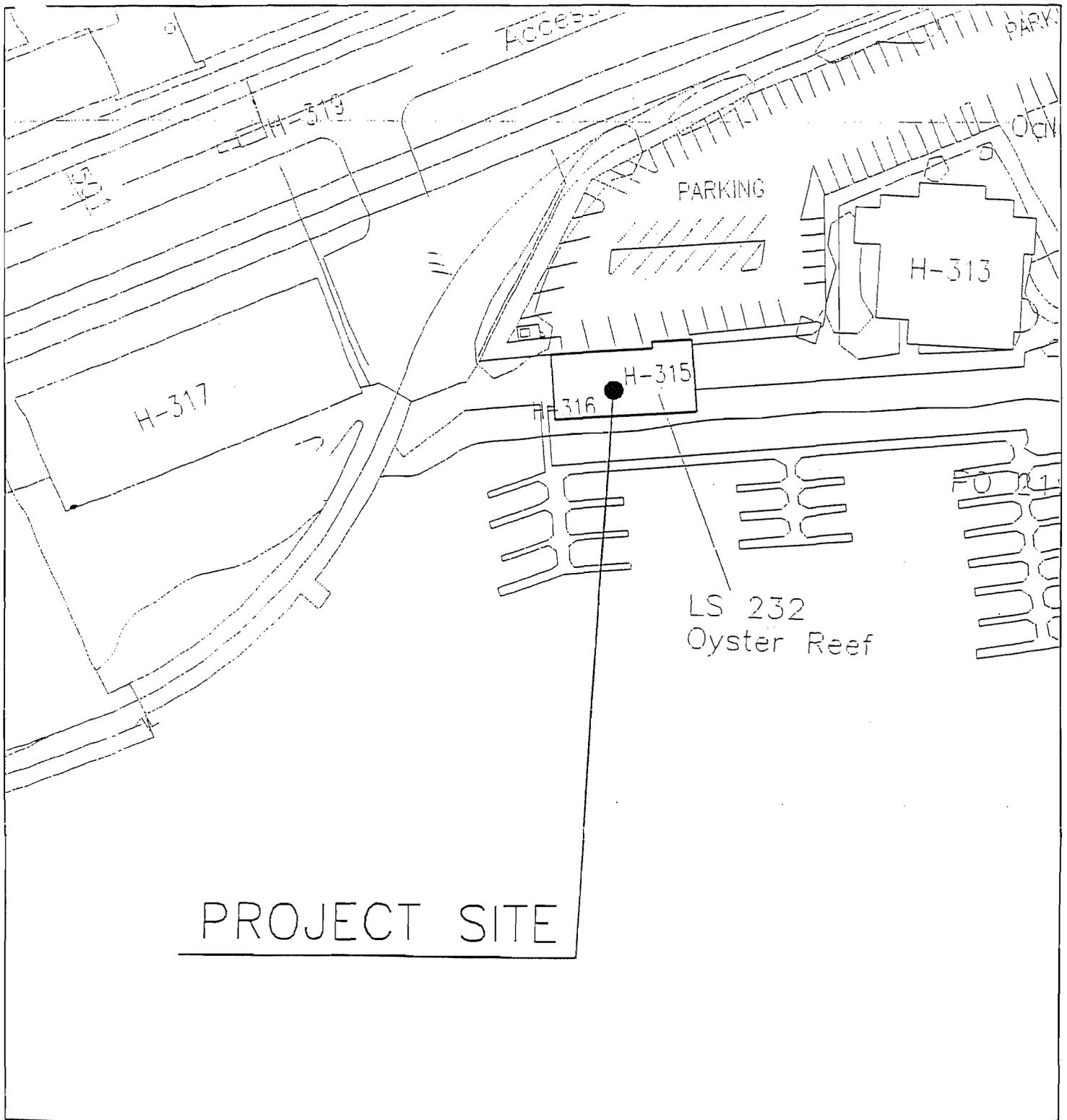
BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

MAR - 5 2002

DATE



PORT OF OAKLAND

COMMERCIAL
REAL ESTATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

SUBJECT: Authorization to Purchase Software for Use In Analyzing Financial Data for the Port's CIP

ITEM NO: 36S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred Rickert

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND

In 1998, Port staff undertook replacement of most of the Port's financial computer systems which at the time were custom developed systems running on the HP3000 mainframe computer. The project was undertaken because of the need to retrofit those applications to be "Year 2000 compliant" and the need to make the data contained in these applications more accessible to users outside the Finance Department. Applications unique to the Port and without a commercial replacement readily available were modified with as few changes as possible. In particular, the interface of these systems was not changed.

One of these is the Work Management/CIP system. This system is critical to the Engineering and Revenue Divisions' management of the Port's capital program. This system tracks the cost of various capital and infrastructure maintenance projects as they move through their cycles of planning, design, budgeting, and construction. The system establishes capital budgets, estimated funding needs, and tracks reimbursements for capital expenditures.

Recently, staff has discovered a method by which the data contained in our financial systems, including the Work Management/CIP system, could be made more readily accessible. The data from the Work Management/CIP system can be copied and reformatted for use in an "off the shelf" Windows based data analysis package, known as PowerPlay from Cognos Corporation. This software has some unique capabilities and would provide the Port with a number of important immediate benefits, including:

- Enabling an average user to quickly prepare reports that are a mixture of detail and summary project cost data.
- Enabling an average user to quickly prepare charts and graphs of project cost data to facilitate communications.
- Helping project managers to more quickly identify and analyze problems and potential cost overruns throughout the life of the project.
- Allowing individual users to prepare custom reports which will automatically be updated as data becomes available.

Other similar software is available; PowerPlay is one of the most widely used of this type and is supported by several of our current vendors. Over the past months, Octet Consulting (a local representative for Cognos who also supplies consulting and training assistance) and Port staff, including a number of potential users from the Engineering Division, have conducted a pilot program to demonstrate its feasibility. We are now prepared to perform a wider implementation of the system throughout the Engineering and Revenue Divisions.

Budget

The cost of a 100 user license for the software is \$75,000 and will be funded with Port cash. This cost is budgeted under CIP Element SQ.00009.01.

RECOMMENDATION

It is recommended that the Board authorize acquisition of PowerPlay software licenses as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 07072

BOARD ACTION TAKEN Assistant

Shawn Higgins
SECRETARY OF THE BOARD

MAR - 5 2002

DATE

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 37S

SUBJECT: TRAVEL AUTHORIZATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton

EXECUTIVE OFFICE RECOMMENDATION:

As provided for in the Port's Administrative Manual, it is recommended that the Board approve the travel of George Turner, Manager, Aviation Marketing & Communications, to Manila, Hong Kong, China, Tokyo, Japan, and Seoul, Korea, on or about March 8 – 30, 2002, to meet with China Southern Airlines cargo representatives and other potential air carriers in Tokyo, Hong, Kong, and Manila; and to attend the Air Freight Asia Conference in Seoul.

Also recommended the travel of Cyndy Johnson, Aviation Public Relations and Communications Representative, to Seoul, Korea, on or about March 17 – 23, 2002, to attend and participation at the Air Freight Asia Conference.

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02073

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

MAR - 5 2002

DATE

Agenda Sheet

DATE: March 5, 2002
~~February 22, 2002~~

SUBJECT: Approval of Sixth Supplemental Agreement with PricewaterhouseCoopers Dated June 9, 1996-1997 to Perform Audit Services for FY Ending June 2002 and A Separate Agreement with Yano and Associates to Review and Update the Port's Indirect Cost Allocation Plan for FY2001

ITEM NO: 38S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*
Shaw-King
for FR

FACTUAL BACKGROUND:

PricewaterhouseCoopers (PWC) has performed audit services on the Port's consolidated financial statements (including Oakland Portside Associates) for the five fiscal years ending 1997, 1998, 1999, 2000 and 2001. Since the Port will be implementing a new financial reporting model required under Government Accounting Standards Board (GASB) #34, and undertaking a major bond financing this fiscal year, seeking the services of a new auditing firm for FY2002 was not considered a practicable option. Because PricewaterhouseCoopers and Yano and Associates have participated in the annual review of the Port's accounting records for the past five years, the Port is recommending a one year extension to the audit services agreement and the firm of PricewaterhouseCoopers and Yano and Associates perform the review of the Port's consolidated financial statements for FY 2002. In addition, the Port is recommending that the firm of Yano and Associates perform the review and update of the Port's Indirect Cost Allocation Plan for FY2001.

The fee for FY2002 audit services will not exceed \$275,000. The fee for the FY2001 review and update of the Port's Indirect Allocation Plan will not exceed \$28,000.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into a contract on behalf of the Board with PricewaterhouseCoopers, LLP to audit the Port's consolidated financial statements (including Oakland Portside Associates); to provide a letter to the Board of Port Commissioners with their comments as to any matters they deem desirable to bring to the Board's attention; to examine and report on Federal Grants under the Single Audit Act (including Passenger Facility Charge Revenue); to examine and report on Revenue Diversion; and to provide assistance on applicable projects and compliance work for fees not to exceed \$275,000. It is also recommended that the Board approve an additional \$10,000 to cover specific projects outside the audit scope of work for the one year period.

It is recommended that the Board authorize the Executive Director to enter into a contract on behalf of the Board with Yano and Associates to review and update the Indirect Cost Allocation Plan for FY2001 for fees not to exceed \$28,000. It is also recommended that the Board approve an additional \$5,000 to cover specific projects outside the scope of the work.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02074

Shaw-King
BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

MAR - 5 2002
DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

March 22, 2002

Dear Members of the Board:

Vice President Ayers-Johnson has called for a Special Meeting of the Board to be held on Tuesday, March 26, 2002, at the hour of 8:00 a.m., in the Board Room, second floor, 530 Water Street, Oakland, California.

The purpose of the Special Meeting is as follows:

ROLL CALL:

Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

Conference with Real Property Negotiator, as provided
Under Government Code Section 54956.8, under
Negotiations:

Property: Various Parcels in Jack London Square, Oakland
Negotiating Parties: Port of Oakland and Ellis Partners
Under Negotiation: Price and Terms of Agreement

ITEMS UNDER OPEN SESSION:

COMMERCIAL REAL ESTATE

11 Reconfirming Approval of the Sale of Certain Improvements Located in Jack London Square to a JLSP Entity and Authorization of Execution of Related Documents Pursuant to Ordinance No. 3676. (Resolution)

*Res. #
02078*

Vote on the following resolution:

Ayes: Commissioner Protoppappas, Scates, Uribe and Vice
President Ayers-Johnson – 4
Noes: Commissioner Kramer – 1
Absent: Commissioner Kiang and President Tagami – 2

02078 Reconfirming Approval of the Sale of Certain Improvements Located in Jack
London Squire to a JLSP Entity and Authorization of Execution of Related
Documents Pursuant to Ordinance No. 3676.
(Commercial Real Estate – 11)

ADJOURNMENT: The next regular meeting will be held Tuesday, April 2, 2002,
At 3:00 p.m.

John Betterton
Secretary of the Board

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

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JOHN PROTOPAPPAS
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530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, April 2, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

OPEN SESSION: 4:00 p.m.

READING OF THE MINUTES:

Regular meeting of January 15, 2002; adjourned regular
meeting of January 29, 2002; regular meeting of March 5,
2002; and special meeting of March 22, 2002.

Deferred - regular meeting of February 5, 2002; regular meeting of
February 19, 2002;

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Aviation
City/Port Liaison
Commercial Real Estate
Maritime

READING OF SUMMARY ITEMS: (Marked "S")

24 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Ratification of Addenda, Rejection of All Bids, and Authorization to Dispense with Competitive Bidding Procedures for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2002, and Ending June 30, 2004, 2005, or 2006, South Field, OIA. (Resolution)
- 2** Ratification to Dispense with Standard Bidding Procedures for Expansion of Security Checkpoints in Terminals 1 and 2, South Field, OIA. (Resolution)
- 3S** Ratification by the Board of Commissioners of the Procurement of MUSE Printers for the New International Ticket Counters in Terminal One. (Resolution)
- 4S** Approval of License and Concession Agreement with Rolls-Royce Engine Services-Oakland, Inc. for Occupancy of Storage and Maintenance Space (7480 Earhart Road, North Airport). (Resolution)
- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Airport Terminal Services, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 6S** Ratification of Addendum and Award of Contract for Construction of Asphalt Concrete Overlay of Runway 9L-27R, North Field, OIA. (Resolution)

REGULAR MEETING
April 2, 2002

- 7S** Approval of Plans and Project Manual for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26 and Phases 3, 4 and 5, Bay Farm Island, Alameda, California. (Resolution)
- 8S** Approval of Plans and Project Manual for Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, OIA. (Resolution)
- 9S** Approval to Ratify Change Orders to Purchase Order Contracts to Allied Painters for Repainting of Hangars 7 & 8, North Field, Oakland International Airport. (Resolution)
- 10S** Approval of License and Concession Agreement with Mahmoud Mo Allam and Magdi M. Osman dba Transpacific Aviation Services (#1 Airport Drive, South Airport). (Resolution)
- 11S** Approval of License and Concession Agreement with Today's Aircraft Maintenance Contracting Organization (#1 Airport Drive, South Airport). (Resolution)

COMMERCIAL REAL ESTATE

- 12** Authorization to Prepare and Execute an Agreement with URS Corporation to Perform a Feasibility Study to Connect Lake Merritt to the Oakland Estuary. (Resolution)

MARITIME

- 21** First Amended and Restated Non-Exclusive Preferential Assignment Agreement for Berths 57-59 to SSA Terminals, LLC (SSAT). (Resolution)
- 22** Ratification and Approval of Contract Change Orders to Contract for Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Additional Costs to install EBMUD Waterline and Mitigate Schedule Delays for Installation of JIT Tail Tracks. (Resolution)
- 23** Approval and Ratification of Change Orders to Contract for Construction of Point Arnold/Port View Park Connector MHSP Stage 1, Vision 2000 – Various Cost Reduction Items. (Resolution)

- 24** Approval of Third Supplemental Agreement with Moffatt & Nicol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program. (Resolution)
- 25** This number not used.
- 26S** Approval of Plans and Project Manual for Construction of Berths 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000. (Resolution)
- 27S** Keep On Trucking Company, Inc. Lease Termination. (Resolution)
- 28S** Approval of Change Orders to Contracts for Construction of Berths 57-59 Container Yard and Gate, Vision 2000, and Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59, Vision 2000 – Accommodate Tenant Modifications. (Resolution)
- 29S** This item not used.

OPERATIONS

- 31** To Authorize the Executive Director to Enter into an Agreement with Worldwide Quality Assurance LLP, to Provide Professional Consulting Services Related to Process Improvements. (Resolution)
- 32S** Approval to Enter into an Agreement with O’Rorke Public Relations Advertising and Global Business Development and Marketing, Inc. for Event Planning and Consultant Services Related to the Transportation and Trade Summit. (Resolution)
- 33S** Approval to Enter into an Agreement with Consultant for Production of a Port Informational Video. (Resolution)
- 34S** This item not used.
- 35S** Travel Authorization. (Resolution)
- 36S** Personnel Items: Creation of Salary Schedule; Creation of Classifications/Positions; Title Changes; and Salary Adjustments. (Ordinance)

CLOSED SESSION

40 Under Separate Cover by Secretary of the Board.

BUILDING PERMIT APPLICATION: ("S")

Dollar Rent-A-Car Systems Inc., relocation of existing rental car key kiosk at the South Airport parking lot due to a change in the FAA mandated security zone which includes the construction of a foundation slab and related electrical work.

Thrifty Rent-A-Car Systems Inc., relocation of an existing rental car key kiosk at the South Airport parking lot due to the change in the FAA mandated security zone which includes the construction of a foundation slab and related electrical work.

Budget Rental Car Systems Inc., relocation of an existing rental car key kiosk at the South Airport parking lot due to the change in the FAA mandated security zone which includes the construction of a foundation slab and related electrical work

National Rental Car Systems Inc., relocation of an existing rental car key kiosk at the South Airport parking lot due to the change in the FAA mandated security zone which includes the construction of a foundation slab and related electrical work.

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Uribe and President Tagami – 5

Noes: None

Abstent: Commissioners Kiang and Protopappas – 2

RESOLUTIONS:

02079 1 RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS FOR FURNISHING SERVICE AND MAINTENANCE FOR PASSENGER LOADING BRIDGES FOR THE PERIOD COMMENCING JANUARY 1, 2002, AND ENDING JUNE 30, 2004, 2005, OR 2006, SOUTH FIELD OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, REJECTING ALL BIDS, DIRECTING RETURN OF BID BONDS TO BIDDERS; AND AUTHORIZING A CONTRACT IN THE OPEN MARKET WITHOUT COMPETITIVE BID. (Airport – 1)

- 02080 2** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR EXPANSION OF SECURITY CHECKPOINTS IN TERMINALS 1 AND 2, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport - 2)
- 02081 3** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR PROCUREMENT OF MUSE PRINTERS FOR THE NEW INTERNATIONAL TICKET COUNTERS, TERMINAL ONE, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport - 3S)
- 02082 4** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ROLLS-ROYCE ENGINE SERVICES-OAKLAND, INC. (Airport - 4S)
- 02083 5** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH AIR TERMINAL SERVICES, INC. (Airport - 5S)
- 02084 6** RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ASPHALT CONCRETE OVERLAY OF RUNWAY 9L-27R, NORTH FIELD OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND AWARDED CONTRACT TO McGUIRE AND HESTER, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport - 6S)
- 02085 7** APPROVING PLANS AND SPECIFICATIONS FOR AIRCRAFT SOUND INSULATION PROGRAM, PHASE 2, A.I.P. 3-06-0170-26, AND PHASES 3, 4 AND 5, BAY FARM ISLAND, ALAMEDA, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport - 7S)
- 02086 8** APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION AND INSTALLATION OF POST INDICATOR VALVES AT BUILDING L-820 (HANGAR 9), NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport - 8S)

REGULAR MEETING
April 2, 2002

- 02087 9** APPROVING AND RATIFYING AMOUNT EXCEEDING THE PURCHASE ORDER CONTRACT LIMITS FOR REPAINTING HANGARS 7 AND 8, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport - 9S)
- 02088 10** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH MAHMOUD MO ALLAM AND MAGDI M. OSMAN DOING BUSINESS AS TRANSPACIFIC AVAITION SERVICES. (Airport - 10S)
- 02089 11** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH TODAY'S AIRCRAFT MAINTENANCE CONTRACTING ORGANIZATION. (Airport - 11S)
- 02090 12** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH URS CORPORATION FOR FEASIBILITY STUDY SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT. (Commercial Real Estate - 12)
- 02091 13** APPROVING AND AUTHORIZING EXECUTION OF FIRST AMENDMENT AND RESTATED NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH SSA TERMINALS, LLC FOR BERTHS 57-59, AGREEMENTS TERMINATING LEASES WITH SSA TERMINALS, LLC FOR BERTHS 32-34 AND MANGEMENT AGREEMENT WITH SSA TERMINALS, LLC FOR CHARLES P. HOWARD TERMINAL, AND AGREEMENT TERMINATING NON-EXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH YUSEN TERMINALS, INC. FOR BERTH 23. (Maritime - 21)
- 02092 14** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH O.C. JONES & SONS, INC., FOR REALIGNMENT OF MIDDLE HARBOR ROAD, ADELINE STREET OVERCROSSING TO WEST OF K STREET, VISION 2000, OAKLAND, CALIFORNIA. (Maritime - 22)
- 02093 15** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH O.C. JONES & SONS, INC., FOR CONSTRUCTION OF PORT ARNOLD/PORT VIEW PARK CONNECTOR MHSP STAGE 2, VISION 2000, OAKLAND, CALIFORNIA. (Maritime - 23)

- 02094 16** FINDING AND DETERMINING THAT A PROPOSED THIRD SUPPLEMENTAL AGREEMENT WITH MOFFATT & NICHOL ENGINEERS FOR ENGINEERING DESIGN SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime - 24)
- 02095 17** APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF BERTHS 55/56 CONTAINER YARD, PHASE 3, AND SITE IMPROVEMENTS AT MIDDLE HARBOR SHORELINE PARK, STAGE 2, VISION 2000, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Maritime - 26S)
- 02096 18** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT PROVIDING FOR TERMINATION OF LEASE WITH KEEP ON TRUCKING, INC. AND APPLICATION OF LEASE PERFORMANCE DEPOSIT FUNDS AND OTHER ASSETS TO BALANCE DUE THE PORT UNDER THE SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT WITH KEEP ON TRUCKING, INC. (Maritime - 27S)
- 02097 19** APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH GALLAGHER & BURK, INC. FOR CONSTRUCTION OF BERTHS 57-59 CONTAINER YARD AND GATE, VISION 2000, OAKLAND, CALIFORNIA, AND CHANGE ORDER FOR CONTRACT WITH WEST BAY BUILDERS, INC. FOR CONSTRUCTION OF CHASSIS MAINTENANCE AND POWER SHOP BUILDINGS D-135 AND D-136 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA. (Maritime - 28S)
- 02098 20** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH WORLDWIDE QUALITY ASSURANCE LLP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT.
(Operations - 31)
- 02099 21** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH O'RORKE PUBLIC RELATIONS & ADVERTISING, AND GLOBAL BUSINESS DEVELOPMENT & MARKETING, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT.
(Operations - 32S)

- 02100 22** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH eMOTION STUDIOS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 33S)
- 02101 23** CONCERNING CERTAIN TRAVEL. (Operations - 35S)
- 02102 24** GRANTING DOLLAR RENT-A-CAR SYSTEMS, INC. PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02103 25** GRANTING THRIFTY RENT-A-CAR SYSTEMS, INC. PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02104 26** GRANTING BUDGET RENT-A-CAR SYSTEMS, INC. PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02105 27** GRANTING NATIONAL RENT-A-CAR SYSTEMS, INC. PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02106 28** APPROVING AND AUTHORIZING EXECUTION OF ATTORNEYS' FEE SETTLEMENT AGREEMENT, IN THE AMOUNT OF \$375,000, WITH THE CITIZENS LEAGUE FOR AIRPORT SAFETY AND SERENITY ("CLASS"). (Closed Session - 40)

Vote on the following ordinances:

Ayes: **Commissioners Ayers-Johnson, Kramer, Scates, Uribe and President Tagami - 5**

Noes: **None**

Absent: **Commissioners Kiang and Protopappas - 2**

ORDINANCES:

1 ("S") Port Ordinance No. 3687 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3634 RELATING TO LANDING AND TENANT TERMINAL SPACE RENTAL FEES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.

2 ("S") Port Ordinance No. 3688 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3044, FIXING CERTAIN REVISED PARKING RATES AT THE PARKING FACILITIES IN JACK LONDON SQUARE."

Final.

- 3 ("S")** Port Ordinance No. 3689 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2083 TO ALLOW BUILDING PERMITS TO BE GRANTED FOR MORE THAN 360 DAYS."

Final.

- 4 ("S")** Port Ordinance No. 3690 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULES, AND AMENDING PORT ORDINANCE NO. 3681 TO CORRECT SECTION 5.121 OF PORT ORDINANCE NO. 867."

Final.

- 5** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE NEW SALARY SCHEDULE, NEW POSITIONS, TO AMEND CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULES."

Operations – 36S to print.

APPEARANCES: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, April 16, 2002 at 3:00 PM.**

SUMMARY AGENDA \ BOARD CALENDAR
April 2, 2002

AIRPORT

- 3S** Ratification by the Board of Commissioners of the Procurement of MUSE Printers for the New International Ticket Counters in Terminal One. (Resolution)
- 4S** Approval of License and Concession Agreement with Rolls-Royce Engine Services-Oakland, Inc. for Occupancy of Storage and Maintenance Space (7480 Earhart Road, North Airport). (Resolution)
- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Airport Terminal Services, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 6S** Ratification of Addendum and Award of Contract for Construction of Asphalt Concrete Overlay of Runway 9L-27R, North Field, OIA. (Resolution)
- 7S** Approval of Plans and Project Manual for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26 and Phases 3, 4 and 5, Bay Farm Island, Alameda, California. (Resolution)
- 8S** Approval of Plans and Project Manual for Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, OIA. (Resolution)
- 9S** Approval to Ratify Change Orders to Purchase Order Contracts to Allied Painters for Repainting of Hangars 7 & 8, North Field, Oakland International Airport. (Resolution)
- 10S** Approval of License and Concession Agreement with Mahmoud Mo Allam and Magdi M. Osman dba Transpacific Aviation Services (#1 Airport Drive, South Airport). (Resolution)

SUMMARY AGENDA
April 2, 2002

- 11S** Approval of License and Concession Agreement with Today's Aircraft Maintenance Contracting Organization (#1 Airport Drive, South Airport). (Resolution)

MARITIME

- 26S** Approval of Plans and Project Manual for Construction of Berths 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000. (Resolution)

- 27S** Keep On Trucking Company, Inc. Lease Termination. (Resolution)

- 28S** Approval of Change Orders to Contracts for Construction of Berths 57-59 Container Yard and Gate, Vision 2000, and Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59, Vision 2000 - Accommodate Tenant Modifications. (Resolution)

- 29S** Removal of Port Cranes X411 and X412. (Resolution)

OPERATIONS

- 33S** Approval to Enter into an Agreement with O'Rorke Public Relations Advertising and Global Business Development and Marketing, Inc. for Event Planning and Consultant Services Related to the Transportation and Trade Summit. (Resolution)

SUMMARY AGENDA
April 2, 2002

- 34S** Approval to Enter into an Agreement with Consultant for Production of a Port Informational Video. (Resolution)
- 35S** Recommendation to Give First Reading to an Ordinance Establishing General Rules and Regulations Governing Use and Distribution of Recycled Water and (Revising and Restating Port Ordinance No. 2124) Establishing Rules and Regulations for the Subdivision of Land and the Filing and Approval of Subdivision Maps, and Establishing Fees in Connection Therewith. (Ordinance)
- 36S** Travel Authorization. (Resolution)
- 37S** Personnel Items: Creation of Salary Schedule; Creation of Classifications/Positions; Title Changes; and Salary Adjustments. (Ordinance)

ORDINANCES: ("S")

Port Ordinance No. 3687 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3634 RELATING TO LANDING AND TENANT TERMINAL SPACE RENTAL FEES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Provides for amending landing and tenant terminal space rental fees.

Port Ordinance No. 3688 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3044, FIXING CERTAIN REVISED PARKING RATES AT THE PARKING FACILITIES IN JACK LONDON SQUARE."

Provides for fixing certain revised parking rates at the parking facilities in Jack London Square.

SUMMARY AGENDA
April 2, 2002

Port Ordinance No. 3689 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2083 TO ALLOW BUILDING PERMITS TO BE GRANTED FOR MORE THAN 360 DAYS."

Provides for allowing building permits to be granted for more than 360 days.

Port Ordinance No. 3690 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULES, AND AMENDING PORT ORDINANCE NO. 3681 TO CORRECT SECTION 5.121 OF PORT ORDINANCE NO. 867."

Provides for creating new salary schedules, new positions, amending certain sections relating to title changes and amending of salary schedules.

Agenda Sheet

DATE: March 5, 2002

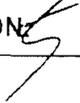
ITEM NO: 1

SUBJECT: Proposed 2002 Airline Landing Fees
and Tenant Terminal Space Rentals

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

DUPLICATE
OF PRIOR
CALENDAR MEMO

FACTUAL BACKGROUND:

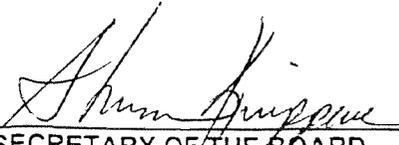
After meeting with the Airline Affairs Committee, the following rates and charges are recommended for Calendar Year 2002:

<u>Landing Fees</u>	<u>Current Charges</u>	<u>Proposed</u>
<u>SIGNATORY, BASED AIRLINES</u>		
Landing Fee	\$ 1.06	\$ 1.14
Training Landing Fee	0.53	0.57
Minimum Charge Per Landing	13.25	14.25
<u>NON-SIGNATORY, BASED AIRLINES</u>		
Landing Fee	1.33	1.43
Training Landing Fee	0.66	0.71
Minimum Charge Per Landing	16.56	17.81
<u>NON-BASED AIRLINES</u>		
Landing Fee	1.33	1.43
Training Landing Fee	0.66	0.71
Minimum Charge Per Landing	16.56	17.81
<u>Terminal Space Rental</u>		
Type I – Ticketing Counter	7.694 psf/pm	7.470 psf/pm
Type II – Office Space	6.925 psf/pm	6.723 psf/pm
Type III – Baggage Claim	6.155 psf/pm	5.976 psf/pm
Type IV – Baggage Make-Up	5.386 psf/pm	5.229 psf/pm
<u>Other Charges</u>		
Holdroom, Loading Bridge	19,086 per month	17,448 per month
Secondary Use, Signatory, Based Airline with Holdroom	114.40 per enplaning operation	111.80 per enplaning operation
Secondary Use, Non-Signatory, Based Airline with Holdroom	143.00 per enplaning operation	139.75 per enplaning operation
Secondary Use, Signatory, Based Airline without Holdroom	0.88 per enplaning pax	0.86 per enplaning pax
Secondary Use, Non-Signatory, Based Airline without Holdroom	1.10 per enplaning pax	1.08 per enplaning pax

- MOTION
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- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAR - 5 2002

DATE

<u>Other Charges</u>	<u>Current Charges</u>	<u>Proposed</u>
Secondary Use, Holdroom & Loading Bridge Non-Based Airline	1.10 per enplaning pax	1.08 per enplaning pax
Secondary Use, Signatory, Affiliated Airline	0.88 per enplaning pax	0.86 per enplaning pax
Secondary Use, Non-Signatory, Affiliated Airline	1.10 per enplaning pax	1.08 per enplaning pax
Secondary Use, Signatory, Affiliated Airline Using Small Aircraft	0.77 per enplaning pax	0.72 per enplaning pax
Secondary Use, Non-Signatory, Affiliated Airline Using Small Aircraft	0.96 per enplaning pax	0.90 per enplaning pax
Baggage Claim Area, Non-Based Airline	0.65 per deplaning pax	0.59 per deplaning pax
Terminal Use Fee Non-Based Airline	1.35 per enplaning pax	1.09 per enplaning pax

As in the past, rate setting for both landing rates and terminal rental rates is based on financial data as of June 30, 2001. The direct and indirect expenses of operations in the field and ramp area and in the terminal are computed and reduced by revenues resulting from airline activity. The remaining expenses are then paid by the airlines in the form of landing fees and terminal rental rates.

The effective date for the proposed charges for airlines that belong to the Airline Affairs Committee is retroactive to January 1, 2002. Current billings, whether higher or lower than the rates proposed will be subject to an additional charge or credit offset following the effective date of the new ordinance rates. For non-based airlines, ground handlers and car rental companies, the effective date is scheduled to be retroactive to April 1, 2002. Tenants having 30-day notice provisions in their agreements have been notified prior to March 1, 2002.

The Board of Port Commissioners hereby finds and determines that the imposition of the above changes pursuant to Section 1 of this ordinance is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 21080(b)(8) and Sections 15273 and 15061(b)(3) of Title 14 of the California Code of Regulations. The basis for the exemption under Sections 21080(b)(8) and 15273 is that the rates are established and imposed for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas. In addition, in view of the minor amount of the rate increase under Section 15061(b)(3) it can be seen with certainty that there is no possibility that imposition of the rates referenced herein will have a significant affect on the environment.

RECOMMENDATION:

It is recommended that the aforementioned rates and charges and amendments to Port Ordinance 3634 be approved.

**Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet**

DATE: March 5, 2002

ITEM NO: 11

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Amendment to Parking Rates for Jack London Square

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

**DUPLICATE
OF PRIOR**

CALENDAR MEMO

FACTUAL BACKGROUND:

Existing parking facilities serving Jack London Square include (but are not limited to) 1) 284 parking stalls in the Underground garage; 2) 1,000 parking stalls in the Washington Street garage; 3) 597 parking stalls in Lots 5, 7, and 9; 4) 54 parking stalls in Lot 11; and 5) 100 parking stalls in the Oak Street lot. We are currently under contract with Ampco System Parking to operate our parking facilities.

As a result of the Port's current financial situation, the Commercial Real Estate Division analyzed the current parking revenues and expenses in Jack London Square and has identified possible sources of additional income and savings. The last parking rate increase for our parking facilities occurred in August, 2000, when the Board of Port Commissioners approved an amendment to an ordinance approving an increase in transient and monthly parking rates.

It has been almost two years since the last parking rate increase and it is recommended that parking rates and parking operations be modified to include the following adjustments:

- 1) Increasing the validated rate charged to transient parkers.
- 2) Increasing the monthly parking fee for all parking facilities.
- 3) Eliminating the JLS Employee Shuttle program.
- 4) Allowing non-Port tenants access and use of our monthly parking program during non-peak periods.

Attached is an area map showing the various JLS parking facilities serving Jack London Square.

ANALYSIS:

1. Validated Rate: Under the existing parking fee schedule, validated rates include a \$0.50 charge for the first hour. It is recommended increasing this charge to \$0.75 for the first hour at the Washington Street garage, the Underground garage, and Lots 5, 7, and 9. Based on current parking statistics, this rate modification could generate an approximate \$171,000 additional annual income.
2. Monthly Parking Rates: Port Staff recommends increasing monthly parking rates by approximately 5%, as shown in the table below:

Location	Existing Monthly Rate	Proposed New Monthly Rate
Washington Street Garage, Levels 1 - 7	\$133.00	\$140.00
Washington Street Garage, Level 5 - 7	\$80.00	\$85.00
Lots 5, 7, and 9	\$74.00	\$78.00
Lot 11	\$74.00	\$78.00
Oak Street Lot	\$20.00	\$20.00

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN


SECRETARY OF THE BOARD

MAR - 5 2002

DATE

Some monthly parkers include Port employees, Jack London Square tenants and their employees. This rate modification could generate an approximate \$27,625 additional annual income. As part of the analysis performed, a survey of parking rates for other parking facilities was conducted. In most cases the proposed rates are equal to or less than others in the Jack London district and downtown area.

3. Jack London Employee Shuttle: The Employee Shuttle program began in June 2000, as a cost-saving alternative for employees and tenants and to encourage use of public transportation. Due to its low ridership (approximately 50 riders per day), increasing shuttle costs and the need to reduce our expense budget, we decided to terminate the shuttle services as of February 15th. The shuttle operated on two 4-hour schedules (a.m. and p.m.) Monday – Friday for a total of 8 hours per day, transporting Port employees and JLS tenants to 12th Street Bart, the Oak Street lot and Jack London Square. The Oak Street parking lot will continue to be available as a cost-saving parking alternative at the current rate of \$20.00 per month and five AC Transit bus lines will continue between 12th Street and JLS. The elimination of the shuttle service will save the Port approximately \$100,000 per year.
4. Parking for Non-Port Tenants: Over the past few years we have noticed increasing demand by district merchants and their employees for access to our parking facilities. It is proposed allowing a limited number of non-Port tenants use of Port-owned parking facilities through a monthly parking agreement (cancelable upon 30 days notice). We propose that rates for non-Port tenants be equal to those charged to Port employees and tenants, with restricted use, Monday – Friday, during non-peak hours.

Upon approval by the Board the above rate increases would be effective 30 days from Board approval, thereby providing adequate notice to those affected. This matter was discussed with the Commercial Real Estate Committee in January and recommended for consideration by the full Board.

BUDGET IMPACT:

The above actions would result in an approximate annual revenue increase of \$198,625 and a cost saving of approximately \$100,000.

OPTIONS:

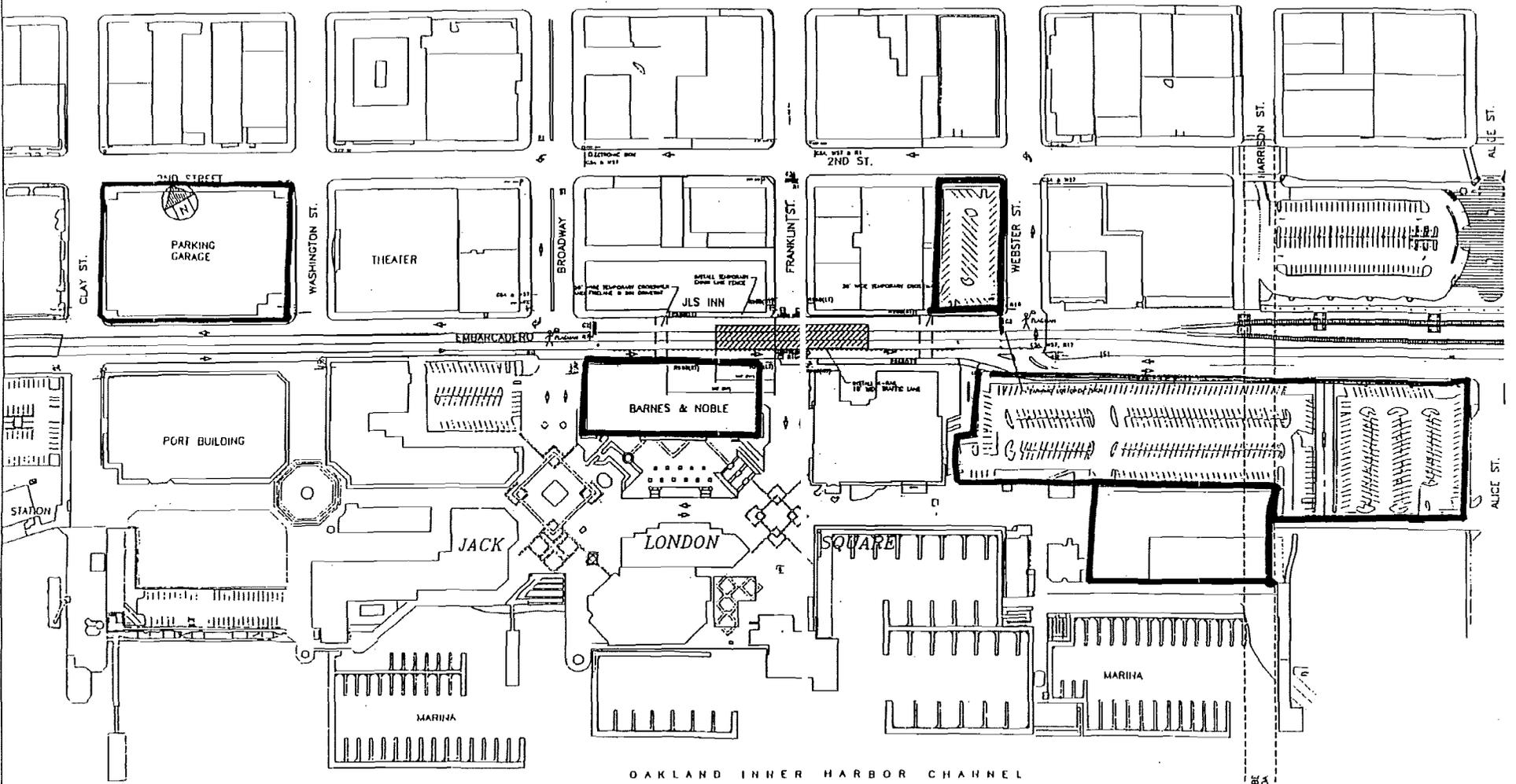
- 1) Approve the staff recommendation resulting in increased revenues and reduction of expenses.
- 2) Do not approve the staff recommendation and continue status quo.

SUSTAINABILITY:

There are no significant sustainability opportunities associated with these actions, however we believe that allowing non-Port tenants use of our resources will assist local businesses lacking parking options. Additionally, although the shuttle was initially provided to encourage public transit usage, it did not prove to be a cost-effective operation for the Port.

RECOMMENDATION:

It is recommended that the Port Board pass an Ordinance approving an amendment to the existing parking rates charged in Jack London Square.



OAKLAND INNER HARBOR CHANNEL
 STAGE 1-FRANKLIN ST (JULY 15-JULY 22)

0000-001 S&C W 0 1103231
 1-1-03-18-01 4.30PM
 PREPARED BY
 P. J. B.
 1818 BOOTH
 "ONE OF OAKLAND'S BEST"
 #1337 RESTAURANT WITH 125 SEAT
 CHAIRS
 CHECK TABLE FOR LATEST MENU

NO.	REVISION	DATE	BY	APP'D
REVIEWED	DESIGNED			
REVIEWED	CHECKED			
REVIEWED	REVIEWED			

PORT OF OAKLAND
 511 WATER ST, OAKLAND, CALIFORNIA

CHIEF ENGINEER	C. 33283
APPROVED	C. 33283
RECOMMENDED	C. 33278

CAUTION: THIS PLAN MAY BE REPRODUCED	GRAPHIC 50
JACK LONDON SQUARE	DATE: 06-23-03
TRAFFIC CONTROL PLAN FOR	SCALE: 1"=40'
JLS CROSSWALK IMPROVEMENT PROJECT	SHEET 3 OF 6 TOTAL
STAGE 1-FRANKLIN ST	AA-3752

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 31

SL ^{TD} SUBJECT: Approval of an Ordinance Revision of the Port of Oakland Permit Ordinance No. 2083 to Allow for Building Permits to be Granted for a Period Longer than 360 Days

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong
EXECUTIVE OFFICE RECOMMENDATION:

DUPLICATE
OF PRIOR
CALENDAR MEMO

FACTUAL BACKGROUND:

The Commercial Real Estate (CRE) and Engineering Divisions are working with several developers who have expressed an interest in applying for building permits that allow for multi-phased development projects to be constructed over several years. The current Port Building Permit Ordinance No. 2083 provides for only a one year shelf-life for building permits.

CRE, Engineering and Legal have given considerable thought as to how to best accommodate the need for a longer shelf-life and still encourage work authorized by a building permit to proceed in an timely basis. The solution staff suggests is to give the Board the option of setting a specific expiration date to begin work that is greater than 360 days from the time the building permit is approved. Otherwise the permit will expire in 360 days as it currently does.

Aside from being responsive to the wishes of the development community, staff believes that this Ordinance change is desirable from an overall planning and landuse prospective as it gives the Port the flexibility to grant a building permit for a period greater than 360 days should the Port so choose.

Currently, Section 3 of Port Ordinance No. 2083, as amended, reads as follows:

“(4) Expiration. A building permit application approved pursuant to this ordinance shall expire and become null and void if the building or work authorized by such building permit is not commenced within one hundred eighty (180) calendar days from the date of approval of the application or within an additional extension period of one hundred eighty (180) calendar days which the Chief Engineer of the Port may grant upon written application therefor, or if the building or work authorized by such building permit application is suspended or abandoned at any time after the work is commenced for a period in excess of three hundred sixty-five (365) calendar days.”

It is recommended that Section 3 of Ordinance No. 2083, as amended, be further amended to read as follows:

“(4) Expiration. - Unless otherwise specified at the time of approval, a building permit application approved pursuant to this ordinance shall expire and become null and void if the building or work authorized by such building permit is not commenced within one hundred eighty (180) calendar days from the date of approval of the application or within an additional extension period of one hundred eighty (180) calendar days which the Chief Engineer of the Port may grant upon written application therefore, or if the building or work authorized by such building permit application is suspended or abandoned at any time after the work is commenced for a period in excess of three hundred sixty-five (365) calendar days.”

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

MAR - 5 2002

DATE

Environmental Determination

The Board of Port Commissioners finds and determines that this project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(a) (3) of the CEQA Guidelines.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to Oakland General Plan, because the general plan provides for the issuance of building permits by the Port, as authorized by Section 708 of the Charter.

Budget

Approval of this ordinance revision will not have a direct cost impact to the Port. Disapproval could impact Port revenues, as developers might be less interested in proposing large multi-phased developments within the Port Area.

Sustainability Opportunities

There are no obvious sustainability opportunities involved. However, as a part of the building permit process, Port tenants will be encouraged to comply with the Port's Sustainability Policy for tenant improvements.

RECOMMENDATION:

It is recommended that the Board:

1. Approve the CEQA exemption for this project; and
2. Approve the First reading of this ordinance amending ordinance No. 2083, as amended, "An Ordinance Establishing Rules and Regulations for the Issuance of Building Permits in the Port Area" as described above.

Agenda Sheet

DATE: March 5, 2002

ITEM NO: 35

SUBJECT: PERSONNEL ITEMS

Creation of Salary Schedules

- Creation of Classifications/Positions

- Title Changes & Amendment of Salary Schedule Assignment

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

DUPLICATE
OF PRIOR
CALENDAR MEMO

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULES--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the following Salary Schedules in order to implement their assignments to the creation of new classifications later on this agenda.

Salary Schedule	Rep. Unit	Salaries
243.6	D	a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098
257.5	D	a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020
528.2	E	a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669
565.5	E	a--\$7506; b--\$7863; c--\$8277; d--\$8774; e--\$9300
572.5	E	a--\$7790; b--\$8180; c--\$8589; d--\$9104; e--\$9650
579.2	E	a--\$8073; b--\$8477; c--\$8901; d--\$9435; e--\$10,001
581.5	E	a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099

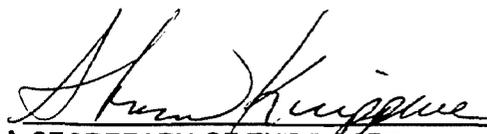
II. CREATION OF CLASSIFICATIONS/POSITIONS--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification of **Human Resource Supervisor** and assignment to **Salary Schedule 543.1** (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276). This classification will replace the Payroll/Benefits Supervisor and Personnel & Employee Services Supervisor classifications and will be more reflective of the application of the concept of broad classifications. The third position is being created to accommodate the classification resulting from a desk audit conducted on the Management Assistant classification in the Human Resources department.

NEW CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Human Resource Supervisor	OPER	CAS	3	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)

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MAR - 5 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

DATE

- It is requested that the Board approve the creation of the following classifications as a result of the Maritime Division Reorganization. Refer to item IIIA.

NEW CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Assistant Marketing Manager	OPER	Maritime	1	E	565.5 (a--\$7508; b--\$7883; c--\$8277; d--\$8774; e--\$9300)
Documentation & Statistics Assistant	OPER	Maritime	1	D	230 (a--\$4296; b--\$4512; c--\$4736; d--\$5021; e--\$5322)
Manager, Project Management Services	OPER	Maritime	1	E	576.3 (a--\$7934; b--\$8330; c--\$8745; d--\$9269; e--\$9825)
Maritime Accounts/Budget Analyst II	OPER	Maritime	1	D	243.6 (a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098)
Maritime Projects Coordinator I	OPER	Maritime	1	D	237 (a--\$4605; b--\$4837; c--\$5080; d--\$5383; e--\$5706)
Pricing and Contracts Analyst II	OPER	Maritime	2	D	243.6 (a--\$4923; b--\$5169; c--\$5427; d--\$5753; e--\$6098)
Senior Maritime Account Manager	OPER	Maritime	3	E	559.8 (a--\$7283; b--\$7647; c--\$8029; d--\$8511; e--\$9021)
Senior Maritime Accounts/Budget Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Senior Maritime Accounts/Budget Services	OPER	Maritime	1	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)
Senior Maritime Marketing Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Senior Maritime Projects Administrator	OPER	Maritime	2	E	538.4 (a--\$6519; b--\$6846; c--\$7187; d--\$7619; e--\$8076)
Senior Pricing and Contracts Analyst I	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Supervisor Pricing & Contract Services	OPER	Maritime	1	E	543.1 (a--\$6681; b--\$7015; c--\$7366; d--\$7808; e--\$8276)

It is requested that the Board approve the creation of the classification of **Assistant Airport Noise Abatement Specialist** and assignment to **Salary Schedule 226** (a-\$4129; b-\$4334; c-\$4554; d-\$4826; e-\$5115) and **Associate Airport Noise Abatement Specialist** and assignment to **Salary Schedule 240** (a-\$4748; b-\$4983; c-\$5223; d-\$5548; e-\$5879). This is a result of the Noise Abatement series classification study. Refer to item IIIC.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Assistant Airport Noise Abatement Specialist	OPER	Aviation	1	D	226 (a-\$4129; b-\$4334; c-\$4554; d-\$4826; e-\$5115)
Associate Airport Noise Abatement Specialist	OPER	Aviation	1	D	240 (a-\$4748; b-\$4983; c-\$5223; d-\$5548; e-\$5879)

D. It is requested that the Board approve the creation of the following classifications as a result of the Finance Division Reorganization. Refer to Item IIID.

NEW CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Manager, Budget & Analysis	OPER	Finance	1	E	572.5 (a-\$7790; b-\$8180; c-\$8589; d-\$9104; e-\$9650)
Manager, Financial Planning	OPER	Finance	1	E	579.2 (a-\$8073; b-\$8477; c-\$8901; d-\$9435; e-\$10,001)
Manager, Financial Systems	OPER	Finance	1	E	567 (a-\$7559; b-\$7937; c-\$8334; d-\$8834; e-\$9364)
Port Accounting Supervisor	OPER	Finance	1	E	528.2 (a-\$6190; b-\$6500; c-\$6825; d-\$7235; e-\$7669)
Port Budget Coordinator	OPER	Finance	2	E	528.2 (a-\$6190; b-\$6500; c-\$6825; d-\$7235; e-\$7669)
Port Controller	OPER	Finance	1	E	586.2 (a-\$8345; b-\$8762; c-\$9200; d-\$9753; e-\$10,338)

TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULE ASSIGNMENT-- Ordinance (2 Readings)

- A. It is requested that the Board approve the following title changes and amendment of the salary schedule assignment as indicated. The new titles are more appropriate for the duties and responsibilities that will be performed as a result of the Maritime Division Reorganization. Refer to item IIB.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Manager, Contracts, Pricing and Insurance	Manager, Business Development and Marketing	581.5 (a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099)
Manager, Capital Programs and Budget Services	Manager, Maritime Finance and Budgeting	576.3 (a--\$7934; b--\$8330; c--\$8745; d--\$9269; e--\$9825)
Chief Wharfinger	Manager, Tenant Services and Chief Wharfinger	581.5 (a--\$8152; b--\$8560; c--\$8988; d--\$9527; e--\$10,099)
Intermodal/Cargo Services Specialist – Marine Commercial Representative V	Senior Maritime Account Manager	559.8 (a--\$7283; b--\$7647; c--\$8029; d--\$8511; e--\$9021)
Senior Management Assistant – Marine Commercial Representative V-A	Senior Maritime Account Manager	No change
Senior Maritime Projects Administrator – Traffic Representative V	Supervisor Maritime Project Management Services	No change

- B. It is requested that the Board approve the following title change and amendment of the salary schedule assignment as a result of the Noise Abatement series classification study. Refer to Item IIC.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Noise Abatement Specialist	Senior Airport Noise Abatement Specialist	254 (a--\$5458; b--\$5730; c--\$6017; d--\$6377; e--\$6761)

- C. It is requested that the Board approve a title change for the following classifications. The new title is more appropriate for the duties and responsibilities performed. The new title will replace the classification of Payroll/Benefits Supervisor and Personnel & Employee Services Supervisor and will be more reflective of the application of the concept of broad classifications. The new title will not result in a change in salary. Refer to item IIA.

CURRENT TITLE	NEW TITLE
Payroll/Benefits Supervisor	Human Resource Supervisor
Personnel /Employee Services Supervisor	Human Resource Supervisor

- It is requested that the Board approve the following title changes and amendment of the salary schedule assignment as indicated. The new titles are more appropriate for the duties and responsibilities that will be performed as a result of the Finance Division Reorganization. Refer to item IID.

CURRENT TITLE	NEW TITLE	SALARY SCHEDULE ASSIGNMENT
Manager, Purchasing Department	Manager, Port Purchasing	567 (a-\$7559; b-\$7937; c-\$8334; d-\$8834; e-\$9364)
Risk Manager	Port Risk Manager	561.7 (a-\$7354; b-\$7723; c-\$8108; d-\$8593; e-\$9111)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedules, creation of classifications/positions, and title changes and amendment of salary schedule assignments.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 3S

SUBJECT: Ratification by the Board of Commissioners of the procurement of MUSE printers for the new International ticket counters in Terminal One

PROGRAM AREA:

- Airport Operations
- Commercial Real-Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The ARINC common use system (MUSE) utilizes specific and proprietary equipment in its application platform. In that assortment of equipment are the devices that are used to print the boarding passes and baggage tags for the enplaning passengers. These printers are from France and have a three to four month lead-time before they will arrive at the Airport. The Board approved the resolution for the expansion of the common systems platform in the Board meeting on March 5, which included provisioning common systems equipment for the new International Ticket counters in Terminal One. In lieu of the contract negotiations and eventual award with Arinc, it was essential to issue a purchase order to obtain these printers in time for the completion and commissioning of the new International Ticket counters in Terminal One.

ANALYSIS:

Oakland International Airport (OAK) is aggressively seeking to accommodate the incumbent and new International carriers in their operations and entrance into the Oakland market. Part of that accommodation is the current buildout in Terminal One of the new International Ticket counters. These counters will be 100% common use, meaning the International carriers that will utilize the space will share the space with each other. The entrance of new carriers into the OAK travel Market, as well as, the increase of operations by the incumbent carriers (domestic and International) has necessitated that the Airport provide them with space to operate. Hence the buildout of the new Ticket Counters and the expansion of MUSE at the Airport. The timeline for completion of the new ticket counters is for late May to early June of 2002. The common use platform must be fully operational for the International carriers to occupy and utilize that space, therefore it is necessary to request a change order from Arinc to provide 12 Automated Ticket and Boarding Pass printers (ATB's) and 12 Bag Tag Printers (BTP's) under the existing common systems contract (contract no. 99017), at a cost of \$60,372.00.

GENERAL

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (a) which exempts interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances, and Section 15061 (b) (3) which renders projects not subject to review for exemption under CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SUSTAINABILITY:

The MUSE system allows for the more efficient use of current facilities and thus reduces the need to expend resources on new construction.

Approved by Resolution
No.

02081



APR - 2 2002

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BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

DATE

OPTIONS:

The options for procurement of the proprietary printers for the MUSE expansion were only two. To negotiate the expansion contract and wait for the Notice to Proceed to place the equipment on order, in which case it would not arrive in time for the commissioning of the new ticket counters. The preferred option is to have ARINC issue a change order to the existing contract and order the printers. Staff chose the latter option to ensure a timely commissioning of the new International Ticket Counters.

RECOMMENDATION:

It is recommended that it be found in the best interest of the Port, for the expedition of long lead time equipment delivery, that the Board ratify the purchase of twelve (12) IER ATB's and twelve (12) IER BTP's for \$60,372.00. In addition, it is requested that the Executive Director be authorized to approve up to \$9,055.00 (15%) for contingencies as necessary.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of License and Concession Agreement with Rolls-Royce Engine Services-Oakland, Inc. for Occupancy of Storage and Maintenance Space (7480 Earhart Road, North Airport)

DATE: April 2, 2002

ITEM NO: 4S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SD*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Rolls-Royce Engine Services-Oakland, Inc. (Rolls-Royce) is currently under a 45-day Right-of-Entry and Indemnity Agreement (Right-of-Entry) which provides for occupancy of approximately 15,772sf of office, shop, partially paved parking, partially paved dock area and unpaved land in and adjacent to Building L-814 on the North Airport for the purpose of storage and maintenance of aircraft parts. The Right-of-Entry is effective January 14, 2002; rent is \$6,717.73 per month.

ANALYSIS:

The proposed one-year License and Concession Agreement would provide Rolls-Royce with continued occupancy of the same premises (commencing January 14, 2002 and ending December 31, 2002). Monthly rent and use would remain the same.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Rolls-Royce Engine Services-Oakland, Inc., subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02082

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

APR - 2 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Airport Terminal Services, Inc. (#1 Airport Drive, South Airport)

DATE: April 2, 2002

ITEM NO: 5S

PROGRAM AREA:

- Checked: Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Airport Terminal Services, Inc. (ATS) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated June 16, 2001 to provide baggage and ground handling, cabin cleaning, janitorial, cargo and maintenance of ground support equipment services.

ANALYSIS:

The proposed Agreement to Extend Right-of-Entry and Indemnity Agreement (Extension Agreement) would have a one-year term commencing March 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to provide baggage and ground handling, cabin cleaning, janitorial, cargo and maintenance of ground support equipment services.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with Airport Terminal Services, Inc., subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

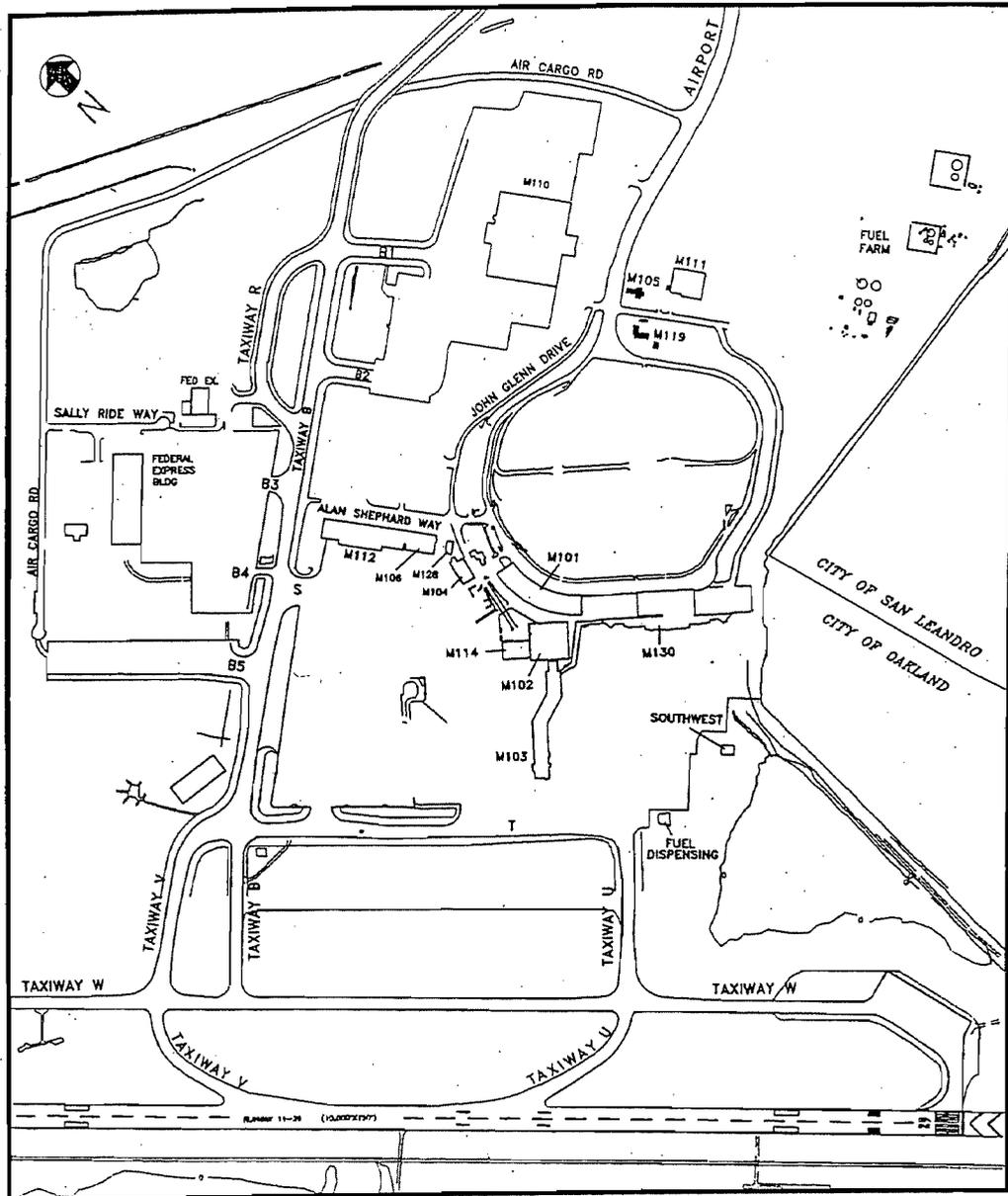
02083 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

APR - 2 2002 DATE

Board of Port Commissioners Calendar Item

Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with Airport Terminal
Services, Inc. (#1 Airport Drive, South Airport)



NO EXCLUSIVE PREMISES GRANTED.
AIRPORT TERMINAL SERVICES, INC. IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

DATE April 2, 2002

^{TD}
 SUBJECT: Ratification of Addendum and Award of Contract for
 Construction of Asphalt Concrete Overlay of Runway
 9L-27R, North Field, OIA

ITEM NO: 6S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

Four bids were received and opened on March 13, 2002, for the **Construction of Asphalt Concrete Overlay of Runway 9L-27R, North Field, OIA**. The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
McGuire and Hester	Oakland, CA	X		\$2,868,570.00
Gallagher & Burk, Inc.	Oakland, CA	X		\$3,105,803.00
Top Grade Construction, Inc.	Livermore, CA		X	\$3,130,460.00
Graniterock Co. dba Pavex Construction Division	Oakland, CA	X		\$4,248,895.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project schedule is also attached.

On February 5, 2002, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on March 13, 2002.

Addendum

Addendum No. 1 included revised versions of Document 00400, "Bid Form," and Section 01100, "Summary of Work," incorporating the minor addition of two electrical bid items and a change of estimated quantity of some electrical bid items, as well as minor phasing plan changes and clarifications; minor technical changes in two of the electrical Sections; language changes in several sections stating certain time intervals in calendar days rather than working days; and a revised version of Section 01560, "Airport Security and Safety," wherein the requirement for Site-Specific Construction Badges is removed. Certain drawings were modified to incorporate technical changes, as well as to incorporate the phasing plan changes and clarifications. The Addendum did not significantly change the physical work of the contract.

ANALYSIS:

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy, for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time in those locations. Based on the comparison of the modified bid amounts, McGuire and Hester remains the low bidder.

- MOTION
- RESOLUTION
- ORDINANCE
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Approved by Resolution
 No. 02084

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

[Signature]

APR - 2 2002

DATE

Accordingly, it is recommended that McGuire and Hester, Inc. be considered to be the lowest responsible bidder for the purposes of this Contract.

Subcontractor Listing

McGuire and Hester, Inc., listed the following subcontractors. The remainder of the work will be performed by McGuire and Hester.

<u>SUBCONTRACTORS SUBCONTRACTING AREA (Including Trucking)</u>	<u>LOCATION</u>	<u>LIABE</u>	<u>LBABE</u>	<u>“\$” AND “%” OF EACH SUBCONTRACTOR’S BID TO PRIME CONTRACTOR</u>
<u>Rosendin Electrical</u>	San Jose, CA			\$286,200.00 / 9.98%
<u>S & S Trucking Trucking</u>	Oakland, CA	X		\$270,000.00 / 9.41%
<u>Linear Options Striping</u>	Menlo Park, CA			\$78,000.00 / 2.72%
<u>Austin Ent. Grooving</u>	Bakersfield, CA			\$83,000.00 / 2.89%
<u>Monroe Trucking Trucking</u>	Oakland, CA	X		\$60,000.00 / 2.09%

Budget

The budget for this work is budgeted in CIP Element No. A1.00626.06. The funding source is Passenger Facility Charges. The low bid is within the project budget for this work. The Project Budget Detail is attached.

Sustainability

The trench spoils, excavated materials, and asphalt grindings will be used as fill on Airport property. The construction of the Project will also be phased to maintain operations of the North Field for the tenants as well as the general aviation community.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

RECOMMENDATION:

It is recommended that McGuire and Hester be found to be the lowest responsive and responsible bidder, that Addendum No. 1 be ratified, that the Contract for the above project be awarded to McGuire and Hester for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.

Construction of Runway 9L-27R Overlay, North Field, OIA

ID	Task Name	Duration	Start	Finish	Q3 '01					Q4 '01			Q1 '02			Q2 '02			Q3 '02	
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
1	Kick off meeting	1 day	Wed 05/30/01	Wed 05/30/01																
2	Start Design	53 days	Wed 05/30/01	Fri 08/10/01																
3	50% Review	1 day	Fri 08/10/01	Fri 08/10/01																
4	Revise Design	46 days	Fri 08/10/01	Fri 10/12/01																
5	75 % Review	1 day	Fri 10/12/01	Fri 10/12/01																
6	Revise Plan and Specs	15 days	Mon 10/15/01	Fri 11/02/01																
7	100% Review of Plans&Specs	1 day	Fri 11/02/01	Fri 11/02/01																
8	Revise Plans and Specs.	15 days	Mon 10/15/01	Fri 11/02/01																
9	Brd Ltr to Admin office	1 day	Fri 12/14/01	Fri 12/14/01																
10	100% Review	1 day	Wed 12/19/01	Wed 12/19/01																
11	Revise Plans&Specs	16 days	Thu 12/20/01	Thu 01/10/02																
12	Board Meeting	1 day	Tue 02/05/02	Tue 02/05/02																
13	Bid Period	23 days	Mon 02/11/02	Wed 03/13/02																
14	Open Bids	1 day	Wed 03/13/02	Wed 03/13/02																
15	Board Award of Bid	1 day	Tue 04/02/02	Tue 04/02/02																
16	Execute Contract	1 day	Mon 05/06/02	Mon 05/06/02																
17	Construction Period	62 days	Mon 05/06/02	Tue 07/30/02																
18	Construction Period Ends	0 days	Tue 07/30/02	Tue 07/30/02																

Project: Project1.9L-27R
Date: Thu 03/07/02

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY
January 17, 2002

PROJECT TITLE: Construction of Asphalt Overlay for Runway 09L-27R

CIP NO: A1.00626.06

W.O. #'s: 106563

PROPOSED FUNDING SOURCES: Passenger Facility Charges (PFC)

Narrative- Runway 09L-27R requires overlay because the existing asphalt concrete surface has deteriorated, safety features require updating, and this runway must be maintained as the only alternative runway at Oakland International Airport having an Instrument Landing System (ILS). The work will also include the following: overlay of portions of intersecting taxiways E, F, G, and H; construction of asphalt concrete shoulders for the runway and portions of the taxiways; removal and replacement of existing runway edge lighting; installation of runway guard lighting; placement of pavement striping and marking; and a \$265,000 Change Order, performed during summer 2001, for overlaying approximately 300 feet of Runway 09L-27R to match grade with a new overlay of Taxiway B.

Budget The current CIP budget for this project is included in the CIP in Element A1.00626.06. It is summarized in Table 1 below:

Table 1: Overall Budget Summary (1000's) for CIP Element A1.00626.06

Project Components	Port Labor & Fringes	Portwide OH	Consult.	Const. Cost	Misc. & Other	Totals
Construction of Asphalt Overlay for Runway 09L/27R	\$327	\$556	\$40	\$4,403	\$89	\$5,415

Remarks-

1. Assumes in-house CM

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 7S

^{TD}
SUBJECT: Approval of Plans and Project Manual for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for the **Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California**, and are hereby submitted for approval and authorization to advertise for bids.

The work of the Aircraft Sound Insulation Program, Phases 2, 3, 4 and 5 consists generally of soundproofing approximately 400 town homes and single-family homes in the Bay Farm Island area of Alameda. The soundproofing involves replacing all windows and sliding glass doors with acoustical units; sealing exterior doors and replacing exterior hollow core doors; modifying fireplace openings, dampers and skylights; providing fresh air makeup to the existing heating systems; and insulating attic spaces, where required.

ANALYSIS:

The purpose of the Aircraft Sound Insulation Program is to bring all homes within the airport's "Noise Impact Area" into compliance with California's Noise Standards Title 21, Subchapter 6.

Phase 1 of the work, which consists of soundproofing approximately 100 homes on Bay Farm Island, is nearing completion of construction.

The program previously had six phases, with 100 homes in each phase; however, the total number of homeowners expected to participate has been reduced to approximately 500.

Federal Aviation Administration's (FAA) review of the Plans and Project Manual is required prior to advertising for bids. Any changes required by the FAA review process will not significantly affect the scope and price. It is requested that the Board authorize the Executive Director to make any administrative changes in the project as required by the FAA review process.

Environmental

The proposed project is exempt from the requirements of California Environmental Quality Act in accordance with State CEQA Guidelines Section 15301, Class 1 (a and f).

General Plan

The project work is located in the City of Alameda; consequently, the City of Oakland General Plan does not apply.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02085

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

APR - 2 2002

DATE

Budget

This project is budgeted under CIP Item No. AA.03291.02. The Project Budget Detail is attached. Phase 2 will be funded by A.I.P 3-06-0170-26. Phases 3, 4 and 5 will be funded either under the A.I.P. program (applications pending) or from Passenger Facility Charges (PFC's). The Notice to Proceed for Phases 3, 4 and 5 will be dependent upon receipt of FAA funding.

The use of Federal funds will require compliance with Disadvantaged Business Enterprise (DBE) goals established in accordance with the Federal Disadvantaged Business Enterprise Program (49 CFR 26). The DBE goal recommended for this project is 8%.

Sustainability

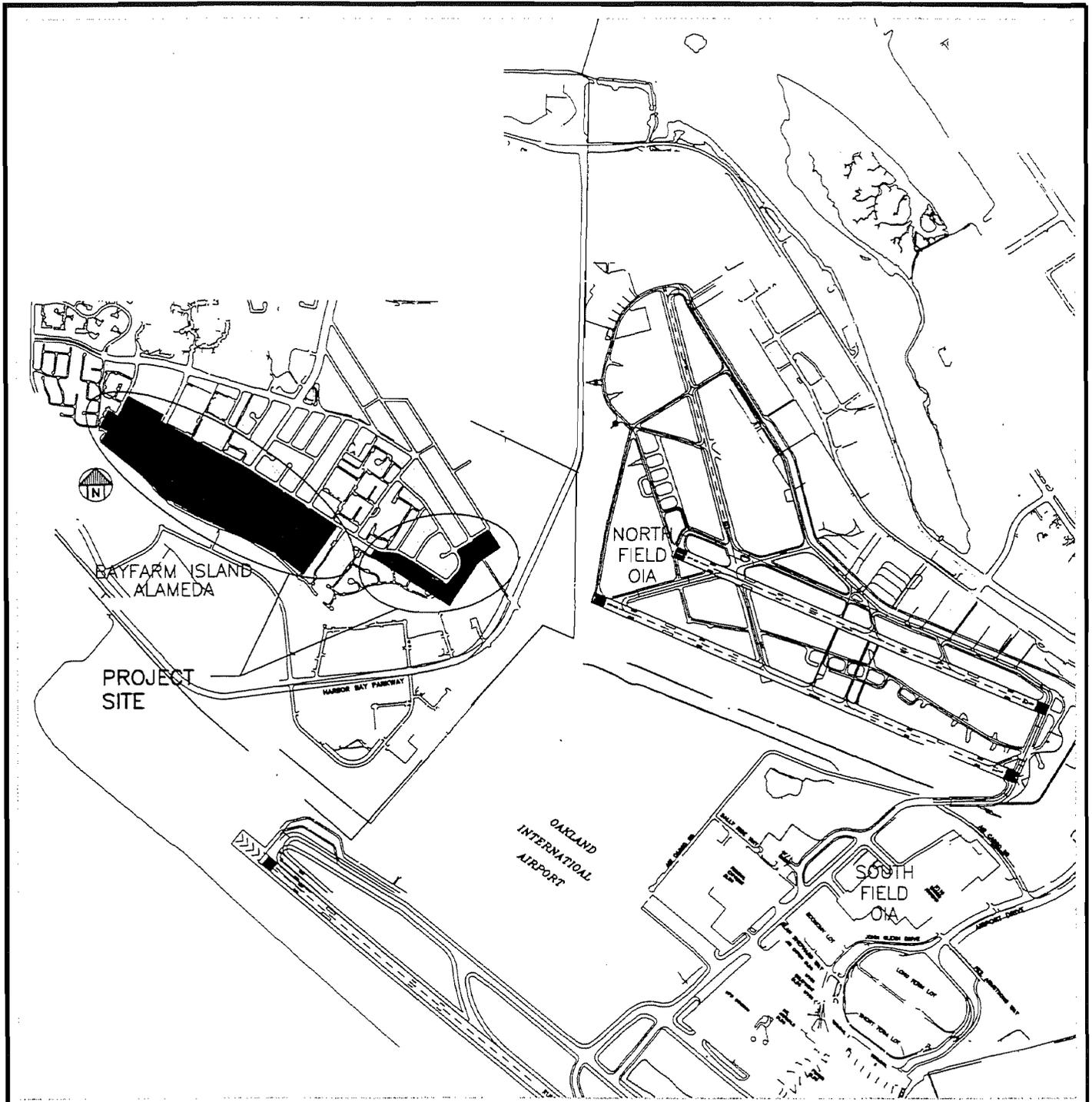
In addition to reducing interior noise, the sound insulation materials will also serve to reduce the homeowner's year-round energy use.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply to this project.

RECOMMENDATION:

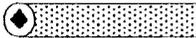
is recommended that the Plans and Project Manual be approved; authorization be given to the Executive Director to make any administrative changes required after the FAA review process; and authorization be given to advertise for bids after FAA approval, with the bids to be received approximately 30 days after advertisement.



PORT OF OAKLAND

ID	Task Name	Duration	Start	Finish	2002				2003				2004				2005
					1	2	3	4	1	2	3	4	1	2	3	4	1
1	100% Design Submittal	0 days	Mon 2/4/02	Mon 2/4/02	◆	2/4											
2	Approval of P & PM	0 days	Tue 3/26/02	Tue 3/26/02	◆	3/26											
3	Bid Opening	0 days	Tue 5/7/02	Tue 5/7/02	◆	5/7											
4	Board Award	0 days	Tue 6/4/02	Tue 6/4/02	◆	6/4											
5	Notice to Proceed - Phase 2	0 days	Mon 7/8/02	Mon 7/8/02	◆	7/8											
6	Construction - Phase 2	175 days	Tue 7/9/02	Mon 3/10/03													
7	Notice to Proceed - Phase 3	0 days	Mon 3/10/03	Mon 3/10/03					◆	3/10							
8	Construction - Phase 3	175 days	Tue 3/11/03	Mon 11/10/03													
9	Notice to Proceed - Phase 4	0 days	Mon 11/10/03	Mon 11/10/03													
10	Construction - Phase 4	173 days	Tue 11/11/03	Thu 7/8/04													
11	Notice to Proceed - Phase 5	0 days	Thu 7/8/04	Thu 7/8/04													
12	Construction Phase 5	174 days	Thu 7/8/04	Tue 3/8/05													

Project: Sound Insulation
Date: Tue 3/5/02

Task 

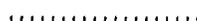
Split 

Progress 

Milestone 

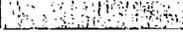
Summary 

Rolled Up Task 

Rolled Up Split 

Rolled Up Milestone 

Rolled Up Progress 

External Tasks 

Project Summary 

PROJECT BUDGET DETAIL
March 5, 2002

PROJECT TITLE: Aircraft Sound Insulation Program, Phase 2, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California

CIP NO: AA.03291.02

W.O. #'s: 106399, 106405 and 106605

PROPOSED FUNDING SOURCES: FAA Fund, PFC

Narrative: The Engineering Support for Aircraft Sound Insulation Program was tracked under work order 106405. The Phase 1 of the Aircraft Sound Insulation Program is being tracked under work order #106399. The Phases 2, 3, 4 & 5 of the Aircraft Sound Insulation Program are being tracked under work order #106605.

Budget: The Aircraft Sound Insulation Program is included in the CIP Element No. AA.03291.02. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Engineering Support for Aircraft Sound Insulation Program W.O.#106405	280	475	2,686								3,441
Aircraft Sound Insulation Program, Phase 1 W.O.#106399				2,083		150					2,233
Aircraft Sound Insulation Program, Phase 2, W.O.#106605				2,122		100					2,222
Aircraft Sound Insulation Program, Phases 3,4&5 W.O.#106605				6,919		352					7,271
Total =	280	475	2,686	11,124	0	602	0	0	0	0	15,167

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 8S

^{TD}
SUBJECT: Approval of Plans and Project Manual for Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for **Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, Oakland International Airport, Oakland, California**, and are submitted for approval and authorization to advertise for bids.

Currently, there are nine post indicator valves around Hangar 9 that are more than 50 years old and functionally inferior. These valves control the fire sprinkler system in Hangar 9, which is currently fully occupied by Port tenants. In addition, the post indicator valves do not meet the current fire sprinkler system installation codes and cannot be operated for isolation of water from the main. As a result, the sprinkler system cannot be tested periodically. It is imperative that these valves be replaced, so that the sprinkler system can be tested and maintained in accordance with the National Fire Code.

The work consists of removing and replacing the nine existing post indicator valves around Hangar 9 with new post indicator valves that comply with the existing fire sprinkler system installation codes.

ANALYSIS:

Environmental

This project has been reviewed pursuant to the requirements of the California Environmental quality Act (CEQA) and the Port's CEQA Guidelines. The project is categorically exempt from CEQA under Section 15301, Class 1 (a, d, f).

General Plan

It has been determined that this project conforms to the City of Oakland General Plan as a continuation of aviation-related use in the Oakland International Airport.

Budget

The Project Schedule and Project Budget Detail are attached. This work is budgeted under CIP Element No. A1.00239.34 and will be funded by Port cash.

Sustainability

Care will be exercised to limit the amount of removal and replacement of existing piping, pavement and shrubbery. Salvaged materials will be recycled as appropriate.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02086

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

APR - 2 2002

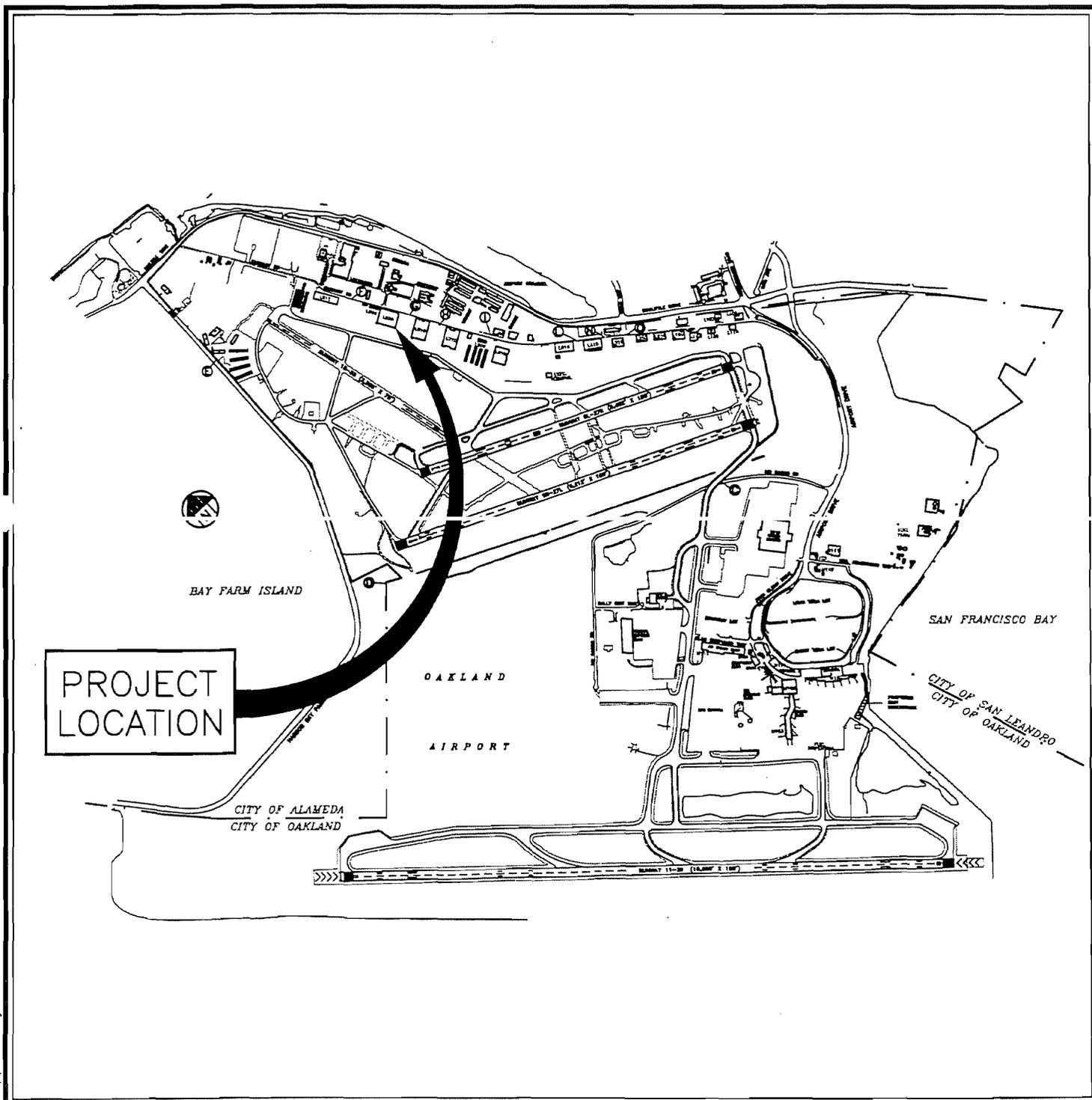
DATE

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work

RECOMMENDATION:

It is recommended that the Plans and Project Manual be approved and authorization be granted to advertise for bids to be received on May 1, 2002.



Map\106831b1.dwg

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PORT OF OAKLAND

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
April 2, 2002**

PROJECT TITLE: Upgrade of Post Indicator Valves for Hangar 9, Building L-820, North Field, Oakland International Airport

CIP NO: A1.00239.34

W.O. #: 106633

PROPOSED FUNDING SOURCES: Port Cash

Narrative: The design and construction work for upgrading the Post Indicator Valves is being tracked under work order 106633.

Budget: This project is accounted for under CIP Element # A2.00239.34. The project budget totals \$186,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A1.00

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outside Legal	Misc.	LERRS	Allow.	Tenant Costs	Totals
Upgrade of Post Indicator Valves	31	51		96	---	8	---	---	---	186

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval to Ratify Change Orders to Purchase Order Contracts to Allied Painters for Repainting of Hangars 7 & 8, North Field, Oakland International Airport

DATE: April 2, 2002

ITEM NO: 9S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SJG*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Board on May 8, 2001 approved the issuing of a second Purchase Order (PO) contract to Allied Painters to repaint the 58 year old Hangar 7 and ratified the PO contract already issued for repainting of Hangar 8 for a total of \$71,451. Allied Painters' \$71,451 bid was \$18,549 lower than the next lowest bidder.

During the conduct of the work, Port staff issued change orders totaling \$36,400.21 to respond to conditions encountered (e.g. substantial, hidden dry rot; color mismatch with eight sets of hangar doors) The following is a cost breakdown for each hangar:

	<u>Hangar 7</u>	<u>Hangar 8</u>	<u>Total</u>
Original Purchase Order	\$35,725.50	\$35,725.50	\$71,451.00
Change Orders	\$27,212.21	\$ 9,188.00	<u>\$36,400.21</u>
			\$107,851.21

RECOMMENDATION:

Staff recommends that the Board ratify the Change Orders issued to Allied Painters Inc. to repaint Hangars 7 & 8 so the Contractor can be paid for the additional work.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 07087

BOARD ACTION TAKEN

Assistant

[Signature]

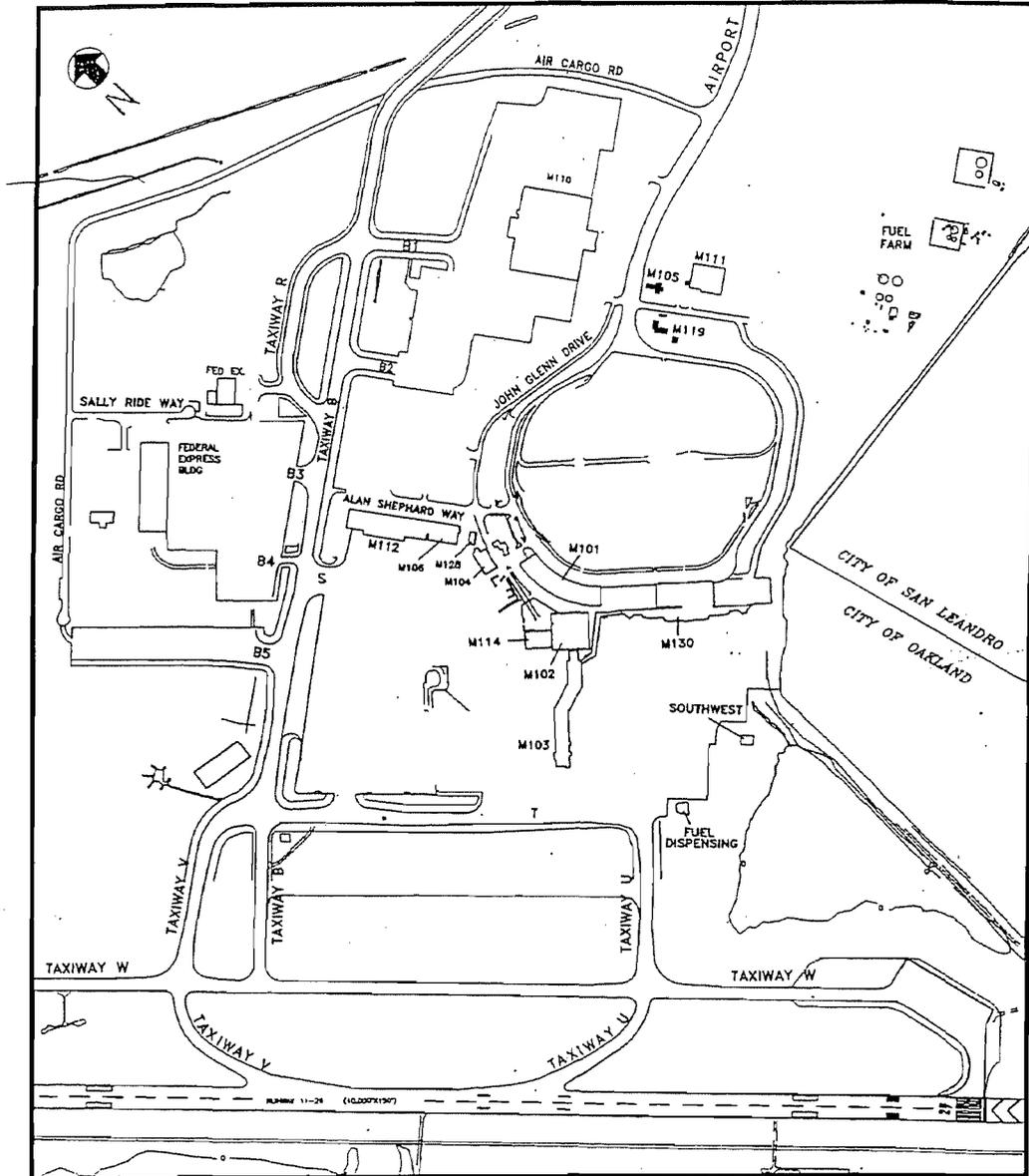
SECRETARY OF THE BOARD

APR - 2 2002

DATE

Board of Port Commissioners Calendar Item

Approval of License and Concession Agreement with
Mahmoud Mo Allam and Magdi M. Osman dba
Transpacific Aviation Services (#1 Airport Drive, South
Airport)



NO EXCLUSIVE PREMISES GRANTED.
TRANSPACIFIC AVIATION SERVICES IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 11S

SUBJECT: Approval of License and Concession Agreement with
Today's Aircraft Maintenance Contracting Organization
(#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SJG*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

Today's Aircraft Maintenance Contracting Organization (TAMCO) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated August 1, 2000 and an Agreement to Extend Right-of-Entry and Indemnity Agreement dated May 1, 2001 to provide aircraft maintenance and repair services. No premises are occupied by TAMCO under the agreements. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. During the period of January 1, 2001 through December 31, 2001, the Port received an average of \$626 per month as a percentage of gross revenues.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) would have a one-year term commencing February 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to provide aircraft maintenance and repair services. No premises would be occupied by TAMCO under the Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve the subject License and Concession Agreement with Today's Aircraft Maintenance Contracting Organization as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02089

BOARD ACTION TAKEN

[Signature]

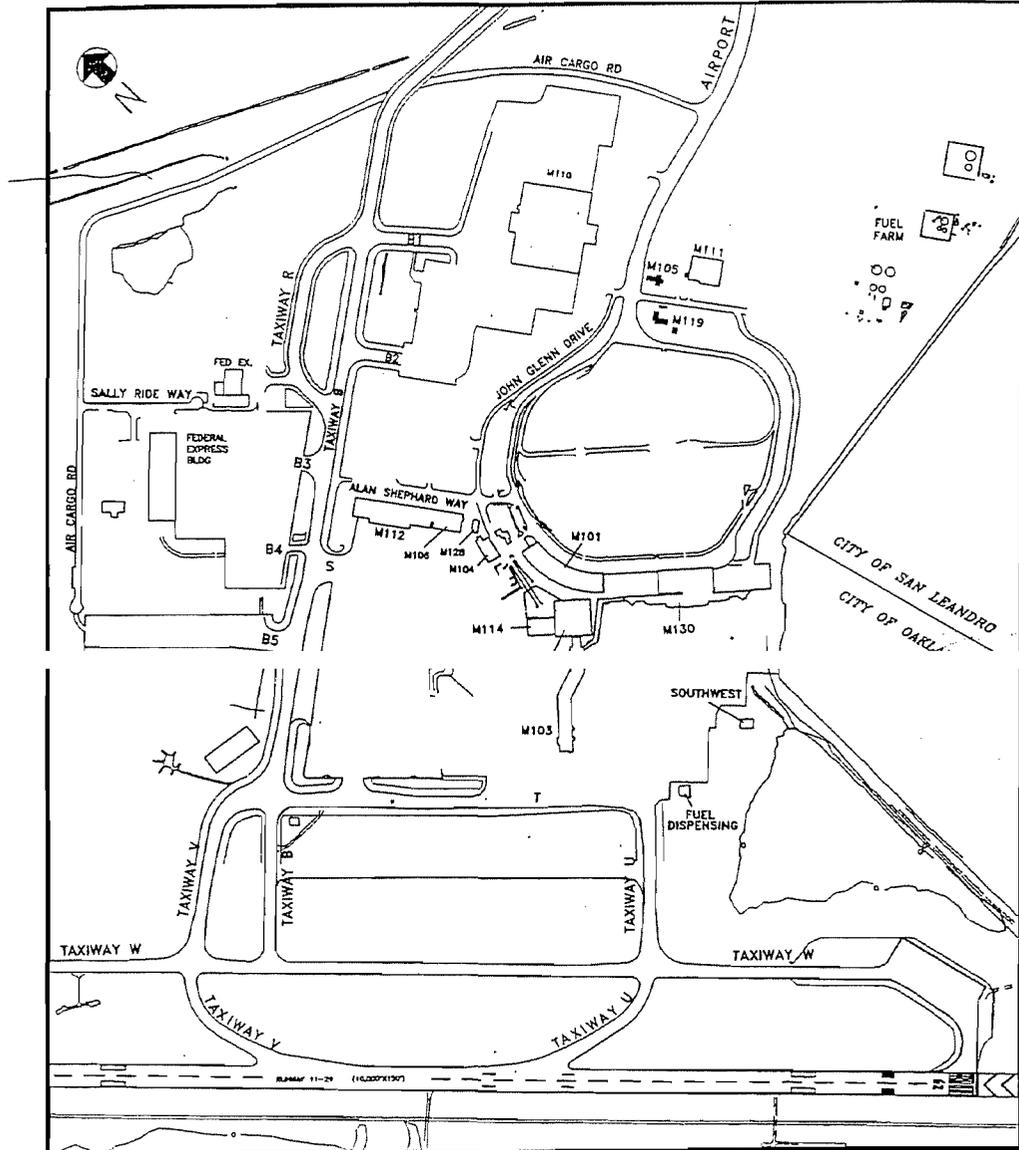
Assistant SECRETARY OF THE BOARD

APR - 2 2002

DATE

**Board of Port Commissioners
Calendar Item**

Approval of License and Concession Agreement with
Today's Aircraft Maintenance Contracting Organization
(#1 Airport Drive, South Airport)



NO EXCLUSIVE PREMISES GRANTED.
TODAY'S AIRCRAFT MAINTENANCE CONTRACTING ORGANIZATION IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of Plans and Project Manual for Construction of Berths 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000

DATE: April 2, 2002

ITEM NO: 26S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for **CONSTRUCTION OF BERTHS 55/56 CONTAINER YARD, PHASE 3, AND SITE IMPROVEMENTS AT MIDDLE HARBOR SHORELINE PARK, STAGE 2, VISION 2000, OAKLAND, CALIFORNIA**, and are hereby submitted for approval and authorization to advertise for bids.

ANALYSIS:

This project is a critical element of the Port's Vision 2000 Maritime Development Program. The work of this four hundred twenty (420) calendar day project consists generally of constructing improvements for an approximately 10 acre container yard area and for an approximately 25 acre park area. The work includes constructing container yard pavement of asphalt concrete; constructing security fencing, yard lighting, reefer receptacles, and storm drain system; furnishing and installing K-rails; painting striping and pavement graphics; constructing utility systems for electrical power, lighting, telephone, potable water, fire protection and sanitary sewer; grading of as to be landscaped; constructing roadway, parking facilities and pedestrian paths, constructing an approximately 315 foot long beach terrace with steps; constructing a 150 foot long training wall using Port-supplied materials; constructing concrete seatwall and seatpads; constructing a modular retaining wall; constructing a concrete block beach wall; constructing a beach; constructing three habitat coves; furnishing and installing benches, tables, barbecues, drinking fountains, and entrance gate bars; and installing Port-furnished historical and maritime artifacts.

In addition, the work includes constructing an observation tower, which is a three-story structure with a combined floor area of approximately 3,900 square feet. The first floor of the tower will contain restrooms.

The Plans and Project Manual for a related Vision 2000 project (Construction of Berths 55/56 Container Yard, Phase 2, Vision 2000) were approved by the Board of Port Commissioners (Board) on May 22, 2001.

With a project of this magnitude and complexity, the issuance of addenda by staff may be required during the bidding period. All addenda will be presented to the Board for ratification when the construction contract is awarded. The Maritime Committee will be made aware of addenda as they occur.

Environmental

Environmental review for the proposed project was conducted in conformance with the California Environmental Quality Act (CEQA). The construction of the Berths 55/56 container yard and Middle Harbor Shoreline Park was evaluated in the Environmental Impact Report (EIR) prepared for the Berths 55-58 Project, which identified a number of significant environmental impacts associated with the project and proposed measures to reduce several potential project impacts to a less than significant level. Project modifications and mitigation measures to

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02095
BOARD ACTION TAKEN

Assistant

Sharon Krupp
SECRETARY OF THE BOARD

APR - 2 2002
DATE

avoid potentially significant impacts are included in the project plans and project manual. However, even after mitigation, impacts on freeway traffic and air quality would remain significant. The EIR identified a program including all feasible traffic and air quality mitigation measures and explained why the Port could not feasibly reduce freeway impacts.

On April 20, 1999, the Board certified the Berths 55-58 Project EIR, approved the project, and adopted the recommended mitigation measures together with all feasible air quality mitigation measures.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 program and this particular project conform to the policies of the Oakland General Plan.

Budget

This work is budgeted under CIP Item Number M6.00583.03. The funding source is Port bonds.

Sustainability

This project is consistent with the Port's sustainable development strategy. The Port's Vision 2000 Maritime Development Program's EIR addresses the general work practices: facilities; streets, landscaping and natural areas; transportation; and business, inter-agency and community linkages.

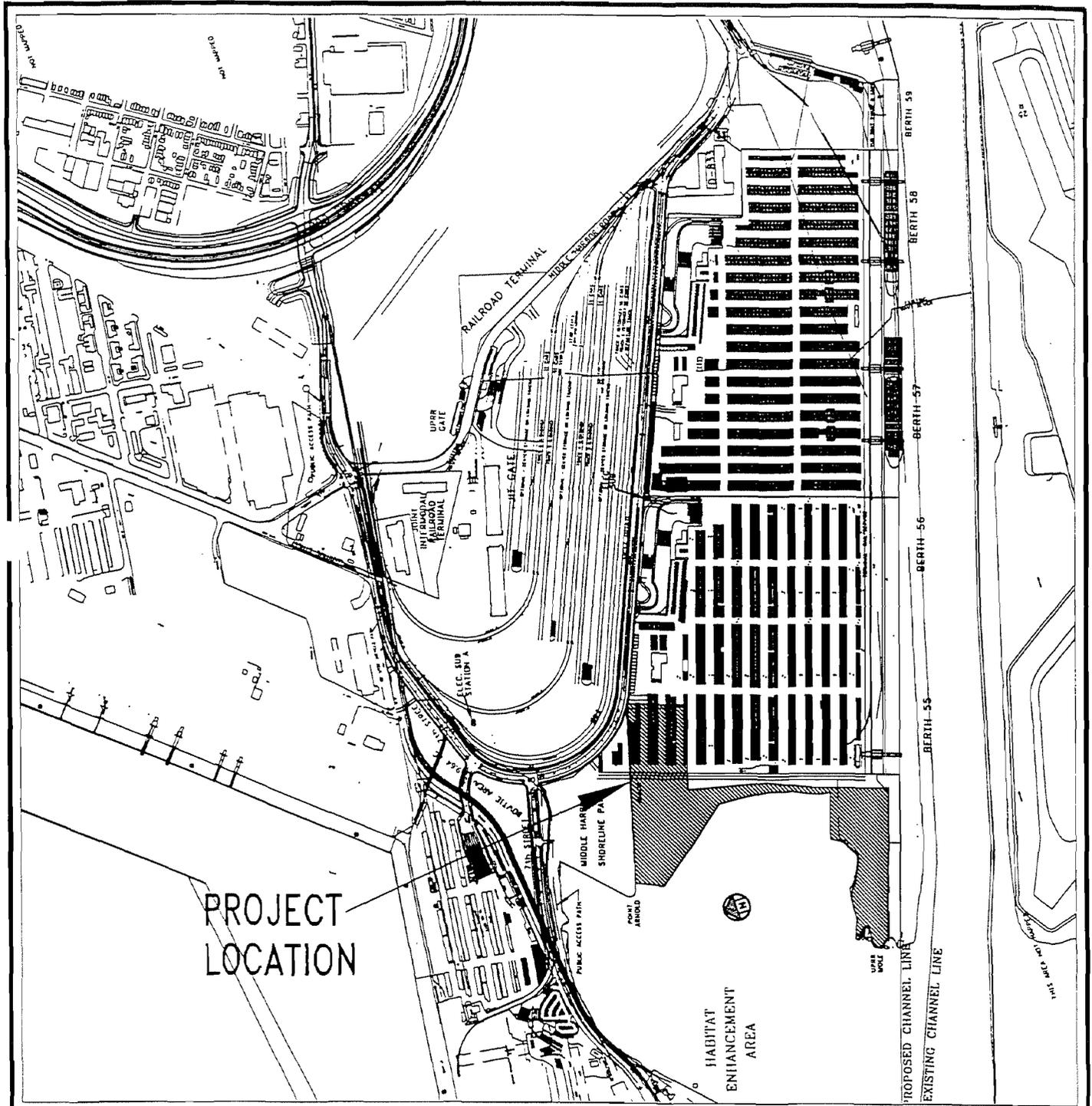
➤ project incorporates the Port's ongoing program to divert construction and demolition debris from landfill disposal.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that the plans and project manual be approved and authorization be given to advertise for bids to be received on May 8, 2002.



PORT OF OAKLAND

VISION 2000



PORT OF OAKLAND

Vision 2000 Program

Activity Description	Early Start	Early Finish	2001												2002												2003												2004											
			F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M										
Vision 2000																																																		
Middle Harbor Shoreline Park																																																		
Yard Phase 3 (Promenade, Mole, Berth 40)																																																		
Design																																																		
100% design submittal		19MAR01A	◆ 100% design submittal																																															
Approval P&S (board meeting)		02APR02													◆ Approval P&S (board meeting)																																			
Bid																																																		
bid opening		03MAY02													◆ bid opening																																			
board award contract	21MAY02	21MAY02													board award contract																																			
Construction Milestone																																																		
Notice to Proceed (Yard Phase 3)	17JUN02														◆ Notice to Proceed (Yard Phase 3)																																			
MS1: Prep Concession site		14NOV02																									◆ MS1: Prep Concession site																							
MS2: St. 1 Promenade Rd.		13DEC02																									◆ MS2: St. 1 Promenade Rd.																							
MS3: Mole Site Improvements		02JAN03																									◆ MS3: Mole Site Improvements																							
MS4: B55/56 Ph.3		12JAN03																									◆ MS4: B55/56 Ph.3																							
MS5: Promenade Improvements		11FEB03																									◆ MS5: Promenade Improvements																							
MS6: Observation Tower		12APR03																									◆ MS6: Observation Tower																							
MHSP Final Completion		11JUN03																									MHSP Final Completion ◆																							

Start Date 09OCT97
 Finish Date 28JUL06
 Data Date 01MAR02
 Run Date 08MAR02 10:21

Early Bar
 Progress Bar
 Critical Activity

MPTD

Sheet 1 of 1

Berths 55/56 Container Yard
 Phase 3, and site
 improvements to MHSP,
 Stage 2



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

March 20, 2002

PROJECT TITLE: Construction of Berths 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California

CIP NO: M6.00546.08, M6.00583.04

W.O. #'s: 103203, 103984

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Berth 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000 is tracked under work order # 103203 and #103984.

Budget: This project is funded by the CIP Element # M6.00546.08 and M6.00583.04 budget which is summarized in Table 1 below with the project estimates shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00546.08 and M6.00583.04

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00546.08 (MHSP)	523 (105)	388 (179)	8918 (4215)	2235 (1100)						12064 (5599)
M6.00583.04 (B55/56 Ph3)	135 (67)	230 (114)	2500 (2685)							2865 (2866)
Total =	658	618	11418	2235						14929

Remarks:

1. The site improvements at MHSP project is one of several park projects funded by element M6.00546.08.

Agenda Sheet

DATE: April 2, 2002

SUBJECT: Keep On Trucking Company Lease Termination

ITEM NO: 275

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION:

Background:

Keep On Trucking Company, Inc. (KOT) has a five-year Lease Agreement with the Port that expires February 29, 2004. KOT and the Port have also entered into a SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT whereby KOT is obligated to pay, in addition to rent, a sum totaling three hundred thousand dollars (\$300,000) over the five-year course of the lease, payable at the rate of five thousand dollars (\$5,000) per month, sixty thousand dollars (\$60,000) per year. KOT has provided trucking and transportation services for steel products that moved through Port docks by ocean-going ships. The Port has been asked by KOT to terminate their lease, effective April 30, 2002 because of their desire to leave the Oakland inbound foreign steel market due to the Bush administration's decision earlier this month to protect the domestic steel industry with tariffs of up to 30 percent on steel imports. KOT intends to fulfill its obligation under the SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT.

ANALYSIS & FINANCIAL IMPACT:

The Port has collected \$180,000 from the SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT, leaving a balance of \$120,000. The original projected rental income for the term of the Lease Agreement would have been \$2,383,156.42. However, in December 2000, the Board approved the First Supplemental Agreement, deleting approximately 125,399 square feet of paved land area and accordingly decreasing the monthly rent payable by KOT. Therefore the expected rental from the property for the term was decreased to \$1,751,227.50. To the date, April 30, 2002, we will have earned rental revenue of \$1,220,659.13. This is \$30,568.37 less than projected for the full 5-year term. The Port currently holds \$40,000 cash from KOT as a performance deposit. KOT proposes to release any claim on this deposit and wants to apply it to the SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT balance, bringing the collected total for that account to \$220,000, leaving a balance due of \$80,000. KOT owns three unencumbered mobile modular buildings situated on the premises and has offered them to the Port of Oakland to further mitigate the balance due for the SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT. We have received estimates of the market value of the buildings at from \$65,000 to \$85,000. The Port could benefit from the use of the buildings on site or at other locations.

ALTERNATIVES:

There are no alternatives available with KOT at this time. However, the area they will vacate will be available for temporary rentals under tariff space assignments.

SUSTAINABILITY OPPORTUNITIES:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

Approval of the proposed termination of lease and application of performance deposit monies and assets to mitigate the balance due for the SETTLEMENT, INDEMNITY AND RELEASE AGREEMENT as outlined above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 2002096

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD DATE

APR - 2 2002

Agenda Sheet

^{TD}
SUBJECT: Approval of Change Orders to Contracts for Construction of Berths 57-59 Container Yard and Gate, Vision 2000 and Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59, Vision 2000 - Accommodate Tenant Modifications.

DATE: April 2, 2002

ITEM NO: 285

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations C. I.
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with Oliver DeSilva, Inc., dba Gallagher & Burk, Inc., for the **CONSTRUCTION OF BERTHS 57-59 CONTAINER YARD AND GATE, VISION 2000, OAKLAND, CALIFORNIA**, which became effective July 26, 2001, at a bid price of \$52,280,620.

The Port also has a contract with West Bay Builders, Inc., for the **CONSTRUCTION OF CHASSIS MAINTENANCE AND POWER SHOP BUILDINGS D-135 AND D-136 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA**, which became effective on January 31, 2002, at a bid price \$3,302,348.50.

The work of the Gallagher & Burk contract generally consists of constructing approximately 136 acres of container terminal consisting of paving stone and asphalt concrete pavements; installation of Port furnished high mast light poles and fixtures; furnishing and installation of the fire protection, potable water, electrical, telecommunications, and natural gas systems; furnishing and installation of the storm drain and sanitary sewer systems; furnishing and installation of signs; and construction of the gate complex of scales and clerk booths.

The work of the West Bay Builders, Inc., contract generally consists of the engineering design, furnishing and erection of the structural steel framed, metal sided, chassis maintenance and power shop buildings, which will contain the facilities required to perform maintenance for the vehicles and equipment needed to operate the container yard.

ANALYSIS:

SSA Terminals, LLC, (SSAT) is the tenant who will operate the Berths 57-59 container yard. SSAT has requested several modifications to the northwest corner of the Berths 57-59 Yard and to the Chassis Maintenance Building. These requested changes were driven by Matson's decision to move into the facility now rather than wait up to three years. Construction of these improvements will be accelerated in order to accommodate Matson's cargo activities sooner. These improvements were originally scheduled to commence up to three years after the initial opening of the SSAT Berth 57 - 59 Terminal.

Briefly summarized, the changes to the northwest corner of the yard consist of the addition of one pre-trip reefer rack platform, relocating all pre-trip reefer platforms and the reefer wash facility, relocating the underground storm drain, sanitary sewer, domestic water, and electrical utilities serving these new pre-trip and wash facility areas, and regrading the yard at these relocated facilities. Construction of these changes is estimated to cost approximately \$275,000.

The changes to the Chassis Maintenance Building involve increasing the size of the building to accommodate 5 more service bays. This addition to the building has necessitated extending the base rock pad, reinforced concrete grade beams, foundation slab, and concrete apron for the building, increasing the amount of

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 0097

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

structural steel framing, metal roofing and siding, extending the overhead crane beam, adding interior lighting, electrical service outlets, plumbing, roof fans, pipe guards, and related items. Construction of these items is estimated to cost approximately \$982,000. These items will be completed on the same schedule as the original contract.

BUDGET:

Both the Gallagher & Burk and West Bay Builders contract changes are to be funded by CIP Item No. M6.00599.01, Budget/Awards Variance with bonds. All construction costs, including these accelerated Matson improvements, have been accounted for and are expected to be fully recovered through the compensation terms for the Berth 57-59 SSAT Agreement

OPTIONS:

The Port could elect to have this work put out for competitive bid. This option would result in delaying completion of the work for several months, add design work costs to prepare separate construction documents, likely delay the opening of the container yard, delay new incremental Port revenue, and increase the cost of the work at the site.

RECOMMENDATION:

It is recommended that the Board approve a Change Order for an approximate amount of \$275,000 to Gallagher & Burk to complete the above-described changes to the northwest corner of the yard.

It is recommended that the Board approve a Change Order for an approximate amount of \$982,000 to West Bay Builders, Inc., to complete the above-described changes to the Chassis Maintenance Building.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

March 22, 2002

SUBJECT: Construction of Berths 57-59 Container Yard and Gate, Vision 2000 and Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59, Vision 2000 – Accommodate Tenant Modifications

CIP NO: M6.00585.02, M6.00585.03

W.O. #'s: 103526, 103812

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Berths 57-59 Container Yard and Gate and Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59, Vision 2000 – Accommodate Tenant Modifications is being tracked under work order #103526 and 103812

Budget: This project is included in the CIP Element # M6.00585.02 and M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02 and M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.02	1182	1881	56277	7469						66809
M6.00585.03	216	368	8000	500						9084
Total =	1398	2249	64277	7969						75893

Remarks:

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 32S

SUBJECT: Approval to enter into an agreement with O'Rorke Public Relations & Advertising, and Global Business Development & Marketing, Inc. for event planning and consulting services related to the transportation and trade summit.

SUBMITTED BY: Harold P. Jones

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland will host a Transportation and Trade Summit on May 20th from 12:00 noon to 8:00pm. This Summit will focus on the efficient movement of goods and how the Port of Oakland is positioned to enhance California's economy.

The summit is designed to help the Port: a) retain existing Port users, b) increase volume and capacity of existing Port users, and c) attract new users / convert users.

The Port attracts tremendous revenue, investment and job creation for Oakland and surrounding areas, yet has limited means of supporting the critically necessary infrastructure improvements and enhancements required to remain competitive. This Summit is designed to help draw out the issues and to hear the voices of everyone, including the Port's commercial end users. The information will be used to better focus the Port's activities and priorities. Findings from the Summit will also help to fortify the Port's lobbying efforts for the necessary funding from federal and state legislative sources that make these activities possible and timely.

The release of the Global Gateways report by Senator Betty Karnette, one month before the Summit will help set the stage for this important initiative. This Summit will be viewed as a major step forward in this statewide initiative.

ANALYSIS:

Given the significant number of concurrent event planning and management demands on the Port of Oakland Communications Division staff, a decision was made to solicit outside professional assistance to successfully design and carry out the May 20th Transportation and Trade Summit.

Two firms have been identified to help execute this important effort. Global Business Development & Marketing, Inc. is requested to provide a scope of services, deemed critical to the success of this Summit. It will compliment the current efforts of the Port of Oakland Communications Division and the public relations/logistics efforts of contractor O'Rorke Public Relations & Advertising (O'Rorke hereafter).

Based on very clear Summit objectives outlined by the President of the Commission, it is recommended that in order to successfully achieve these objectives, a team of professionals be assembled that will assist the Division in meeting the goals of the project.

O'Rorke was retained in February of 2002 to do preliminary activities related to this Summit. Their principal responsibilities are in the following areas:

- provide overall event/logistics coordination and management
- coordinate development of the program agenda
- identify speakers and sponsors
- develop invitation copy and coordinate mail-outs and registration

GBD&M, Inc. was invited to offer:

- targeted professional assistance in effectively assembling the desired participants
- assistance in drawing out the most relevant issues for panel and group discussion

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02099

BOARD ACTION TAKEN Assistant

Stan Kuyper
SECRETARY OF THE BOARD

APR - 2 2002
DATE

GBD&M, Inc. has assembled a team and begun the initial phase of activities. It is ready to move forward in the full scope of support activities, joining the Port of Oakland Communications Division and O'Rorke. A collaborative (Port, O'Rorke, GBD&M) work plan has been established and clear deliverables set forth for each participant.

SUSTAINABILITY IMPACT/OPPORTUNITIES:

The Summit will provide an opportunity for the Port to highlight its sustainability policies at a high profile forum.

RECOMMENDATION:

It is recommended that the Commission authorize the retention of services of O'Rorke Public Relations & Advertising, and Global Business Development & Marketing, Inc. to assist the Communications Division in executing the established goals and objectives of the May 20th Transportation & Trade Summit. The total amount of the combined contracts is not to exceed \$135,000.

The Communications Division believes that O'Rorke and GBD&M, Inc.'s contribution to the success of the Summit warrants the proposed contracts for services. It is anticipated that some of these costs will be offset by summit sponsorship and participation, however, authorization for the entire amount is requested herein.

Agenda Sheet

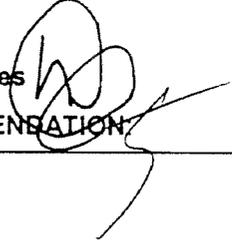
DATE: April 2, 2002

ITEM NO: 33S

SUBJECT: Approval to enter into an agreement with consultant for production of Port Informational Video.

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Board of Commissioners has requested that the Communications Division provide the Port with a professional broadcast-quality video, which will highlight the Port's unprecedented expansion in all three of its business activities.

The Port is currently positioning itself as a state-of-the-art facility by expanding Oakland's seaport terminal capacity, maximizing marine terminal efficiencies, leveraging new facilities and cultivating relationships on all levels. The Aviation Division has embarked upon its \$1.4 billion Terminal Expansion Program and the Commercial Real Estate Division is involved in a number of high-profile development projects that have long-range impact on Oakland and the East Bay.

The Port is hosting a transportation and trade summit on May 20, 2002 that will focus attention on the importance of the Port of Oakland's contribution to the economy of our state. This conference will include key stakeholders from throughout California, including business leaders, government officials, transportation specialists, environmental and urban planning professionals. The Port plays a major role in the vitality of the state's economy and the video will have added value use as a promotional and informational tool at this conference.

This year also marks the Port's 75th Anniversary, which be celebrated during the annual PortFest celebration in May and throughout the balance of the year. There will be many opportunities to highlight the Port using this short video to help effectively tell the Port's story.

A. ANALYSIS:

A 6-minute video will allow the Port to increase awareness of the Port of Oakland's regional, state, national and global economic value. It will also highlight the Port as a responsible partner with regard to social programs and sustainable activities. Key audiences will include local, state and federal government officials, public entities and agencies, business leaders, visiting delegations, community groups and the general public.

The three revenue divisions will also use the video to help meet their marketing goals, which are outlined in the Port's Strategic Plan for Fiscal Years 2002 – 2006. The video will promote and highlight key programs and projects with Port customers, which include ocean carriers, importers and exporters, warehouse/distribution and other maritime infrastructure service providers, trade development groups and regulatory agencies, airline passengers, airport tenants, airlines, cargo carriers, businesses and others who use or lease Port property.

The video will also help the Port encourage public sponsorship for and adoption of legislation, funding, projects and initiatives favorable to the Port by various legislative and regulatory bodies. It will be used to improve the public's overall perception and understanding of the Port of Oakland.

FISCAL IMPACT:

The video production is expected to cost between \$60,000 and \$90,000. A budget of \$100,000 has been set aside from the Communications Division budget for this purpose.

Extensive outreach through the Request for Qualifications process was initiated. Approximately sixteen groups attended a recent information session where our needs and expectations were outlined. A number of small, local, and minority and women owned businesses participated as well as the City-owned KTOP TV operation.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

Approved by Resolution

No. 02100

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

APR - 2 2002

DATE

SUSTAINABLE OPPORTUNITIES:

The video will provide an excellent opportunity to highlight the Port's Sustainability Policies and will be used to gain other opportunities through social programs such as job recruitment and local business access.

RECOMMENDATION:

It is recommended that the Board approve authorization to proceed with this project in an amount not to exceed \$100,000.

Agenda Sheet

SUBJECT: TRAVEL AUTHORIZATION

DATE: April 2, 2002
ITEM NO: 35S

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION: 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

As provided for in the Port's Administrative Manual, it is recommended that the Board ratify the travel of Jerry Bridges, Director of Maritime, and Sal DiGrande, Manager, Contracts & Pricing, to Taipei, Taiwan, on or about March 23 – 26, 2002, to meet with Evergreen Marine Corp. (Taiwan) Ltd. officials; and ratify the travel of Terry Smalley, Supervising Electrical/Mechanical Engineer, to Shanghai, China, on or about March 23 – April 12, 2002, for final inspection of four cranes prior shipment.

Further recommended is the ratification of travel for Phil Tagami, President, to Beijing and Guangzhou, China, to meet with CAAC/China Airlines and other government agencies, on or about the period March 22 – 28, 2000, with the Port hosting the participation of Barbara Lee, U.S. Congressperson and Henry Chang, City Council member.

Also recommended is the travel of Jane Keegan, Risk Manager, to London, England, on or about April 2 – 10, 2002, to meet with underwriters for the insurance renewals.

Additionally recommended is the travel of Phil Tagami, President, Darlene Ayers-Johnson, Vice President, David Kramer, Patricia Scates and Peter Uribe, Commissioners, Tay Yoshitani, Executive Director, Jerry Bridges, Director of Maritime and Dan Westerlin, Assistant to the Executive Director, to Tokyo, Japan, Seoul, Korea, Shanghai and Hong Kong, China, Taipei, Taiwan and Fukuoka, Japan, on or about April 20 – May 5, 2002, for calls on shipping lines and shippers.

RECOMMENDATION:

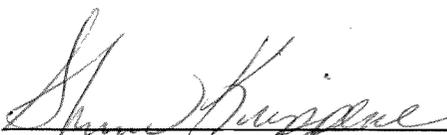
It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02101
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 2, 2002

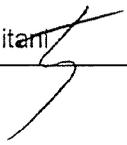
ITEM NO: 36S

- OBJECT: PERSONNEL ITEMS
- Creation of Salary Schedule
- Creation of Classifications/Positions
- Title Changes
- Salary Adjustments

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULE--Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the following Salary Schedule in order to implement their assignments to the creation of new classifications later on this agenda.

Salary Schedule	Rep. Unit	Salaries
570.5	E	(a--\$7700; b--\$8085; c--\$8489; d--\$8998; e--\$9538)

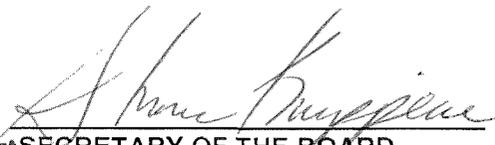
II. CREATION OF CLASSIFICATIONS/POSITIONS--Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the following classifications as a result of the Aviation/Commercial Real Estate re-organization study for the Commercial Representative series.

NEW CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Assistant Commercial Representative	OPER	Aviation-Airport Properties	3	D	225.61 (a--\$4115; b--\$4321; c--\$4535; d--\$4807; \$5097)
Associate Commercial Representative	OPER	Aviation-Airport Properties	1	D	239.6 (a--\$4733; b--\$4970; c--\$5219; d--\$5532; e--\$5863)
Senior Commercial Representative	OPER	Aviation-Airport Properties	1	E	515.1 (a--\$5783; b--\$6072; c--\$6377; d--\$6759; e--\$7164)
Supervising Commercial Representative	OPER	Aviation-Airport Properties	2	E	550.2 (a--\$7000; b--\$7350; c--\$7718; d--\$8181; e--\$8670)
Senior Supervising Commercial Representative	OPER	Aviation-Airport Properties	1	E	570.5 (a--\$7700; b--\$8085; c--\$8489; d--\$8998; e--\$9538)

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN  ASSISTANT SECRETARY OF THE BOARD

APR - 2 2002

DATE

II' TITLE CHANGES -- Ordinance (2 Readings)

- A. It is requested that the Board approve the following title changes. The new titles are more appropriate for the duties and responsibilities for Civil Engineering classifications.

CURRENT TITLE	NEW TITLE
Port Junior Engineer	Port Junior Engineer (Civil Work)
Port Assistant Engineer	Port Assistant Engineer (Civil Work)
Port Civil Engineer	Port Associate Engineer (Civil Work)
Port Supervising Civil Engineer	Port Supervising Engineer (Civil Work)
Port Junior Engineer (Electrical/Mechanical)	Port Junior Engineer (E & M Work)
Port Assistant Engineer (Electrical/Mechanical)	Port Assistant Engineer (E & M Work)
Port Electrical/Mechanical Engineer	Port Associate Engineer (E & M Work)
Port Supervising Electrical/ Mechanical Engineer	Port Supervising Engineer (E & M Work)

- B. It is requested that the Board approve the following title changes. The new titles are more appropriate for the duties and responsibilities that will be performed as a result of the Aviation/Commercial Real Estate Reorganization. Refer to item IIA.

CURRENT TITLE	NEW TITLE
Commercial Representative	Assistant Commercial Representative
Commercial Representative I-A	Assistant Commercial Representative
Commercial Representative II	Assistant Commercial Representative
Commercial Representative III	Associate Commercial Representative
Commercial Representative III-A	Associate Commercial Representative
Commercial Representative III-B	Senior Commercial Representative
Commercial Representative IV	Senior Commercial Representative
Commercial Representative V	Supervising Commercial Representative
Commercial Representative V-A	Senior Supervising Commercial Representative

IV SALARY ADJUSTMENTS-- Resolution (1 Reading)

- A. It is requested that the Board approve the amendment of the salary schedule assignment for the classification of **Youth Aide, Class "D"** (High School intern) from \$6.25 to **\$8.50** per hour. It is also requested that the salary schedule assignment for the classification of **Youth Aide, Class "C"** (College intern) is amended from \$9.20 to **\$12.00** per hour. These wages are necessary to attract more college interns and to stay competitive among other internship programs.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedule, creation of classifications/positions, title changes, and salary adjustments.

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 1

SUBJECT: Ratification of Addenda, Rejection of All Bids, and Authorization to Dispense with Competitive Bidding Procedures for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2002, and Ending June 30, 2004, 2005, or 2006, South Field, OIA

PROGRAM AREA:

- Airport Operations C.I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

Two bids were received and opened on January 9, 2002, for **Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2002, and Ending June 30, 2004, 2005, or 2006, South Field, Oakland International Airport, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE (Items 1 - 14)
Adonai Enterprises, Inc., DBA Mathews Mechanical	Newark CA			\$1,143,974.00
Marine Maintenance, Inc.	Livermore CA			\$1,273,840.00

*LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

copy of the bid canvass is on file. The location of the work is shown on the attached map.

The Board of Port Commissioners, on December 4, 2001, approved the Project Manual for this project to advertise for bids. Addenda 1 and 2 were issued by the Chief Engineer to update the Airport Security and Safety Requirements and to issue minor changes to the Project Manual. The Addenda did not significantly change the physical work of the contract.

ANALYSIS:

Adonai Enterprises, Inc., DBA Mathews Mechanical, did not include a Bid Bond with their bid, making them non-responsive. Both bids exceeded the project budget.

Because all bids exceeded the budget, it is recommended that staff revise the bidding requirements and scope of work to increase competition and to lower the estimated project cost. Such revisions, based on input from Airport Facilities and from the original bidders, may include reducing the license requirements, and modifying the required response time based on a corresponding change in the liquidated damages.

The bidding documents required the bidder to have an "A" license. Staff will explore the possibility of opening it up to other license categories to increase competitive bidding, provided that the bidders are experienced and/or qualified to work on the passenger loading bridges. Staff will also explore various combinations of extending the response time and the related assessment of liquidated damages to arrive at a cost-effective combination. The current bidding documents require a more stringent one-hour response time, which is less than the two-hour response time in the previous contract.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02079

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

APR - 2 2002

DATE

Staff will also investigate whether allowing the Contractor to perform routine maintenance from midnight to 6 A.M. instead of during normal working hours will decrease the cost. There would be a trade off for the Port to pay premium wages without liquidated damages versus during normal working hours but subject to liquidated damages.

Costs for the bidder have also increased due to the security requirements after September 11, 2001. One of the plan holders did not bid on this project because it was not feasible for him to have enough employees badged to meet the availability of the one-hour emergency response requirement. Staff intends to work with the bidders/contractors to ensure that security is not compromised because of cost issues.

Budget

The work is budgeted under in the operating budget. The funding source is Port Cash.

Sustainability

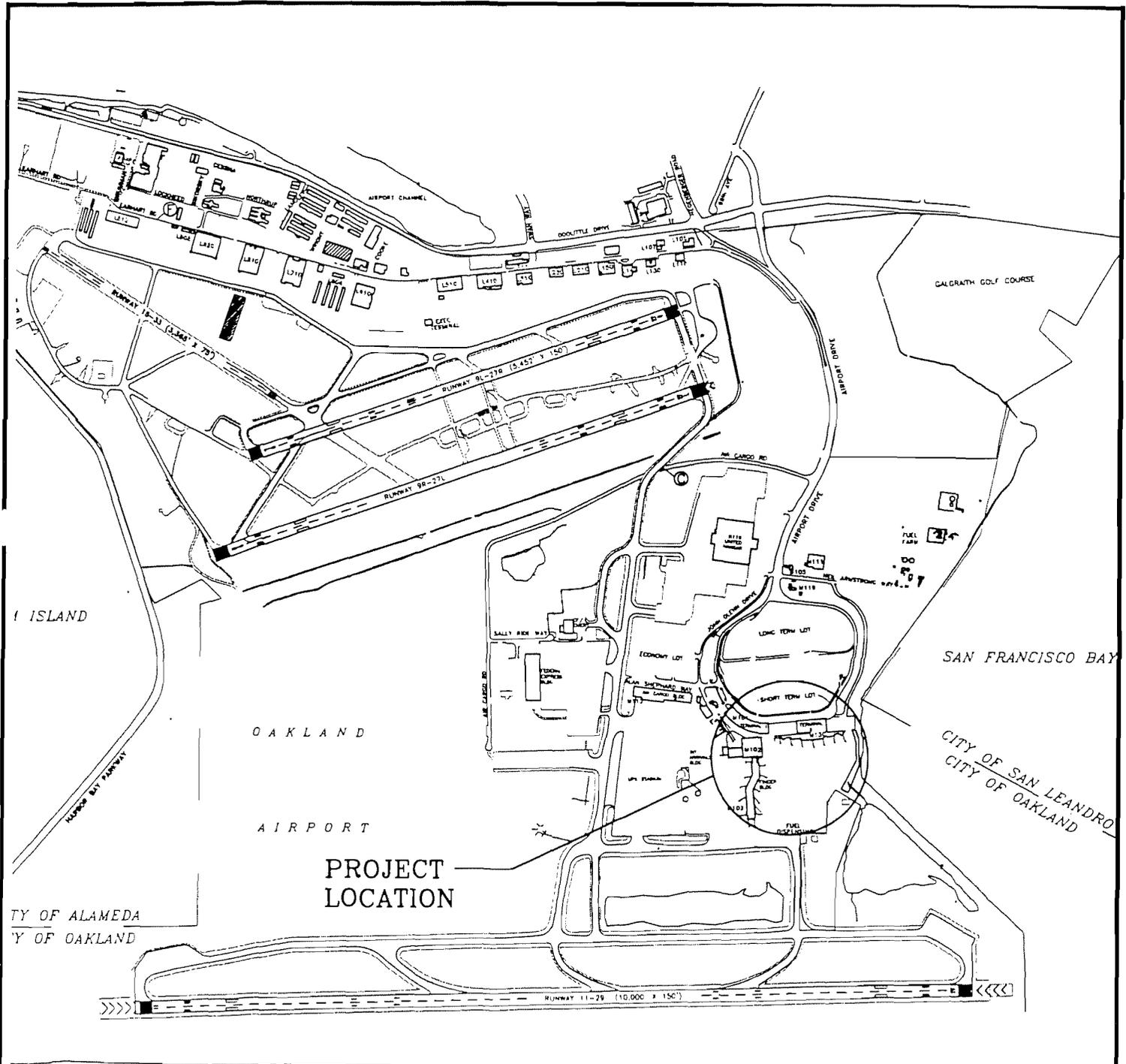
The work of this contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirements Ordinance. In addition, replaced parts and packaging and shipping materials from new parts will be recycled.

Project Labor Agreement

The provisions of the Port Maritime and Aviation Project Labor Agreement do not apply to this maintenance contract.

RECOMMENDATION:

It is recommended that the Board ratify Addenda 1 and 2, reject all bids, return bid securities to all bidders, find it in the best interests of the Port to dispense with competitive bidding procedures, and authorize the Executive Director to negotiate and execute a contract for the work on the open market.



PORT OF OAKLAND

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 2

SUBJECT: Ratification to Dispense with Standard Bidding Procedures for Expansion of Security Checkpoints in Terminals 1 and 2, South Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

BACKGROUND

The Port of Oakland completed upgrades to the security checkpoints in Terminals 1 and 2 in November and December of last year. The upgrades included adding one checkpoint line (x-ray machine/metal detector combination) to the then existing three lines in each terminal (for a total of four lines in each terminal). Each checkpoint with four lines is expected to provide an adequate level of service through the spring of 2002, keeping the maximum wait time in the security checkpoint queue to under 40 minutes during the peak periods, with an average wait time of about 15 minutes throughout the rest of the day.

In anticipation of increased passenger traffic this summer, the Port retained TransSolutions, LLC, to prepare a simulation of passenger flow in Building M-102, where the Terminal 1 security checkpoint is located. The simulation results showed that four checkpoint lines in Terminal 1 would provide an extremely low level of service. In fact, four lines would create an average wait in the queue of over 90 minutes. On the other hand, six lines would keep the maximum wait time in the queue to under 35 minutes during the peak periods, with an average wait time of less than 15 minutes throughout the rest of the day. Although six lines would also be desirable in Terminal 2, physical limitations in Building M-130 preclude more than five lines without major reconstruction that could not be accomplished by this summer.

Aviation Planning staff, in association with their As-Needed Aviation Planning Consultant, Ricondo & Associates, developed concepts to add two checkpoint lines in Terminal 1 (for a total of six lines) and one line in Terminal 2 (for a total of five lines). The Board approved the purchase of the required new x-ray machines and metal detectors on February 19, 2002. The new equipment will be delivered by June 1, 2002, or sooner if the required security checkpoint modification work can be completed earlier.

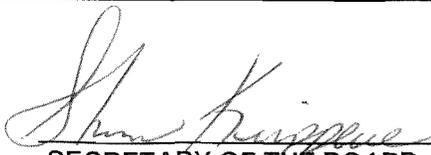
ANALYSIS:

To accommodate the placement of the additional equipment in Terminals 1 and 2, modifications to the walls at and around the checkpoints are needed and additional electrical outlets are required. To assure that the necessary modifications are constructed as quickly as possible to accommodate the additional equipment, the modifications will be constructed in 2 stages. The first stage will construct all of the modifications using temporary materials, except for the additional electrical outlets (permanent). Given the urgency of the situation, staff has already taken the steps necessary to begin this work. The second stage will construct the permanent modifications after the additional equipment has been placed and the expanded security checkpoints are in operation. The second stage will take place this summer. Since the modification work required for this project is located in two separate terminals and the individual items of work are not physically connected, the work can be separated and performed individually as the design documents become available.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02080


Assistant SECRETARY OF THE BOARD

APR - 2 2002

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

DATE

The Plans and Project Manuals are being prepared by the Port's on-call architectural consultant, Charles F. Jennings, Architects. They have prepared the documents for the first stage and are preparing the documents for the second stage. The work will be done by change orders to existing Port construction contracts and/or by other contracting means.

Environmental

The project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA Guidelines, Article 19, Section 15301(a) and (f).

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

Budget

The project is budgeted under CIP Element No. A2.00275.05. The Project Budget Detail is attached. The funding source is Port cash and FAA Security Funds.

Sustainability

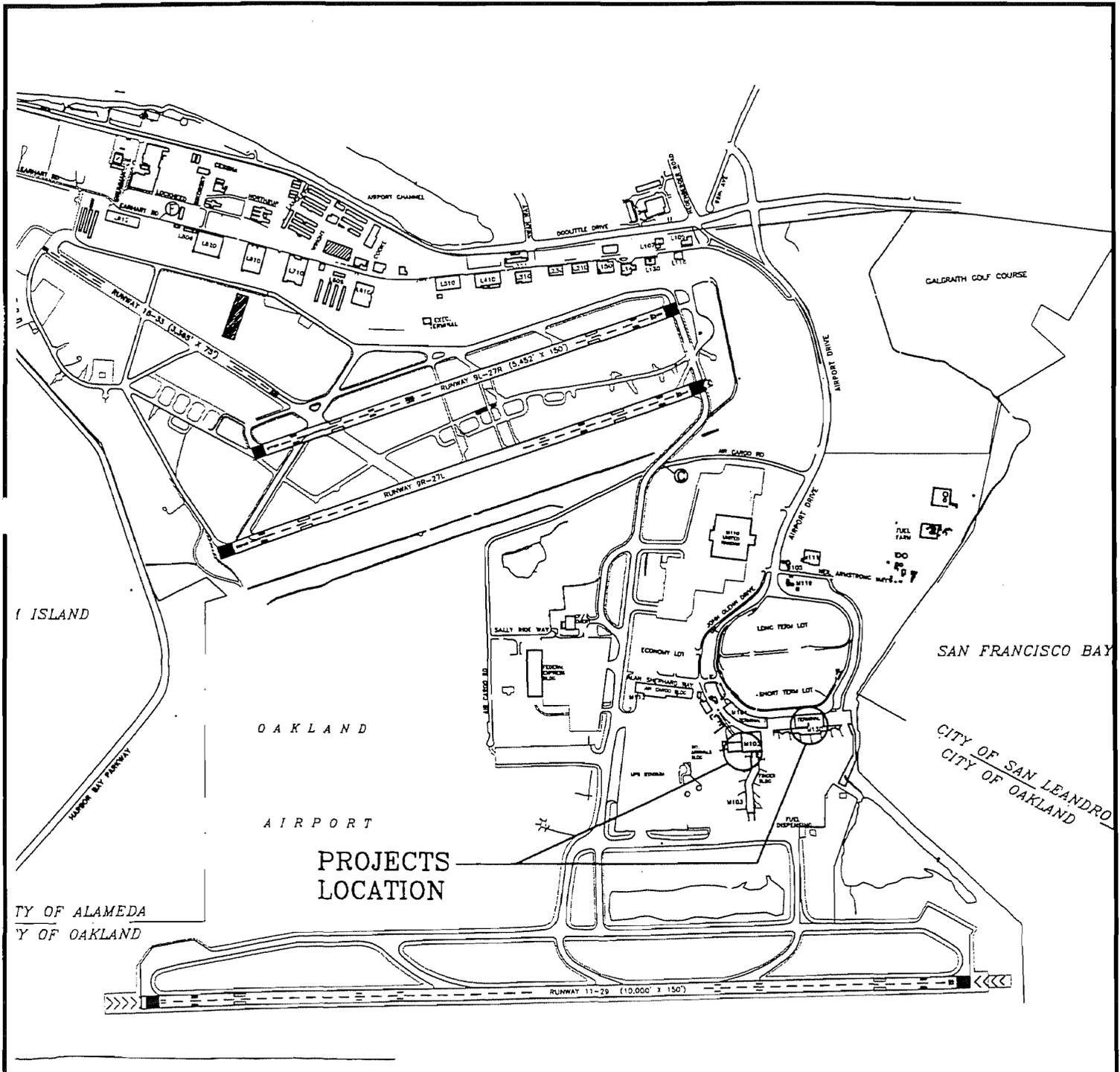
A sustainable development strategy has been implemented for the design and construction of this project. For the demolition work, it is anticipated that the contractor will salvage any materials that can be reused or sold. Since this project is located in the public area of Terminals 1 and 2, noise impacts during construction may require that certain items of work be performed at night.

Project Labor Agreement

The provisions of the Maritime and Aviation Labor Agreement (MAPLA) apply to this work.

RECOMMENDATION:

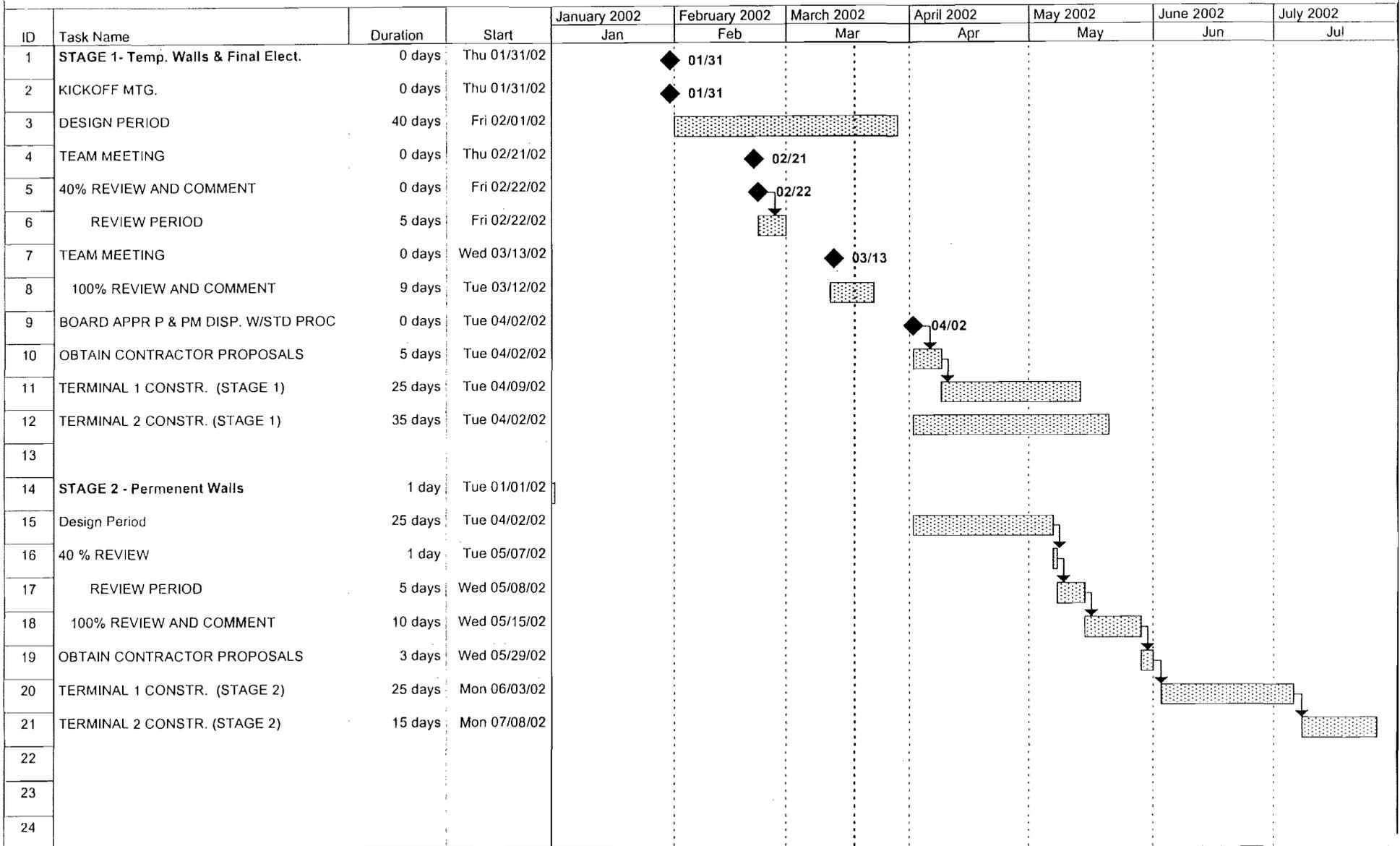
It is recommended that the Board find it to be in the best interests of the Port to dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute contract change orders with the lowest proposing contractor currently under contract with the Port and/or use other contracting means to perform the work, and ratify the actions taken by staff to begin work on this project.



PORT OF OAKLAND

SECURITY CHECKPOINT EXPANSION

OAKLAND INTERNATIONAL AIRPORT



Date: Mon 03/18/02

Task	[Patterned Bar]	Milestone	◆	Rolled Up Split	[Dotted Line]	External Tasks	[White Bar]
Split	[Dotted Line]	Summary	[Thick Black Bar]	Rolled Up Milestone	◇	Project Summary	[Thick Black Bar]
Progress	[Solid Black Bar]	Rolled Up Task	[Patterned Bar]	Rolled Up Progress	[Solid Black Bar]		

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

March 12, 2002

PROJECT TITLE: UPGRADE SECURITY CHECKPOINTS IN TERMINAL COMPLEX,
SOUTH FIELD, OIA

CIP NO: A2.00275.05

W.O. #'s: 106569, 106658, 106659 (this work), and 106675

PROPOSED FUNDING SOURCES: Port Cash and FAA Security Fund

Narrative- Additional passenger security checkpoints are required in the commercial airport, in both Terminals 1 and 2. The checkpoint requirements have grown because numbers of passengers have steadily increased for 15 years, and the required levels of passenger screening have significantly increased, particularly since serious airport security failures occurred in the U.S. on September 11, 2001. Individual passenger security processing currently exceeds two hours during peak travel periods.

The required work includes four phases: 1) Study, design and expedited construction of new lanes, 2) Design and construction of new checkpoint counters, 3) Planning and study of continuing requirements, and 4) (this work) Design and construction of checkpoint improvements to fulfill new FAA requirements.

Budget- The upgrade work is included in Element No. A2.00275.05, which includes the four phases. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary for CIP Element A2.00275.05 (1000's)

Project Components	Port Labor & Fringes (1)	Portwide OH	Consult. (3)	Const. Cost	Misc. & Other (2)	Totals
Phase 1 - Study, Design and Expedited Construction of Additional Checkpoint Lanes (Work Order No. 106569)	\$10	\$16	\$35	\$160	\$10	\$231
Phase 2 - Design and Construction of Identification Check Counters (Work Order No. 106675)	\$10	\$16		\$40	\$10	\$76
Phase 3 - Continued Study of Security Checkpoint Enhancement (Work Order No. 106658)	\$20	\$32	\$75			\$127
Phase 4 - Design & Construction of Security Checkpoint Improvements to Fulfill FAA Requirements (Work Order No. 106659)	\$40	\$66	\$50	\$400	\$10	\$566
Totals	\$80	\$130	\$160	\$600	\$30	\$1,000

Remark-

1. Assumes in-house CM.

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 12

SUBJECT: Authorization to Prepare and Execute an Agreement with URS Corporation to Perform a Feasibility Study to Connect Lake Merritt to the Oakland Estuary

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The City of Oakland is currently preparing a Master Plan for the restoration and enhancement of Lake Merritt and the surrounding area. The purpose of these enhancements being planned for the Lake is to attract new residents and visitors to the area by providing a safe and attractive greenbelt surrounding the Lake in order to improve the quality of life in Oakland. The enhancements include improvements to the pedestrian walkways and bicycle paths around the Lake and restoration of the boathouse and park areas.

As part of the City's Master Plan, the Port has been asked to perform a feasibility study to determine the possibility of connecting Lake Merritt to the Oakland Estuary. The connection could restore normal tidal flows in and out of the Lake improving water quality and wildlife habitat. The connection might also provide for pedestrian and bicycle paths and possibly a navigable waterway for small watercraft.

The City has asked that this feasibility study be completed by June of 2002 so that a bond measure can be prepared and placed on the November 2002 ballot. In order to meet his very tight schedule, Port Staff needed to expedite the selection of a consultant team to begin work immediately.

ANALYSIS:

The Port has solicited proposals from four engineering firms, all located in the Local Impact Area. The firms were selected based on their prior work performed for the Port and their engineering expertise in the fields needed to prepare this study. Proposals were received from the following three firms:

- DMJM+Harris
- JWD Group
- URS Corporation

A panel of Port staff, including a representative of the Social Responsibility Division and the City of Oakland reviewed the three proposals and determined that all three firms were qualified; all three were invited to make presentations and be interviewed. The panel ranked the three teams based on their proposals; oral presentations; qualifications; relevant experience of the firms and their key personnel; technical and management abilities; and answers to interview questions.

The following is the panel's ranking of the three firms:

<u>RANK</u>	<u>DESIGN TEAM</u>
1.	URS Corporation
2.	DMJM+Harris
3.	JWD Group

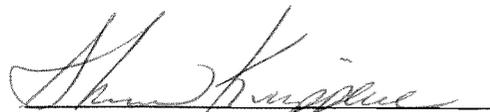
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02090

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

Environmental

N/A

General Plan

N/A

Budget

It is proposed that the Executive Director be authorized to negotiate a consultant agreement with the top ranked design team, URS Corporation, in the amount of approximately \$300,000. In addition, it is requested that the Executive Director be authorized to approve up to an additional \$45,000 for potential changes in scope.

This study is funded under CIP SM.00073.01. The funding source is Port cash.

Sustainability

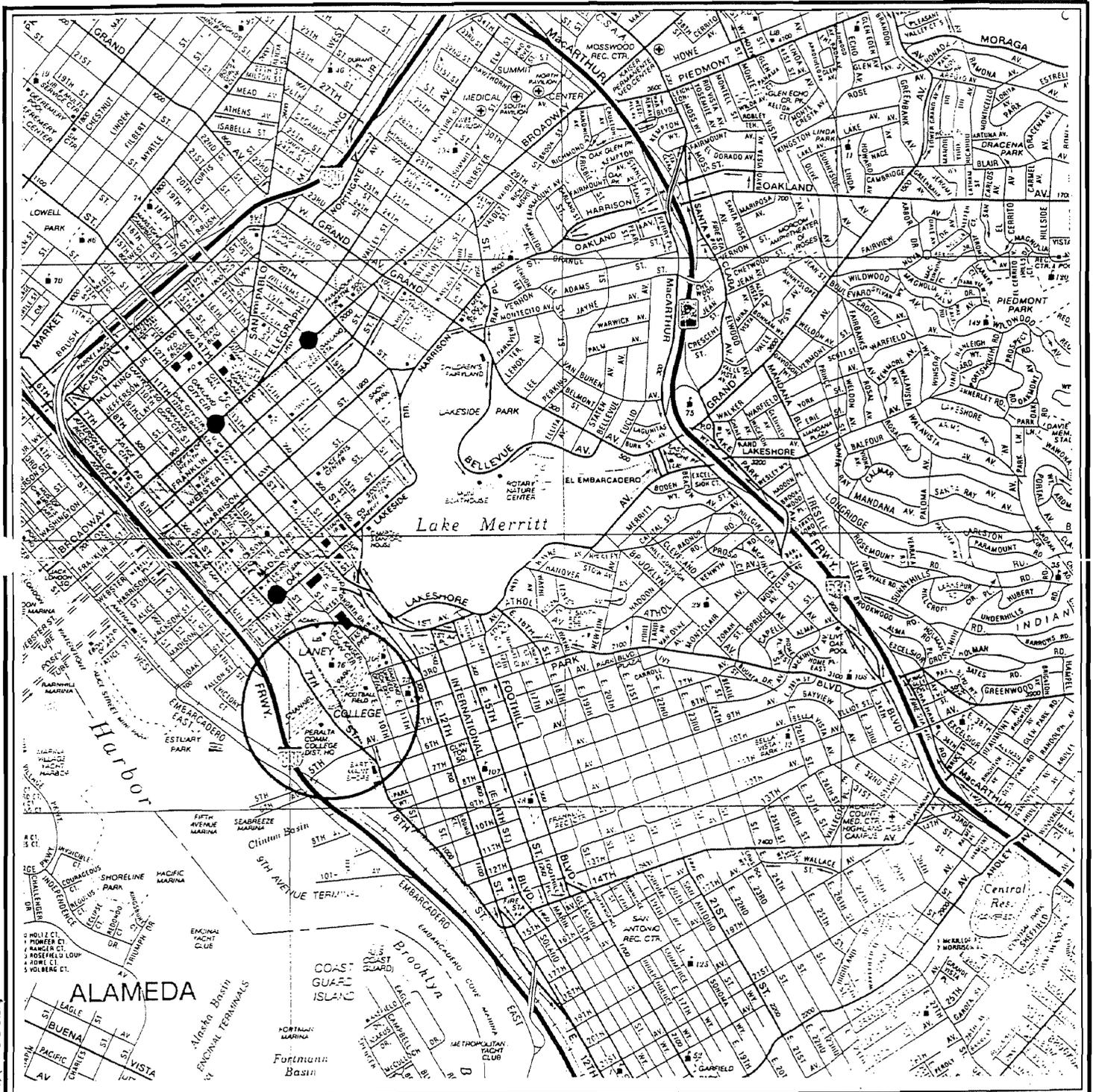
N/A

Project Labor Agreement

N/A

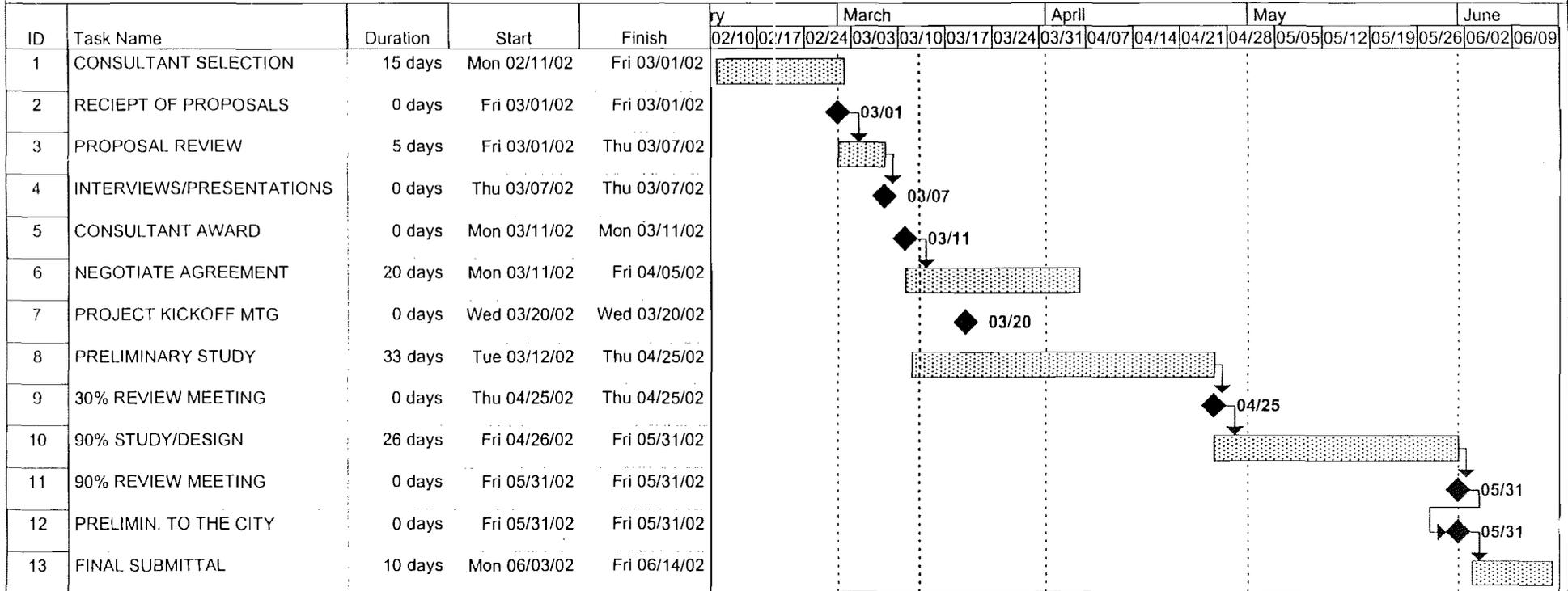
RECOMMENDATION:

It is recommended that the board determine that the services, as described above, are professional services, and authorize the preparation and execution of an agreement with URS Corporation in accordance with the above provisions.



PORT OF OAKLAND

LAKE MERRITT FEASIBILITY STUDY



Project: ProjectSCHED Date: Wed 03/13/02	Task		Summary		Rolled Up Progress	
	Split		Rolled Up Task		External Tasks	
	Progress		Rolled Up Split		Project Summary	
	Milestone	◆	Rolled Up Milestone	◇		

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT
PROJECT BUDGET DETAIL ■ November 20, 2001**

PROJECT TITLE: Lake Merritt Channel Connector Feasibility Study

CIP NO: Pending

W. O. # 104348

PROPOSED FUNDING SOURCES: Port Cash

Narrative: Project to investigate the feasibility of a connector for pedestrians, bicycles and possibly boats between Lake Merritt and the Oakland Estuary via the Lake Merritt Channel.

Budget: The CIP element number for this project is pending and will be assigned shortly. The current project budget total is \$400,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	OPA	Totals
Feasibility Study	56	94	250	0	0	0	0	0	0	0	400
Total =	56	94	250	0	0	0	0	0	0	0	400

Remarks/Notes:

1. This report provides a budget "snapshot" for Director of Engineering, Port Commissioners, etc.

Agenda Sheet

DATE: April 2, 2002

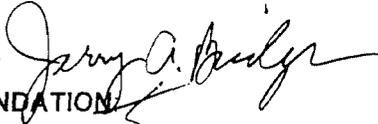
ITEM NO: 21

SUBJECT: First Amended and Restated Non-Exclusive Preferential Assignment Agreement for Berths 57-59 to SSA Terminals, LLC ("SSAT")

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

On July 5, 2000, the Board of Port Commissioners authorized an Assignment Agreement ("Original Agreement") of the second marine cargo terminal in the Port's Vision 2000 Development Program at Berths 57-59 with SSAT. The Original Agreement executed by SSAT ultimately provides for +/- 150 acres, approximately 3,600 feet of wharf and 6 super post-Panamax gantry cranes capable of an outreach of 22 containers wide which lift 115 feet over dock and which have a capacity of 65 long tons. The Original Agreement pledges the commitment of a major world-wide terminal operating company to the Port for a base term of 15 years and two separate and additional options of 5 years each. In Oakland, SSAT operations presently include the Charles P. Howard Terminal (Berths 67/68) and the Matson Container Terminal (Berths 32-34). The Original Agreement provides that the 1966 Matson Lease Agreement at Berths 32-34 will be cancelled and terminated upon the earliest of the following:

- Within 1 year after the Term Commencement Date for Berths 57-59 unless, within said 1 year period, the Assignment Agreement between the Port and Yusen Terminals Inc. ("YTI") for Berth 23 is terminated by agreement;
- Within 6 months after the docking of a Matson vessel at Berths 57-59;
- Within 3 years after the Term Commencement Date for Berths 57-59.

The Port was also to have initially delivered +/- 145.6 acres of land area and related container terminal improvements ("Original Agreement Phase 1 Premises") to SSAT. Delivery of the remainder of the premises, the area in the vicinity of building 833 (the "Phase 2 Premises") was anticipated in 2003.

The national downturn in the economy has been a cause of major concern for the maritime industry due to the weakness in demand for imports and exports. West Coast containerized cargo for calendar year 2001 was approximately 1% below that handled during 2000. As a result of these market conditions, SSAT has asked for a delay in taking and compensating the Port for +/- 18.75 acres of the Berths 57-59 facility for a 3 year period, with an associated reduction of approximately \$3 million dollars in compensation to the Port per year for the 3 year period. As part of the delay in accepting the +/- 18.75 acres, SSAT has also offered to terminate the 1966 Matson Lease and to have the Yusen Berth 23 Agreement terminated within 6 months after the Term Commencement Date of the Berths 57-59 Agreement.

In order to accommodate Matson Navigation operations at Berths 57-59, SSAT has further requested that various improvements that were anticipated to be deferred for a 3 year period be now advanced. The proposed changes to the improvement plans include modifying the Chassis Maintenance Building from 6 to 11 working bays; increasing the pre-trip reefer plugs from 60 to 100; relocation of the container wash facility; modifications to the number sizes as well as locations of the conduit stub ups to accommodate revised wiring for enhanced gate operations; installation of an automobile gate for vehicles transported in the Hawaiian Trade; and, modifications to the interim administration facility at Building D-851.

The negotiations between SSAT and the Port have resulted in a proposed First Amended and Restated Non-Exclusive Preferential Assignment Agreement for Berths 57-59 with the following key elements:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02091

BOARD ACTION TAKEN



SECRETARY OF THE BOARD

Assistant

APR - 2 2002

DATE

Delivery: SSAT will take possession and pay compensation for the +/-18.75 acres ("Phase 1.1 Premises ") within 3 to 5 years after the Agreement Term Commencement Date on a date determined by the Port. The additional 2 years beyond the 3 years requested by SSAT was negotiated to give the Port more flexibility . Until such time as SSAT takes possession of the Phase 1.1 Premises, the area shall be fenced off and totally inaccessible to SSAT, except in accordance with a subsequent agreement between the Port and SSAT. The Port reserves the right to use itself or assign the fenced off area and all improvements thereon, including lighting, so long as such use does not interfere with SSAT operations at the remaining area of Berths 57-59.

Term Commencement: Except as the Port in its sole discretion otherwise elects, the +/- 18.75 acres comprising the Phase 1.1 Premises must be accepted by SSAT as Substantially Complete, as defined in the proposed First Amended and Restated Non-Exclusive Preferential Assignment Agreement, at the same time the improvements including 600 feet of berth area on the +/-4.8 acres comprising the Phase 1.2 Premises are accepted as Substantially Complete. The Port shall deliver the Phase 1.1 Premises to SSAT in at least as a good a condition as they were in when the improvements to the Phase 1.1 Premises were first Substantially Complete, normal wear and tear from maritime activities during the expected 3 to 5 year period excepted.

Existing Matson Lease Agreement (Berths 32-34), Yusen Agreement (Berth 23) and Howard Terminal Agreement (Berths 67-68): The 1966 Matson Lease Agreement, which was previously assigned to SSAT, the Yusen Agreement and the Howard Terminal Agreement will terminate within 6 months after the Term Commencement Date for the Berths 57-59 Terminal. The exact date of termination will be determined by the tenant.

Delivery of Phase 2 Improvements: The target date for delivery of the area in the vicinity of Building 833 to SSAT is on or about October 15, 2004.

The proposed First Amended and Restated Non-Exclusive Preferential Assignment Agreement for Berth 57-59 provides a post-Term Commencement Date phase-in of operations during which the Minimum Annual Guarantee ("MAG") will be reduced, in addition to the existing provisions for a pre-term Commencement Date no compensation phase-in. The MAG is reduced to between one-third and two-thirds for up to 60 days depending upon when new vessel calls occur at the new terminal and when the existing Matson and Yusen agreements are terminated.

Finally, SSAT wishes to assign the Berths 57-59 Agreement to a new limited liability company (to be known as "SSAT Oakland") composed of SSAT and YTI, and to be provided the opportunity in the future to sub-assign portions of the Premises to YTI. SSAT requests that the assignment to SSAT Oakland be approved now, but any subsequent sub-assignment to YTI would only occur if requested and approved in the future.

ANALYSIS & FINANCIAL IMPACT:

As indicated above, the changes to the improvement plans were initially planned for and will be done sooner in order to accommodate the earlier shift of Matson from Berths 32-34 to Berths 57-59. Indications are that the related change orders are within original cost estimates.

From a practical perspective and notwithstanding the provisions of the Original Agreement, SSAT had always advised that they would transfer Matson operations within 3 years from the Term Commencement Date at Berths 57-59. SSAT also indicates that they will want access to the +/- 18.75 acre area within 3 years from their term commencement at Berths 57-59.

In accordance with the MAG provisions of the Berth 57-59 Original Agreement and whether SSAT achieves certain economic incentives, delivery delay of the +/- 18.75 acres will diminish Port revenue no more than \$3,083,438 annually. However, the proposal allows the Port to rehabilitate and market +/- 60 acres of the old Matson facility 3 years sooner, following rehabilitation which is expected to take 12 to 14 months. Minimum target rental of \$120,000 to \$125,000/acre/year is anticipated for the rehabilitated Matson area which equates to a minimum of \$7,200,000 annually for the Port when the Matson area is again operational, approximately 2 years sooner than originally anticipated.

Termination of the YTI Agreement at Berth 23 also permits earlier rehabilitation and revenue enhancement of Berths 20-23 in the Outer Harbor by combining all Maersk/Sea-Land facilities, which are presently separated by Berth 23, so that they are contiguous.

Additionally, the 3 year carve out of the +/- 18.75 acres facilitates reconstruction of the APL facility. The +/-18.75 acres can be used to assist construction staging and related logistics. This will preserve approximately \$500,000 to \$1,000,000 annually that would have had to be displaced from the "Roundhouse Property" on the other side of the APL Terminal. Earlier completion of the APL work allows the Port to assess the new graduated APL MAG at the full amount of \$9,600,000 sooner.

ALTERNATIVES:

N . In view of the present economic situation, staff believes the proposal and analysis as outlined above present the best course of action for the Port as it allows us to bring the Matson Terminal up to market compensation levels 2 years sooner which then allows the Port to more than offset the revenue reduction caused by the delay in delivery of the +/- 18.75 acres to SSAT. The delayed delivery of the +/- 18.75 acres to SSAT also facilitates rehabilitation of the APL Terminal which has improvement plans of \$45,000,000. The early vacation of the YTI facility at Berth 23 will allow for the anticipated reconfiguration of the Outer Harbor facilities, including realignments that will accommodate major shipping line alliances thereby helping to enhance Port revenues. Maritime staff is also working to backfill Howard Terminal.

The proposed changes to the Agreement as outlined above are categorically exempt under the Port CEQA Guidelines, Section 15301 which provides for operations, repair, maintenance, or minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features, including renewals, extensions or amendments to leases or license and concession agreements involving negligible or no expansion of the use beyond that previously existing.

The Port analyzed the impacts of expansion in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), and for construction of a joint intermodal rail terminal (Final Environmental Impact Statement/Environmental Impact Report, Joint Intermodal Terminal ("JIT"), June 1999, Resolution 99245). The latter document analyzed the impacts of increases in terminal throughput of over 260,000 lifts by 2010. The EIRs for Vision 2000 and the JIT analyzed impacts by anticipating reuse and a more efficient configuration of existing terminals. Thus, changes in the te cency of the existing marine terminals, such as those described in this Agenda Sheet, are categorically exempt under Section 15301 of the Port CEQA guidelines because the changes involve negligible or no expansion of the previously existing use.

Subject: First Amended and Restated Non-Exclusive
Preferential Assignment Agreement for
Berths 57-59 to SSA Terminals, LLC ("SSAT")

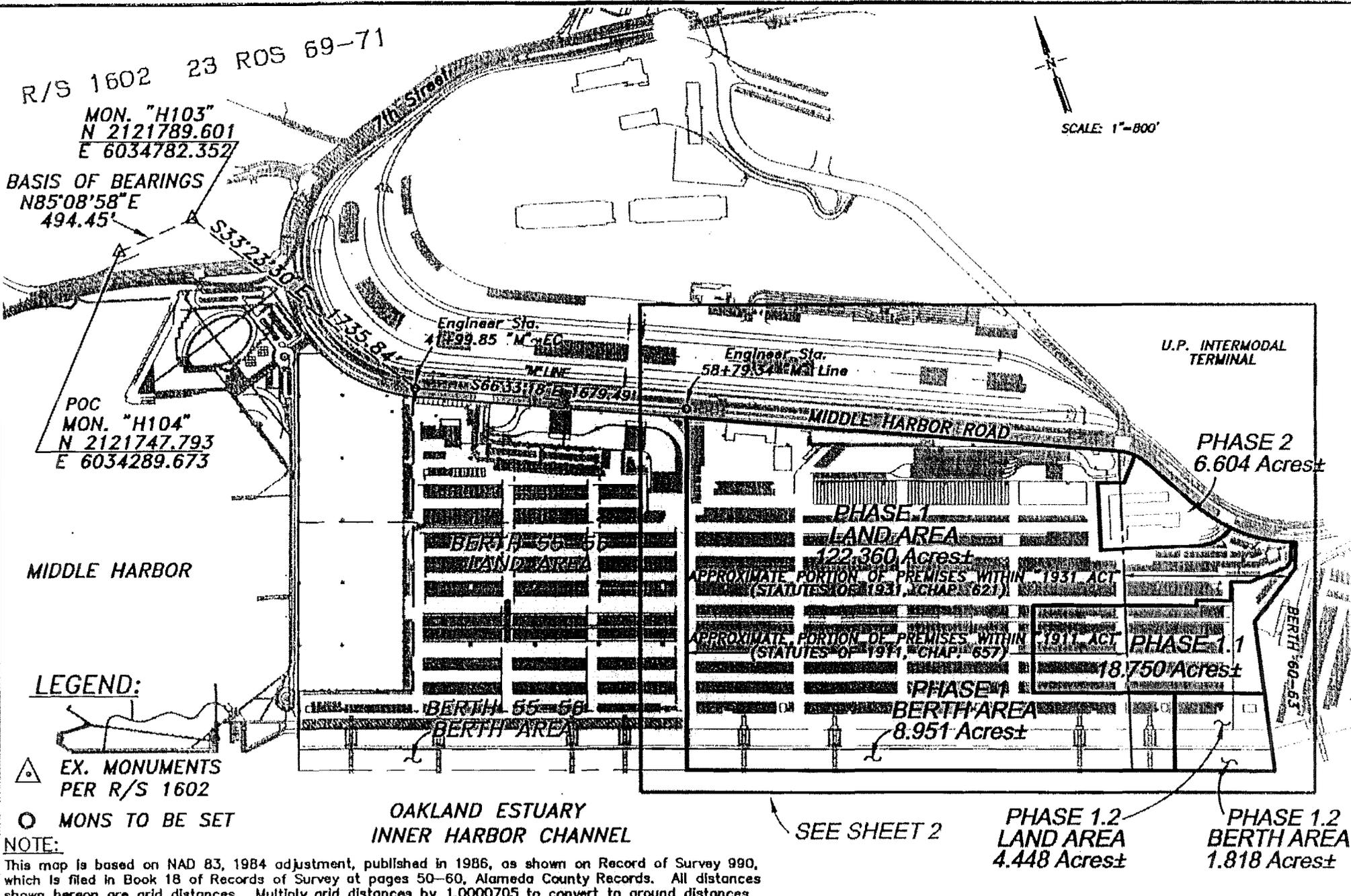
Page 4 of 4

SUSTAINABILITY FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

The Board pass a resolution which approves and authorizes execution of: (1) The proposed First Amended and Restated Non-Exclusive Preferential Assignment Agreement with SSAT for Berths 57-59, as outlined above; (2)an agreement terminating the YTI Agreement, as outlined above; (3) an agreement terminating the 1966 Matson Lease Agreement, as outlined above; and (4) an agreement terminating the SSAT Howard Terminal Management Agreement, as outlined above.



R/S 1602 23 ROS 69-71
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 E 6034782.352
 BASIS OF BEARINGS
 N85°08'58"E
 494.45'

POC
 MON. "H104"
 N 2121747.793
 E 6034289.673

LEGEND:

△ EX. MONUMENTS
 PER R/S 1602

○ MONS TO BE SET

NOTE:

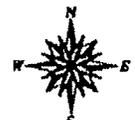
This map is based on NAD 83, 1984 adjustment, published in 1986, as shown on Record of Survey 990, which is filed in Book 18 of Records of Survey at pages 50-60, Alameda County Records. All distances shown hereon are grid distances. Multiply grid distances by 1.0000705 to convert to ground distances.

PORT OF OAKLAND

LAND SURVEYS AND MAPPING



530 Water Street
 Oakland, California



OAKLAND ESTUARY
 INNER HARBOR CHANNEL

PLAT TO ACCOMPANY LEGAL DESCRIPTION
EXHIBIT 'B'
 BERTHS 57-59 PREMISES

SEE SHEET 2

PHASE 1.2
 LAND AREA
 4.448 Acres±

PHASE 1.2
 BERTH AREA
 1.818 Acres±

DRAWN BY: CUS	Field Bk:
CHECKED BY: JRM	Wrk. Ord: 103527
SCALE: 1" = 800'	Data File:
DATE: 08-10-00	Revision: 2
SHEET 1 OF 3	Rev. date: 3/21/02
ATTACHMENTS: EX-BASE, MHR, V2000	
FILE LOC.: 103527\Bx11Exh57-59Index.DWG	

Agenda Sheet

SUBJECT: Ratification and Approval of Contract Change Orders to Contract for Realignment of Middle Harbor Road, Adeline Street Over-Crossing to West of K Street, Vision 2000 – Additional Costs to Install EBMUD Waterline and Mitigate Schedule Delays for Installation of JIT Tail Tracks

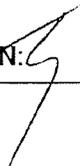
DATE: April 2, 2002

ITEM NO: 22

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with O. C. Jones & Sons for the **REALIGNMENT OF MIDDLE HARBOR ROAD, ADELINE STREET OVERCROSSING TO WEST OF K STREET, VISION 2000, OAKLAND, CALIFORNIA**, which became effective on July 24, 2001, at lump sum and unit prices totaling \$4,169,084.

This is the second roadway realignment project for the Port's Vision 2000 Program. The work consists in general of excavating, placing and grading fill soils, site preparation and demolitions, site utilities (storm drain system, electrical, telephone, domestic and fire water systems, and gas), placing asphalt concrete pavement, striping, signage, fencing and railroad track installation. This project will construct the new railroad tail tracks and associated circuitry serving the Joint Intermodal Terminal (JIT), the new Berths 57/58/59 rail crossing, new street lighting, and new and modified traffic signal systems.

The project is partially located on Port property and partially within the publicly dedicated right-of-way for Middle Harbor Road.

ANALYSIS:

The original design for the new water main being installed for this project called for installing the pipe south of the existing roadway. This would have put it outside of the current dedicated roadway right-of-way, yet under the new roadway alignment on Port property. Consequently, an agreement and easement with the East Bay Municipal Utility District (EBMUD) was necessary in order to proceed with the installation. The Port and EBMUD were unable to come to an agreement to locate this pipe in the designed location, so a new design was developed after award of the project. The installation of the pipe in the new location is more difficult and costly to perform and has delayed both the pipeline installation as well as installation of rail tracks which are required for the operation of the JIT. It is anticipated that EBMUD will reimburse the Port for approximately half the cost of the waterline installation and if the Port is successful in pending litigation with EBMUD they will pay the entire cost of the work. The delay to the tracks could and had to be mitigated in order to meet commitments to the JIT operator, but at additional cost to the Port. The additional cost to install the water line and deal with underground conflicts is approximately \$485,950. These costs are due to the following:

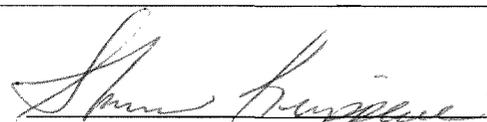
- 1) The new waterline design required additional trenching and pipeline materials, removal of pavement and a concrete slab, and offhauling potentially contaminated trench spoils.
- 2) The new waterline location conflicted with existing underground utilities that were encountered during installation of the waterline. These utilities and the waterline required adjustments to accommodate the waterline installation.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02092

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

- 3) In order to meet the scheduled commitment to provide a tail track for the JIT, overtime work was necessary to accelerate the waterline installation that had to be complete before the track could be installed.
- 4) During installation of the waterline, it was discovered that the existing waterline where the new line was to tie in at the eastern end of the job was encased in a steel casing and was not in the location shown on the plans. Additional labor and material were required to make the tie-in.

At its meeting of February 28, 2002, the Maritime Committee of the Board approved proceeding with these change orders as it was anticipated they would be dealt with at the second Board meeting in March.

Port Ordinance No. 1606, Section 5, delegated to Port Staff the authority to approve change orders within prescribed limits. Under the change order ordinance, Board approval is required for any single change order over \$250,000 and for any change orders over a cumulative total of 10% of the contract amount (\$416,908.40 for this contract). Port Ordinance No. 1606, Section 5, provides two means for approval of change orders once the 10% aggregate threshold has been reached. First, Section 5(i)(3)(iv) provides that the Board may directly approve any change orders. Second, Section 5(i)(3)(ii) provides that the Board may increase staff's authority to execute future change orders. Thus, Port staff has the flexibility to respond quickly as issues arise during construction, but significant changes in project scope (both increases and decreases) require Board approval. Because the project is not yet complete, the possibility of further unexpected issues must be considered. Therefore, Staff seeks an extension of its delegated change order authority of \$100,000.

General Plan

Pursuant to Sec. 727 of the Oakland City Charter, the Vision 2000 program and this particular project conform to the policies of the Oakland General Plan.

Budget

The budget for this work is funded under CIP Item Numbers M6.00563.01 and M6.00547.02. The funding source is Port bonds.

Sustainability

The concepts of the Sustainability Policy have been incorporated by the designer into the project plans and specifications.

OPTIONS:

The option to install the waterline in its original location would have led to protracted negotiations with EBMUD over easement and agreement terms which would not be resolved at this time, delaying the operations of the JIT for an indefinite period of time. The option to not accelerate the tail track installation would have delayed operations of the JIT by nearly a month. Both would have put at risk the Port's agreement with the Burlington Northern and Santa Fe Railway for the operations of the JIT.

RECOMMENDATION:

It is recommended that the Board take the following actions:

1. Ratify Staff's direction to the Contractor to make changes resulting in a cost of \$289,977.25 for the installation of the waterline and associated paving and pavement removal; and
2. Exercise its authority to directly approve approximately \$196,000 in additive change orders for overtime work, trench spoils disposal, utility conflicts, unforeseen connection costs associated with the waterline installation, and per Section 5(i)(3)(ii) of the change order ordinance, increase by \$100,000 Staff's prospective authority to approve additional change orders.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

March 14, 2002

PROJECT TITLE: Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Additional costs to install EBMUD Waterline and Mitigation Schedule Delays for Installation of JIT Tailtracks

CIP NO: M6.00563.01, M6.00547.02

W.O. #'s: 103531, 103858

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of the realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street - Additional costs to install EBMUD waterline and mitigate schedule delays for installation of JIT tailtracks is being tracked under work order # 103531, 103858.

Budget: This work is included in the CIP Element # M6.00563.01 and M6.00547.02 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00547.02 and M6.00563.01

Project Components	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allowance & Contributions	Contingency	Tenant Impvt. Work	Totals
M6.00547.02	177	323	4421	500						5421
M6.00563.01	768	808	28466	6212						36254
Total =	945	1131	32887	6712						41675

Remarks:

1. The \$34,900 cost to accelerate the track installation is covered by the JIT Project Element M6.00563.01 budget. The water line installation is funded by M6.00547.02 budget for the Realignment of Middle Harbor Road.

Agenda Sheet

^{TP}
SUBJECT: Approval and Ratification of Change Orders to Contract for
Construction of Point Arnold/Port View Park Connector MHSP
Stage 1, Vision 2000 - Various Cost Reduction Items

DATE: April 2, 2002
ITEM NO: 23

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with O. C. Jones and Sons, Inc. for the **CONSTRUCTION OF POINT ARNOLD/PORT VIEW PARK CONNECTOR MHSP STAGE 1, VISION 2000**, which became effective on September 4, 2001, at lump sum and unit prices of \$5,499,869. This was approximately 20% over the budget for this portion of the overall Park project. Port staff has been working with the Contractor to reduce the contract costs while still accomplishing the goals of the project. This contract is the first stage in the construction of the Middle Harbor Shoreline Park. The park is the public access component of the Port's Vision 2000 Program.

Port Ordinance No. 1606, Section 5, delegates to Port Staff the authority to approve change orders within prescribed limits. Accordingly, Board approval is required for any single change order exceeding \$250,000 and for all change orders over a cumulative total of 10% of the contract amount (\$549,986.90 for this contract). This restriction applies equally to additive and deductive change orders, with the value of deductive change orders adding to the cumulative total. In other words, Port staff has delegated authority to make changes to a contract, both deductive and additive, up to an aggregate total of 10% of the contract price. Port Ordinance No. 1606, Section 5, provides two means for approval of change orders once the 10% aggregate threshold has been reached. First, Section 5(i)(3)(iv) provides that the Board may directly approve any change orders. Second, Section 5(i)(3)(ii) provides that the Board may increase staff's authority to execute future change orders. Thus, Port staff has the flexibility to respond quickly as issues arise during construction, but significant changes in project scope (both increases and decreases) require Board approval.

ANALYSIS:

During the construction of the project, there have been three categories of change orders that have occurred. The first category includes cost reduction items to bring the project within the budget. The second category includes cost additions due either to design errors, unforeseen conditions, or additional work originally intended for later stages of the Park development that is most cost effective to do under this contract rather than under separate contract. The third category includes items of work that are either corrective work or additive work that is assigned to other project budgets not associated with the Park construction. To date, deductive change orders totaling \$1,858,480.00 (including a \$528,901.50 change order associated with the trellis structure which was approved by the Board on November 20, 2001) have been identified and either executed or are pending. Approximately \$507,727.47 in category two change order additions and \$102,110.00 in category three change order additions have been either executed or are pending. The anticipated net change to the contract is estimated to be a deduction of \$1,248,642.53 from the contract.

To date Port staff has approved \$538,514.28 in additive change orders under its delegated authority (including \$102,110 in work assigned to other budgets). Port staff has also directed the contractor to make additional changes that result in a gross savings of \$556,882.00 (in addition to a \$528,901.50 deduction approved by separate Board action for deleting the trellis structure). Since the 10% limit on change orders is

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02093

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

549,986.90, staff's direction to the contractor to further reduce project costs was, technically, beyond its delegated authority under the change order ordinance. Therefore, Port staff respectfully requests that the Board ratify \$556,882.00 of proposed deductive change orders. Additionally, Staff seeks the Board's direct approval of \$772,696.50 in deductive change orders.

In addition to the \$538,514.28 of additive change orders issued by Port Staff under their delegated authority Staff requests the Board's direct approval of \$71,323.19 in additive change orders.

The recommended action ensures compliance with the change order policy and results in net savings of \$1,248,642.53 indicated above.

Finally, because the project is not yet complete, the possibility of further unexpected issues must be considered. Because Staff has exhausted its original change order authority, Staff seeks an extension of its delegated change order authority of \$100,000 to be used for either additive or deductive change orders.

Budget

The Project is budgeted under CIP item No. M6.00546.08. The funding source is Port bonds. \$23,547.00 in approved change orders are being Billed To Others, \$34,563.00 is being charged to the -50' Dredging Project (WO#104290) and \$44,000 is being charged to the Unicold Replacement Project (WO#104200).

RECOMMENDATION:

It is recommended that the Board take the following actions: a) ratify Staff's direction to the Contractor to make changes resulting in \$556,882.00 in savings by approving the necessary change orders, b) exercise its authority to directly approve \$71,323.19 in additive change orders, c) exercise its authority to directly approve \$772,696.50 in deductive change orders, and d) per Section 5(i)(3)(ii) of the change order ordinance, increase by \$100,000 Staff's prospective authority to approve additional change orders (both deductive and additive).

Agenda Sheet

^{TD}
SUBJECT: Approval of Third Supplemental Agreement with
Moffatt & Nichol Engineers for Engineering Design
Services for the Container Yard and Gate at Berths
57 and 58, Inner Harbor Channel, Vision 2000 Program

DATE: April 2, 2002

ITEM NO: 24

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten signature]*

FACTUAL BACKGROUND:

On May 4, 1999, the Board adopted Resolution No. 99178, which authorized the Port of Oakland (Port) to enter into an Agreement with Moffatt & Nichol Engineers (MNE) for \$2,000,000 for Engineering Design Services for the Container Yard and Gate Facilities at Berths 57 and 58. Resolution No. 99178 also allowed for an additional expenditure of \$450,000 for change of scope work with the approval of the Executive Director, making \$2,450,000 the maximum authorized compensation under Resolution No. 99178.

On May 19, 1999, the Port entered into the initial Agreement with MNE. Subsequent to the original Agreement, the Port and MNE entered into a First Supplemental Agreement, dated August 11, 2000. Additionally, the Port issued a series of Change in Scope letters. The total cost of these actions was within the Board's initial authorization of \$2,450,000. The First Supplemental Agreement was used to provide engineering consulting services for the design of a groundwater treatment system needed to treat contaminated groundwater that had been identified within the Berths 57-59 Yard project area on the former Union Pacific Railroad site known as the Trailer-On-Flat-Car (TOFC) facility. The TOFC treatment facility design was needed in order to meet the Berths 57-59 Yard project schedule and comply with the requirements of the Regional Water Quality Control Board and Alameda County.

On March 6, 2001, the Port entered into a Second Supplemental Agreement with MNE for an amount of \$995,000. The Second Supplemental Agreement was used to provide engineering consulting services to design the additional container yard area adjacent to the Berth 59 wharf and, accordingly, modify the terminal boundaries, underground utilities, rail spur, and drainage. Design of this area could not proceed until environmental clearance had been obtained.

The original tenant for the Berths 57-59 terminal was to have been Maersk. A change in tenants occurred, and the new tenant is SSA Terminals (SSAT). In addition to the items mentioned above, the Second Supplemental Agreement covered revisions to the terminal planning and design to accommodate SSAT's requirements, which differed from Maersk's. The full design of the various terminal buildings required by SSAT is also covered by the Second Supplemental Agreement. All design revisions encompassed by the Second Supplemental Agreement were either necessitated by new tenant requirements or requested by the Port in an effort to address problems experienced at Berths 55/56.

ANALYSIS:

SSAT is now the tenant who will operate the Berths 57-59 container yard. SSAT has requested several modifications to the northwest corner of the Berths 57-59 Yard and to the Chassis Maintenance Building. These requested changes were driven by Matson's decision to move into the facility now rather than wait up to three years. Construction of these improvements will be accelerated in order to accommodate Matson's cargo activities sooner. These improvements were originally scheduled to commence up to three years after the initial opening of the SSAT Berth 57 - 59 Terminal.

Subsequent to the Second Supplemental Agreement, SSAT has requested several revisions to the building designs. Among these are a permanent Clerk/Cashier's Building, a major relocation of the Chassis Maintenance and Power Shop Buildings, fuel storage and disposal facilities, and a Gear Storage Building. In addition to these SSAT-requested revisions, there has been an added sewer pump station and revised sewer line routing in the vicinity of the Berth 59 Longshore Building, design revisions to the emergency crane power because of problems experienced at Berths 55/56, and requirements by the Fire Marshall to change pipe sizes.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02094

BOARD ACTION TAKEN

Assistant

[Handwritten Signature]
SECRETARY OF THE BOARD

APR - 2 2002

DATE

The Regional Water Quality Control Board has also required that the Port implement a contingency plan to monitor any migration of groundwater in the vicinity of the newly installed slurry cutoff wall in the Berth 59 area of the container yard. The contingency plan will involve the design of a monitoring well system.

MNE has estimated the cost of engineering services for the design of the aforementioned additional facilities to be \$860,000. In addition to this amount, and based on the Port's experience with recent projects for the Berths 55/56 wharf and container yard, staff recommends allowing an additional amount under the Executive Director's approval authority for change in scope work of approximately \$100,000. Thus, the total increase in the amount payable under the proposed Third Supplemental Agreement would be \$960,000, making the maximum authorized compensation \$4,405,000.

Item	Description	Date	Authorized Amt.
1	Original Board Authorization: \$2,000,000 Change in Scope Authorization: \$450,000	5/4/99	\$ 2,450,000
2	Second Supplemental Agreement \$995,000	3/6/01	\$ 3,445,000
3	Proposed Third Supplemental Agreement \$960,000	new date	
4	TOTAL PROPOSED BOARD AUTHORIZATION	same new date	\$ 4,405,000

Budget

The budget for this project is funded under CIP Item Nos. M6.00585.02 and M6.00585.03. The funding source is Port bonds. All costs associated with these accelerated Matson improvements, have been accounted for and are expected to be fully recovered through the compensation terms for the Berth 57-59 SSAT Agreement.

Sustainability

The concepts of the Sustainability Policy have been incorporated by the designer into the project plans and specifications.

Project Labor Agreement

Not applicable to design agreements

RECOMMENDATION:

It is recommended that the Board authorize the preparation and execution of a Third Supplemental Agreement with MNE for additional design services as described above, increasing the maximum compensation under the agreement to \$4,405,000.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

March 14, 2002

PROJECT TITLE: Construction of Berths 57-59 Container Yard and Gate, Vision 2000, Oakland, California

SUBJECT: Third Supplemental Agreement with Moffatt & Nichol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program

CIP NO: M6.00585.02, M6.00585.03

W.O. #'s: 103526, 103812

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Berths 57-59 Container Yard and Gate is being tracked under work order # 103526 and #103812

Budget: This project is included in the CIP Element # M6.00585.02 and M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02 and M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.02	1182	1881	56277	7469						66809
M6.00585.03	216	368	8000	500						9084
Total =	1398	2249	64277	7969						75893

Remarks:

Agenda Sheet

749

SUBJECT: Approval of Consultant Agreements for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program

Date: May 4, 1999
Item No. 21

PROGRAM AREA

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

- Airport Operations
- Commercial Real Estate
- Maritime Operations C.I.
- Overall Operations

FACTUAL BACKGROUND:

The Port's Vision 2000 Program consists of Container Terminals (Berths 55, 56, 57, 58 and 59), Realignment of 7th Street and Construction of "New Road", the Joint Intermodal Terminal (JIT), and the Middle Harbor Shoreline Park (MHSP), all along the north side of the Inner Harbor Channel. Currently, the Container Terminals at Berths 55 and 56, the Roadways, the JIT, and the MHSP are in design. We are now ready to commence the design efforts for the Container Terminals at Berths 57 and 58. The Container Terminal is comprised of wharves, container yard and gate facilities and terminal buildings. We propose to have a number of design consultants assist the Port in this effort. This proposed consultant is to provide engineering design services for construction of the container yard and gate at Berths 57 and 58.

BASIS OF SELECTION:

Eighty-two Requests for Proposals (RFPs) were sent out on March 5, 1999. The RFPs were sent to engineering firms with offices in the Local Business Area (LBA). Proposals were received from three firms.

The Port Review Panel reviewed the proposals and determined that all three teams were qualified to be interviewed. All were invited for interviews. Listed in alphabetical order, they were: Jordan Woodman Dobson, Moffatt & Nichol Engineers, and Vickerman Zachary Meyer/TransSystems.

The teams were judged on the project teams' oral presentation, qualifications, and relevant experience of the firms as well as key project personnel, project teams' technical abilities, project management abilities, and evidence of compliance with the Port of Oakland's Non-Discrimination and Small Local Business Utilization policy.

Based on the criteria noted above, the interview panel unanimously recommends Moffatt & Nichol Engineers. This proposed selection was presented to the Maritime Committee on April 29, 1999. The Committee approved the recommended selection for forwarding to the full Board for consideration.

BOARD ACTION REQUIRED

MOTION

BOARD ACTION TAKEN

99178
BOARD ACTION TAKEN

MAY 4 1999

DATE

FOR INFORMATION ONLY

Moffatt & Nichol Engineers Team

TEAM MEMBER		ROLE	PLANNED SHARE OF WORK
Moffatt & Nichol Engineers	LIA	Proj. Mgmt., Civil Eng. & Elec.	55%
CCS Planning & Engineering	LIA/WBE	Civil Engineering	19%
Damatt Engineering, Inc.	LIA	Electrical Engineering	14%
Liftech Consultants	LIA	Structural Engineering	4%
McCracken & Woodman, Inc.	LIA	Mechanical Engineering	4%
Arthur Tam & Associates, Inc.	LIA/WBE	Architecture	2%
Adrienne Wong Associates	LIA/WBE	Landscape Architecture	2%

One hundred percent (100%) of the team members are within the LIA, one hundred percent (100%) within the LBA. One of the team members is certified as an MBE firm doing two percent (2%) of the total planned work and two are certified as WBE firms doing twenty-one percent (21%) of the total planned work for a proposed combined MBE/WBE effort of twenty-three percent (23%). Fifty-one percent (51%) of the subcontracted work will be completed by MBE or WBE firms.

The EEO-1 Work Force Reports/Professional Services Questionnaires are on file.

It is anticipated that the amount of the agreement will not exceed \$2,000,000, and it is requested that the Executive Director be authorized to approve up to an additional \$450,000 for potential changes in scope. It is necessary to begin design work immediately after the final scope and terms are agreed upon in order to make the project schedules. Therefore, it is proposed that the Executive Director be authorized to prepare and execute professional services agreements based on these negotiations.

The work is budgeted in CIP Element No. M6.00585.02. The funding source will be Port bonds.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the engineering services as described above are professional services, and
2. Authorize negotiations and the preparation and execution of an agreement with Moffatt & Nichol Engineers in accordance with the provisions above.

FOR INFORMATION ONLY

Agenda Sheet

SUBJECT: Approval of Second Supplemental Agreement with Moffatt & Nichol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program

DATE: March 6, 2001

ITEM NO: _____

SUBMITTED BY: Joseph K. Wong

PROGRAM AREA:

EXECUTIVE OFFICE RECOMMENDATION:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

On May 4, 1999, the Board adopted Resolution No. 99178 which authorized the Port of Oakland (Port) to enter into an Agreement with Moffatt & Nichol Engineers (MNE) for \$2,000,000 for Engineering Design Services for the Container Yard and Gate Facilities at Berths 57-59. Resolution No. 99178 also allowed for an additional expenditure of \$450,000 for change of scope work with the approval of the Executive Director; making the maximum authorized compensation under the agreement \$2,450,000.

On May 19, 1999 the Port entered into the initial Agreement with MNE for the amount of \$1,540,120.68. Subsequent to the original Agreement, the Port and MNE entered into a First Supplemental Agreement, dated August 11, 2000, for an additional \$513,133. The First Supplemental Agreement was used to provide consulting engineering services needed to design a groundwater treatment system to treat contaminated groundwater that had been identified within the Berths 57-59 Yard project area on the former Union Pacific Railroad site known as the Trailer-On-Flat-Car (TOFC) facility. The TOFC treatment facility design was needed in order to meet the Berths 57-59 Yard project schedule and comply with requirements of the Regional Water Quality Control Board and Alameda County. Final site characterization and groundwater remediation design costs will total \$396,746.32. This last change of scope work will exhaust the Board approved maximum compensation of \$2,450,000.

The original tenant for the Berths 57-59 container yard was to have been Maersk. However, a change in tenants has occurred and Stevedoring Services of America (SSA) has become the tenant. This change in tenants has resulted in a number of revisions to MNE's original scope of services. The major scope changes brought about by the change in tenants include: extension of the Berth 59 wharf and container yard boundaries; additions and modifications to both wharf and underground utilities; miscellaneous small buildings needed for the container yard operation; demolition of the north wing of Building No. 833; the need to provide temporary tenant administration facilities until permanent administration facilities become available; the need to evaluate and redesign storm drains because of the increased size of the container yard; and a groundwater extraction and monitoring system, as mandated by the Regional Water Quality Control Board.

MNE has estimated the cost of engineering services for the design of the additional facilities will be \$745,299.68. In addition to this amount, and based on the Port's experience with recent projects for the Berths 55/56 wharf and container yard, staff recommends allowing an additional amount under the Executive Director's approval authority for change in scope work of approximately \$250,000. Thus the total increase in the amount payable under the agreement would be \$995,000 making the maximum authorized compensation under the agreement \$3,445,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Item	Description	Date	Amount
1	Original Board Authorization: Maximum Allowable Compensation	05/04/99	\$ 2,150,000
2	Additional Amount Requested for Proposed Second Supplemental Agreement		\$ 295,000
3	TOTAL PROPOSED BOARD AUTHORIZATION		\$ 3,445,000

BUDGET ANALYSIS:

The budget for this work is funded under CIP Item No. M6.00585.02. The funding source is Port bonds.

RECOMMENDATION:

recommended that the Board authorize the preparation and execution of a second supplemental agreement with MNE for additional design services as described above, increasing the maximum compensation under the agreement to \$3,445,000.

For Information

ONLY

Agenda Sheet

SUBJECT: To Authorize the Executive Director to enter into an Agreement with Worldwide Quality Assurance LLP, to Provide Professional Consulting Services Related to Process Improvements

DATE: April 2, 2002
ITEM NO: 31

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Richard J. Wiederhorn 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND

At the staff management seminar last fall, the Executive Director outlined his priorities in directing Port activities. On the list of priorities was his desire to have the Port of Oakland maintain the highest levels of professional expertise in managing its fiduciary responsibilities and carrying out its business affairs. He noted that the application of best business practices, plus regular updates of administrative measures (frequently referred to as "Process Improvement" measures) often results in better decisions, improved efficiencies, enhanced profitability, and ultimately in higher customer satisfaction.

ISO 9000

Universal procedures that establish standards for high-quality delivery of services in organizations similar to the Port have been developed by the *International Organization for Standardization (ISO)*. Established in 1947, ISO's purpose is to facilitate international trade by providing a single set of operational standards that people in allied industries would recognize and respect. ISO effectively sets the standards for organizational procedures that should be used by any organization, regardless of what they do, size or private/public orientation. Standards for conduct of services similar to the Port's were first established in 1987, revised in 1994, and updated again in 2000. Collectively, the new standards are referred to as ISO 9000 (2000).

If they choose to participate, organizations such as the Port are advised on how to put a management system of the highest quality in place. When its processes are fully developed and implemented, ISO assessors conduct an audit of the program, to ensure that it qualifies to meet the ISO standards. If approved, ISO will certify the Port as an ISO-sanctioned service provider. Currently, ISO Certification is recognized in 120 countries as an indication that the organization maintains the highest quality management practices.

ANALYSIS

Staff has determined that achieving ISO Certification would be an ideal benchmark of the Ports' commitment to excellence in its work. For the Port, which conducts business internationally and which serves customers who demand an international standard of quality in service delivery, the ISO program is a logical indicator of performance. Also, certification is a goal that all Port employees can embrace. Commissioners, managers and line staff alike will be able to monitor the Port's progress in achieving certification, and will learn how individual contributions benefit the whole organization. Furthermore, making process improvements can enhance the Port's credibility in future external audits. Certification by ISO sets a standard of Port performance that will be difficult for critics to challenge.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

Approved by Resolution

No. 02098

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR - 2 2002

DATE

CONSULTANT ASSISTANCE

Staff believes that familiarity with ISO policies and procedures is a critical component of success, and a unique expertise required to achieve certification. Use of qualified consultants is appropriate. However, although there are consultants available who have experience with business process improvement, relatively few of them have direct experience in applying for ISO certification. Even fewer have tangible experience in guiding and designing procedures that are specifically oriented to Port and Port-related business practices. Only a handful of consultants have the requisite experience.

One qualified consultant recommended to us by a Port tenant is **Mr. Paul Raymond, Managing Director of the firm Worldwide Quality Assurance (WQA)**, located in County Durham, England. Mr. Raymond has been helping private companies and public agencies in the transportation, shipping and logistics industry through the ISO processes since 1990. He formed WQA in 1999 to establish Europe's only business improvement consultancy accredited to apply ISO service standards exclusively to the transportation and logistics companies. He is highly recommended by several clients engaged in transport and logistics services, including some Port tenants.

ISSUES

1. **Scope of Work.** A summary of WQA's proposal for services is attached. Given the wide spectrum of Port activities that lend themselves to application of process improvements, it could take years to complete, and be a major long-term commitment of resources.

Mr. Raymond notes that the ISO process is flexible enough to allow that the entire Port, **or any subdivision thereof**, can be certified. He suggested that we undertake a **pilot program** to demonstrate on a smaller scale how ISO certification would be achieved. Rather than subject the entire Port organization to a major initiative, we will try to implement the standards in a few divisions at a time. In the pilot program, **the Maritime and Finance Divisions** will be subjected to the ISO analysis and certification, after which we would assess the exercise to determine whether to continue with other divisions. This approach provides ample opportunity to analyze the results and (if desirable) drop out of the effort without making a long-term commitment until we are sure of the value of the exercise.

2. **Cost.** Mr. Raymond estimates that the pilot program to certify 2 divisions within 6 months would cost **\$60,000 plus expenses** for his services. Except for the commitment of staff time, that is all we are committing to. In the current Fiscal Year, both Maritime and the Finance Divisions have budgeted to undertake some sort of analysis of this nature, and are prepared to accept the time commitments. **Going beyond the pilot program will require additional funding.**

In addition, there will be a significant amount of regular staff time involved in support of making changes to established processes.

Also, WQA being headquartered England presents some logistics issues, but the biggest impact is associated with Mr. Raymond's reimbursable expenses. Staff estimates that he could spend an additional \$15,000 in travel, communications, mail, etc, and other aspects of the work. To mitigate these expenses somewhat, he has agreed to coordinate his travel with that required by other American clients.

3. **Sole-Source and Local Outreach.** Staff is recommending that WQA be awarded the contract for this work without competitive bidding. In its research of the entire program, staff became convinced that the requisite tasks are so unique to this particular assignment, and that relevant consultant experience with the specific issues to be faced in the work is so limited that only a few consultants worldwide have the full expertise. As far as staff can determine, there are no other consultants as qualified and within a reasonable distance to undertake the work. Specifically, we do not believe that there are any within Oakland or Alameda County.

SUSTAINABILITY CONSIDERATIONS

Authorization to enter into an agreement with a management consultant does not normally create either opportunities or obstacles to promoting the Port's policies to enhance long-term community sustainability. However, this effort is to analyze Port processes and procedures so that Port goals (such as sustainability) can be achieved. It is likely that the ISO Certification exercise will lead to processes that directly address sustainability issues.

ALTERNATIVE OPTIONS

Options to avoid or mitigate the above issues, are discussed as follows:

Don't do the Study - or- Delay the Study	The entire certification exercise can be done later, or not at all. Aborting the study will result in a lack of needed process improvements throughout the organization, and miss the opportunities to accrue the benefits thereof.
Conduct the Study; Utilize Non-ISO Standards	Using an alternative Process Improvement program may cost less and conceivably could be within the capabilities of other more local firms without ISO credentials. That, however, is conjecture. On the other hand, ISO is widely recognized as the leader in the industry, head and shoulders above the field. We should strive for the best available program.
Issue RFQ/RFP	Soliciting competitive proposals may offer the opportunity for local and/or less experienced firms to be evaluated, and may be less expensive. However, the quality of the effort will likely be compromised. In addition, the time required to solicit, choose and educate inexperienced firms will likely slow the effort.
Provide Mentoring / Training	Hiring WQA and working with them to provide local firms experience by which they can gain expertise may create opportunities for local firms. However, Mr. Raymond prefers not to team with or mentor local firms in an assistance role. Much of his work involves proprietary information about clients.

RECOMMENDATION

Based on the technical research conducted, the unique expertise required, a written proposal from WQA, references from other clients, and an interview conducted, staff recommends that Worldwide Quality Assurance, LLP be hired.

Specifically, staff recommends that the Board:

- 1. Determine that the consultant services described are professional services, and***
- 2. Authorize the Executive Director to enter into an Agreement with Worldwide Quality Assurances LLP, to undertake a 'pilot program' analysis of Port processes, procedures and business practices for purposes of achieving Certification by the International Organization for Standardization (ISO), as set forth above, at a cost not to exceed \$60,000 (professional services) + \$15,000 (expenses), and***
- 3. Authorize the Executive Director to approve up to \$6000 to cover unanticipated changes in the scope of work.***

Agenda Sheet

DATE: April 2, 2002

ITEM NO: 40

SUBJECT: CLOSED SESSION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION 

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION.
 Pursuant to subdivision (a) of Section 54956.9: Name of cases:

Port of Oakland v. GKO-Messinger & Associates, et al.,
 Alameda County Superior Court Case No. 824540-7

City of Alameda, et al. v. Port of Oakland, et al.,
 Alameda County Superior Court Case No. 793056-0

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION.
 Significant exposure to litigation pursuant to subdivision (b) Section 54956.9 2 matter.

3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided
 under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority,
 City of Oakland, Oakland Redevelopment
 Agency
Under Negotiation: Price and terms of payment

Property: Various Parcels, Jack London Square
Negotiating Parties: Port and Jack London Square Partners
Under Negotiation: Price and Terms of Payment

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02106

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

APR - 2 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

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Port Attorney

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Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, April 16, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

OPEN SESSION: 4:00 p.m.

READING OF THE MINUTES:

Regular meeting of April 2, 2002.

Deferred - Regular meeting of February 5, 2002; and regular meeting of
February 19, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Audit, Budget & Finance
Commercial Real Estate

READING OF SUMMARY ITEMS: (Marked "S")

5 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Authorization for the Director of Aviation or his Designee to Approve Routine Marketing Service Contracts and Agreements Related to Budgeted Marketing Programs. (Resolution)
- 2S** Approval of a Supplemental Agreement Authorizing Rental Credit not to Exceed \$49,500 with Aloha Airlines, Inc. for Construction of New Office and Storage Space in Terminal 1 at Oakland International Airport and Approval to Dispense with Formal Competitive Bidding Procedures for Such Construction. (Resolution)
- 3S** Authorization to Accept Federal Aviation Administration (FAA) Grant Offer for AIP-27. (Resolution)

COMMERCIAL REAL ESTATE

- 11** First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Lincoln Property Company for the Property located at Hegenberger and Pardee Roads. (Ordinance)
- 12** First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Doug Rohn and Elizabeth Zenger for the Property Located at Edgewater Drive and Pardee Road. (Ordinance)

- 13S** Recommended Approval of Right-of-Entry and Indemnity Agreement(s) with Park Plaza Hotel for 28,560 Square Feet of Vacant Land at 265 Hegenberger Road, YMCA of the East Bay for 820 Square Feet of Office Space at 489 Water Street, and Jack London Square Partners for 1,640 Square Feet of Office Space at 481 Water Street. (Resolution)

MARITIME

- 21** Revised Compensation Terms to the Approved Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd. for the Ben E. Nutter Terminal. (Resolution)
- 22** Approval of Change Order to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Construction of the Berth 59 Container Yard Associated with the Wharf Extension. (Resolution)
- 23** Authorization to Negotiate and Execute an Agreement with Michael Willis & Associates to Provide Architectural Design Services for the Construction of Port Field Support Services Complex. (Resolution)
- 24** Approval of Second Supplemental Agreement with Lewis Engineering for Construction Quality Assurance Services for the Closure of Landfill at the Former Lew F. Galbraith Golf Course. (Resolution)
- 25S** This number not used.

OPERATIONS

- 31** Approval of Public Art Ordinance. (Ordinance)
- 32S** Approval to Enter into an Agreement with Kelco Computing Solutions, in the Amount of \$25,000.00, for Development of a Centralized Database System.(Resolution)

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

BUILDING PERMIT APPLICATION: ("S")

Nextel of California Inc., relocation of existing antenna wiring due to other construction in M-103.

Vote on the following resolutions:

Ayes: Ayers-Johnson, Kiang, Kramer, Protopappas, Scates, Uribe and President Tagami – 7

Noes: None

Absent: None

RESOLUTIONS:

- 02107 1** AUTHORIZING DIRECTOR OF AVIATION OR HIS DESIGNEE TO APPROVE ROUTINE MARKET SERVICE CONTRACTS AND AGREEMENTS RELATED TO BUDGETED MARKETING PROGRAMS. (Airport – 1)
- 02108 2** APPROVING AND AUTHORIZING RENTAL CREDIT TO ALOHA AIRTIMES, INC. (Airport – 2S)
- 02109 3** ACCEPTING FEDERAL AVIATION ADMINISTRATION'S ("FAA") GRANT OFFER UNDER THE AIRPORT IMPROVEMENT PROGRAM ("AIP") NO. 27 FOR FISCAL YEAR 2002. (Airport – 3S)
- 02110 4** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN RIGHT-OF-ENTRY AND INDEMNITY AGREEMENTS WITH PARK PLAZA HOTEL, YMCA OF THE EAST BAY AND JACK LONDON SQUARE PARTNERS, LLC. (Commercial Real Estate – 13S)
- 02111 5** APPROVING AND AUTHORIZING MODIFICATION OF PROVISIONS OF NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT (APPROVED BY PORT ORDINANCE NO. 3684) WITH EVERGREEN MARINE CORPORATION (TAIWAN) LTD. FOR THE BEN E. NUTTER CONTAINER TERMINAL ("NUTTER TERMINAL"), AND AGREEMENTS TERMINATING TERMINAL USE AGREEMENTS AT THE BEN E. NUTTER CONTAINER TERMINAL. (Maritime – 21)
- 02112 6** APPROVING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH BERTHS 57/58 CONSTRUCTORS, A JOINT VENTURE, FOR CONSTRUCTION OF THE BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS, OAKLAND, CALIFORNIA. (Maritime – 22)

- 02113 7** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MICHAEL WILLIS & ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 23)
- 02114 8** FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH LEWIS ENGINEERING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime - 24)
- 02115 9** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH KELCO COMPUTING SOLUTIONS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32S)
- 02116 10** GRANTING NEXTEL OF CALIFORNIA INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02117 11** DETERMINING THE APPROPRIATE REPRESENTATION BY INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS OF CERTAIN POSITIONS. (Resolution Only)
- 02118 12** AUTHORIZING THE AMENDMENT OF THE BY-LAWS AND ADMINISTRATIVE RULES OF THE BOARD OF PORT COMMISSIONERS ("BY-LAWS") TO ADD PARAGRAPH 20 TO ARTICLE XII, GIVING THE EXECUTIVE DIRECTOR POWER TO DELEGATE AUTHORITY TO THE MANAGER OF ENVIRONMENTAL HEALTH AND SAFETY COMPLIANCE DEPARTMENT FOR LIMITED PURPOSES. (Closed Session - 40)
- 02119 13** RATIFYING AND APPROVING AGREEMENTS AND LEGAL ACTION REGARDING VESSEL SAN SIEGO. (Closed Session - 40)
- 02120 14** COMPROMISING AND SETTLING CLAIMS AND AUTHORIZING EXECUTION OF STIPULATED SETTLEMENT. (Closed Session - 40)

- 02121 15** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A DEFENSE FUNDING AGREEMENT AND PARTIAL SETTLEMENT AGREEMENT REGARDING INDEMNITY BETWEEN THE PORT OF OAKLAND AND ZURICH ("AGREEMENT") CONCERNING THE CHARLES P. HOWARD TERMINAL SITE. (Closed Session - 40)
- 02122 16** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE BETWEEN THE PORT OF OAKLAND AND J. C. PENNEY LIFE INSURANCE COMPANY ("AGREEMENT") CONCERNING THE NINTH AVENUE TERMINAL (CITY OF OAKLAND V. J.C. PENNEY LIFE INSURANCE CO., U.S. DISTRICT COURT CASE NO. C-00-2975.) (Closed Session - 40)
- 02123 17** APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SETTLEMENT AGREEMENT WITH ICF KAISER ENGINEERS, INC., U.S. DISTRICT COURT FOR THE DISTRICT OF DELAWARE, CASE NOS. 00-2263 TO 00-2301 (BANKRUPTCY), AND APPROVING AND AUTHORIZING EXPENDITURE OF ADDITIONAL FUNDS FOR OUTSIDE SPECIAL COUNSEL TO THE PORT ATTORNEY. (Closed Session - 40)
- 02124 18** APPROVING AND AUTHORIZING EXECUTION OF SETTLEMENT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (OAKLAND ARMY BASE, PIER 6 AND BURMA ROAD). (Closed Session - 40)

Vote on the following Ordinances:

Ayes: Ayers-Johnson, Kiang, Kramer, Protopappas, Scates, Uribe and President Tagami - 7
Noes: None
Absent: None

ORDINANCES:

- 1 ("S")** Port Ordinance No. 3691 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO CREATE NEW SALARY SCHEDULE, NEW POSITIONS, TO AMEND CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDMENT OF SALARY SCHEDULES."

Final.

- 2** Port Ordinance No. ____ being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH LINCOLN PROPERTY COMPANY COMMERCIAL, INC., FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 14 ACRE PARCEL OF LAND LOCATED AT HEGENBERGER AND PARDEE ROADS."

Commercial Real Estate – 11 to print.

- 3** Port Ordinance No. ____ being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH DOUG ROHN AND ELIZABETH ZENGER, DOING BUSINESS AS BAY AREA VETERINARY SPECIALISTS FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 2.09 ACRE PARCEL OF LAND LOCATED AT EDGEWATER ROAD AND PARDEE LANE."

Commercial Real Estate – 12 to print.

- 4** Port Ordinance No. ____ being, "AN ORDINANCE ESTABLISHING A PUBLIC ART PROGRAM, A PUBLIC ART COMMITTEE AND GUIDELINES, RULES AND REGULATIONS FOR INCORPORATING PUBLIC ART INTO THE PORT'S MAJOR EXPANSION AND DEVELOPMENT GOALS AND PRIVATE AND PUBLIC DEVELOPMENT WITHIN THE JURISDICTION OF THE PORT OF OAKLAND, POLICY AND PROCEDURE FOR ACQUISITION, REVIEW AND ACCEPTANCE OF GIFTS AND LOANS, AND DE-ACCESSIONING OF PUBLIC ART."

Operations – 31 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, May 7, 2002 at 3:00 PM.**

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Authorization for the Director of Aviation or his Designee to Approve Routine Marketing Service Contracts and Agreements Related to Budgeted Marketing Programs

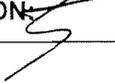
DATE: April 16, 2002

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

As a part of its marketing plan to increase the use of Oakland International Airport (OAK) by both Bay Area residents and visitors, the Aviation Division successfully maintains three separate marketing initiatives. The first initiative targets increased OAK usage by Bay Area residents, the second targets increased usage by Bay Area visitors, and the third focuses on business retention through proactive customer service during the years of construction ahead. Also, due to the importance of cargo to Oakland-based jobs, the airport does a significant amount of cargo trade advertising to make cargo airlines and shippers worldwide aware of its "cargo-friendly" appeal.

The Board has approved funding for these initiatives in the Aviation Division's marketing budget for FY2001-02.

ANALYSIS:

As a part of these three programs, the Port is required to enter into certain simple contracts including contracts for local media, trade passenger and cargo advertising placement, trade show exhibition, hotel and exhibit space reservations, banquet facilities, air and ground transportation and certain cooperative marketing agreements. In order to maintain the efficiency and effectiveness of these programs, the authority to sign these contracts needs to be delegated to the Director of Aviation or his designee. The success of the program has been proven by: 1.) the steady increase of business over the last three years by over 7% per year; and 2.) the speedy and profitable recovery of OAK after the tragedy of September 11, versus the dramatic decline of the two other Bay Area International Airports.

The Board-approved budget for each of these programs includes about \$1.5 million for trade and specialized advertising and cargo trade advertising, divided among a variety of service providers and specialized venues. Previously, each ad was generally in the \$5,000 range. None of these small contracts or agreements would exceed \$15,000 cumulative for any marketing service provider during a fiscal year. However, this resolution has not been reviewed for three years. In that time, the individual costs have risen respectively from an average of \$5,000 to \$7,000 to between \$8,000 and \$10,000, making it difficult to place a repeat or multiple ad without the risk of exceeding the allowable cumulative total. This defeats the intent of the original resolution and renders it ineffective by returning marketing to its previous limitations on purchasing marketing services. Each of these contracts are pro forma in nature and are each reviewed by legal and risk management as to legal and risk management requirements.

OPTIONS:

- 1.) Continue to obtain Board approval for all contracts and agreements, regardless of the amounts. Due to the large number of these very small contracts associated with each event and each trade or specialized advertising placement, along with the short lead times associated with making pro forma contractual commitments, the requirement for separate Board approval for each contract or agreement makes this process very unwieldy. In fact, it limits the Port's flexibility to respond on short notice to opportunities to promote OAK as the Bay Area airport of choice, as well as to respond to changing circumstances, to the detriment of our passenger and air cargo development.
- 2.) Authorize the Director of Aviation or designee to execute contracts, as set forth below.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02107

BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

APR 16 2002

DATE

RECOMMENDATION:

We recommend that the Board authorize the Director of Aviation or his designee, the Manager of Aviation Marketing and Communications, to approve marketing service contracts such as those for local media, trade passenger and cargo advertising placement, trade show exhibition, hotel and exhibit space reservations, banquet facilities, air and ground transportation and certain cooperative marketing agreements. Because of the large number of and short turnaround required by these agreements, the lesser allowable authorization amount and procedure limits the Port's ability to respond to the opportunities to promote OAK as the Bay Area "airport of choice", to the detriment of our passenger and air cargo development. These marketing service contracts would be subject in each case to review and approval by the legal department, with the cumulative amount for any marketing service provider during a fiscal year not to exceed \$25,000. We also recommend that the Board waive the requirement for competitive bidding for these marketing service contracts, of which the cumulative total currently allowed is \$15,000, not to exceed the \$25,000 requested authorization.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 16, 2002

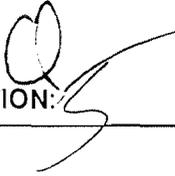
ITEM NO: 11

SUBJECT: First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Lincoln Property Company for the Property located at Hegenberger and Pardee Roads

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

A critical component of the Commercial Real Estate Division's restructure plan which was approved by the Board in 1999 was the sale of parcels within the Oakland Airport Business Park to create funding for projects along the waterfront. The Port was initially in contract with WP Investments for this 14-acre parcel with dual frontage on Hegenberger and Pardee Roads. When WP elected not to close escrow in January 2002, Port staff reviewed options with the Commercial Real Estate Committee. Staff was directed to prepare a bid package, which was sent out on February 8, 2002. Four proposals were received by the due date, noon on February 25, 2002. Lincoln Property Company presented the successful bid of \$5,566,968 for the parcel.

Lincoln plans to develop a series of buildings on the site in a business park setting. The Commercial Real Estate Committee, at its March 6, 2002 meeting, directed staff to complete the transaction in 30 days (by April 6). The Port received fully executed copies of the Purchase and Sale Agreement on Friday, April 5, 2002.

ECONOMIC TERMS:

Price: \$9.00 per square foot
\$5,566,968

Deposit: \$200,000 upon submission of proposal in the form of a cashier's check
\$50,000 at the close of the due diligence period

Due Diligence: 30 days

Escrow Close: 30 days after the due diligence period has expired

Payment for Extension of Close of Escrow: \$50,000 for 30 days

Repurchase Provision: The Port has an option to repurchase the property in the event that the Buyer has not commenced construction of the required improvements within thirty-six months from the effective date of the agreement.

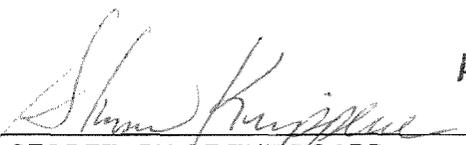
Broker's Commission: The payment to BT Commercial is the responsibility of the buyer.

The execution of the Purchase and Sale Agreement has been reviewed pursuant to the California Environmental Quality Act (CEQA) and has been determined to be exempt under the State and Port CEQA Guidelines, Section 15312, Surplus Government Property Sales. This exemption does not apply to construction and/or operation of the hotel. These activities are not exempt under CEQA and will require environmental review, as provided by State law and the conditions of the Purchase and Sale Agreement.

Approved by Ordinance
passed to print

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

APR 16 2002

DATE

Subject: First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Lincoln Property Company for the Property located at Hegenberger and Pardee Roads

It has also been determined that:

- (a) That the Property has become unnecessary for Port purposes or harbor development; and
- (b) That the proposed sale of the Property complies with the provisions of Section 5.13 (b) of the Port's Master Trust Indenture, dated as of April 1, 1989, as amended (the "Indenture"), and does not, together with other transfers referred to therein, constitute a Significant Portion of the Port (as defined in the Indenture). The Board hereby directs that the proceeds of such sale shall be deposited in the Port Revenue Fund and shall be used in accordance with the provisions of Section 5.13 of the Indenture.

This matter has been discussed at a number of Commercial Real Estate Committee meetings.

SUSTAINABILITY:

The buyer will develop the property consistent with Port of Oakland sustainability policies, as applicable.

OPTIONS:

1. Lease rather than sell the parcel. This would be counter to the goals of the CRE Division.
2. Hold the parcel. This would not provide the needed funding for waterfront projects.

RECOMMENDATION:

* is recommended that the Board give first reading to an ordinance authorizing the Executive Director to execute a Purchase and Sale Agreement and all related sales documents between the Port of Oakland and Lincoln Property Company for the purchase of the Hegenberger Road parcel at a price of \$5,566,968.

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 12

SUBJECT: First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Doug Rohn and Elizabeth Zenger for the property located at Edgewater Drive and Pardee Road

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

A critical component of the Commercial Real Estate Division's restructure plan which was approved by the Board in 1999 was the sale of parcels within the Oakland Airport Business Park to create funding for projects along the waterfront. One of the last remaining "for sale" parcels in the Oakland Airport Business Park is a 2.09-acre parcel at the corner of Edgewater Drive and Pardee Road. The Port was initially in contract with Covance Research Products Inc. with escrow set to close in August 2001; however, the Port received a letter terminating the agreement in June 2001, based on an internal corporate decision by Covance to continue renting in Berkeley.

The office market experienced a downturn in 2001, and staff, with the concurrence of the Commercial Real Estate Committee, elected not to actively market the site. Port staff placed a "for sale" sign on the site, and during late 2001 and early 2002, received several expressions of interest in the site.

The only written offer received was from Doug Rohn and Elizabeth Zenger, dba Bay Area Veterinary Specialists (BAVS). Staff visited the buyer's leased location in San Leandro and determined that the use was acceptable in the Oakland Airport Business Park. BAVS provides state-of-the-art diagnostics and therapeutics for animals. They are one of the few 24-hour specialty and critical care facilities in Northern California. Their new facility will be designed to maximize their ability to continuously monitor all hospitalized patients. Specialties include internal medicine, diagnostic imaging, surgery, oncology, dermatology, and cardiology.

BAVS intends to open its new facility with 100 employees in spring 2003. They were drawn to the Port's site in part due to its location on the water and the presence of trails interspersed throughout the Business Park.

ECONOMIC TERMS:

Price: \$16.00 per square foot
\$1,459,440

Deposits: A payment in the amount of \$10,000 will be given to the Port within five days of the Effective Date of the Purchase and Sale Agreement. This amount is non-refundable, but will be credited toward the purchase price at close of escrow. The amount of \$25,000 will be deposited into escrow at the same time. The deposit will be increased by \$50,000 at the end of the due diligence period. The \$75,000 then becomes non-refundable and is credited toward the purchase price.

Due Diligence: 60 days commencing upon the Port's execution of the Purchase and Sale Agreement

Approval Period: 60 days from the end of the due diligence period

Escrow Close: 30 days after the approval period has expired

Approved by Ordinance
passed to print

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD



APR 16 2002

DATE

Subject: First Reading of an Ordinance Authorizing the Execution of a Purchase and Sale Agreement with Doug Rohn and Elizabeth Zenger for the Property located at Edgewater Drive and Pardee Road

Payment for Extension of Close of Escrow: Two options for 30 days each at a cost of \$10,000 each (non-refundable)

Repurchase Provision: The Port has an option to repurchase the property in the event that the Buyer has not commenced construction of the required improvements within eighteen months from the effective date of the agreement.

Broker's Commission: The payment to CB Richard Ellis is the responsibility of the buyer.

The execution of the Purchase and Sale Agreement has been reviewed pursuant to the California Environmental Quality Act (CEQA) and has been determined to be exempt under the State and Port CEQA Guidelines, Section 15312, Surplus Government Property Sales. This exemption does not apply to construction and/or operation of the project. These activities are not exempt under CEQA and will require environmental review, as provided by State law and the conditions of the Purchase and Sale Agreement.

It has also been determined that:

- (a) That the Property has become unnecessary for Port purposes or harbor development; and
 - (b) That the proposed sale of the Property complies with the provisions of Section 5.13 (b) of the Port's Master Trust Indenture, dated as of April 1, 1989, as amended (the "Indenture"), and does not, together with other transfers referred to therein, constitute a Significant Portion of the Port (as defined in the Indenture).
- The Board hereby directs that the proceeds of such sale shall be deposited in the Port Revenue Fund and shall be used in accordance with the provisions of Section 5.13 of the Indenture.

This matter has been discussed at a number of Commercial Real Estate Committee meetings.

SUSTAINABILITY:

The buyer will develop the property consistent with Port of Oakland sustainability policies, as applicable.

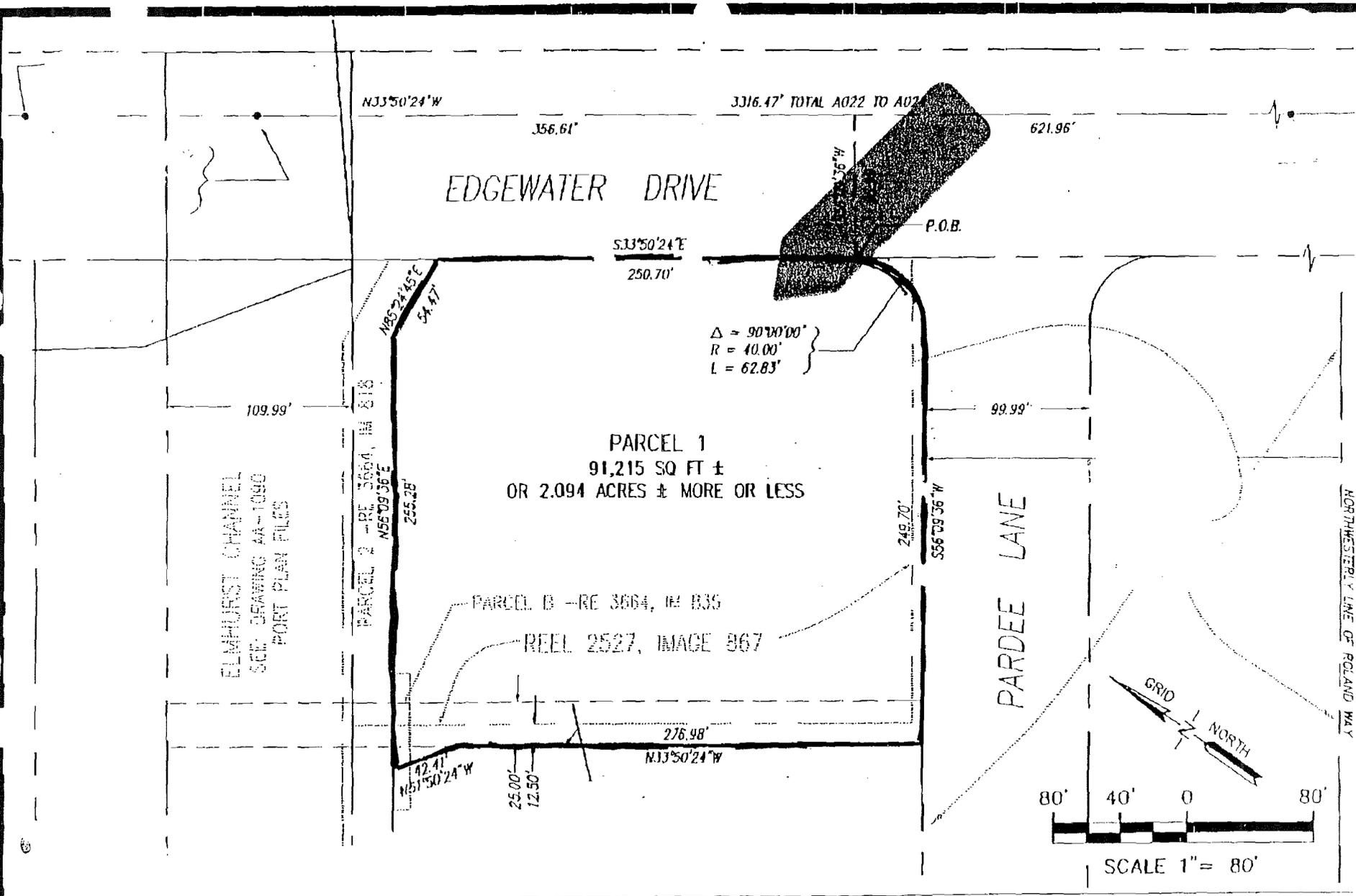
OPTIONS:

- 1. Lease rather than sell the parcel. This would be counter to the goals of the CRE Division.
- 2. Hold the parcel. This would not provide the needed funding for waterfront projects.

RECOMMENDATION:

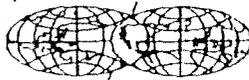
It is recommended that the Board give first reading to an ordinance authorizing the Executive Director to execute a Purchase and Sale Agreement and all related sales documents between the Port of Oakland and Doug Rohn and Elizabeth Zenger for the purchase of the Edgewater Drive parcel at a purchase price of \$1,459,440.

** SEE REEL TOTAL **



V:\168126.DWG DATE: 9-22-1994 PORT W.O.# 102432 JOB# N1681.25 SHEET 1 OF 1

Port of Oakland
 530 Water Street
 Oakland, California



**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION
 for
 PARCEL 1**

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 21

SUBJECT: Revised Compensation Terms to the Approved Non-Exclusive Preferential Assignment Agreement with Evergreen Marine Corporation (Taiwan) Ltd. for the Ben E. Nutter Terminal

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry A. Bridges

[Signature of Jerry A. Bridges]

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND: Marine Terminals Corporation ("MTC") operates and provides terminal services at the Ben E. Nutter Terminal under a Management Agreement with the Port which is scheduled to expire June 30, 2004. The facility is a public container terminal comprised of approximately 58 acres and 4 gantry cranes. Hanjin and Senator Lines were former users of Nutter Terminal under separate Terminal Use Agreements ("TUAs") with the Port. Last year, Hanjin, who has controlling interest in Senator, transferred operations, along with Senator, to the new terminal at Berths 55-56. This relocation created an opportunity to backfill terminal capacity at the Nutter Terminal.

Evergreen Marine ("Evergreen") is now the largest user of the Nutter Terminal under a 5 year TUA which expires in 2005. Evergreen is the owner of Italian based shipping line Lloyd Triestino Di Navigazione S.P.A. ("L.T.") and has controlling interest in Hatsu Marine ("Hatsu"), a shipping liner service which is domiciled in the United Kingdom. The Board previously authorized L.T. and Hatsu to operate at the Nutter Terminal in accordance with the terms of the Evergreen TUA. Several other shipping lines also operate at the Nutter Terminal. Both Trans Pacific Lines ("TPL") and Wan Hai Lines operate as Non-TUA lines which pay Port charges through MTC. Furthermore, China Shipping has a TUA which expires in 2003 and Yang Ming Lines ("YML") has its own TUA which is scheduled to expire in 2006. It is also significant to note that YML is party to a vessel slot sharing arrangement with Hanjin/Senator/ K-Line and COSCO. Although it is still uncertain, this slot sharing arrangement may cause YML to eventually seek a transfer of operations to another Oakland terminal.

Last year, Evergreen approached the Port seeking a Non-Exclusive Preferential Assignment Agreement for the entire Nutter Terminal. Negotiations subsequently took place at Evergreen's headquarters in Taipei. Based upon those negotiations, on February 19, 2002 the Board of Port Commissioners (the "Board") authorized Ordinance No. 3684 approving an Assignment Agreement for the Nutter Terminal to Evergreen. The general terms and conditions then approved provided for a 10 year term with 2 separate consecutive options to extend the term by 5 years pursuant to each option. The authorized Minimum Annual Guarantee ("MAG") was for \$9,015,000.00 for the two first contract years with increases to the MAG commencing in the third and sixth contract years. Significant economic incentives were also offered Evergreen in order to attract considerable new levels of discretionary intermodal cargo. Under the previously authorized Assignment Agreement, Primary Use included a Non-TUA entity who as of January 1, 2002 was a regular caller with its vessels at the Nutter Terminal. The loaded twenty foot equivalent unit ("TEU") activity of a TUA user would also count toward the compensation MAG and Breakpoint levels authorized but Evergreen would not be obligated for such activity as the other users would pay the Port under any continuing TUAs.

Evergreen did not sign the contract documents reflecting the Board's February 19, 2002 authorization. While indications are that the opening of the Port's Joint Intermodal Terminal ("JIT") has generated some downward pressure to the rail line-haul rate differentials in Oakland compared to other West Coast gateways, this disadvantage has not yet been entirely eliminated. It is therefore difficult for Evergreen to commit significant intermodal cargo with the current rail differentials. The possibility that other users which presently call the Nutter Terminal may elect to transfer to another Oakland terminal also concerns Evergreen and affects the level of MAG upon which it is willing to commit. Evergreen has therefore requested revisions to the compensation elements previously authorized. The revisions would still give Oakland new intermodal business. The revised terms, recently renegotiated in Taipei, upon which Evergreen signed a letter of intent, are outlined below:

Approved by Resolution No.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

APR 16 2002

DATE

TERM

The proposed duration of the new Agreement will remain unchanged as it will continue for a 10 year period with 2 additional options of 5 years each in favor of Evergreen.

PRIMARY USE

Primary Use for compensation purposes will consist of use by any shipping line other than a Port-designated secondary user.

Termination of the existing Evergreen TUA and the MTC Management Agreements are required conditions for the new Assignment Agreement with Evergreen to become effective.

COMPENSATION

1st 5 Year Period, each contract year:

In lieu of the Port's full tariff charges for dockage, wharfage, wharf demurrage, wharf storage and crane rental, Primary Users will be subject to the following all-inclusive rates, breakpoint levels and annual guarantee:

MAG: \$8,506,000.00

<u>Annual Loaded TEUs</u> <u>Breakpoints</u>	<u>\$/Loaded TEU All-Inclusive</u> <u>Breakpoint Rates</u>
<u>Local Cargo</u>	
1-110,000	\$61.40
110,001 & more	\$32.00

There are also considerable incentives for discretionary IPI ("Interior Point Intermodal Cargo"):

<u>Loaded IPI TEU Cargo Breakpoints</u>	<u>\$/Loaded IPI TEU Breakpoint Rates</u>
1-19,000	\$40.00
19,001-40,000	\$37.50
40,001 & more	\$25.00

The above IPI all-inclusive rates for IPI cargo shall apply when the Port is a regularly scheduled first inbound port of call for at least one Evergreen service to the West Coast. Evergreen has pledged to make its China-Pacific South Service ("CPS") an Oakland first inbound port of call commencing on or about May 1, 2002. Consequently, the compensation provisions of the proposed new Agreement will commence May 1, 2002.

If YML, TPL or Wan Hai transfers or discontinues service from the Nutter Terminal, then the above stated MAG/Breakpoint levels shall be adjusted to reflect the diminished levels of Primary User activity.

During the term of the proposed Agreement the above stated all-inclusive rates shall be increased after 5 years by not less than the lesser of the percentage increase in the Port's tariff rates or the increase for the same period in the Consumer Price Index ("CPI") for the San Francisco Bay Area subject to no more than a 6% increase. However, if the combined Evergreen, L.T. or Hatsu primary use activity at the terminal increases by more than 6%, then the increase to the all-inclusive rates in the Agreement shall not be applied.

If an existing Port of Oakland shipping line customer moves from another Port marine terminal to the Nutter Terminal, the above stated Breakpoint levels shall be increased by 75% of the loaded TEU activity of the shipping line customer for the one-year period before the move. The MAG shall also be adjusted by the same average percentage increase resulting to the adjustment to the above stated Breakpoint levels. If the same shipping line subsequently leaves the Nutter Terminal, then the previously adjusted Breakpoints and MAG shall be decreased by the same amount by which they were previously increased.

FUTURE EXPANSION: The Port will agree to negotiate first with Evergreen for up to an additional 40 acres of expansion area from the contiguous Berths 32-34 marine terminal presently comprising the Matson Terminal. Matson will vacate the Berths 32-34 marine terminal area later this year and transfer operations to the new Vision 2000 SSAT Terminal at Berths 57-59.

ANALYSIS & FINANCIAL IMPACT:

The above economic incentives are designed to have Evergreen maintain at least one first port of call vessel deployment in Oakland.

The ability to be able to reduce the above stated MAG/Breakpoint levels if YML, TPL or Wan Hai transfers or discontinues service from the Nutter Terminal could diminish the MAG to a level of \$6,593,000.00 annually. It is important to realize that this is a worse case scenario because the MAG is a guaranteed minimum amount. In addition, such a cargo shift from the Nutter Terminal would likely transfer the cargo to another Port facility and while such a transfer would potentially generate less revenue than would have been achieved at the Nutter Terminal to the Port from the transferring line, revenue would not be totally lost.

Based upon the above stated Breakpoint levels and Evergreen's projections to increase its local cargo activity, if none of the subject lines transfer from the Nutter Terminal, during the first contract year incremental new revenue of approximately \$700,000.00 will be achieved from new Evergreen, L.T. and Hatsu cargo activity under the proposed Agreement. Moreover, Evergreen's potential expansion with an additional 40 acres of operating area from the existing Matson Terminal could, on an annual basis, generate a minimum \$4,800,000.00, or incremental new revenue of approximately \$3,692,308.00 after rehabilitation of the Matson facility, anticipated in about 2 years. Another +/- \$2.4 million dollars annually, or incremental new revenue of about \$1.8 million dollars annually, is anticipated to be generated from the remaining 20 acres of the Matson facility which will likely be assigned to TraPac, presently operating on the other side of the Matson Terminal, at Berth 30.

The proposed assignment to Evergreen is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of the use beyond that previously existing.

The Port analyzed the impacts of expansion in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July

Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), and for construction of a joint intermodal rail terminal (Final Environmental Impact Statement/Environmental Impact Report, Joint Intermodal Terminal ("JIT"), June 1999, Resolution 99245). The latter document analyzed the impacts of increases in terminal throughput of over 260,000 lifts by 2010. The EIRs for Vision 2000 and the JIT analyzed impacts by anticipating reuse and a more efficient configuration of existing terminals. Thus, changes in the tenancy of the existing marine terminals is categorically exempt under Section 15301 of the CEQA guidelines which provide for leasing property where that lease involves negligible or no expansion of an existing lease.

SUSTAINABILITY FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

It is recommended that the Board pass a resolution:

- 1) Approving and authorizing execution of an agreement with Marine Terminals Corporation to terminate the existing Management Agreement for the Nutter Terminal and approving and authorizing execution of agreements with the TUA users of the Nutter Terminal to terminate the TUAs. (Termination of the Management Agreement and the Evergreen TUA would be a condition for the new Evergreen Agreement to become effective, but the Port would only enter into the termination agreements if Evergreen and the Port have entered into the new Evergreen Agreement); and,
- 2) Approving and authorizing execution of a new Non-Exclusive Preferential Assignment Agreement with Evergreen for the Nutter Terminal in accordance with Port Ordinance No. 3684 (approved February 19, 2002), as revised in accordance with the above described or better modified compensation terms.

Agenda Sheet

JHW

SUBJECT: Approval of Change Orders to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 - Construction of the Berth 59 Container Yard Associated with the Wharf Extension

DATE: April 16, 2002

ITEM NO: 22

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port has a contract with Berths 57/58 Constructors, a Joint Venture, for the **CONSTRUCTION OF BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS**, which became effective on June 20, 2000, at lump sum and unit prices totaling \$61,701,177. The project consists of site demolitions; mass excavation and dredging; placement of fill on land and in the water; shoreline stabilization; construction of a concrete-pile supported wharf; grading areas for the Middle Harbor Shoreline Park and a portion of the Berths 57/58 container yard.

ANALYSIS:

The original design and construction contracts for this project included construction of 3,000 linear feet of wharf, an additional 600 linear feet of embankment, dredging, and certain landside improvements within the first 250 feet behind the wharf. These landside improvements included grading, placement of base rock, and installation of subsurface utility conduits and storm drainage facilities. On June 20, 2000, the Board approved lease of the terminal to SSA Terminals (SSAT) that included 3,600 feet of wharf and adjacent container yard improvements. On March 6, 2001, the Board approved a change order to this construction contract to build the additional 600 feet of wharf for an estimated cost of \$6,000,000.

However, that change order did not include the landside improvements (grading, placement of base rock, and installation of utility conduits and storm drainage structures) within the first 250 feet behind the wharf at Berth 59. This work was not included in the earlier change order approval because the scope and costs were unknown at that time. It is estimated that this work in the area behind Berth 59 will cost \$592,000.

The addition of the Berth 59 wharf and container yard area also necessitated modification of several of the utilities in the Berths 57/58 area being constructed under this contract. These changes included upsizing utility conduits, utility boxes and the fire protection system. This work is estimated to cost \$477,000.

Budget

This work is budgeted under CIP Item No. M6.00585.02. The funding source is Port bonds.

Including these change orders, there will be 73 change orders estimated at \$14,527,000 or 23.5% of the original contract work. This includes \$1,900,000 spent addressing unforeseen contaminated soil problems on the Union Pacific property, \$2,100,000 for berth and interconnecting channel dredging related to the -50' program, and \$365,500 for emergency repairs to the Berth 24 Wharf. Not including these change orders or the change order associated with Berth 59, this project has incurred \$2,937,500 in change orders (4.77% of the original contract amount).

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02112
BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

APR 16 2002

DATE

The costs of these change orders have been accounted for and are expected to be fully recovered through the compensation terms for the Berths 57-59 SSAT agreement

Project Labor Agreement

This work is covered by the terms of the Maritime and Aviation Project Labor Agreement (MAPLA).

OPTIONS:

1. The Port could elect to have the work sent out to competitive bid. This option would result in delaying the completion of the Berths 57-59 terminal for several months, add cost to the design to prepare separate construction documents, increase the cost of the work, and lead to conflicts with other onsite contractors within a constrained site.
2. The Port could elect to negotiate a bid from the adjacent container yard construction contractor. This would, however, cause conflicts with the wharf construction and would not likely cost any less.

RECOMMENDATION:

It is recommended that the Board approve change orders for a total amount not to exceed \$1,069,000 to construct container yard improvements associated with the addition of the Berth 59 wharf.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

March 28, 2002

PROJECT TITLE: Construction of Berths 57-59 Container Yard and Gate, Vision 2000, Oakland, California

Re: Approval of Change Orders to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Construction of the Berth 59 Container yard Associated with the Wharf Extension

CIP NO: M6.00585.02,

W.O. #'s: 103526

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of Berths 57-59 Container Yard and Gate is being tracked under work order # 103526.

Budget: This project is included in the CIP Element # M6.00585.02 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.02	1182	1881	56277	7469						66809
Total =	1182	1881	56277	7469						66809

Remarks:

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 23

T.D.
SUBJECT: Authorization to Negotiate and Execute an Agreement with Michael Willis & Associates to Provide Architectural Design Services for the Construction of Port Field Support Services Complex, Inner Harbor

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On November 7, 2000, by Resolution No. 20450, the Board authorized staff to negotiate and execute an agreement with Michael Willis Architects ("MWA") to provide architectural design services to prepare plans and specifications for Construction of Port Field Support Services Complex, Inner Harbor. The approved contract maximum amount was \$1 million dollars, with authorization for the Executive Director to approve an additional \$150,000 of additional work. The Port Field Support Services Complex (PFSSC) design services were originally estimated using the Airport Facilities Complex (AFC) Professional Services' original contract amount of \$899,147 and increasing it accordingly to account for inflation. It was assumed that the PFSSC would be roughly the same size as the AFC. During the same period of time, a Master Plan Space Utilization program was prepared to determine Maritime Facilities' needs.

At the completion of the Master Plan Study, it was realized that the PFSSC would be significantly larger than the AFC due to a decision to consolidate the other departments and other satellite locations. By reducing unnecessary space, combining common areas and eliminating duplications, the Master Plan has since been reduced. However, the resultant building footprint still would need to be nearly 20% larger than the AFC, and the resultant yard space would need to be approximately 35% larger. The complex would be designed to provide modern, safe and efficient workspaces which reflect the type of work currently encountered by the affected departments as well as what is anticipated in the future based on current growth projections.

The scope for the original Contract included planning and site layout alternatives; preparation of plans and specifications; design calculations; geotechnical investigations; conceptual studies; cost estimates; design and construction schedules; and other necessary tasks associated with the proposed development at the UP Roundhouse area. However, due to uncertainty related to the needs of the UP Roundhouse area for Maritime operations, staff has only entered into an agreement with MWA for \$450,000. In addition, from the time of the original Board approval, the consultant was directed to investigate the feasibility of three other sites due to various site-related constraint issues. These sites included the Phoenix Iron Works site, the Castro/6th Street site, and the Maritime Street/7th Street site. The investigation resulted in the selection of the Maritime Street/7th Street site as the final recommended location. To date, approximately \$300,000 of the consultant's contract has been expended in this effort.

ANALYSIS:

In comparison to the AFC, the PFSSC will house more personnel, including staff of the Construction Department, Divers, as well as a Central Store and various other office spaces currently located at satellite storage locations. In addition, the required yard space was also found to be significantly larger (approximately 35%) in order to provide for the consolidation of satellite storage areas from Buildings E-514, E-511, and 6th Avenue. The original estimate had assumed that these satellite storage locations would remain in use and not be combined.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02113
BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

APR 16 2002
DATE

Table 1 below compares the size differences:

DESCRIPTION	PFSSC	AFC
1. Administration Building Footprint	13,385 SF	14,750 SF
2. Vehicle Maintenance Building Footprint	9,749 SF	14,400 SF
3. Shops Building Footprint	28,073 SF	12,000 SF
4. Warehouse Building Footprint	18,170 SF	0
5. Central Store Footprint	4,700 SF	9,304 SF
6. Divers shop	3,000 SF	0
7. Crane Parts Building	3,600 SF	0
8. Total Yard Area	240,284 SF	189,126 SF
TOTAL SITE AREA	320,961 SF (7.4 Acres)	239,580 SF (5.5 Acres)

TABLE 1 – Comparison of proposed PFSSC and designed AFC complexes

In addition to being larger, the PFSSC is a more complex design project than the AFC. The reasons are as follows:

1. The site boundaries are not well defined and therefore require extra planning efforts to establish a layout that can be mutually acceptable to Maritime operations and the adjacent tenants.
2. A portion of the site contains saturated petroleum products in the soil and groundwater, causing the facilities complex to be arranged in a way to minimize penetration into the contaminated soil. This has an impact on the type of foundation that needs to be designed and constructed.
3. In addition to the original MWA design team, additional subconsultants, Maintenance Design Group, Ove Arup & Partners, and John Raeber have been added for their expertise in facility design and sustainability ("green" building practices). The participation of the additional subconsultants for this work has resulted in increased costs.
4. A Crane Parts Building has been added to the scope for the design services

The revised approximate percentages of work for each subconsultant are shown below:

Team	Location	% Work*	Certification Status**	Classification
Michael Willis & Associates	Oakland, CA	44.2%	LIABE	Prime
KPA Consulting Engineers	Oakland, CA	9.0 %	LIABE	Structural Subconsultant
F. W. Associates	Oakland, CA	9.3%	LIABE***	Electrical Subconsultant
SJ Engineers	Oakland, CA	8.8%	LIABE***	Mechanical Subconsultant
AGS, Inc.	Oakland, CA	10.6%	LIABE	Civil Subconsultant
Adrienne Wong Associates	Oakland, CA	3.5%	LIABE***	Landscape Subconsultant
Don Todd Associates, Inc.	Oakland, CA	2.2%	LIABE***	Cost/estimate Subconsultant
Maintenance Design Group	Denver, CO	10.5%	-	Facilities Subconsultant
Ove Arup & Partners	San Francisco, CA	1.0%	-	Sustainability Subconsultant
John Raeber, FAIA, FCSI, CCS		0.9%		Specifications Subconsultant

* The percentages are estimates only and may vary depending upon the final scope of work performed.

** LIABE=Local Impact Area Business Enterprise

*** Previously certified, currently undergoing recertification

The Port's Social Responsibility Division concurs with the addition of the three subconsultants identified above, as well as the change to the percentage of work assigned to the prime and subconsultants.

Renegotiations with MWA began after the final site selection and in accordance with the revised Master Plan Space Utilization Study. The proposed site is now estimated to be between 7 and 8 acres, with an estimated construction cost between \$14-16 million. Based upon this latest information, it is anticipated that the amount of the agreement will not exceed \$1.7 million dollars for design services.

The scope of the design services would include planning and site layout alternatives; preparation of plans and specifications; design calculations; geotechnical investigation; conceptual studies; cost estimates; design and construction schedules; and other necessary tasks associated with the proposed development.

Budget

This work is budgeted under C.I.P. Element No. SM.00667.01. The funding source is Port bonds. The Project Schedule and Project Budget Detail are attached.

Sustainability

The project design will conform to the latest editions of applicable codes and regulations, and also incorporate the City of Oakland's "Sustainability Development" guidelines ("green" building practices).

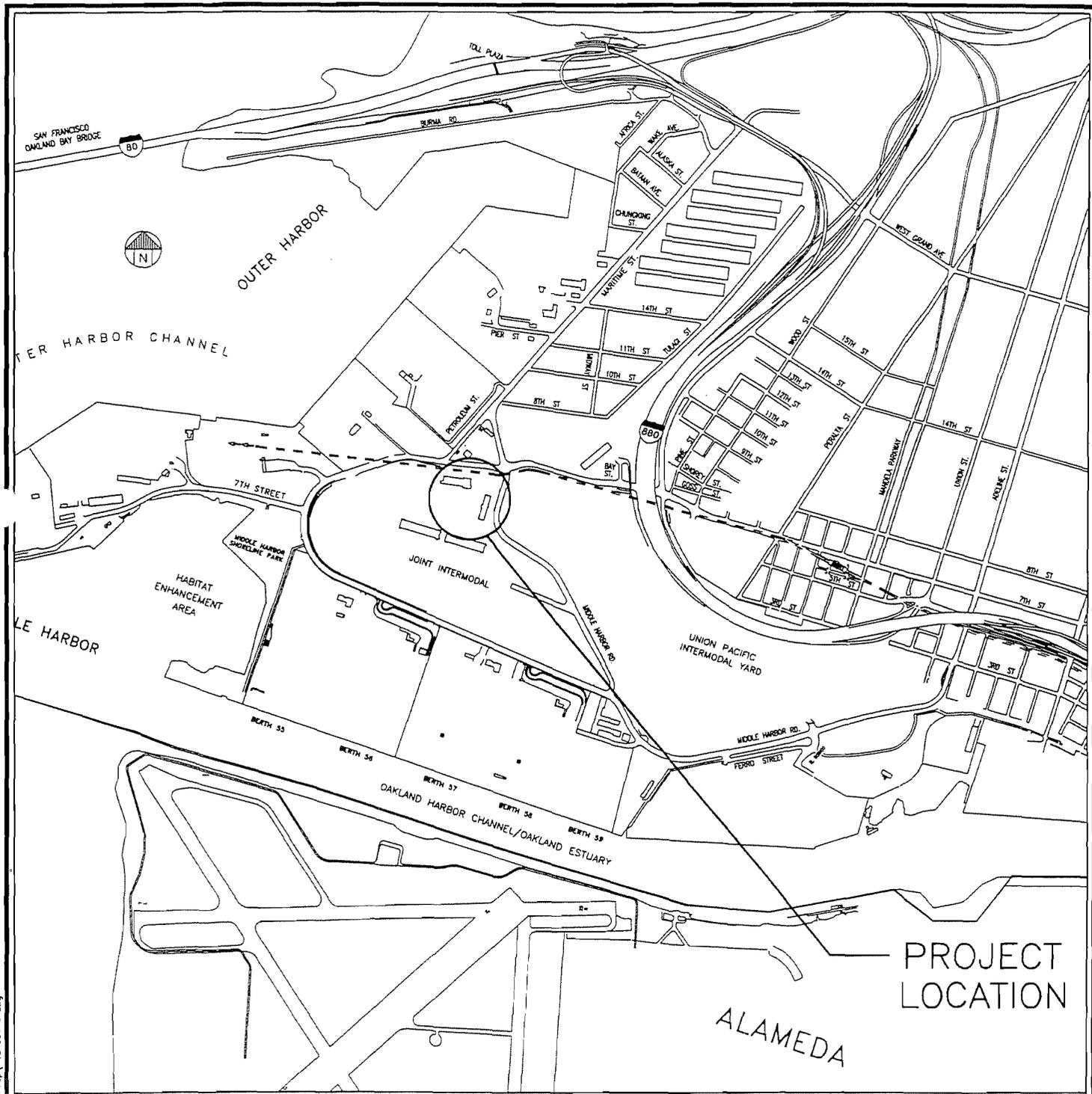
Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this work.

RECOMMENDATION:

For the reasons stated above, staff requests that the Board:

- 1) Determine that the engineering services, as described above, are professional services;
- 2) Authorize the preparation and execution of a new agreement with Michael Willis and Associates for an amount not to exceed \$ 1.7 million dollars, with approval of up to an additional \$170,000 for potential changes in scope authorized by the Executive Director;
- 3) Approve additional subconsultants; and
- 4) Approve the revised percent work for the prime and each subconsultant.

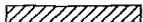
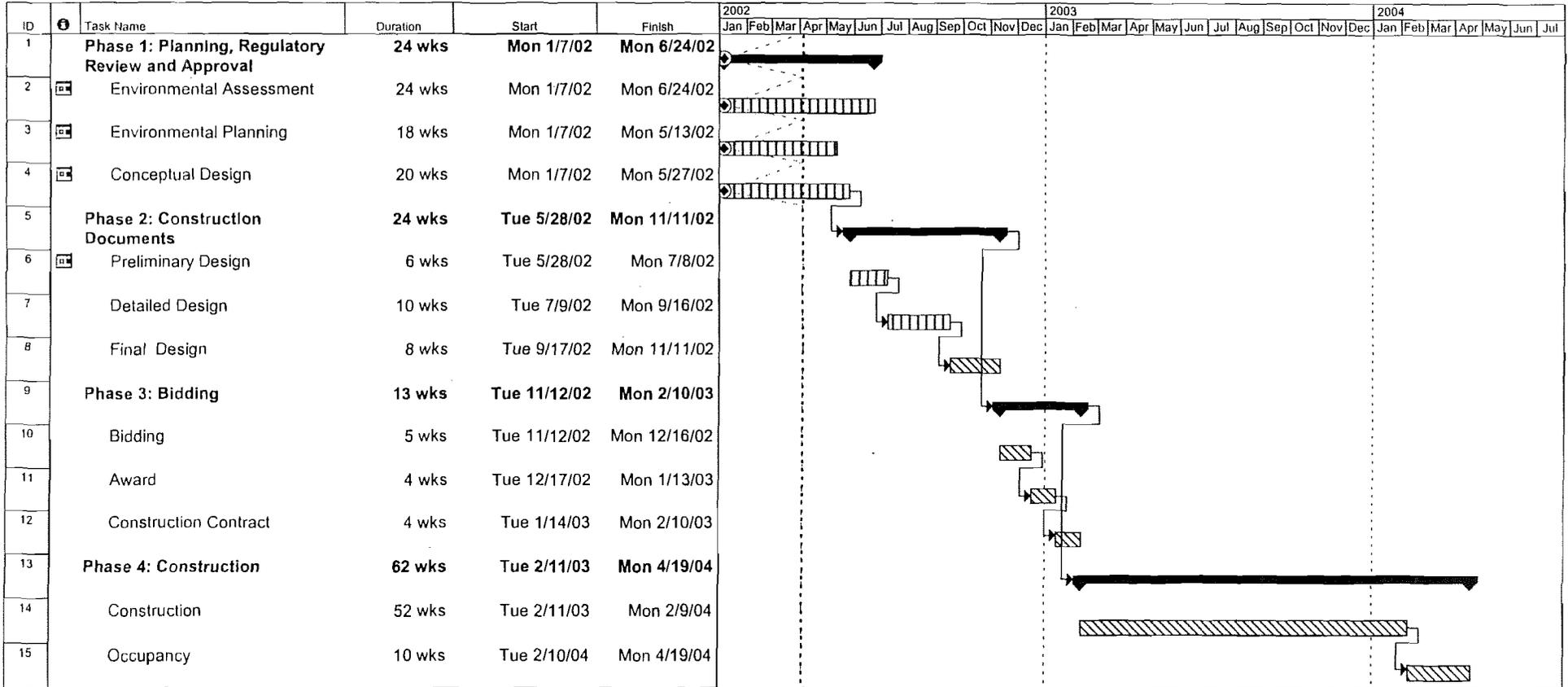


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PORT OF OAKLAND

PROJECT
LOCATION



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

April 4, 2002

PROJECT TITLE: Design and Construction Replacement Harbor Facilities Complex

CIP NO: SM.00667.01

W.O. #'s: 103953

PROPOSED FUNDING SOURCES: Port cash

Narrative: The Design and Construction of the Replacement Harbor Facilities Complex is being tracked under work order #103953, CIP element # SM.00667.01. The estimated project budget is \$20,178,000.00 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Totals
Project Design & Construction	924	1,582	2,133	15,508		31	0	0	20,178
Total =	924	1,582	2,133	15,508		31	0	0	20,178

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

SUBJECT: Approval of Second Supplemental Agreement with Lewis Engineering for Construction Quality Assurance Services for the Closure of Landfill at the Former Lew F. Galbraith Golf Course

DATE: April 16, 2002
ITEM NO: 24

SUBMITTED BY: Joseph K. Wong 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations C.I.
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland (Port) currently has a professional services agreement with Lewis Engineering to provide Construction Quality Assurance (CQA) services for the landfill closure project at the former Lew F. Galbraith golf course. The Board approved the agreement on May 25, 2000, per Resolution No. 20203. The Board approved a maximum compensation of \$250,000 with up to \$50,000 for potential changes in scope with approval from the Executive Director. Furthermore, the Board approved a supplemental agreement on July 24, 2001, per Resolution No. 01291. This supplemental agreement was executed on July 24, 2001, for a maximum addition of \$130,000 in funds and change of scope due to the altered conditions on site.

The intent of the CQA plan is to outline the procedures to document that the construction of the final cover system for the former landfill is performed in conformance with the plans and specifications. This is a requirement of the Final Closure Plan, which is strictly regulated by the Regional Water Quality Control Board (RWQCB). The implementation of the plan requires that qualified individuals perform rigorous and repetitive lab tests and visual site inspections on a daily basis. These results must then be carefully collected and organized into a final certification package submitted to the RWQCB for approval.

ANALYSIS:

Under the current agreement, Lewis Engineering is to provide construction support services, such as management of the submittal review, field inspection, and laboratory testing and then produce the final Construction Quality Assurance Report for the Landfill Closure at the Former Galbraith Golf Course. Lewis Engineering's original agreement was to provide construction services starting May 29, 2000 through November 24, 2000, approximately 26 weeks. The services provided were to be dependent on the construction schedule, which is now estimated to extend past the period previously proposed in both the original agreement and the first supplemental agreement with Lewis Engineering.

The planned completion date for the project has passed, but the contractor left the site in November. The actual cause of the failure to complete the project is in dispute; however, regardless of the ultimate determination regarding that issue, the Port still requires the services of Lewis Engineering.

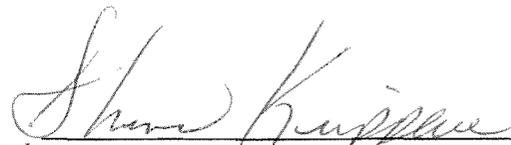
Lewis Engineering is a small, women-owned business and will continue to act as the prime consultant, with Subsurface and Signet as subconsultants. Precision Testing Labs was added after the agreement was initiated to test the geosynthetic construction materials. Precision Testing Labs is the closest testing lab qualified to perform these specialized tests. Lewis Engineering will continue to be the CQA officer and be responsible for all CQA duties. Subsurface Consultants, Inc. will continue to provide field inspection, Signet Testing Labs will continue to provide testing services as well as provide field inspections and Precision Testing will continue to perform geosynthetic testing.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02114

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

APR 16 2002

DATE

Below is a revised table reflecting the current make up of the team and the estimated percentage of work for each consultant, including the supplemental work.

Team	Location	% of Work*	OEO Status**	Classification
Lewis Engineering	Piedmont, CA	43%	LBABE	Prime
Subsurface Consultants, Inc.	Oakland, CA	32%	LIABE	Subconsultant
Signet Testing Labs	Oakland, CA	25%	LIABE	Subconsultant
Precision Testing Labs	Anaheim, CA	5%		Subconsultant

* The percentages are estimates only and may vary depending upon the final scope of work performed.

LIABE=Local Impact Area Business Enterprise

LBABE=Local Business Area Business Enterprise

Environmental

This work is being performed in accordance with the Final Supplemental Environmental Impact Report / Environmental Impact Statement, Oakland Harbor Deep Draft Navigation Improvements dated May 1994; and Final Closure & Post Closure Maintenance Plan, Former Lew F. Galbraith Golf Course, Oakland CA dated May 2000.

General Plan

The Port was required to close the former unregulated landfill in accordance with applicable Federal and State Laws, regulations, and policies. The golf course is a replacement for the former facility located at the site.

Budget

	DESCRIPTION	DATE	AUTHORIZED
1	Board Authorized Maximum Compensation	May 25, 2000	\$250,000
2	Allowable Increase with Executive Director's Approval	May 25, 2000	\$50,000
3	Additional Amount Approved by the Board for the First Supplemental Agreement	July 25, 2001	\$130,000
4	Additional Proposed Amount Requested for Newly Identified Changes in Scope	Proposed	\$50,000
5	Total Proposed Maximum Compensation	Proposed	\$480,000

Port staff is currently developing a scope of work and negotiating fees with Lewis Engineering. It is anticipated that the maximum compensation for these services will not exceed \$50,000. It is recommended that the Executive Director be authorized to prepare and execute a second supplemental agreement based on these negotiations.

The cost of the additional CQA services currently exceeds the total project cost, due to the fact that construction is not yet complete. The work is budgeted under CIP Element No. MA.02870.19. The funding source is Port Bonds.

Sustainability

The golf course capping plan contributes to the sustainability of the project. The golf course cap includes the major features of the golf course. Therefore, less fill is required and less effort will be expended to complete the golf course. This equates to less imported fill and fewer emissions resulting from the burning of fossil fuels. Moreover, the golf course is designed for a significant amount of drainage to be collected into a closed system of lakes for treatment and reuse for irrigation on site. Another sustainability initiative associated with the project is the treatment and use of landfill leachate for construction site dust control, rather than treatment / release off site.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this professional services work.

OPTIONS:

1. Cease CQA work after currently approved funds are exhausted. Under this option, RWQCB will not certify the closed landfill.
2. Re-procure professional services contract for construction quality assurance (CQA). Under this option, the project will likely be delayed and incur additional costs associated with the administrative process of contract procurement and training of new CQA team.
3. Authorize the preparation and execution of a second supplemental agreement with Lewis Engineering in accordance with the above provisions.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the services described above are professional services; and
2. Authorize the preparation and execution of a second supplemental agreement with Lewis Engineering in accordance with the above provisions.

Agenda Sheet

DATE: July 24, 2001

ITEM NO: 24

^{TD}
SUBJECT: Approval of First Supplemental Agreement with Lewis Engineering
for Construction Quality Assurance Services for the Closure of
Landfill at the Former Lew F. Galbraith Golf Course

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland (Port) currently has a professional services agreement with Lewis Engineering to provide construction quality assurance (CQA) services for the landfill closure project at the former Lew F. Galbraith golf course. The agreement was approved by the Board on May 25, 2000, per Resolution No. 20204. The Board approved a maximum compensation of \$250,000 with up to \$50,000 for potential changes in scope with approval from the executive Director.

The intent of the CQA plan is to outline the procedures to document that the construction of the final cover system for the former landfill is performed in conformance with the plans and specifications. This is a requirement of the Final Closure Plan, which is strictly regulated by the Regional Water Quality Control Board (RWQCB). The implementation of the plan requires that qualified individuals perform rigorous and repetitive lab tests and visual site inspections on a daily basis. These results must then be carefully collected and organized at all times, with a final certification package being submitted to the RWQCB for approval.

ALYSIS:

Under the current agreement, Lewis Engineering is to provide construction support services, such as management, submittal review, field inspection, laboratory testing and produce the final Construction Quality Assurance Report for the Closure of Landfill at the Former Galbraith Golf Course. Lewis Engineering's original agreement was to provide construction services starting May 29, 1999 through November 24, 2000, approximately 26 weeks. The services provided were to be dependent on the construction schedule, which is now estimated to be 41 weeks. The project delay was not caused by the Consultant, but rather by site condition changes occurring during the Construction of the Landfill Closure project. The delays are as follows:

1. Unforeseen high groundwater/leachate levels, causing the Port to take additional time to construct special cut-off walls to contain the excess water so the rough grades for the proposed golf course could be achieved.
2. During the construction of the cut-off walls, additional refuse material was generated, requiring more time and effort for reburial.
3. The above delays pushed the construction project into the winter season where only winterization work could then be performed.
4. Actual site conditions revealed a higher clay-to-sand material ratio resulting in further time to moisture condition and place the greater amount of clay.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

In addition, this project has required an increase in costs associated with overtime hours required to monitor the Contractor's work schedule. The project is approaching final completion and the Contractor has increased his hours in an effort to complete the project on schedule. The Contractor is working 10-hour days, six days a week. In accordance with the Regional Water Quality Control Board permit requirements, Lewis Engineering must monitor the Contractor's work and, therefore, must work the overtime hours.

Lewis Engineering is a small, women-owned business and will continue to act as the prime consultant, with Subsurface and Signet as subconsultants. Precision Geosynthetic Laboratories was added to the team after the agreement to test the geosynthetic construction materials. Precision Geosynthetic Laboratories is the closest testing lab qualified to perform these specialized tests. Lewis Engineering will continue to be the CQA officer and be responsible for all CQA duties. Subsurface Consultants, Inc. will continue to provide field inspection, Signet Testing will continue to provide testing services as well as provide field inspections, and Precision Geosynthetic Laboratories will continue to perform geosynthetic testing.

Below is a revised table reflecting the make up of the team and the estimated percentage of work for each consultant, including the supplemental work.

Team	Location	% of Work*	OEO Status**	Classification
Lewis Engineering	Piedmont, CA	32%	WBE/LBABE	Prime
Subsurface Consultants, Inc.	Oakland, CA	36%	LIABE	Subconsultant
Signet Testing Labs	Oakland, CA	29%	LIABE	Subconsultant
Precision Geosynthetic Laboratories	Anaheim, CA	3%		Subconsultant

* The percentages are estimates only and may vary depending upon the final scope of work performed.
** WBE=Women-owned Business Enterprise, LIABE=Local Impact Area Business Enterprise, LBABE=Local Business Area Business Enterprise

Budget

	DESCRIPTION	DATE	AUTHORIZED
1	Board Authorized Maximum Compensation, including Executive Director's Authorized Amount	May 25, 2000	\$300,000
2	Additional Amount Requested from the Board For Identified Changes in Scope	Proposed	\$130,000
3	Total Proposed Maximum Compensation	Proposed	\$430,000

Staff is currently developing a scope of work and negotiating fees with Lewis Engineering. It is anticipated that the maximum compensation for all services, including the above additional scope of work, will not exceed \$430,000. It is recommended that the Executive Director be authorized to prepare and execute a first supplemental agreement based on these negotiations.

The cost of the additional CQA work remains within the total project cost. The work is budgeted under CIP Element No. MA.02870.19. The funding source is Port Bonds.

RECOMMENDATION:

It is recommended that the Board:

- Determine that the services described above are professional services; and
- Authorize the preparation and execution of a first supplemental agreement with Lewis Engineering in accordance with the above provisions.

Page 4 of 4

PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET DETAIL
July 24, 2001

PROJECT TITLE: Approval of First Supplemental Agreement with Lewis Engineering for Construction Quality Assurance Services for the Closure of Landfill at the Former Lewis Galbraith Golf Course

CIP NO: MA.02870.19

W.O. #'s: 103493

PROPOSED FUNDING SOURCES: Port bonds

FOI

Narrative: Lewis Engineering is being tracked under work order # 103493. The work to build a fence to prevent dumping was tracked under work order # 106111. The work to demolish the maintenance shed at Galbraith was tracked under work order #106112 and the work to clear a path for an office trailer was tracked under work order #106114.

Budget: These four projects are all included in the CIP Element # MA.02870.19 budget which totals \$12,063,000. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element MA.02870.19 (see note 2)

Project Components	Port Labor & Fringe	Port OH	Consult Cost	Const. Cost	Outside Legal	Misc. & Other	ERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Landfill Closure for Galbraith	261.6	302.8	874	10543.2	15	15.2	0	3	0	0	12011.8
Build fence to prevent dumping at Galbraith	.5	.4	0	0	0	.1	0	0	0	0	1
Demolish maintenance shed at Galbraith	7.8	6.7	1	24.8	0	9.7	0	0	0	0	50
Clear path for removal of office trailer next to Galbraith	.15		0	0	0	.02	0	0	0	0	.3
Total =	270	310	875	10,568	15	25	0	0	0	0	12,063

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.
2. Attach Proj. Statement Revisions (PSR's) to provide justification for cost increases.
3. Refer to WMS report by Work Order for direct cost data.
OCIP budget not shown (per S. Blinn).
5. CC: to Director of Eng's Secretary (Ivey keeps copies of all PDS(s)).

Agenda Sheet

DATE: May 25, 2000

ITEM NO: 25S

SUBJECT: Approval of Consultant Agreement for Construction Quality Assurance Services for the Closure of Landfill at the Former Lew F. Galbraith Golf Course

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port has made a commitment to the community to replace the former Lew F. Galbraith Golf Course with a new course by early 2002. To accomplish this goal, the Port has implemented a three-phase construction program. The Phase I work consisted of site preparation, excavating, stockpiling, and moisture conditioning a majority of the dredged material pumped in from the -42 ft. berth deepening project. The Phase II work, which was awarded on March 21, 2000, consists of moisture conditioning the remaining dredged material, constructing a cap over the existing landfill areas, and providing rough grading and drainage for the new golf course. The Phase III work will consist of constructing the final golf course grades, irrigation, planting, parking, and the new clubhouse.

During the Phase II design, the Port was notified that the Regional Water Quality Control Board (RWQCB) would require a Construction Quality Assurance Plan (CQA), and that this plan would require implementation by a firm independent from the Phase II contractor. The basic intent of the CQA plan is to outline the procedures to document that the construction of the final cover system for the former landfill is performed in conformance with the plans and specifications. The implementation of the plan requires that qualified individuals perform rigorous and repetitive lab tests and visual site inspections on a daily basis. These results must then be carefully collected and organized at all times, with a final certification package going to the RWQCB for approval.

Without a completed CQA plan, the scope of the inspection and testing services required during the construction phase was not well defined. The original thinking was to coordinate the work through one of the Port's fiscal year testing companies. However, as the CQA plan moved closer to completion and the scope of the inspection and testing services required by the regulatory agencies was better defined, it became clear that the actual scope to implement the CQA plan would be beyond the normal range of services provided by the Port's available fiscal year testing companies. With the Phase II construction scheduled to commence shortly, the decision was made to interview other companies capable of performing the CQA services with the intent of recommending a highly qualified team to perform the work.

BASIS OF SELECTION:

In view of the time constraints, five firms; four of which are in the Local Impact Area and one in the Local Business Area, and known to the Port and other Port contractors for their excellent work; were informally interviewed and asked for a proposal. These firms were: Consolidated Engineering Laboratories, Inc., Golder Associates, Lewis Engineering, Signet Testing Labs, and Subsurface Consultants, Inc. The team chosen includes three of the five firms considered, and Port staff is confident that this team can perform the necessary work in a timely manner.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Port staff has reviewed the qualifications received and recommends that a team comprised of three consultants perform the work. Each consultant was selected to perform tasks that best represented their professional engineering expertise. The recommended team and functions are as follows: Lewis Engineering to perform as the CQA officer; Subsurface Consultants, Inc., to provide field inspection; and Signet Testing Labs to provide testing services. Lewis Engineering is a small, women-owned business and will act as the prime consultant, with Subsurface and Signet as subconsultants.

Except for Lewis Engineering, the Port's Office of Equal Opportunity (OEO) has worked with each of the firms originally solicited for the work and is familiar with their positive outreach efforts. Lewis Engineering has not contracted with the Port before and recently submitted certification documentation for the Port's review. OEO evaluated their paperwork and has certified Lewis Engineering as both a women-owned business and a local business enterprise. OEO concurs with the recommendation of the consultant team. The EEO-1 Work Force Report/Professional Services Questionnaire form is on file.

Below is a table reflecting the make up of the team.

Team	Location	% of Work	OEO Status**	Classification
Lewis Engineering	Piedmont, CA	37%	WBE/LBabe	Prime
Subsurface Consultants, Inc.	Oakland, CA	39%	LIABE	Subconsultant
Signet Testing Labs	Oakland, CA	25%	LIABE	Subconsultant

* The percentages are estimates only and may vary depending upon the final scope of work performed.

** WBE=Women-owned Business Enterprise, LIABE=Local Impact Area Business Enterprise, LBABE=Local Business Area Business Enterprise

Budget:

Staff is currently developing a scope of work and negotiating fees with Lewis Engineering. It is anticipated that the maximum compensation for these services will not exceed \$250,000. It is recommended that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations. In addition, it is requested that the Executive Director be authorized to approve up to an additional \$50,000 for potential changes in scope.

The cost of the addition of the CQA work remains within the total project cost for the Phase I and Phase II work. The work is budgeted under CIP Element No. MA.02870.19. The funding source is Port Bonds.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the services described above are professional services; and
2. Authorize the preparation and execution of an agreement with Lewis Engineering in accordance with the above provisions.

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 40

SUBJECT: CLOSED SESSION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION 

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of case:

City of Oakland v. Pacific Gas & Electric Company
U.S. District Court, N.D. Case No. 01-30923DN (Howard Terminal)

City of Oakland v. J.C. Penney Life Insurance Co., U.S. District Court Case No. C-00-2975

City of Oakland, et al v. Federal Highway Administration, U.S. District Court, Northern District of California, No. C02 1307

City of Oakland, et al v. California Dept of Transportation, Sacramento County Court Case No. 02CS00391

In re Kaiser Group International, Inc. Case No. 00 02263

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 4 matters
3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9: 1 matter
4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Trosey Lee v. Port of Oakland, Workers' Compensation Appeals Board Case No. OAK 247505
5. CONFERENCE WITH REAL PROPERTY NEGOTIATOR. Government Code Section 54956.8.

Property: Oakland Army Base

Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency

Under Negotiation: Price and terms of payment

Approved by Resolution

No. 02118, 02119, 02120,

02121, 02122, 02123, 02124

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD



APR 16 2002

DATE

**SUMMARY AGENDA OF BOARD CALENDAR
April 16, 2002**

AIRPORT

- 2S** Approval of a Supplemental Agreement Authorizing Rental Credit not to Exceed \$49,500 with Aloha Airlines, Inc. for Construction of New Office and Storage Space in Terminal 1 at Oakland International Airport and Approval to Dispense with Formal Competitive Bidding Procedures for Such Construction. (Resolution)
- 3S** Authorization to Accept Federal Aviation Administration (FAA) Grant Offer for AIP-27. (Resolution)

COMMERCIAL REAL ESTATE

- 13S** Recommended Approval of Right-of-Entry and Indemnity Agreement(s) with Park Plaza Hotel for 28,560 Square Feet of Vacant Land at 265 Hegenberger Road, YMCA of the East Bay for 820 Square Feet of Office Space at 489 Water Street, and Jack London Square Partners for 1,640 Square Feet of Office Space at 481 Water Street. (Resolution)

MARITIME

- 25S** Removal of Port Cranes X411 and X412. (Resolution)

OPERATIONS

- 32S** Approval to Enter into an Agreement with Kelco Computing Solutions for Production of a Centralized Contact Database System.(Resolution)

SUMMARY AGENDA
April 16, 2002

ORDINANCE AND RESOLUTION: ("S")

Port Ordinance No. 3691 being, "AN ORDINANCE AMENDING SECTION 9.18 OF PORT ORDINANCE NO. 867 AMENDING THE SALARY SCHEDULE ASSIGNMENT FOR THE CLASSIFICATION OF YOUTH AIDES, CLASS D AND CLASS C."

Provides for amending salary schedule assignment for Youth Aides, Class D and Class C.

DETERMINING THE APPROPRIATE REPRESENTATION BY INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS OF CERTAIN POSITIONS. (Resolution Only)

Provides formal recognition to IBEW as the majority representative of the Port classification of Airport Landside Coordinators.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 2S

SUBJECT: Approval of a Supplemental Agreement Authorizing Rental Credit not to exceed \$49,500 with Aloha Airlines, Inc. for Construction of new Office and Storage Space in Terminal 1 at Oakland International Airport and Approval to Dispense with Formal Competitive Bidding Procedures for Such Construction (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

This action would approve a Supplemental Agreement to the Annex "A" Space/Use Permit between the Port of Oakland (Port) and Aloha Airlines, Inc. (Aloha) authorizing a rental credit of not more than \$49,500 for its construction of airline ticket office space and office storage space in Terminal 1 at Oakland International Airport (OAK). Aloha currently occupies space at OAK pursuant to the terms and conditions of a Space/Use Permit, which is an attachment to the Airline Operating Agreement between the Port and Aloha.

With the increased number of airlines operating at OAK, office space is in critically short supply; virtually all available office space behind the ticket counters is under contract with various airlines. Aloha has offered to construct additional office space in a portion of the baggage make-up space currently leased to United Airlines, Inc. (UAL), which UAL has agreed to vacate.

ANALYSIS:

Port staff has encouraged the airlines to cooperate in establishing mutually acceptable space allocation within the terminal complex. Aloha's ticket counter is adjacent to UAL's ticket counter and both airlines share common baggage make-up space and a hallway connecting the ticket counters to the baggage make-up area. UAL has offered to release 150 square feet of its exclusive use baggage make-up space to Aloha, and Aloha has offered to construct office space within that area. In addition, Aloha has offered to construct storage cabinets in the vacant space above its exclusive use baggage belt.

Aloha currently conducts its back-office operations within a shared training room leased to UAL. Such back-office operations include storage of valuable ticket stock and money counting. This operations space is cramped, non-exclusive and unacceptable for an extended period.

The office space will include construction of new walls, sub-floor and flooring; installing finishes, fixtures and equipment; and altering existing and adding electrical, mechanical and HVAC systems. The storage cabinets will involve removing existing walls and adding approximately 20 linear feet of enclosed cabinetry over Aloha's operating baggage belt. Aloha has obtained preliminary cost estimates for the office space ranging from \$28,000 to \$35,000 and about \$10,000 for the storage cabinets. Subject to approval of this supplemental agreement, more detailed construction bids will be solicited.

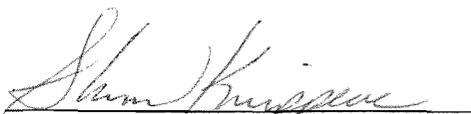
Port Construction and Design Services staff will review and approve Aloha's proposed plans and specifications prior to commencing such work. The rental credit is subject to Aloha's satisfactory completion of the work in conformance with those plans and specifications and submittal of paid invoices evidencing the reasonable cost of such work.

Competitive bidding procedures should be dispensed with for this construction project. If the Port were to use its standard design/bid/award process, the project's costs and duration would increase substantially and Aloha's

Approved by Resolution
No. 02108

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

APR 16 2002

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operations would suffer; it is imperative that Aloha be provided acceptable back office space adjacent to its ticket counters as soon as practical. To minimize the construction costs and time, Aloha will be allowed to solicit bids and contract for the work based on its reasonable judgment. Aloha must hire a licensed contractor and the contractor will meet all Port-specified labor requirements.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

The proposed project is consistent with the Port's sustainable development strategy. The project will take an underutilized area and convert it to better economic use. The contractor will be required to recycle as much of the materials generated from delivery of products to the site as possible to reduce solid waste generation.

OPTIONS:

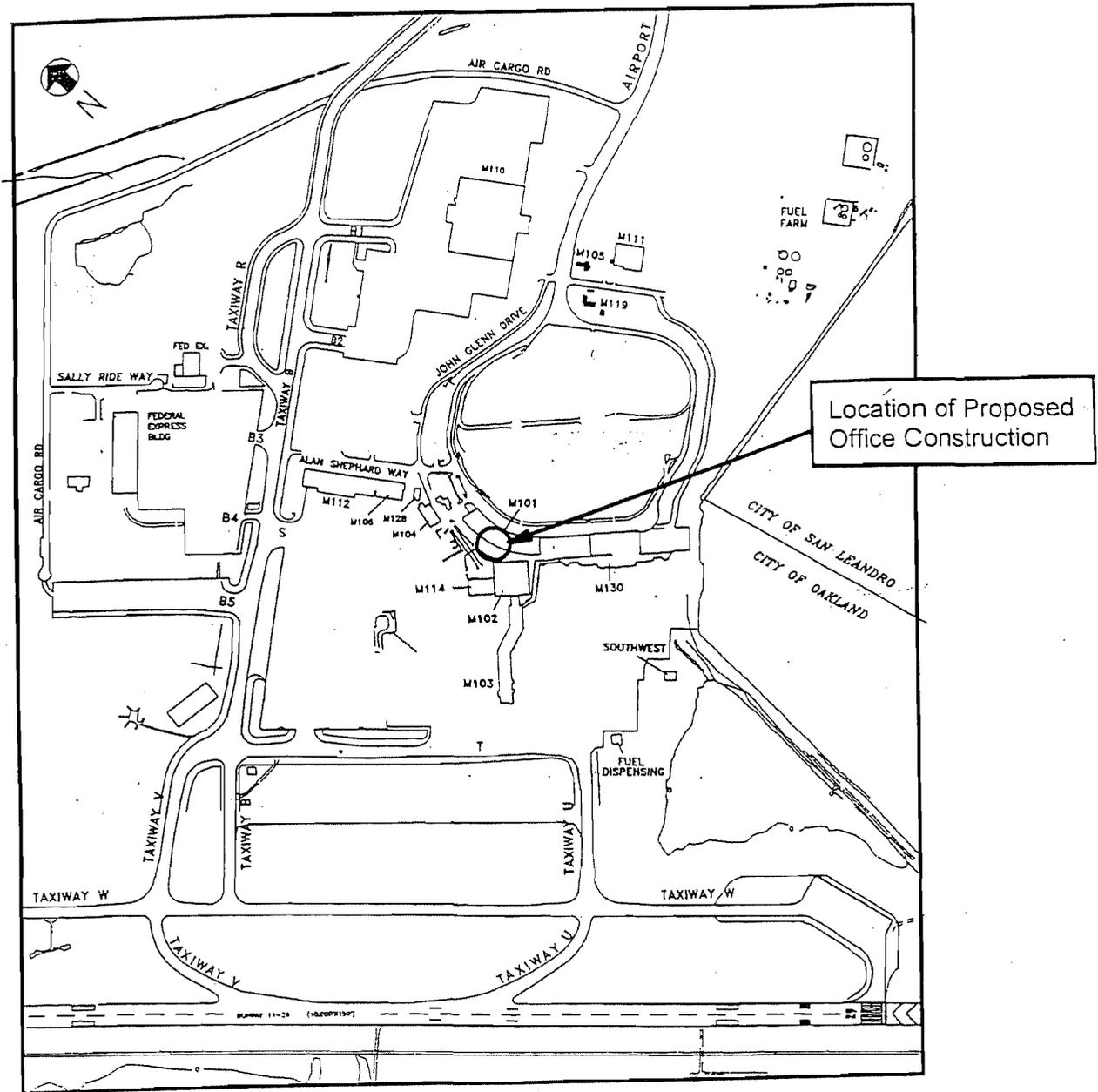
1. Approve rental credit under a Supplemental Agreement to the Annex "A" Space/Use Permit between the Port and Aloha as proposed, and dispense with competitive bidding;
2. Approve rental credit under a Supplemental Agreement to the Annex "A" Space/Use Permit but with different terms and conditions, and dispense with competitive bidding; or,
3. Reject rental credit and require competitive bidding.

RECOMMENDATION:

It is recommended that the Board pass a resolution (1) to approve a Supplemental Agreement to Annex "A" Space/Use Permit of the Airline Operating Agreement between the Port and Aloha Airlines, Inc. authorizing the above-described rental credit not to exceed \$49,500 for construction of airline ticket office space and office storage space in Terminal 1 at Oakland International Airport, and (2) to dispense with formal competitive bidding procedures for the construction of such improvements. Execution of the Supplemental Agreement will be subject to the Port Attorney's review and approval as to form.

Board of Port Commissioners Calendar Item

Approval of a Supplemental Agreement Authorizing Rental Credit not to exceed \$49,500 with Aloha Airlines, Inc. for Construction of new Office and Storage Space in Terminal 1 at Oakland International Airport and Approval to Dispense with Formal Competitive Bidding Procedures for Such Construction (#1 Airport Drive, South Airport)



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 3S

^{TD}
SUBJECT: Authorization to Accept Federal Aviation Administration (FAA)
Grant Offer for AIP-27

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Department of Defense Appropriation Bill contains a provision to increase Airport Improvement Program (AIP) funding by \$175 Million "to compensate airports for a portion of direct costs associated with new, additional or revised security requirements imposed on airport operators by the Administrator on or after September 11, 2001 and prior to September 30, 2002."

The Federal Aviation Administration (FAA) notified the Port that in order to qualify for this funding an application must be filed immediately. Therefore, Port staff submitted an application to the FAA on January 18, 2002.

ANALYSIS:

The total actual direct cost the Port has incurred from September 11, 2001 to January 18, 2002 is \$2,985,400, and the total estimated direct costs to be incurred from January 19, 2002 to September 30, 2002 is \$7,644,000.

The FAA has made to the Port a Grant Offer of \$931,018 under AIP-27 for the federal fiscal year 2002 (10/01/01-09/30/02). A basic condition of the Grant Agreement requires that the Board has knowledge of its content. A copy of AIP 27 Grant Agreement is attached to the resolution.

Environmental

Airport security operations are not a "project" as defined by the California Environmental Quality Act (CEQA), Section 15378.

General Plan

Pursuant to Section 727 of the City Charter, the Oakland General Plan does not apply to security-related operations at the Airport.

Budget

The grant receipts will provide funding relief for some of the incremental costs associated with security requirements as required by the Aviation and Transportation Security Act.

Sustainability

Not applicable.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to accept the Federal Aviation Administration's Grant Offer for \$931,018 to compensate the Port for a portion of direct costs associated with new, additional or revised security requirements as a result of the September 11th incident.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02109

[Signature]
Assistant SECRETARY OF THE BOARD

APR 16 2002

DATE

BOARD ACTION TAKEN

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: April 16, 2002

ITEM NO: 13S

SUBJECT: Recommended Approval of Right-of-Entry and Indemnity Agreement(s) with Park Plaza Hotel for 28,560 square feet of Vacant Land at 265 Hegenberger Road, YMCA of the East Bay for 820 square feet of office space at 489 Water Street, and Jack London Square Partners for 1,640 square feet of office space at 481 Water Street

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Park Plaza Hotel on Hegenberger Road has entered into an agreement with SunTrips, a vacation tour company, to provide accommodations to tour guests leaving from Oakland International Airport. On an intermittent basis, the parking capacity at the hotel has been at capacity. The hotel general manager has requested the use of the Port's vacant land at 265 Hegenberger Road until sale of the land by the Port is final. Park Plaza Hotel is currently using the site on a 45-day right-of-entry agreement. Staff estimates the sale will take place in August of 2002 and request a five-month continuation of the current 45-day right-of-entry agreement with a thirty-day termination clause.

The right-of-entry is categorically exempt from environmental review per CEQA Guidelines Section 15304(e), as it is temporary, no permanent improvements are permitted, the parked portion of the parcel will have a setback from the northeastern edge of the property line, and the use will have negligible, if any, permanent effects on the environment.

YMCA of the East Bay has a short-term fundraising campaign in effect that cannot be accommodated in their existing offices. The YMCA Executive Director has requested use of 820 square feet of office space in Port Building F-114 located at 489 Water Street. This building is scheduled for demolition to accommodate the expansion of the Waterfront Plaza Hotel. The YMCA shall be required to pay for all expenses associated with their occupancy, including utilities. The term of the agreement shall be six months with a thirty-day cancellation clause.

With the sale of certain Port/OPA assets, Jack London Square Partners, LLC, has requested use and occupancy of 481 Water Street as their property management office. The Port has agreed to provide the space on a short-term basis, pending the resolution of expansion plans by the Waterfront Plaza Hotel. The term of the agreement shall be six months with a thirty-day cancellation clause.

These two projects have been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

The following right-of-entry and indemnity agreements are submitted for your approval:

ANALYSIS:

Licensee	Location	Property Description	Rate	Agreement Date
Park Plaza Hotels	265 Hegenberger	28,560 sq. ft. of vacant land	.07 x 28,560 = \$2,000 per month	April 16, 2002
YMCA of the East Bay	489 Water Street	820 sq. ft. of office space	No compensation	April 16, 2002
Jack London Square Partners, LLC	481 Water Street	1,640 sq. ft. of office space	1.75 x 1,640 = \$2,870 NNN per month	April 16, 2002

The projects have been determined to conform to the City of Oakland General Plan as a continuation of real estate asset management uses.

Approved by Resolution No. 02110

- MOTION
- RESOLUTION
- ORDINANCE
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BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

APR 16 2002

DATE

Recommended Approval of Right-of-Entry and Indemnity Agreement(s) with Park Plaza Hotel for 28,560 square feet of Vacant Land at 265 Hegenberger Road, YMCA of the East Bay for 820 square feet of office space at 489 Water Street, and Jack London Square Partners for 1,640 square feet of office space at 481 Water Street

Page 2 of 2

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

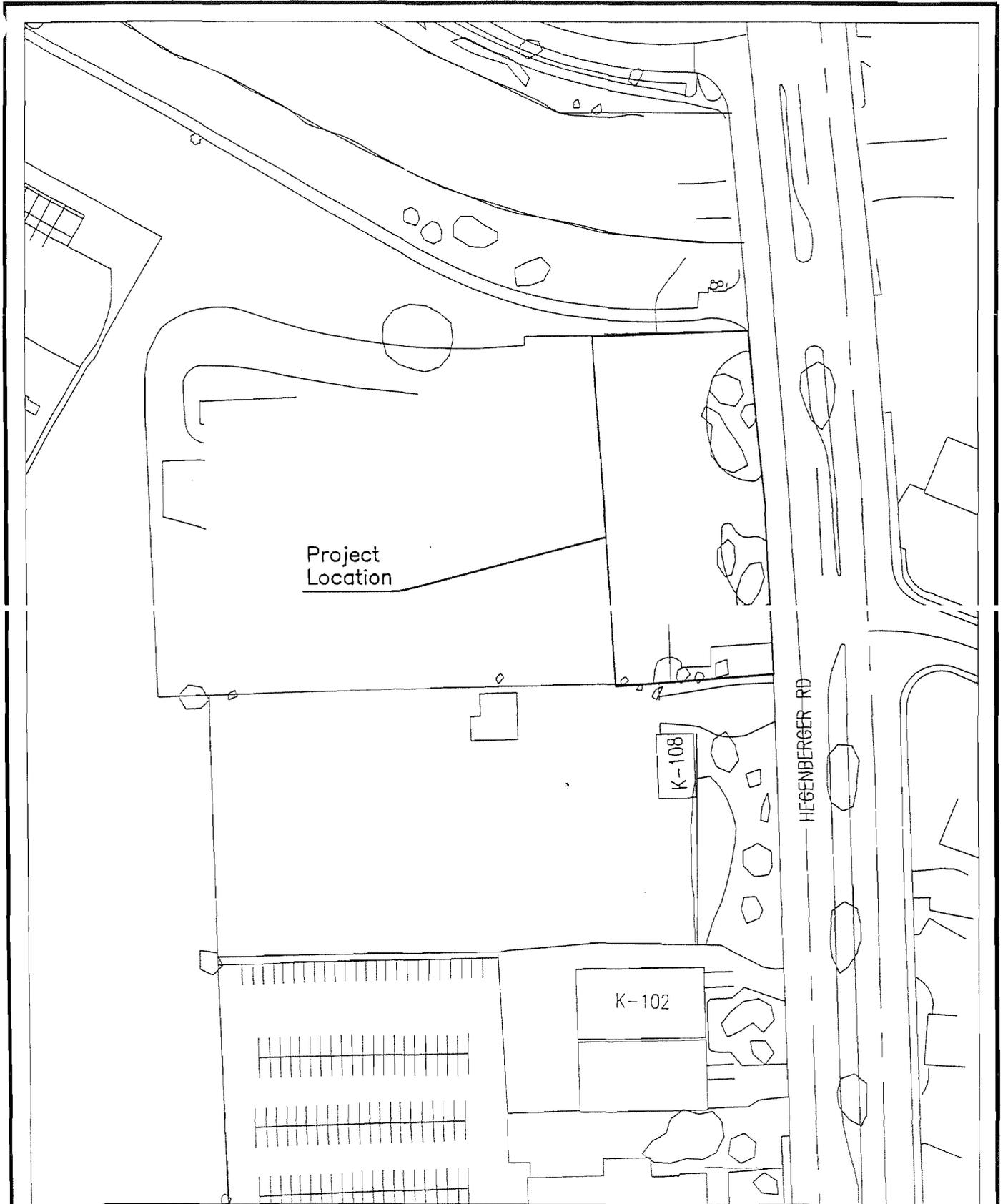
1. Approve agreement(s) as outlined above.
2. Deny approval of agreement(s) as outlined above.
3. Terminate tenancy resulting in loss of revenue.

RECOMMENDATION:

It is recommended that the Board approve the three Right-of-Entry and Indemnity Agreements.

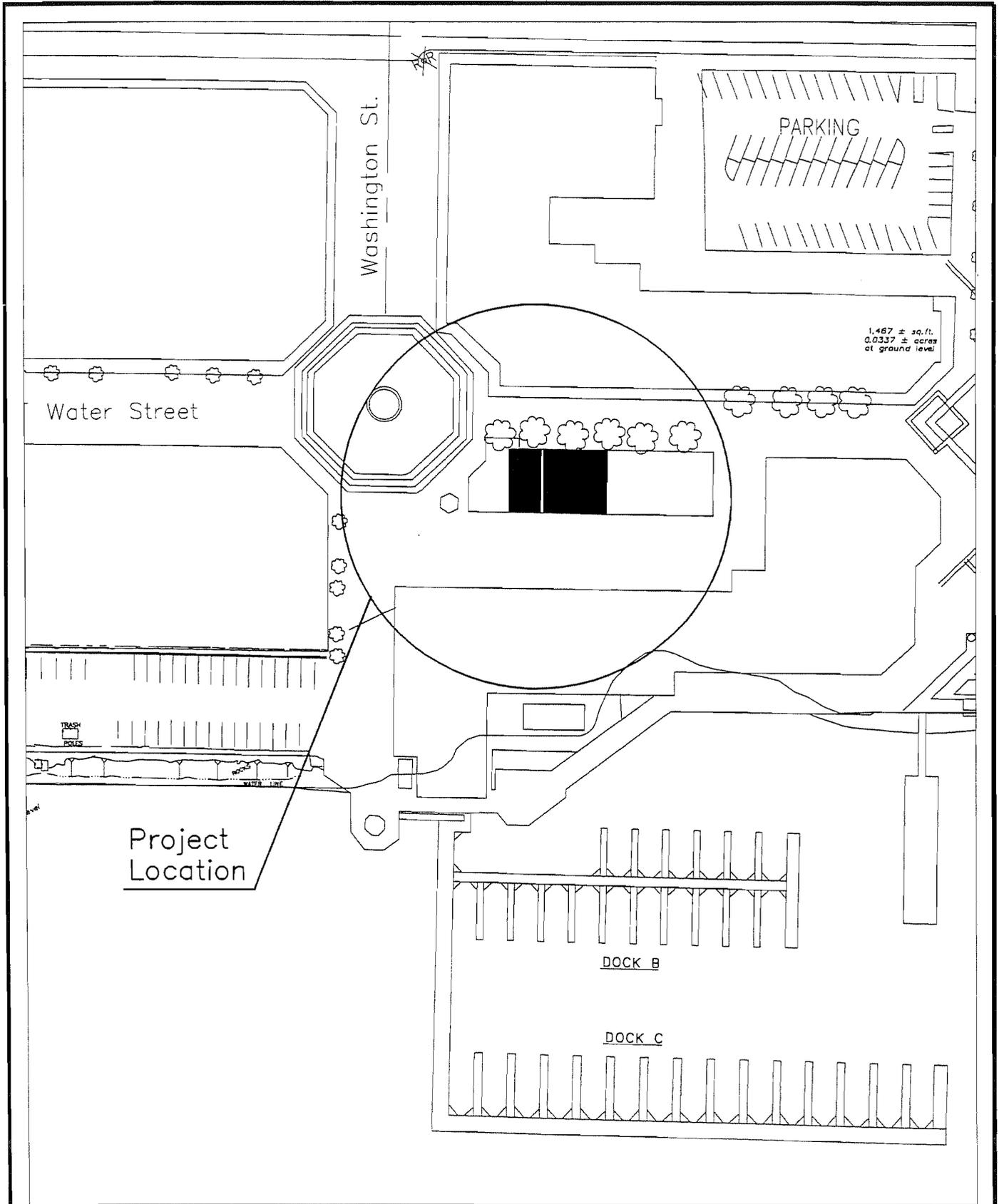
Recommend approval of Right-of-Entry and Indemnity Agreement(s)
With Park Plaza Hotel for 28,560 square feet of Vacant Land at 265
Hegenberger Road, YMCA of the East Bay for 820 square feet of office
Space at 489 Water Street, and Jack London Square Partners for 1,640
Square feet of office space at 481 Water Street

April 15, 2002
Page

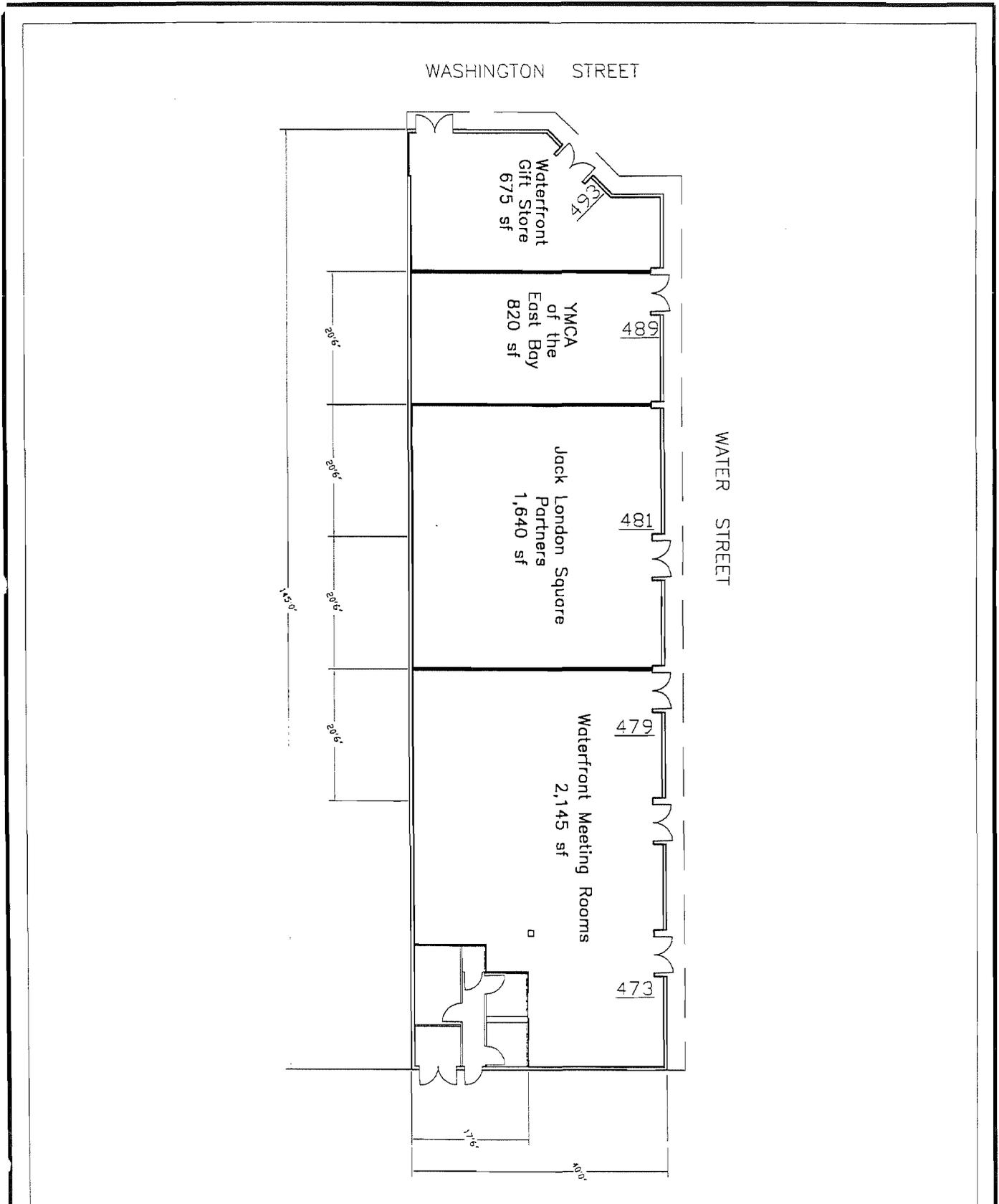


PORT OF OAKLAND

Commercial
Real Estate



Recommended Approval of Right-of-Entry and Indemnity Agreement(s)
With Park Plaza Hotel for 28,560 square feet of Vacant Land at 265
Hegeberger Road, YMCA of the East Bay for 820 square feet of office
Space at 489 Water Street, and Jack London Square Partners for 1,640
Square feet of office space at 481 Water Street



Agenda Sheet

SUBJECT: Approval of Public Art Ordinance

DATE: April 16, 2002

ITEM NO: 31

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION:

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

INTRODUCTION:

It is recommended that the Board of Port Commissioners approve a Public Art Ordinance that establishes a Public Art Program, a Public Art Committee, and guidelines, rules, regulations and procedures for funding and administering the Program. The Ordinance provides that resources of the three revenue divisions – Aviation, Maritime, and Commercial Real Estate – will be set aside to fund the purchase or commission of visual and performing art and its placement and performance, respectively, in publicly accessible locations within the jurisdiction of the Port. The Ordinance includes standards and methodology for reviewing donations of gifts and loans of art to the Port and de-accessioning artwork from the Port’s collection.

FACTUAL BACKGROUND:

On August 31, 1999, by Resolution No. 99343, the Board adopted a policy stating that the incorporation of art in the construction of the Airport terminal complex shall be a priority. The Board has since expressed a desire to more fully develop the policy into a Public Art Program covering the Port’s three revenue divisions, with the intent that public art be incorporated into the Port’s major expansion and development goals and private and public development within the jurisdiction of the Port of Oakland. Port consultants and staff submit for Board approval an ordinance that establishes a Public Art Program. This Program is unique among Public Art ordinances in that it establishes separate public art acquisition policies designed to address the specific needs and characteristics of each of the Port’s revenue divisions.

A number of percent-for-art policies were studied in preparing this ordinance. These are policies that allocate a percentage of Capital Improvement Program (CIP) funds for acquisition of public art. Over 300 organizations, including cities, counties, transit agencies and airports have legislated allocation of a percent-for-art appropriation for public and/or private construction projects.

The first percent-for-art ordinance in the United States was adopted in Philadelphia in 1959. This ordinance set the standard for the provision of public art programs developed in later years throughout the United States.

In California, 51 cities and 11 counties have public art programs. The City of Oakland allocates 1.5% of its CIP monies for public art, specifically when there is a City-subsidy associated with a project. Oakland’s neighbors, the City of Richmond and Alameda County, allocate 1.5% and 2% respectively of CIP funds for public art. Currently, the only Port in the United States with a public art program is the Port of San Diego. Each year, the Board of Port Commissioners there sets aside 3/8 percent of the Port District’s projected total gross revenue for that year.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

APR 16 2002

DATE

SUMMARY:

ORDINANCE

Developing overarching goals for the Port was the first step in articulating the Port's vision and intent for the Public Art Program. The vision is as follows:

As a vital partner in the region's economy, the Port of Oakland is committed to a public art program of high artistic excellence that supports, articulates, and enhances the work of the Port, while providing enjoyment, education, access, and a sense of the unique place that is the Bay Area.

It is the intent of the Public Art Program to provide the opportunity for the public to experience high quality art of enduring value that reflects the diversity of the region and its people. The Port is committed to commissioning a wide range of artistic styles, forms, media, and disciplines that characterize the breadth of contributions an artist can make to the public arena.

POLICIES

Within the Public Art Ordinance, policies have been developed to address the specific needs and characteristics of each revenue division. In addition, related policies regarding review and de-accessioning of artwork and gifts and loans of art to the Port are included. Separate accounts for each revenue division would be established using the following formula:

Aviation

The Division Head shall include in all estimates for necessary expenditures and all requests for authorization or appropriations for Port Development Projects, an amount to be set aside and used for the selection, acquisition and display or works of art equal to at least 1% of construction costs of public facilities.

Maritime

The Division Head shall include in all estimates for annual budget expenditures an annual budget allocation of not less than \$150,000 to be set aside in a Public Art Account and used for the commission, acquisition and performance of artwork.

Commercial Real Estate

For development projects **with 50,000 square feet or more** of new construction, the developer shall commit 0.5% of the building valuation up to \$150,000 toward the purchase or commission of public art for the project site.

For development projects **with less than 50,000 square feet** of new construction, the developer is required to commit 0.5% of the building valuation up to \$50,000 toward the purchase or commission of public art for the project site.

In lieu of purchasing or commissioning public art for the project site, the developer may elect to pay an amount equal to the required percentage of the building valuation (not in excess of limits described above) to the Commercial Real Estate sub-account within the Public Art Account.

Gifts and Loans of Art

A policy providing uniform procedures for the review and acceptance of gifts and loans of art to the Port has been incorporated into the Public Art Ordinance. The policy assures that gifts and loans of art meet the Port's artistic standards and enhance the Port's public art collection.

Review and De-accessioning of Public Artwork in the Port's Collection

A policy establishing procedures and providing for periodic review and evaluation of the Port's collection of public artwork is incorporated into the Public Art Ordinance. The policy addresses the responsibility of the Port to evaluate the collection as a whole on a regular basis to determine the current condition of works of Public Art, maintenance needs, and consider the de-accessioning of individual works of Public Art.

ADMINISTRATIVE PROCEDURES

Administrative procedures, which are subject to the approval and direction of the Executive Director, have been developed in conjunction with the proposed Ordinance. The purpose of the Administrative Procedures is to provide a responsible, streamlined process for selecting, commissioning, placing, relocating, maintaining and de-accessioning the works of art in the Port's public art collection. The Director of Communications is delegated the responsibility for implementation of the Public Art Program.

A Public Art Committee (PAC) is the standing committee appointed by the Port to advise the Port on the Public Art Program. The PAC is responsible to advise and implement the Port's Public Art Program. The PAC makes recommendations to the Director of Communications, who in turn reports to the Board.

Appointments to the PAC are nominated by the Executive Director and approved by the Board. One of the appointed Port representatives serves as the Chair of the PAC. Membership includes no more than:

- Three Revenue Division representatives from the Port.
- One non-Revenue Division representative from the Port.
- One Port Commissioner.
- Five arts representatives, including at least one who is a member of the Oakland Arts Commission or its Public Art Advisory Committee and at least three who are practicing artists.

SUSTAINABILITY OPPORTUNITIES:

The adoption of a Public Art Ordinance and program will provide numerous opportunities for the Port to highlight its policy and commitment to sustainable development. The policy will enable the local arts community to assist the Port in helping promote these policies.

FISCAL IMPACT:

A Public Art Account will be created with separate sub-accounts allocating funds to be used for the selection, acquisition, installation, and substantive structural repair and maintenance of art and art projects. One Public Art Account will be created that has separate sub accounts for each of the three Port revenue divisions. A separate Maintenance sub-account will be established to insure that there is adequate provision for restoration and conservation of the Port's art collection. A separate Proceeds from Sales of Public Art sub-account will also be established. The administrative costs of the program will be paid from the Public Art Account. The Executive Director or a designee, and, as appropriate, the Board of Port Commissioners, will authorize all disbursements from this Account.

RECOMMENDATION:

is recommended that the Board of Port Commissioners:

1. Approve the Public Art Ordinance; and
2. Authorize the Executive Director to carry out this and such other administrative responsibilities as necessary to its effective implementation.

A single integrated database will be easier to keep updated and accurate. Currently, because there is no list database, each event requires a custom list. Creating these lists requires significant staff hours and overtime, not only from the Communications Division, but also from other divisions that provide input for these lists.

It is proposed that a consulting firm work with the Port's internal MIS group to ensure compatibility with existing Port hardware and software. This is an immediate priority for the Communications Division that requires dedicated, fast track expertise.

SUSTAINABLE OPPORTUNITIES:

Sustainability consists of the 3 E's - environment, equity, and economy. The database will save money, time, resources, and paper. It will be a key element in helping promote social equity by improving staff ability to accurately keep track of community, labor, small business and other contacts. Social equity is further addressed by the selection of Kelco Computing Solutions for our database need, as KCS is a small, minority-owned business based in Oakland, a Port local impact area.

FISCAL IMPACT:

The development of this database is expected to cost approximately \$25,000.00. In addition, it is requested that the Board authorize an additional \$5,000.00 for any unforeseen changes in scope. A budget of \$30,000 has been set aside from the Communications Division budget for this purpose.

RECOMMENDATION:

It is recommended that the Board approve authorization to enter into this project with Kelco Computing Solutions, for the system described, in an amount not to exceed \$30,000.00.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director
DAVID L. ALEXANDER
Port Attorney
JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, May 7, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. See Item 40.**

OPEN SESSION: 4:00 p.m.

READING OF THE MINUTES:

Regular meeting of February 5, 2002; regular meeting of
February 19, 2002; and regular meeting of April 16, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Administration

Aviation

READING OF SUMMARY ITEMS: (Marked "S")

18 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Approval of Terminal Two Building Improvements for Baggage and Security Checkpoint Areas and Terminal Two Gates Projects Authorizing Relocation of the Southwest Provisioning Building, Considering the Need for PFC Applications, Design Contract Awards, Construction Contract Awards, and Related Agreements with Southwest Airlines and Making California Environmental Quality Act Determinations. (Resolution)
- 2** Authorizing Agreement with the Transportation Security Administration for Law Enforcement Services Replacing the California National Guard. (Resolution)
- 3** Permit Parking Lot Policy Oakland International Airport. (Ordinance)
- 4** Approval of a Building Permit Application for Alaska Airlines Inc. to Construct Tenant Modifications and Repairs to Hangar 6, Building L-610, 8291 Earhart Road, OIA. (Resolution)
- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Rui Canha dba American Building Service (#1 Airport Drive, South Airport). (Resolution)
- 6S** Approval of License and Concession Agreement with Ryan International Airlines, Inc. for Office and Storage Space (8300 and 8302 Earhart Road, North Airport). (Resolution)
- 7S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Huntleigh USA Corporation (#1 Airport Drive, South Airport). (Resolution)

- 8S** Authorization of Contract Not to Exceed \$30,000.00 to Avila Tom Architects for Design and Construction Management Services for Relocation of Oakland Duty Free to Accommodate Construction of the Terminal 1 Security Checkpoint Enhancement Project. (Resolution)
- 9S** Ratification and Approval of Contract Change Orders to Contract for Aircraft Sound Insulation Program in Alameda – Additional Costs to Apply Waterproofing Paint and to Reseal Windows and Doors Due to Substrate Failure. (Resolution)
- 10S** Authorization to Enter into an Agreement with Pacific Bell for Installation of Underground Telephone Service, North Airport, OIA. (Resolution)
- 11S** Authorization to Execute an Easement Agreement with Pacific Gas and Electric Company for Aerial Facilities, North Airport, OIA. (Ordinance)

COMMERCIAL REAL ESTATE

- 12** Traffic Congestion Relief and Safe School Bus Act. (Resolution)

MARITIME

- 21** New Preferential Assignment for an Additional +/- 12.56 Acres Adjacent to Berth 30 Premises for TransPacific Container Service Corporation ("TraPac"). (Ordinance)
- 22S** Modifications to Various Crane Rental Provisions in Port of Oakland Tariff 2-A to Reflect Newly Purchased Cranes and Elimination of Crane Rental Provisions for Container Gantry Cranes that are No Longer Used. (Ordinance)

OPERATIONS

- 31** Approval of a Revision to the Board of Port Commissioners' By-Laws and Administrative Rules to Allow a Blanket Resolution for Building Permits that are Exempt from Environmental Review. (Resolution)

- 32** Recommendation to Give First Reading to an Ordinance Establishing General Rules and Regulations Governing Use and Distribution of Recycled Water and (Revising and Restating Port Ordinance No. 2124) Establishing Rules and Regulations for the Subdivision of Land and the Filing and Approval of Subdivision Maps, and Establishing Fees in Connection Therewith. (Ordinances)
- 33S** Recommendation Authorizing Various Forms of Electronic Payment Including Use of Credit Cards for the Purchase and Payment of Supplies and Services by Authorized Port Personnel. (Ordinance)
- 34S** Approval to Amend the Agreement for Nossaman, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services. (Resolution)
- 35S** Personnel Items: Creation of Salary Schedules; Creation of Classifications/Positions; and Title Changes. (Ordinance)
- 36S** Personnel Items: Demotions. (Resolution)
- 37S** Personnel Items: Termination. (Resolution)

CLOSED SESSION

- 40** Under Separate Cover by Secretary of the Board.

BUILDING PERMIT APPLICATION: ("S")

Aloha Airlines, Inc., construction of partition walls to create new office and storage space in the existing baggage handling area behind the Ticket Counters in Terminal 1. (Determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(a) Class 1 of the CEQA Guidelines.)

The Hertz Corporation, National Car Rental System, Enterprise Rent-A-Car Company of San Francisco, Thrifty Rent-A-Car System Inc., Budget Rent-A-Car System, Inc. and Dollar Rent-A-Car of San Francisco, Inc., construction of hold down anchor systems and foundation pads required for the installation of temporary office trailers and ADA accessible ramps at the South Airport parking lot; and project to include related electrical work. (Determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(a) Class 1 of the CEQA Guidelines.)

Vote on the following resolutions except Number 16:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami – 7
Noes: None
Absent: None

Vote on Number 16:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Scates, Uribe and President Tagami – 6
Noes: None
Absent: Commissioner Protopappas - 1

RESOLUTIONS:

- 02125 1** APPROVING TERMINAL TWO BUILDING IMPROVEMENTS FOR BAGGAGE AND SECURITY CHECKPOINT AREAS AND TERMINAL TWO GATES PROJECTS, AUTHORIZING RELOCATION OF THE SOUTHWEST PROVISIONING BUILDING, CONSIDERING THE NEED FOR PFC APPLICATIONS, DESIGN CONTRACT AWARDS, CONSTRUCTION CONTRACT AWARDS, AND RELATED AGREEMENTS WITH SOUTHWEST AIRLINES AND MAKING CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATIONS. (Airport – 1)
- 02126 2** APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE U.S. GOVERNMENT AND THE PORT OF OAKLAND FOR SECURITY SERVICES AT THE OAKLAND INTERANTIONAL AIRPORT. (Airport – 2)
- 02127 3** GRANTING ALASKA AIRLINES, INC. PERMISSION TO PERFORM CERTAIN WORK. (Airport – 4)
- 02128 4** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH RUI CANHA DOING BUSINESS AS AMERICAN BUILDING SERVICE. (Airport – 5S)
- 02129 5** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH RYAN INTERNATIONAL AIRLINES, INC. (Airport – 6S)

- 02130 6** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH HUNTLEIGH USA CORPORATION.
(Airport - 7S)
- 02131 7** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH AVILA TOM ARCHITECTS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT.
(Airport - 8S)
- 02132 8** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH M.A. LINDQUIST CO., INC., FOR AIRCRAFT SOUND INSULATION PROGRAM, PHASE 1, BAY FARM ISLAND, ALAMEDA, CALIFORNIA. (Airport - 9S)
- 02133 9** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT WITH PACIFIC BELL FOR INSTALLATION OF UNDERGROUND TELEPHONE SERVICE. NORTH FIELD. OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA.
(Airport - 10S)
- 02134 10** EXPRESSING INTENTION CONCERNING PROJECTS FROM INITIATIVE FUNDS FROM TRAFFIC CONGESTION RELIEF AND SAFE SCHOOL BUS ACT IF RECEIVED BY THE PORT OF OAKLAND. (Commercial Real Estate - 12)
- 02135 11** AMENDING THE BY-LAWS AND ADMINSTRATIVE RULES OF THE BOARD OF PORT COMMISSIONERS RELATING TO BUILDING PERMITS. (Operations - 31)
- 02136 12** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT.
(Operations - 34S)
- 02137 13** CONCERNING CERTAIN APPOINTMENT. (Operations - 36S)

- 02138 14** GRANTING ALOHA AIRLINES, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02139 15** GRANTING THE HERTZ CORPORATION, NATIONAL CAR RENTAL SYSTEM, INC., ENTERPRISE RENT A CAR COMPANY OF SAN FRANCISCO, THRIFTY RENT-A-CAR SYSTEM, INC., BUDGET RENT A CAR SYSTEMS, INC., AND DOLLAR RENT A CAR SYSTEMS, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02140 16** TERMINATING CERTAIN APPOINTMENT. (Operations – 37S)

Vote on the following ordinances:

Ayes: Commissioner Ayers-Johnson, Kiang, Kramer, Protopappas, Scates, Uribe and President Tagami – 7

Noes: None

Absent: None

ORDINANCES:

1 ("S") Port Ordinance No. 3692 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH LINCOLN PROPERTY COMPANY COMMERCIAL, INC., FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 14 ACRE PARCEL OF LAND LOCATED AT HEGENBERGER AND PARDEE ROADS."

Final.

2 ("S") Port Ordinance No. 3693 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH DOUG ROHN AND ELIZABETH ZENGER, DOING BUSINESS AS BAY AREA VETERINARY SPECIALISTS FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 2.09 ACRE PARCEL OF LAND LOCATED AT EDGEWATER ROAD AND PARDEE LANE."

Final.

3 ("S")

Port Ordinance No. 3694 being, "AN ORDINANCE ESTABLISHING A PUBLIC ART PROGRAM, A PUBLIC ART COMMITTEE AND GUIDELINES, RULES AND REGULATIONS FOR INCORPORATING PUBLIC ART INTO THE PORT'S MAJOR EXPANSION AND DEVELOPMENT GOALS AND PRIVATE AND PUBLIC DEVELOPMENT WITHIN THE JURISDICTION OF THE PORT OF OAKLAND, POLICY AND PROCEDURE FOR ACQUISITION, REVIEW AND ACCEPTANCE OF GIFTS AND LOANS, AND DE-ACCESSIONING OF PUBLIC ART."

Final.

4

Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NOS. 2610, 2613, AND 3644, AS AMENDED, FIXING CERTAIN REVISED PARKING RATES AND PERMIT PARKING POLICY AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Airport - 3 to print.

5

Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO PACIFIC GAS AND ELECTRIC COMPANY (PG&E) FOR AERIAL FACILITIES ON NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT."

Airport - 11S to print.

6

Port Ordinance NO. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NON-EXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH TRANSPACIFIC CONTAINER SERVICE CORPORATION ADDING APPROXIMATELY 12.56 ACRES OF ADJACENT LAND TO ITS BERTH 30 PREMISES."

Maritime - 21 5o print.

7

Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO MODIFICATION OF BASIC CRANE RENTAL RATES, DELETING CRANES NOS. X-423, X-441 AND X-442 AND ADDING NEW CRANES NOS. X-434, X-435, X-C14, X-C15, X-C16, X-C17, X-C18 AND X-C19 TO TARIFF NO. 2-A."

Maritime - 22S to print.

- 8** Port Ordinance No. ____ being, "AN ORDINANCE ESTABLISHING GENERAL RULES AND REGULATIONS GOVERNING USE AND DISTRIBUTION OF RECYCLED WATER."

Operations – 32 to print.

- 9** Port Ordinance No. ____ being, "AN ORDINANCE REVISING AND RESTATING PORT ORDINANCE NO. 2124 ESTABLISHING RULES AND REGULATIONS FOR THE SUBDIVISION OF LAND AND THE FILING AND APPROVAL OF SUBDIVISION MAPS, AND ESTABLISHING FEES IN CONNECTION THEREWITH."

Operations – 32 to print.

- 10** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING SECTIONS 2 AND 4 OF PORT ORDINANCE NO. 1606 TO PROVIDE FOR PURCHASING – CARD PROCUREMENT."

Operations – 33S to print.

- 11** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDING PORT ORDINANCE NO. 3690 TO CORRECT SECTION 10.21 OF PORT ORDINANCE NO. 867."

Operations – 35S to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, May 21, 2002 at 3:00 PM.**

Agenda Sheet

DATE May 7, 2002

ITEM NO: 1

SUBJECT: Approval Of Terminal Two Building Improvements For Baggage And Security Checkpoint Areas And Terminal Two Gates Projects Authorizing Relocation Of The Southwest Provisioning Building, Considering The Need For PFC Applications, Design Contract Awards, Construction Contract Awards, And Related Agreements With Southwest Airlines And Making California Environmental Quality Act Determinations

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port proposes that the Board approve the following projects to improve the passenger facilities at Terminal 2 of the Oakland International Airport (1) the Terminal 2 gates project; (2) relocation of the Southwest Airlines provisioning building; and (3) improvements to the Terminal 2 baggage and security checkpoint areas. As explained in more detail, below, the Terminal 2 projects are needed to address security requirements and procedures. In addition to deciding whether to carry out these projects, the Board will be considering future project related actions such as design and construction awards, future PFC applications, and tenant agreements.

ANALYSIS:

The Terminal 2 projects are as follows:

Terminal 2 Gates Project: The Port will construct a two-story, 800 linear foot concourse in the location shown on the attached Diagram 1. The new concourse will result in the closure of two existing gates at Terminal 2, which will be replaced by two gates in the new concourse. In addition, the new concourse will accommodate five new gates. The concourse also will provide space for concessions, passenger holdroom, public circulation, building operations, retail support, storage, and offices. Hydrant fueling pits will be provided at the new gates, and the existing service road will be improved and extended in order to provide fire access.

Ultimately, if the rest of the terminal expansion component of the ADP is approved and constructed, the Port may convert the new concourse to an international concourse. If this occurs, the five new gates could be converted to three wide-body international gates.

Relocation of Provisioning Building: Currently, the provisioning building for Southwest Airlines is located in the footprint of the new concourse described above. In order to construct the new concourse, the provisioning building must be relocated. In addition, Port staff has determined that the provisioning building should be relocated in order to enhance airport security.

~~The Port will construct a new 10,000 square foot provisioning building adjacent to Taxiway B at the South Field will be constructed by Southwest Airlines. The area is currently a paved surface that serves both aircraft parking and vehicular parking. The Port also will create a 50,000 square foot paved area for ground access and loading in an area that is currently paved will also be created. The construction will include the installation of underground utilities to serve the provisioning building, and construction of a road on a previously paved area (a parking lot) to provide access to the site from Airport Drive. This infrastructure portion of the project will be constructed by the Port.~~

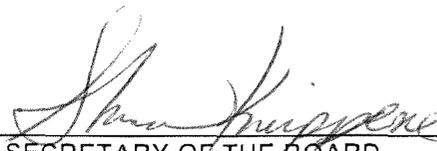
The new provisioning building will benefit from being located at the interface between the publicly accessible area of the airport and the secure area. As a result, delivery trucks traveling to the provisioning building will not pass onto the secure area of the airport, and vehicles traveling from the provisioning building to the aircraft will remain on the secure area of the airport, enhancing overall airport security.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02125

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

MAY - 7 2002

DATE

Terminal 2 Building Improvements: In November 2001 Congress enacted legislation requiring the screen checking of all outbound baggage. In order to comply with these requirements, Port staff has determined that the Port must expand its outbound baggage processing area by 22,300 square feet. The expanded baggage processing area will be constructed on the current area known as the VIP parking lot adjacent to Terminal 2. In addition, the Port will provide 2,000 additional square feet of baggage screening area within Terminal 2 in the area now used for airline ticket offices. The existing airline ticket offices displaced by the 2,000 square foot baggage screening area will be replaced in the area of Terminal 2 currently used for security checkpoint positions.

Changes in security requirements and passenger behavior since September 11 have resulted in substantial queuing at the airport ticket counters during peak periods. For example, in December 2001, queuing at the Southwest Airlines ticket counters extended onto the curbside and into the adjacent parking lot. In order to alleviate this queuing and to enhance airport security by reducing congestion in the passenger check-in area, Port staff has determined that additional ticket counters and check-in stations should be constructed in Terminal 2. The Port will construct 12 new ticket counters, 2,200 square feet of new airline ticket office space, and 12 new curbside check-in stations outside of Terminal 2. The new ticket counters and associated ticket office space will be located in the area of Terminal 2 currently used for security checkpoint positions and queuing. The new curbside check-in stations will be located outside of the new outbound baggage processing area.

Heightened security requirements and procedures also have resulted in substantial queuing at the airport's passenger security checkpoints. Port staff has concluded that a total of 5 new security checkpoint positions are needed in Terminal 2, for a total of 10 security checkpoint positions. The Port will locate the 10 security checkpoint positions and 3,200 square feet of security queuing space in the area of Terminal 2 currently used as the Terminal 2 passenger baggage claim area.

In November 2001 Congress also created a new federal agency called the Transportation Security Agency. The TSA now supervises and carries out the inspection of passengers and baggage at the Airport. The Port may provide office space for use by the TSA within the area of Terminal 2 currently used as the baggage claim area. If this area is not used by the TSA, this office space will be used for other security-related purposes.

Because the security checkpoint positions and office space will be constructed in the footprint of the current passenger baggage claim area, the Port will need to replace the existing passenger baggage claim area in an area adjacent to Terminal 2. The Port will construct a 25,000 square foot passenger baggage claim area on the footprint of the parking/shuttle area immediately to the ~~west-east~~ of Terminal 2.

A seismic upgrade of Terminal 2 and Terminal 2 concourse will be included in the overall project, along with upgraded electrical and plumbing systems. In addition, inbound and outbound baggage systems will be replaced with newer systems.

Design & Construction Awards: The project will be built in phases, thus there will be several design and construction contracts. Future Board action to award design and construction contracts for the various project components will be required.

Future PFC Applications: The project funding sources will consist of Port funds, Passenger Facility Charges, and financial participation revenue from Southwest Airlines. Future Board action to secure Passenger Facility Charge and federal grant funding (if made available) will be required.

Tenant Agreements: Memorandum of Understanding - Terminal 2 Improvements: The Port and Southwest intend to enter into a MOU that will memorialize Southwest's willing participation in the Terminal 2 project, including covenants regarding Southwest's efforts in financing, coordination, planning and management of the project. This MOU will be brought to the Board for its review and consideration as a separate action.

Provisioning Facility Lease: For its present provisioning facilities, Southwest rents building space and land from the Port under a License and Concession Agreement amended in 1998, the term of which now month-to-month.. The Port intends to enter into a new ground lease with Southwest for its new provisioning facilities.

ENVIRONMENTAL:

Terminal 2 Gates: The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The Terminal 2 Gates project is within the scope of the Airport Development Program approved by the Board of Port Commissioners in December 1997 and June 1999, and was evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeal ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. All parties to the litigation have agreed that the Port can proceed with construction of the Terminal 2 gates project while the Port conducts the additional environmental analysis required by the court's decision. The ADP EIR is sufficient for purposes of evaluation of the Terminal 2 gates project, and the project will not result in any new or substantially more severe environmental impacts than were identified in the ADP EIR.

Provisioning Building: Relocation of the Southwest Airlines provisioning building is within the scope of the Airport Development Program approved by the Board in 1997 and 1999, and was evaluated in the Final EIR for the ADP. However, the new provisioning building will not be located in the area of the Airport described in the EIR; instead, as described above, Port staff has determined that the building should be placed in an existing paved area that would enhance airport security. The relocated project will not result in any new or substantially more severe environmental impacts than were identified in the Final EIR for the ADP. Further, the project has no bearing on the analysis of air quality impacts and nighttime noise, nor is it located in an area that has been or could be inhabited by the burrowing owl. Therefore, the project has been sufficiently analyzed in the Final EIR for the ADP and no additional environmental analysis is required.

As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to Public Resources Code section 21080 (b)(4) because the project is necessary to mitigate an emergency. The President of the United States issued "Proclamation 7463" on September 14, 2001, by which he declared a national emergency. The President's declaration of emergency was made necessary because of certain terrorist attacks involving the use of airplanes. The President declared war on terrorist activities, created an office of Homeland Security, and the FAA continues to issue heightened alerts at the nation's airports. The FAA, in response to the national emergency, began implementing new regulations and policies at airports to prevent and mitigate future terrorist attacks and to provide for greater security and safety of the public, employees and local areas. As explained above, relocation of the Southwest Airlines provisioning building will enhance airport security.

As another severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15302 because the project consists of replacement of an existing structure with a structure that will have substantially the same purpose and capacity as the structure replaced. Both the existing structure and the new structure are located on the airport site.

Improvements to the Terminal 2 baggage and security checkpoint areas: The Terminal 2 Building Improvements are not components of the Airport Development Program. As explained above, they are necessitated by airport security requirements and procedures. Pursuant to Public Resources Code section 21080 (b)(4), this project is exempt from CEQA because it is necessary to mitigate an emergency. As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15301 because the project consists of minor alterations to an existing structure and facilities, involving negligible expansion of use beyond that existing today. In particular, the project involves the addition of safety devices in conjunction with use of an existing structure and terminal facilities.

A Notice of Determination and a Notice of Exemption will be filed upon the Board of Port Commissioners approval of the Terminal 2 gates project, the provisioning building project, and the project to improve the Terminal 2 baggage and security checkpoint areas.

BUDGET:

This project has been analyzed in the Port Feasibility Studies and determined to be feasible. The Project budget detail is attached. The funding source will be a combination of Port funds, Passenger Facility Charges, and Southwest Airlines Financial Participation Fee's.

GENERAL PLAN:

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

PROJECT LABOR AGREEMENT:

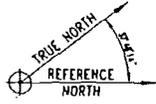
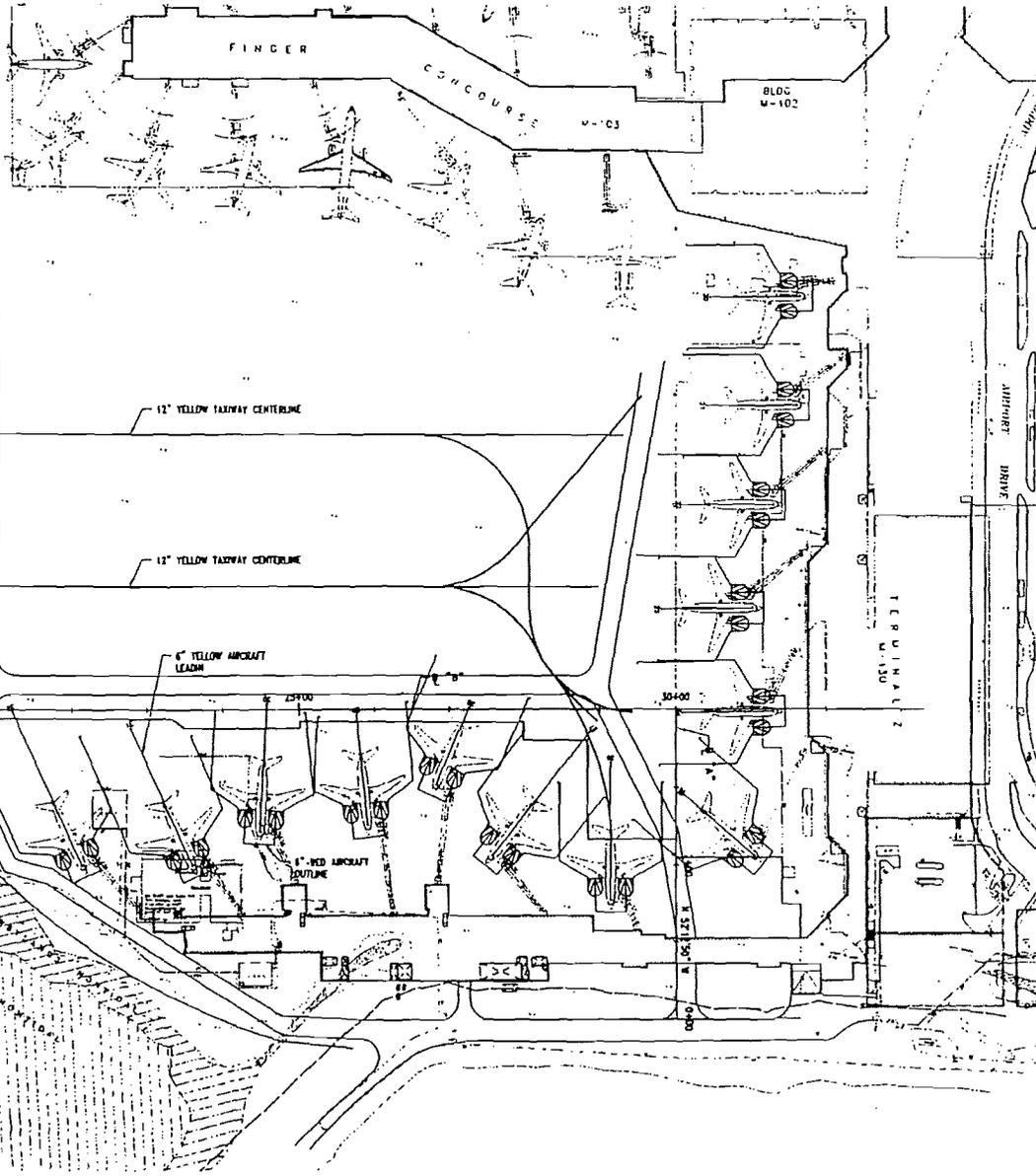
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

SUSTAINABLE OPPORTUNITIES:

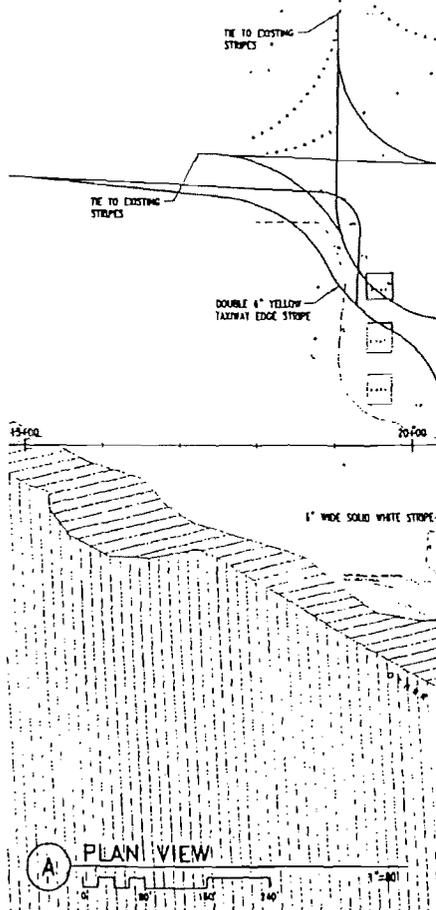
Staff will identify opportunities in incorporating into this project, equipment and materials that utilize sustainable resources in construction and operation, as described in the Port's Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board approve the project Terminal Two Building Improvements for Baggage and Security Check-Point Areas and Terminal Two Gates Project, authorizing relocation of the Southwest Provisioning Building, considering the need for PFC Applications, design contract awards, construction contract awards, and related agreements with Southwest Airlines and making California Environmental Quality Act determinations



NOTES:
 1. SEE DRAWING C1.312 AND C1.313 FOR MARKING DETAILS.



PLAN VIEW
 1"=80'

URS
 221 Main Street, Suite 600
 San Francisco, CA 94105
 Telephone: 415-866-5838
 Fax: 415-882-9261

MAJV
 Heilmuth, Obata + Kassabaum, Inc.
 KPa Consulting Engineers, Inc.
 Kwan Hemel Architecture/Planning, Inc.
 Pgwll & Partners Architects

Master Architect Joint Venture

REFERENCE:
 "PORT OF OAKLAND OUTLET"
 @ 3.30' BELOW MEAN SEA LEVEL
 "EXISTING"
 "CONC. FINISH FOR LATEST RECORD"

NO.	REVISION	DATE	BY	CHKD.

PORT OF OAKLAND
 530 WATER ST., OAKLAND, CALIFORNIA

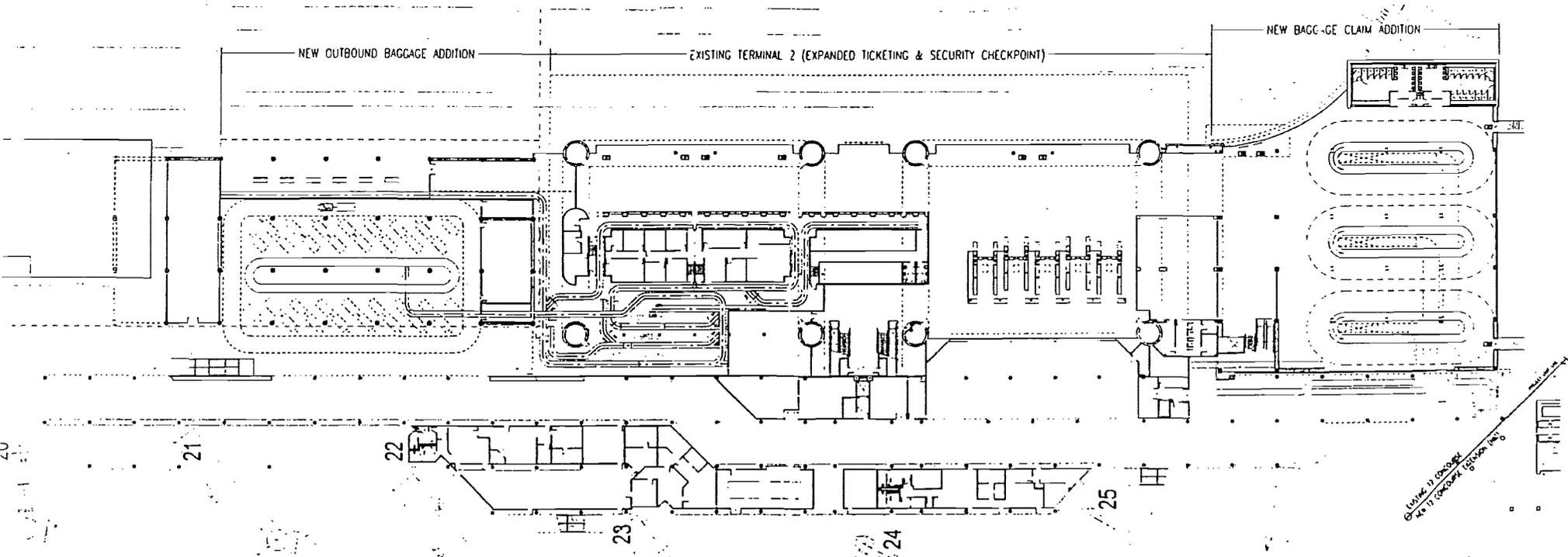
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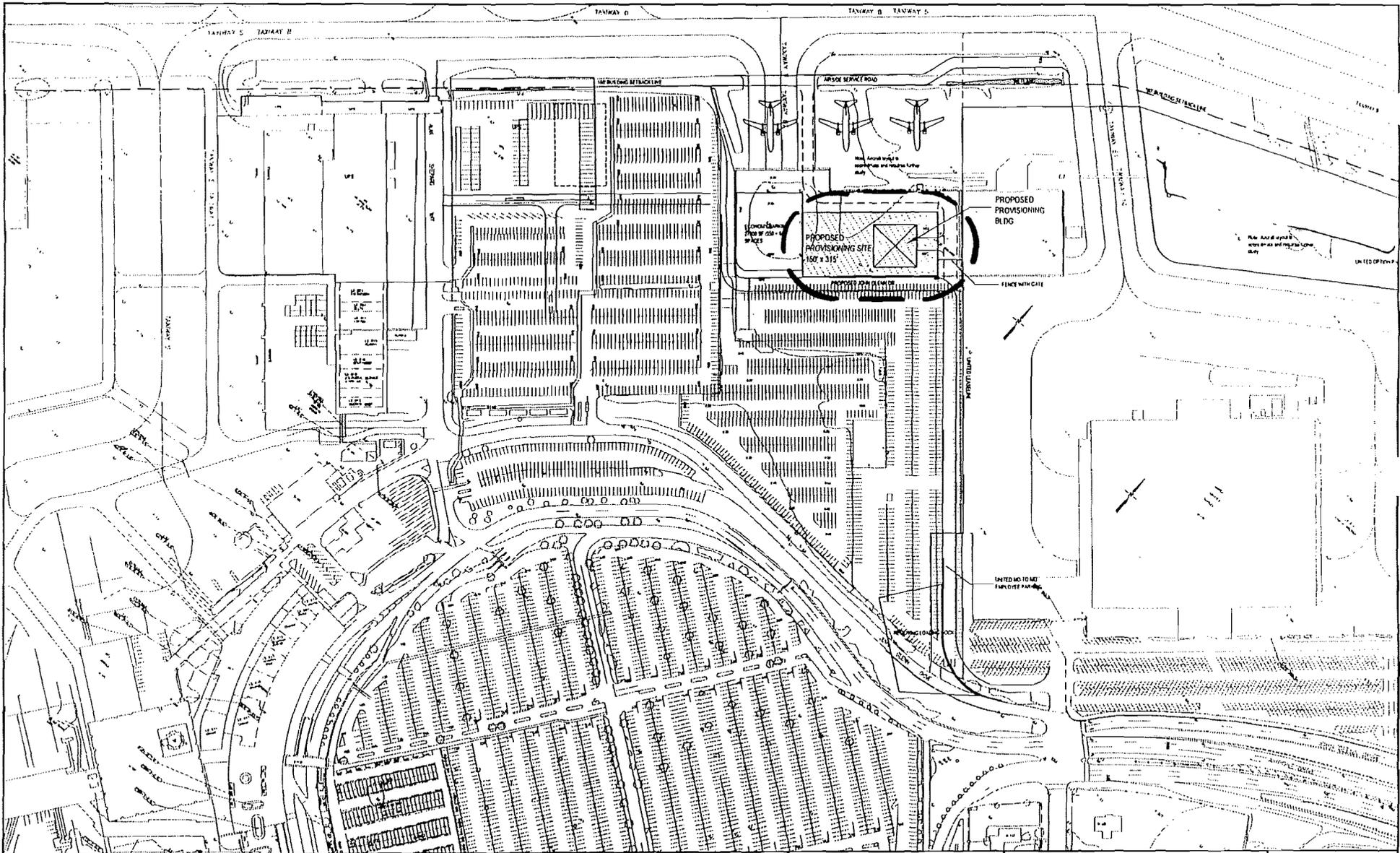
OAKLAND INTERNATIONAL AIRPORT
 TERMINAL 2 CONCOURSE EXTENSION PROGRAM

APRON MARKING PLAN

DATE	1/3/02
SCALE	1"=80'
SHEET	OF SHEETS
FILE	ENC NO.
	C1.311

GROUND LEVEL
TERMINAL 2 REMODEL





<p>REFERENCE</p> <p>"PORT OF OAKLAND BAYWAY" IS 2.50' BELOW MEAN SEA LEVEL.</p>	<p>NO. 1</p> <p>NO. 2</p> <p>NO. 3</p> <p>NO. 4</p> <p>NO. 5</p> <p>NO. 6</p> <p>NO. 7</p> <p>NO. 8</p> <p>NO. 9</p> <p>NO. 10</p> <p>NO. 11</p> <p>NO. 12</p> <p>NO. 13</p> <p>NO. 14</p> <p>NO. 15</p> <p>NO. 16</p> <p>NO. 17</p> <p>NO. 18</p> <p>NO. 19</p> <p>NO. 20</p> <p>NO. 21</p> <p>NO. 22</p> <p>NO. 23</p> <p>NO. 24</p> <p>NO. 25</p> <p>NO. 26</p> <p>NO. 27</p> <p>NO. 28</p> <p>NO. 29</p> <p>NO. 30</p> <p>NO. 31</p> <p>NO. 32</p> <p>NO. 33</p> <p>NO. 34</p> <p>NO. 35</p> <p>NO. 36</p> <p>NO. 37</p> <p>NO. 38</p> <p>NO. 39</p> <p>NO. 40</p> <p>NO. 41</p> <p>NO. 42</p> <p>NO. 43</p> <p>NO. 44</p> <p>NO. 45</p> <p>NO. 46</p> <p>NO. 47</p> <p>NO. 48</p> <p>NO. 49</p> <p>NO. 50</p>	<p>DATE</p> <p>SCALE</p> <p>SHEET</p> <p>FILE</p>	<p>PROPOSED SWA PROVISIONING SITE</p>	<p>PORT OF OAKLAND</p> <p>530 WATER STREET OAKLAND, CALIFORNIA</p>
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Terminal I Extension
Terminal T2 Extension
Summary of Concourse Option 1 T2 Scheme F

Amounts in \$000s

		Construction	Program Implementation	Total Estimate
New Construction at T2				
Domestic Concourse Extension Option 1				
Concourse Extension Ph 1 108,250sf	\$259/SF	\$ 41,128	\$ 13,572	\$ 54,700
T2 Remodel & Expansion		\$ 24,369	\$ 8,042	\$ 32,411
Estimate of Escalation		\$ 2,292	\$ 648	\$ 2,941
Total Escalated Estimate for Domestic Concourse				\$ 90,052
Alternative Building features Under Consideration				
T2 Seismic Retrofit	\$69/SF	\$ 8,317	\$ 2,745	\$ 11,062
Restroom at West T1 Connector	\$720/SF	\$ 2,359	\$ 778	\$ 3,137
Two New Holdrooms	\$540/SF	\$ 5,400	\$ 1,782	\$ 7,182
Two Apron Level Offices	\$180/SF	\$ 1,800	\$ 594	\$ 2,394
Escalation on Alternatives		\$ 878	\$ 248	\$ 1,125
Subtotal Escalated Estimate for Alternatives				\$ 24,900
Total Estimate for Domestic Concourse & Alternatives				\$ 114,952
Total Deductable from TEx Budget				\$ 50,330
Additional Cost of "T2 Extension": Domestic Use				\$ 64,621

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Authorize Agreement with the Transportation Security Administration for Law Enforcement Services Replacing the California National Guard

DATE: May 7, 2002

ITEM NO: 2

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The California National Guard is currently providing armed personnel to staff the passenger screening locations or security checkpoints at Oakland Airport. The National Guard Bureau direction is that the last day of National Guard duty is May 10, 2002. The Transportation Security Administration (TSA) is unable to provide enough staff to replace the National Guard at all U.S. airports. Therefore, the TSA is seeking to enter into a Memorandum of Agreement (MOA) between the U.S. Government and the Port of Oakland.

GENERAL:

The purpose of this Agreement is to provide financial relief in the form of full or partial reimbursement to Oakland International Airport for its cost in fulfilling the directive to replace California National Guard with Law Enforcement personnel until the TSA assumes responsibility for said services. The Port undertakes to comply with various Security Directives in executing the MOU.

The TSA will terminate this agreement when it has its own federal law enforcement personnel at the Oakland Airport's Passenger Screening Locations. The effective date and term of this agreement is May 10, 2002, and shall continue in effect until December 1, 2003 or until earlier terminated by the parties as provided within the agreement. The Port or TSA may terminate the MOU at any time; and that if terminated by the TSA, there will not be future reimbursement for the costs.

FISCAL IMPACT:

The California National Guard personnel are anticipated to leave Oakland International Airport on May 10, 2002, and the TSA is placing the financial responsibility of the staffing the passenger screening checkpoints with LEO on the Port whether or not an agreement has been approved. If the agreement is approved by the TSA, the Port will be reimbursed for having LEO at each security checkpoint, 20 hours per day. The estimated reimbursement is approximately \$1.6 million. However, signing the MOU does not obligate the TSA or federal government to provide the reimbursement. The reimbursement is subject to appropriated federal funding which have not yet been made. The Port may receive partial reimbursement or no reimbursement. The Oakland Police Department (OPD) has indicated that these duties can be provided utilizing current staff at the airport. Any reimbursement received from the TSA will reduce the OPD current expenses.

OPTIONS:

The available options are:

- Authorize the Memorandum of Agreement with the U.S. Government for Law Enforcement Services reimbursement.
Hire additional City of Oakland Police Staff at full cost to the Port, without the reimbursement agreement with the TSA.

Approved by Resolution No.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

02126 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

MAY - 7 2002 DATE

SUSTAINABILITY OPPORTUNITIES:

There are no readily apparent sustainability opportunities.

ENVIRONMENTAL OPPORTUNITIES:

There are no readily apparent environmental issues.

RECOMMENDATION:

It is recommended that the Board approve the Memorandum of Agreement between the U.S. Government and Oakland International Airport so that the Port can obtain reimbursement for the cost of the law enforcement officers replacing the California National Guard at the Security Checkpoints.

It is further recommended that the Board approve the Landside Operations Manager or designee, with the approval of the Port Attorney, to sign modifications to the Agreement.

It is recommended that the Board approve the Director of Aviation or designee to execute any Purchase Order referred to in the MOU, with the approval of the Port Attorney.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 3

SUBJECT: Permit Parking Lot Policy Oakland International Airport

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND: The current permit parking lot at Oakland International Airport lies between Terminals One and Two and has been in operation since 1985. The lot currently has 68 parking spaces and access is controlled with a computerized card reader that can be programmed with user specific information. A number of classifications of permit holders exist today. Port employees, RSVP volunteers, vendors and Airport tenants have access on a daily basis, as they do business in the terminal complex. Other Port tenants, elected and government officials as well as community and business leaders also have permits. Only airline tenants pay a monthly fee of \$30 for each permit. As the terminal construction program moves into the implementation phase this year, it is expected that the current permit lot will be closed and no replacement will be found. Therefore, individuals who previously used the permit lot will be required to use the public parking lot.

ANALYSIS: An opportunity exists to revise the permit parking lot policy given the impending deletion of the current lot and the limited amount of parking adjacent to the terminals. Most close in space will be used to incorporate the explosive detection machines into the baggage handling system as required by federal law, or used by personnel requiring access to the terminals on a daily basis. Limiting the number of permit holders will be important in ensuring that this revised system works. Permit holders not able to access spaces near the terminal buildings will be required to use the public lots and would have a card that allows a free exit. Limiting the number of permits is important in order to maintain the integrity of the revenue control system in the public parking lot. Allowing too many free exits creates a situation that could be prone to abuse by cashiers in the parking lot. The following categories of individuals are recommended to retain the no cost parking permit:

- Port Employees/Current Commissioners
- RSVP Volunteers
- Vendors
- Elected and Government Officials
 - Oakland Mayor and City Council
 - Oakland City Manager
 - Oakland Police and Fire Chiefs
 - San Leandro Mayor
 - Alameda Mayor
 - Emeryville Mayor
 - Alameda County Board of Supervisors
 - Alameda County Administrator
 - State and Federal elected officials represented Alameda and Contra Costa Counties
 - Port Tenants as approved by the Executive Director

The following category of individuals are recommended to retain the permit at a fee equal to the employee parking rate:

- Airline and other terminal tenants

The permit list would be updated each January to ensure that only current elected and government officials had the permits. Access cards could be coded with an expiration date to coincide with an elected official's term.

SUSTAINABILITY: There are no readily apparent sustainability opportunities.

RECOMMENDATION: It is recommended that the Board adopt the above policy guidelines for the issuance of parking permits at the Oakland International Airport.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

MAY - 7 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 4

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of a Building Permit Application for Alaska Airlines Inc. to Construct Tenant Modifications and Repairs to Hangar 6, Building L-610, 8291 Earhart Road, OIA

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Alaska Airlines is proposing minor modifications and repairs to Hangar 6, Building L-610, to better accommodate maintenance operations as well as allow the introduction of a second line of heavy jet aircraft maintenance repairs. Alaska Airlines has scheduled to complete, occupy, and introduce the second line maintenance operations by October 1, 2002.

The improvements require the following proposed work within the building and the building site:

- Site improvement work would include reconfiguration of existing automobile parking within the confines of the lease property. Adjustment to the configuration would be accomplished with a reposition of the Aircraft Operating Area security fence for an increased parking stall arrangement accommodating approximately 70 additional parking stalls for a total of 172 parking stalls. No change to the current single access and egress to the site at Earhart Road would be made. Access to the site is maintained with security access control and is staffed at all hours.
- Construction modifications to the existing hangar building will include minor alterations within the hangar bay. The existing wood-framed two-floor structures, non-compliant with current building codes, will be demolished and removed, reducing the building area by 1,473 SF.
- A new 360 SF entrance vestibule would be constructed as an addition to the east face of the building replacing the existing entry at the same location.
An enclosed mezzanine of 520 SF for supervisors will be constructed in the hangar bay.
- Remodel of parts of existing floor areas within the building to accommodate the relocation of shops, storage areas, office space, employee lockers and employee lunchroom. The remodeled areas will include 17,500 SF of the first floor, 2,511 SF of the mezzanine, and 8,140 SF of the second floor.
- Modifications will be made to the main hangar door of the facility. The door is configured with three moving panels and one fixed panel. The fixed panel will be modified to create an opening with supplemental powered sliding panel doors to better facilitate movement of two aircraft in and out of the hangar.
- Connection to the Port's electrical, water, sanitary and storm drain systems to be paid by Alaska Airlines, subject to the Port's ability to provide such service.

ANALYSIS:

Environmental

This project has been determined to be categorically exempt from requirements of CEQA and the Port CEQA Guidelines pursuant to Section 15301, Class 1, (a, e and f). The construction modifications to the existing hangar building will include minor alterations within the hangar bay. The small, 360 square foot addition would function as an entrance vestibule to the existing structure. The facility is in an area where all public services and facilities are available. The area in which the project is located is not environmentally sensitive. The entrance vestibule is a security measure added to control the entrance into the facility. This is an addition of a safety protection measure for use in conjunction with the existing facility. Alaska proposes additional maintenance services that would add approximately 40 aircraft operations annually (15 to 20 planes

- MOTION
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- INFORMATION ONLY

Approved by Resolution

No. 02127

BOARD ACTION TAKEN

Assistant

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SECRETARY OF THE BOARD

MAY - 7 2002
DATE

coming into and out of the maintenance facility) at the Airport each year. The proposed additional maintenance service translates into an increase in aircraft operations of less than .0001 percent of the total annual operations (landings and takeoffs) at Oakland International Airport in year 2001. The project involves a less than significant increase in operations spread over a one year time period.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The estimated value of the work is approximately \$1,950,000. All costs are the responsibility of Alaska Airlines Inc.

Sustainability

In conformance with the Port's Sustainability Policy implemented in November 2000, the tenant's contractor will separate salvageable construction material and debris for reuse or sale.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this work.

RECOMMENDATION:

It is recommended that the Board:

1. Approve the CEQA exemption for this project; and
2. Approve this building permit application.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 12

SUBJECT: Traffic Congestion Relief and Safe School Bus Act

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

A Statewide initiative is underway entitled "Traffic Congestion Relief and Safe School Bus Act (the "Initiative"). If approved by the voters the Initiative will provide funding for various traffic and transportation related projects and programs throughout the state of California. The Initiative provides for five million dollars (\$5,000,000) per year to the Port of Oakland during the 2003-2004 to 2012-2013 fiscal years for public transportation projects and related environmental projects, including acquisition and development of public transportation facilities, waterfront park and trail improvements, bicycle and pedestrian pathways and related restoration projects at Lake Merritt, and related infrastructure, along or connecting to the Oakland waterfront, extending from the Howard Terminal in the Jack London District area, to and including San Leandro Bay and the Lake Merritt Channel, provide that such projects are consistent with the Estuary Policy Plan (a portion of the Oakland General Plan), as may be amended; and for public transportation and environmental projects related to developments along Hegenberger Road between the Coliseum Bay Area Rapid Transit station and the Oakland International Airport, including projects specifically related to the BART to Airport Connector.

It is recommended that the Board adopt a resolution expressing its intention concerning projects on which Initiative funds will be expended if received by the Port.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02134
 BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

MAY - 7 2002
 DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 21

SUBJECT: New Preferential Assignment Agreement for an Additional +/- 12.56 Acres Adjacent to Berth 30 Premises for Trans Pacific Container Service Corporation ("TraPac")

PROGRAM AREA:

- checkbox Airport Operations
checkbox Commercial Real Estate
checkbox (checked) Maritime Operations
checkbox Overall Operations

SUBMITTED BY: Jerry A. Bridges

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EXECUTIVE OFFICE RECOMMENDATION: [Handwritten initials]

BACKGROUND

Trans Pacific Container Service Corporation ("TraPac") operates at Berth 30 under a twenty five-year Assignment Agreement. Mitsui O.S.K. is the primary user of the facility and is in an alliance with American President Lines ("APL") referred to as the New World Alliance.

Berth 30 was financed with "Special Facilities Revenue Bonds" issued by the Port on TraPac's behalf. In connection with the financing, the Port has pledged to the "Special Facilities Revenue Bondholders" all of its right, title and interest in and to all contractual payments derived from the Berth 30 facilities...

As part of the Vision 2000 Development, the realignment of 7th street now presents an opportunity to add additional marine terminal area to the Berth 30 operations. Based upon recent discussions, the Port and TraPac propose a new and separate Assignment Agreement for +/- 12.56 acres of land adjacent to the premises currently occupied by TraPac at Berth 30.

Since the +/- 12.56 acres will be incorporated into one homogenous TraPac operation, the new Agreement will include many of the same provisions of the existing Berth 30 Nonexclusive Preferential Assignment Agreement with regard to term, usage, future compensation adjustment dates, and repair and maintenance responsibilities.

PROPOSED ASSIGNMENT AGREEMENT

AREA

The premises consist of +/- 12.56 acres of land, including design and construction of improvements. Improvements to this area will include construction for grading, asphalt pavement, concrete rubber type gantry runways, storm drains, electrical system, fire water system, striping of area, light poles and fixtures, fencing and gates, and terminal signage.

TERM

The term shall commence when the area is ready for occupancy and will expire on January 19, 2019, the same date as the existing Berth 30 Agreement terminates, an initial term of approximately 17 years.

- checkbox MOTION
checkbox RESOLUTION
checkbox (checked) ORDINANCE
checkbox INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

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SECRETARY OF THE BOARD

MAY - 7 2002

DATE

TERMINATIONS

TraPac will have the right to extend the term for one five-year option, with written notice of at least nine months before termination of original term.

COMPENSATION

The Port will fund slightly under \$4 million in infrastructure improvements at the 12.56-acre site. The Port will receive annual guaranteed rentals under the new Assignment Agreement to compensate it for the infrastructure investment it will be making to the new site. TraPac will pay to the Port (1) annual guaranteed rentals sufficient to cover the Port's land and development costs for the site and (2) "revenue sharing" payments tied to operating activities at the new site. TraPac will operate both sites in an integrated manner, even though both sites are governed by separate agreements.

TraPac shall pay an Annual Rental Guarantee ("ARG") of \$1,200,000.00 payable in twelve (12) fixed monthly installments of \$100,000.00 due on the first of each month.

The Port would like to revenue share under the new and separate Agreement for the additional +/- 12.56 acres. Since the +/- 12.56 new acres represents 27.5% of the proposed combined Berth 30 Terminal and the new +/- 12.56-acre parcel, it was negotiated that the Port revenue share on 27.5% of the overage of Mitsui loaded TEU activity that exceeds a Breakpoint (BP) of 54,809 loaded TEUs for the entire area. The primary loaded TEUs that exceed 27.5% of the BP shall be assessed \$30.00 per loaded TEU. The new Agreement shall also contain escalation provisions for the +/- 12.56-acre parcel compensation terms which are tied to increases in the Port's tariff and the Fair Market Value of the land.

REIMBURSEMENT

The Port agrees to fully reimburse TraPac for TraPac's actual, reasonable and documented costs of preliminary design work and construction documents used to expedite expansion of the additional +/- 12.56-acre area. Reimbursement will be refunded in one payment when the term commences and after costs are reviewed and approved by the Port. The maximum reimbursement amount shall not exceed \$265,000.00.

PRIMARY USE

Primary use provisions will be the same as primary use provisions for TraPac under the existing Berth 30 Agreement.

MAINTENANCE, REPAIR and IMPROVEMENTS

TraPac shall at all times, keep the assigned premises in a neat, clean, orderly condition and maintain any landscaping on the Assigned Premises. The Port shall not be obligated to make any betterments to said Assigned Premises during the term hereof. The Port shall be liable, at its own expense, to make all repairs to said Assigned Premises where damage is caused by the Port or its employees, agents, guests or persons performing work on the assigned premises at the request and under the direction of Port. Should TraPac fail to make any repairs for which it is liable, the Port shall have the option to make the same if TraPac fails to do so after thirty (30) day notice from the Port: and TraPac shall immediately reimburse the Port for the cost thereof.

ADDITIONAL AREA IMPROVEMENTS

If the Port and TraPac pursue negotiations for land expansion due to the future availability of Berths 32-34, it is understood the Agreement covering the +/- 12.56 acres will be revised and supplemented to reflect such future expansion.

ANALYSIS AND FINANCIAL IMPACT

As indicated above, the Port expects to gain minimum annual revenue of not less than \$1,200,000.00. Additional revenues may be generated depending upon the overage that exceeds the BP.

The increase in the total size of the space assignment to TraPac has no effect on the total maximum throughput capacity of the Port that was analyzed and mitigated as part of the Vision 2000 projects. The Port analyzed the impacts of expansion in this area in the Environmental Impact Reports (EIR) for construction of new terminals at the closed Oakland Naval Supply Center (Final Environmental Impact Statement/Environmental Impact Report, Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 Maritime Development, July 1997), for the Berths 55-58 Project (EIR, April 1999), and for construction of a joint intermodal terminal (Final Environmental Impact Statement/ Environmental Impact Report, Joint Intermodal Terminal (JIT), June 1999, Resolution 99245). The projections used in the impact analysis for the Berths 55-58 EIR assumed a throughput capacity of 4,050 TEUs per acre, nearly four times the current throughput of Berth 30. Moreover, because it is the smallest terminal at the Port, Berth 30 has been experiencing annual growth only half that of the Port average, and less than one third that

Subject: New Preferential Assignment Agreement for an Additional +/- 12.56
Acres Adjacent to Berth 30 Premises for Trans Pacific
Container Service Corporation ("TraPac")

Page 3 of 3

projected in the analysis used in the Berths 55-58 EIR. The additional acreage at Berth 30 is simply needed to help the operator increase its efficiency and maintain its market share.

SUSTAINABLE OPPORTUNITIES

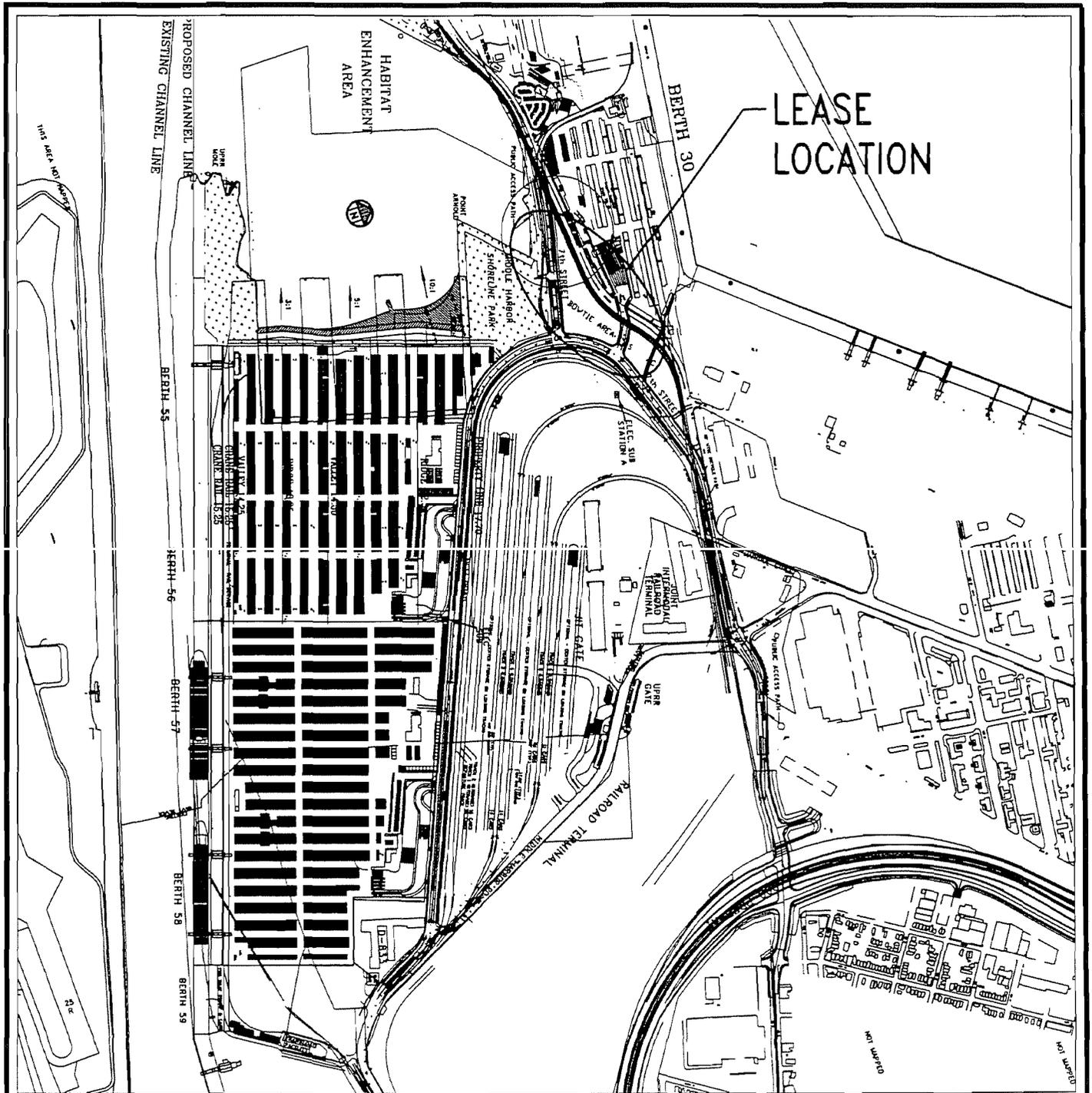
In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. Design and construction of the +/- 12.56-acre area incorporate reuse of material on site and attempt to minimize disposal of excess material.

RECOMMENDATION

It is recommended that the Board give first reading to an ordinance that approves and authorizes execution of the proposed new Preferential Assignment Agreement with Trans Pacific Container Service Corporation for +/- 12.56 acres adjacent to Berth 30, as outlined above.

New Preferential Assignment Agreement for
an Additional +/-12.56 Acres Adjacent ion to
Berth 30 Premises for Trans Pacific
Container Service Corporation ("TraPac")

May 7, 2002



PORT OF OAKLAND

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

^{TD}
SUBJECT: Recommendation to Give First Reading to an Ordinance Establishing General Rules and Regulations Governing Use and Distribution of Recycled Water and (Revising and Restating Port Ordinance No. 2124) Establishing Rules and Regulations for the Subdivision of Land and the Filing and Approval of Subdivision Maps, and Establishing Fees in Connection Therewith

DATE: May 7, 2002
ITEM NO: 32

- PROGRAM AREA:
- Airport Operations
 - Commercial Real Estate
 - Maritime Operations
 - Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

State law requires local agencies to adopt and enforce a recycled water ordinance within 180 days of notification by the local water agency that the water agency plans to provide recycled water within the local agency's boundaries in the next ten years. The East Bay Municipal Utilities District (EBMUD) informed the Port that EBMUD will provide recycled water to the Port through the East Bayshore and San Leandro Recycled Water Projects. EBMUD envisions a variety of recycled water uses, including landscape irrigation, toilet flushing in new commercial buildings, operation of cooling towers and industrial processes. According to EBMUD, recycled water from the East Bayshore Recycled Water Project would serve Portview Park and Jack London Square and be available at the end of 2003. The timeline is indefinite for the San Leandro Recycled Water Project. The Galbraith Golf Course has been watered with recycled water from EBMUD for many years. The proposed new project would increase service to the Airport area and possibly serve the Airport Business Park. Port Ordinance No. 2124 (Port Subdivision Ordinance) must also be modified to conform to the legislation.

The proposed Ordinance Establishing General Rules and Regulations Governing Use and Distribution of Recycled Water (Recycled Water Ordinance) requires the Port to refer large new development entitlement applications to EBMUD for determination of feasibility and possible designation of requirements for water reuse. In addition, and as mandated by state law, this proposed Recycled Water Ordinance would require the provision of dual plumbing to provide both potable and recycled water for all new developments that require the approval of a tentative or parcel map pursuant to California Government Code 66426. The proposed revised and restated Port Subdivision Ordinance requires the Board to deny approval to a tentative subdivision map until a finding regarding available recycled water is made. In either case, the Board would retain the discretion to determine whether the use of recycled water is feasible, both technically and economically, for a given project.

ANALYSIS:

Recycled water is a valuable resource that can supplement existing potable water supplies in order to help meet growing water demands in water-short California. Developing and using recycled water may reduce the Port's need for additional well, imported, surface or ground water. Some cost reduction may also be realized because EBMUD plans to provide recycled water at subsidized rates (rates to be determined on a project-by-project basis). The City of Oakland has adopted a similar ordinance.

Environmental

The adoption of the proposed ordinances has been determined to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15307 of the State of California CEQA Guidelines, which exempts actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

MAY - 7 2002

DATE

Sustainability

The adoption of the proposed ordinances is consistent with the Port's Sustainability Policy. By relying on recycled water where feasible and appropriate, the Port will reduce reliance on scarce potable water supplies, thereby reducing the need for the development of additional water resources in EBMUD's service area and the attendant environmental impacts of such development.

OPTIONS:

State law mandates the adoption of a proposed Recycled Water Ordinance. Failure to comply with State law regarding recycled water may subject the Port to a regulatory enforcement action and/or legal challenge.

RECOMMENDATION:

It is recommended that the Board give first reading to

1. An Ordinance Establishing General Rules and Regulations Governing Use and Distribution of Recycled Water; and
2. An Ordinance Revising and Restating Port Ordinance No. 2124 Establishing Rules and Regulations for the Subdivision of Land and the Filing and Approval of Subdivision Maps, and Establishing Fees in Connection Therewith.

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SU rd CT: Approval of a Revision to the Board of Port Commissioners' By-Laws and Administrative Rules to Allow a Blanket Resolution for Building Permits that are Exempt from Environmental Review

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Presently, there is a One Hundred Thousand Dollar (\$100,000.00) limitation on building permits that may be considered by the Board of Port Commissioners by a blanket resolution without presentation of an Agenda Sheet. This dollar limitation does not increase based upon the construction cost index or other inflation factors. Therefore, even relatively minor tenant improvement projects require a full presentation to a Board Committee and to the full Board. The timeframe for processing a building permit when an Agenda Sheet is required is between four and six weeks. A blanket authority item can be processed in 10 days.

The Engineering Division and the Port Attorney's Office have considered how we can improve our building permit process without altering the quality of the deliberation or review. The City Charter requires that any building project on Port property be approved by the Board. Given these constraints, we believe that the best way to implement permit streamlining is to remove the existing dollar limitation and, instead, base blanket resolution action upon the environmental review status required by the California Environmental Quality Act (CEQA). If a building project is exempt from CEQA review (generally interior alterations or exterior additions of up to 10,000 square feet) then the building permit can be considered by blanket resolution. The Board will still approve each building permit as required by the City Charter.

Currently, Section 8 of the By-Laws and Administrative Rules reads as follows:

"8. Building permits for Port property in which the cost of the permit work does not exceed One Hundred Thousand Dollars (\$100,000.00) will be presented for Board consideration and action by a blanket resolution covering all such permits to be considered at that Board meeting and will not require presentation of an Agenda Sheet for the individual or collective permit items. Building permits for work included in a project design which has previously been given conceptual approval by resolution or ordinance of the Board may also be included in said blanket resolution without presentation of a separate Agenda; provided the work is consistent with the Board's previous project design approval.

It is recommended that Section 8 of the By-Laws and Administrative Rules, be amended to read as follows:

"8. Building permits for Port property in which **the environmental review status required by the California Environmental Quality Act (CEQA) is determined to be exempt** will be presented for Board consideration and action by a blanket resolution

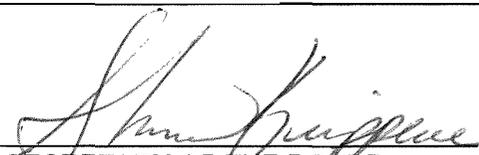
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- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02135

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD



MAY - 7 2002

DATE

covering all such permits to be considered at that Board meeting and will not require presentation of an Agenda Sheet for the individual or collective permit items. Building permits for work included in a project design which has previously been given conceptual approval by resolution or ordinance of the Board may also be included in said blanket resolution without presentation of a separate Agenda; provided the work is consistent with the Board's previous project design approval.

Environmental

The Board of Port Commissioners finds and determines that this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(a)(3) of the CEQA Guidelines.

General Plan

Pursuant to Section 727 of the City Charter, this action has been determined to conform to the Oakland General Plan, because the general plan provides for the issuance of building permits by the Port, as authorized by Section 708 of the Charter.

Budget

Approval of the recommended revision to the By-Laws and Administrative Rules will not have a cost impact to the Port.

Sustainability

Not directly applicable, however, as a part of the building permit process, tenant projects will comply with the November 2000 Board Sustainability Policy. This action will also improve efficiency in processing permits.

RECOMMENDATION:

It is recommended that the Board:

1. Approve the CEQA exemption for this action; and
2. Approve the change in the Board of Port Commissioners' By-Laws and Administrative Rules as described above.

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 40

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: CLOSED SESSION

SUBMITTED BY: John T. Betterton

EXECUTIVE OFFICE RECOMMENDATION:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.
 Pursuant to subdivision (a) of Section 54956.9: Name of cases:

City of San Leandro v. City of Oakland, et al,
 Alameda County Superior Court Case No. 793033-9

City of Oakland, et al. v. California Department of Transportation,
1t al., Sacramento County Superior Court Case No. 02CS00391

City of Oakland, et al. v. Federal Highway Administration, et al.
 United States District Court, Case No. C 02 1307

Kenneth Taylor v. Port of Oakland, et al., United States
 District Court Case No. C-00-0988PJH

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.
 Significant exposure to litigation pursuant to subdivision (b) Section
 54956.9 1 matter.

3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided
 under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
 Negotiating Parties: Port, Oakland Base Reuse Authority,
 City of Oakland, Oakland Redevelopment
 Agency

Under Negotiation: Price and terms of payment

Property: Various Parcels, Jack London Square
 Negotiating Parties: Port and Jack London Square Partners
 Under Negotiation: Price and Terms of Payment

4. PERSONNEL MATTERS, as provided under Government Code
 Section 54957: 2 matters.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

**SUMMARY AGENDA OF BOARD CALENDAR
May 7, 2002**

AIRPORT

- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Rui Canha dba American Building Service (#1 Airport Drive, South Airport). (Resolution)
- 6S** Approval of License and Concession Agreement with Ryan International Airlines, Inc. for Office and Storage Space (8300 and 8302 Earhart Road, North Airport). (Resolution)
- 7S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Huntleigh USA Corporation (#1 Airport Drive, South Airport). (Resolution)
- 8S** Authorization of Contract Not to Exceed \$30,000.00 to Avila Tom Architects for Design and Construction Management Services for Relocation of Oakland Duty Free to Accommodate Construction of the Terminal 1 Security Checkpoint Enhancement Project. (Resolution)
- 9S** Ratification and Approval of Change Orders to Contract for Aircraft Sound Insulation Program in Alameda – Additional Costs to Apply Waterproofing Paint and to Reseal Windows and Doors Due to Substrate Failure. (Resolution)
- 10S** Authorization to Enter into an Agreement with Pacific Bell for Installation of Underground Telephone Service, North Airport, OIA. (Resolution)
- 11S** Authorization to Execute an Easement Agreement with Pacific Gas and Electric Company for Aerial Facilities, North Airport, OIA. (Resolution)

MARITIME

- 22S** Modifications to Various Crane Rental Provisions in Port of Oakland Tariff 2-A to Reflect Newly Purchased Cranes and Elimination of Crane Rental Provisions for Container Gantry Cranes that are No Longer Used. (Ordinance)

OPERATIONS

- 33S** Recommendation Authorizing Various Forms of Electronic Payment Including Use of Credit Cards for the Purchase and Payment of Supplies and Services by Authorized Port Personnel. (Resolution)

SUMMARY AGENDA
May 7, 2002

- 34S** Approval to Amend the Agreement for Nossaman, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services. (Resolution)
- 35S** Personnel Items: Creation of Salary Schedules; Creation of Classifications/Positions; and Title Changes. (Ordinance)
- 36S** Personnel Items: Demotions. (Resolution)
- 37S** Personnel Items: Termination. (Resolution)

ORDINANCES: ("S")

Port Ordinance No. 3692 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH LINCOLN PROPERTY COMPANY COMMERCIAL, INC., FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 14 ACRE PARCEL OF LAND LOCATED AT HEGENBERGER AND PARDEE ROADS."

Final.

Port Ordinance No. 3693 being, "AN ORDINANCE MAKING CERTAIN FINDINGS AND DETERMINATIONS IN SUPPORT OF, AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH DOUG ROHN AND ELIZABETH ZENGER, DOING BUSINESS AS BAY AREA VETERINARY SPECIALISTS FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 2.09 ACRE PARCEL OF LAND LOCATED AT EDGEWATER ROAD AND PARDEE LANE."

Final.

Port Ordinance No. 3694 being, "AN ORDINANCE ESTABLISHING A PUBLIC ART PROGRAM, A PUBLIC ART COMMITTEE AND GUIDELINES, RULES AND REGULATIONS FOR INCORPORATING PUBLIC ART INTO THE PORT'S MAJOR EXPANSION AND DEVELOPMENT GOALS AND PRIVATE AND PUBLIC DEVELOPMENT WITHIN THE JURISDICTION OF THE PORT OF OAKLAND, POLICY AND PROCEDURE FOR ACQUISITION, REVIEW AND ACCEPTANCE OF GIFTS AND LOANS, AND DE-ACCESSIONING OF PUBLIC ART."

Final.

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 5S

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Rui Canha dba American Building Service (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Rui Canha dba American Building Service (ABS) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated July 1, 2001 to provide aircraft cabin cleaning and facilities janitorial services. No premises are occupied by ABS under the agreement. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. During the period of July 1, 2001 through February 28, 2002, the Port received an average of \$2,185 per month as a percentage of gross revenues.

ANALYSIS:

The proposed Agreement to Extend Right-of-Entry and Indemnity Agreement (Extension Agreement) would have a one-year term commencing April 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to provide aircraft cabin cleaning and facilities janitorial services. No premises would be occupied by ABS under the Extension Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

The aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

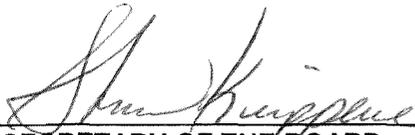
RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with Rui Canha dba American Building Service, subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02128
BOARD ACTION TAKEN

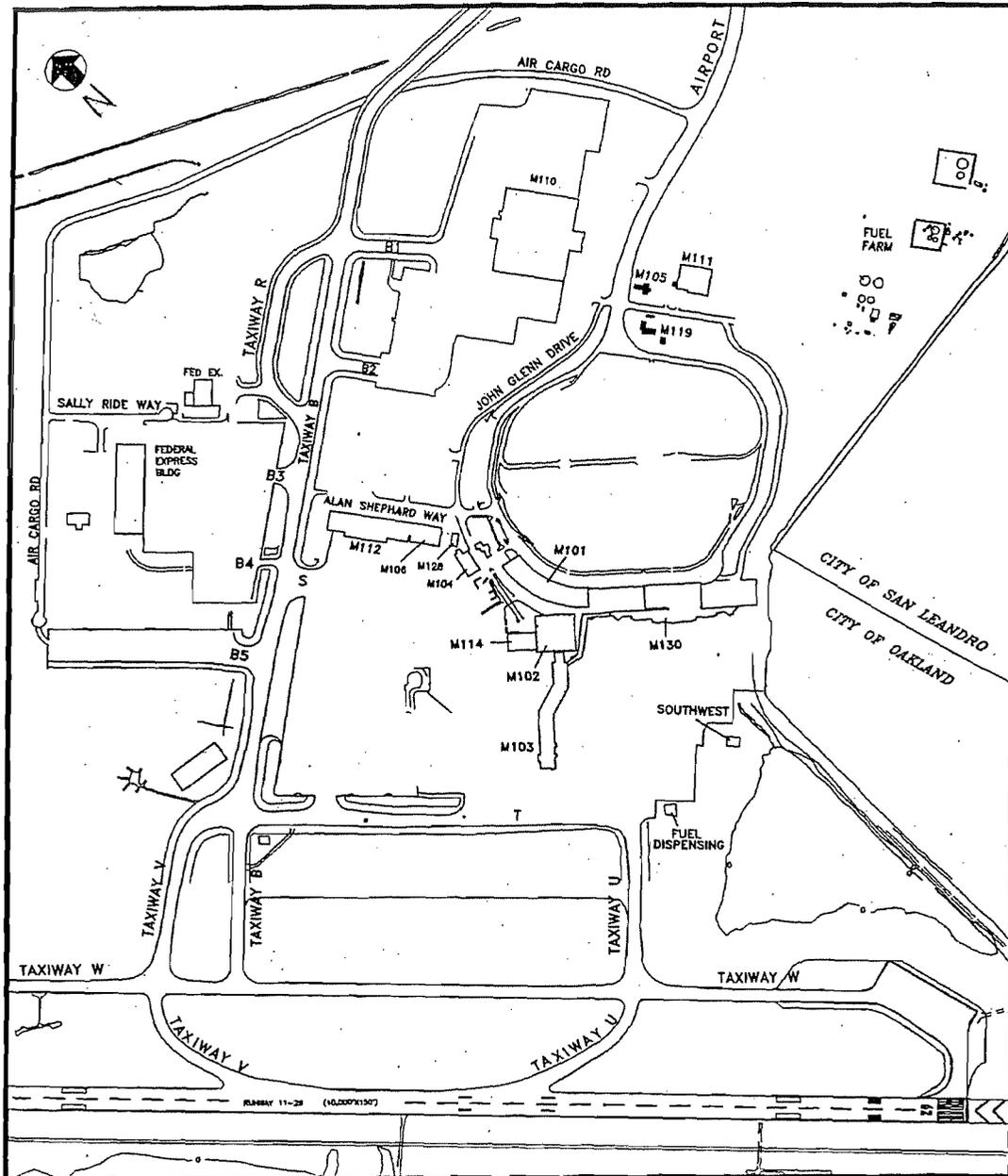
Assistant


SECRETARY OF THE BOARD

MAY - 7 2002
DATE

Board of Port Commissioners Calendar Item

Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with Rui Canha dba
American Building Service (#1 Airport Drive, South
Airport)



NO EXCLUSIVE PREMISES GRANTED.
RUI CANHA DBA AMERICAN BUILDING SERVICE IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of License and Concession Agreement with Ryan International Airlines, Inc. for Office and Storage Space (8300 and 8302 Earhart Road, North Airport)

DATE: May 7, 2002

ITEM NO: 6S

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman
EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Ryan International Airlines, Inc. (Ryan) relocated its charter operation for Suntrips (service to Hawaii) from San Francisco International Airport to Oakland International Airport effective February 2002. Thus, Ryan desires to also relocate its support operations to the Oakland International Airport from its current location in Burlingame. Ryan has selected a site on the North Airport that would accommodate its need for office and storage space.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) would provide for approximately 2,892sf of office space and 6,906sf of warehouse space in Port Buildings L-617 and L-618 on the North Airport. The one-year Agreement would commence April 1, 2002 with a 30-day termination provision. Monthly rent would be \$7,718.91 per month.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

s project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Ryan International Airlines, Inc. subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

02129

BOARD ACTION TAKEN

Assistant

Signature of Assistant Secretary

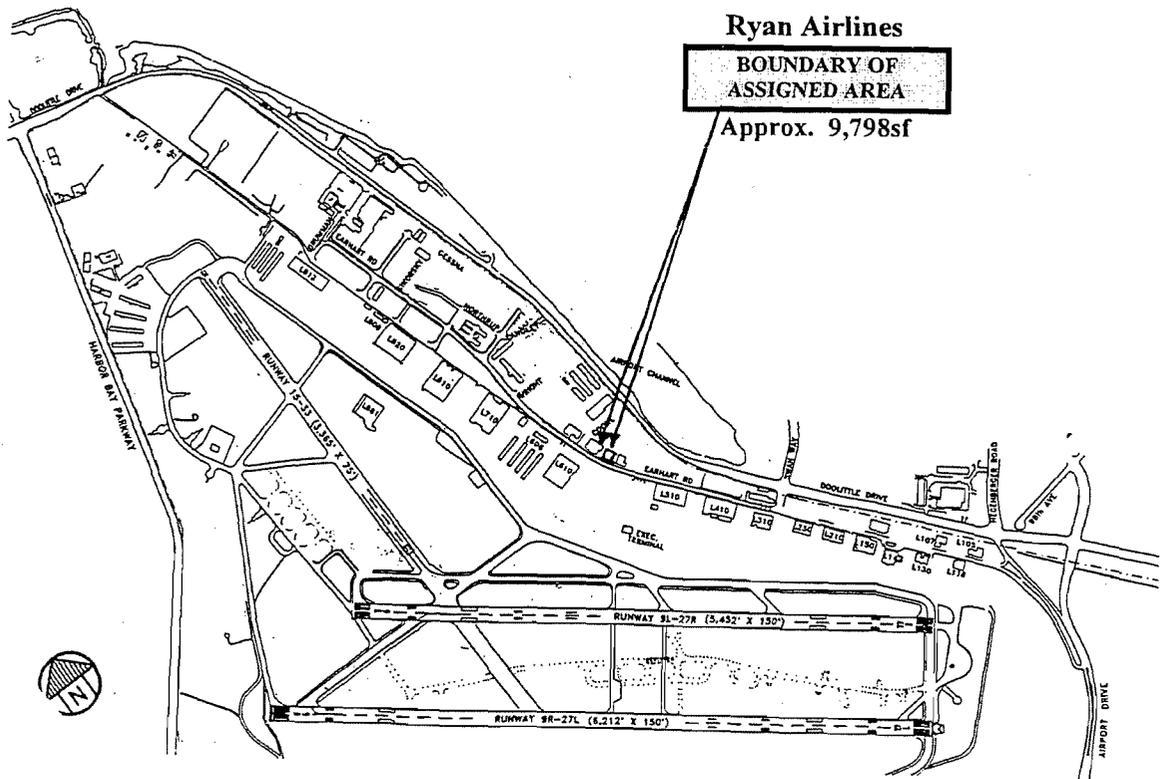
SECRETARY OF THE BOARD

MAY - 7 2002

DATE

**Board of Port Commissioners
Calendar Item**

**Approval of License and Concession Agreement
with Ryan International Airlines, Inc. for Office and
Storage Space (8300 and 8302 Earhart Road, North
Airport)**



Airport Properties

Port of Oakland

**Oakland
International Airport
North Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 7S

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Huntleigh USA Corporation (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Huntleigh USA Corporation (Huntleigh), a skycap and security checkpoint screening service, is currently under a Right-of-Entry and Indemnity Agreement (Right-of-Entry) which provides for occupancy of 196sf of office space in Terminal II, Building M-130 on the South Airport. The Right-of-Entry was effective July 1, 2001 through March 31, 2002; rent is \$1,055.66 per month plus 10% of gross revenues. During the period of July 1, 2001 through February 28, 2002, the Port received an average of \$20,136 per month as a percentage of gross revenues.

ANALYSIS:

It is proposed that the Port enter into an Agreement to Extend Right-of-Entry and Indemnity Agreement that would extend Huntleigh's occupancy of the same premises, commencing April 1, 2002 and ending March 31, 2003, with a mutual 30-day termination provision. Monthly rent, which is established in accordance with the Airport's annual rates and charges (Port Ordinance 3634), would be adjusted to \$1,024.88 per month effective April 1, 2002. In addition, Huntleigh would continue to pay 10% of gross revenues.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with Huntleigh USA Corporation, subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

Approved by Resolution No.

02130



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- MOTION
- RESOLUTION
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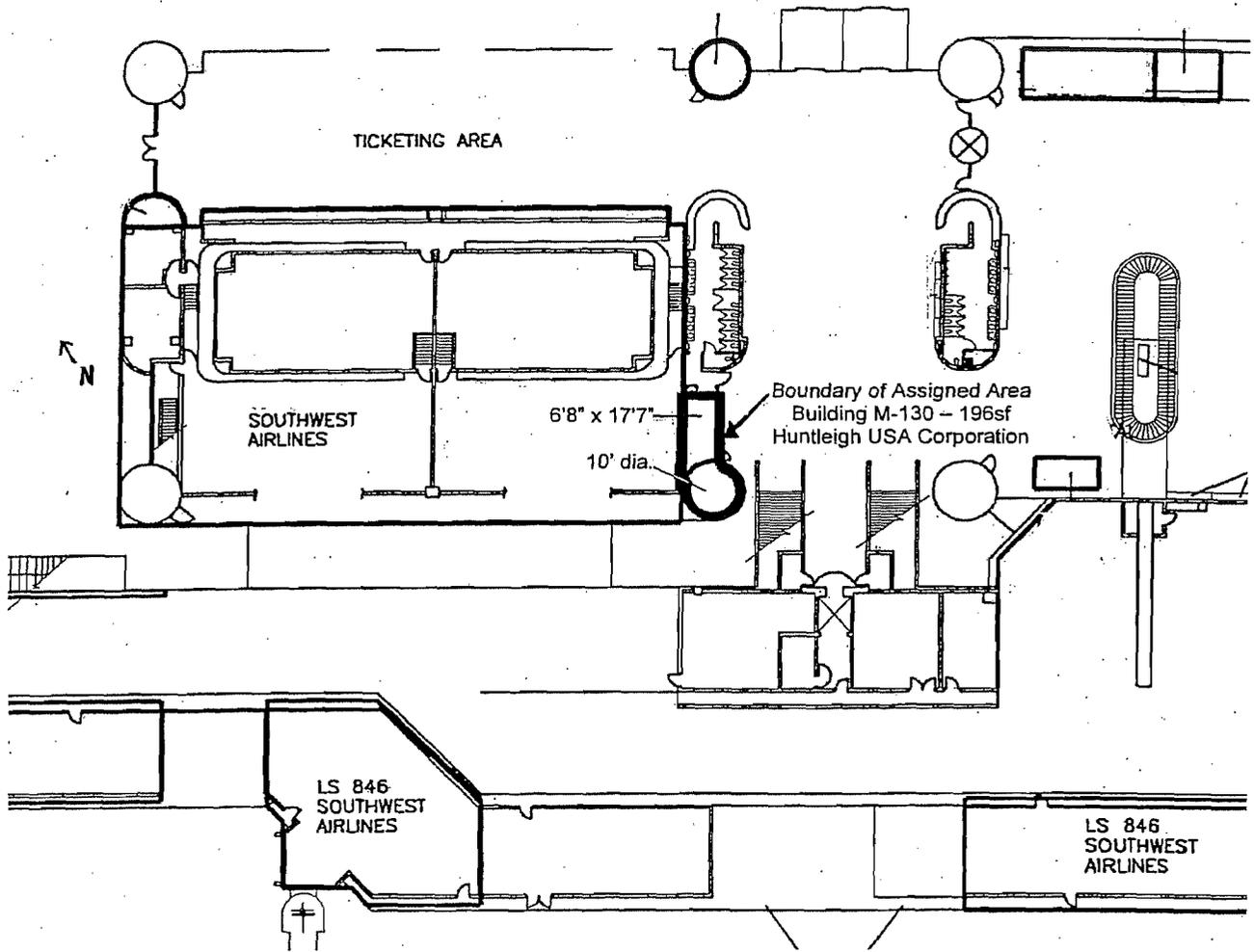
BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

DATE

**Board of Port Commissioners
Calendar Item**

**Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with Huntleigh USA
Corporation (#1 Airport Drive, South Airport)**



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Subject: Authorization of Contract Not to Exceed \$30,000.00 to Avila Tom Architects for Design and Construction Management Services for Relocation of Oakland Duty Free to Accommodate Construction of the Terminal 1 Security Checkpoint Enhancement Project. (1 Airport Drive, Oakland International Airport)

Page 2 of 2

OPTIONS:

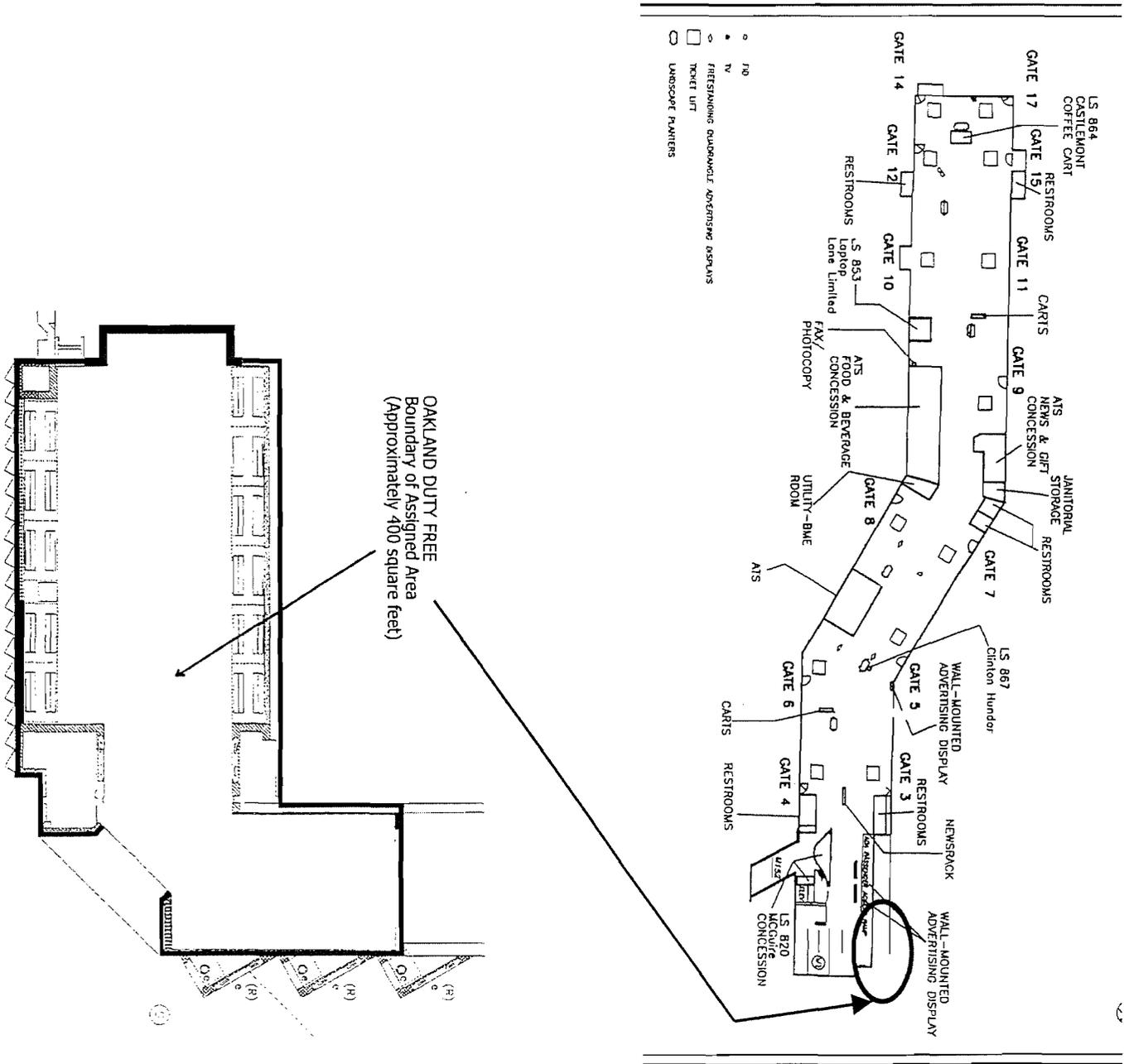
1. Utilize the architectural team, Charles Jennings & Associates ("Jennings") that is designing the balance of the security checkpoint enhancements to perform the additional work. While a contract was already in place with Jennings, this work is outside its scope, and would have been considered additional, with corresponding additional costs. Further, it would have taken more time for Jennings to review the drawings and become familiar with the Avila Tom work.
2. Authorize additional work for Avila Tom to complete the project. This is the most cost effective and timely way to accomplish the goal of relocating the duty free shop.

RECOMMENDATION:

It is recommended that the Board authorize a contract with Avila Tom Architects which may be in the form of an amendment to a Purchase Order for an aggregate amount not to exceed \$30,000.00 as approved by the Port Attorneys Office, for design and construction management services as described above.

**Board of Port Commissioners
Calendar Item**

**Authorization of Contract Not to Exceed \$30,000.00
to Avila Tom Architects for Design and Construction
Management Services for Relocation of Oakland Duty
Free to Accommodate Construction of the Terminal 1
Security Checkpoint Enhancement Project
(1 Airport Drive, Oakland International Airport)**



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

^{TD}
 SU CT: Ratification and Approval of Contract Change Orders to
 Contract for Aircraft Sound Insulation Program in Alameda –
 Additional Costs to Apply Waterproofing Paint and to Reseal
 Windows and Doors Due to Substrate Failure

DATE: May 7, 2002
 ITEM NO: 9S

- PROGRAM AREA:
- Airport Operations
 - Commercial Real Estate
 - Maritime Operations
 - Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Port has a contract with M. A. Lindquist Co., Inc., for construction of **Phase 1 of the Aircraft Sound Insulation Program on Bay Farm Island, Alameda, California**, which became effective on March 9, 2001, at lump sum and unit prices totaling \$2,082,918.

Phase 1 of the Sound Insulation Program consisted generally of soundproofing 96 townhomes and single family homes on Bay Farm Island, Alameda, California. The soundproofing involves replacing all windows and sliding glass doors with acoustical units; sealing exterior doors and replacing exterior hollow core doors; modifying fireplace openings, dampers and skylights; providing fresh air makeup to the existing heating systems; and insulating attic spaces, where required. Construction work began in Spring 2001, and all work is completed except for the additional work that is the subject of this Agenda Sheet.

ANALYSIS:

A waterproofing expert determined that the double-paned, acoustical windows and sliding glass doors were installed correctly at all Phase 1 homes according to the plans and specifications. However, due to unforeseen conditions in some of the existing stucco walls, leaks occurred in some of the homes after the windows and doors were installed. The waterproofing expert determined that the leaks occurred due to a substrate failure in the walls; the existing stucco material had not been sealed properly over the last few years and had deteriorated, allowing water to infiltrate the membrane.

In order to prevent future leaks, all 96 homes were inspected for possible substrate failure in the outside walls and to determine if the new windows and doors were sealed in the best manner for the existing walls. The inspection revealed that it was necessary to perform the following additional work:

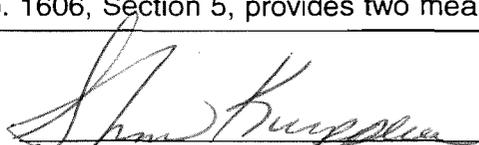
Change Order Work	Amount
1. Apply elastomeric paint treatment to 19 homes in order to seal exterior stucco walls that had suffered substrate failure.	\$53,377
2. Reseal windows and sliding glass doors in 29 homes to prevent future leaks.	36,810
Total	\$90,187

The total cost of \$90,187 will be paid via change order on a time and materials basis.

To date, 42 change orders have been issued for a total of \$173,467. The amount of this special change order is \$90,187, which exceeds the available amount remaining in staff's change order limit of \$208,291; therefore, Board authorization is needed. Port Ordinance No. 1606, Section 5, delegates to Port Staff the authority to approve change orders within prescribed limits. Under the change order ordinance, Board approval is required for any single change order over \$250,000 and for any change orders over a cumulative total of 10% of the contract amount (\$208,291.80 for this contract). Port Ordinance No. 1606, Section 5, provides two means for approval of

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Approved by Resolution
 No. 02132
 BOARD ACTION TAKEN


 Assistant SECRETARY OF THE BOARD

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change orders once the 10% aggregate threshold has been reached. First, Section 5(i)(3)(iv) provides that the Board may directly approve any change orders. Second, Section 5(i)(3)(ii) provides that the Board may increase staff's authority to execute future change orders.

Because of the critical nature of this work, the Port's desire to complete work in the Alameda homes as quickly as possible, and the deadline for completing the work within the time extension granted by the OCIP insurance carrier, it was necessary to immediately go forward with this work. Therefore, staff seeks Board ratification for the change order amount of \$90,187 to cover the additional work defined above.

General Plan

The project work is located in the City of Alameda; consequently, the City of Oakland General Plan does not apply.

Budget

The budget for this work is funded under CIP Item No. AA.03291.02. The funding source is PFCs.

Construction Budget Phase 1, Sound Insulation Program Contractor: M. A. Lindquist Co, Inc.	
Original construction budget	\$ 2,082,918
Staff change order limit (10% of contract amount = \$208,291.80)	
Amount of change orders authorized by Staff	173,467
Amount of special change order (subject of this Agenda Sheet)	90,187
Total Construction Cost	\$2,346,572

Sustainability

In addition to reducing interior noise, the sound insulation materials will also serve to reduce the homeowners' year-round energy use.

OPTIONS:

Staff has determined that there are no viable options due to the nature of this work and the impending mid-May insurance deadline for completing the work.

RECOMMENDATION:

It is recommended that the Board approve and ratify a change order in the amount of \$90,187 to M. A. Lindquist Co., Inc., to complete the above-described changes.

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 10S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Authorization to Enter into an Agreement with Pacific Bell for Installation of Underground Telephone Service, North Field, OIA

SUBMITTED BY: Joseph K. Wong 
EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Under the Port project "Construction of Dollar Rent A Car, Utility Infrastructure, North Field, OIA", underground telephone conduit was installed and is now available for Pacific Bell to install new underground cables to reconnect existing services now supplied by overhead cables which will be removed. It is requested that the Board authorize the Port to enter into an agreement with Pacific Bell and pay Pacific Bell for installation of underground cables to provide underground telephone service.

Currently there are 9 poles with overhead cables providing services to Port tenants between old Earhart Road, Fairchild Street, new Earhart Road and Convair Street. These poles and overhead service need to be removed to accommodate the construction of the Interim Rent A Car Facility (RAC Site B).

ANALYSIS:

Environmental

The proposed project is exempt pursuant to Public Resources Code, Section 21080 (b)(4) and CEQA Guidelines, Article 18, Statutory Exemptions, Section 15269(c) for emergency projects. The Port of Oakland filed a Notice of Exemption (NOE) on September 5, 2001. The proposed project also meets the requirements of CEQA pursuant to Guidelines, Section 15162. On May 2, 2000 the Board of Port Commissioners approved the Project: "Utility Infrastructure to Support Rental Car Relocation". The project is part of the Replacement Rental Car Service Facilities, B.5, a component of the Airport Development Program (ADP) Environmental Impact Report (EIR). The Port of Oakland filed a Notice of Determination (NOD) on May 9, 2000. The 30-day Statue of Limitations has expired on both the NOE and the NOD.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The cost of the work is \$66,000. The schedule and budget details for the telephone work are attached. This telephone work is budgeted under CIP Element No. A1.00816.04 and will be funded by short-term taxable commercial paper debt repaid by Rental Car Customer Facility Charge (CFC).

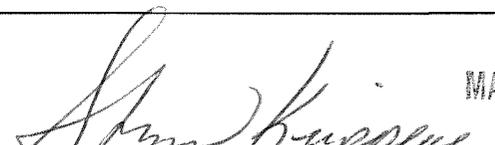
Sustainability

This project will utilize spare conduit from a previously constructed project to avoid retrenching and re-paving.

- MOTION
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- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02133
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD
DATE MAY - 7 2002

Project Labor Agreement

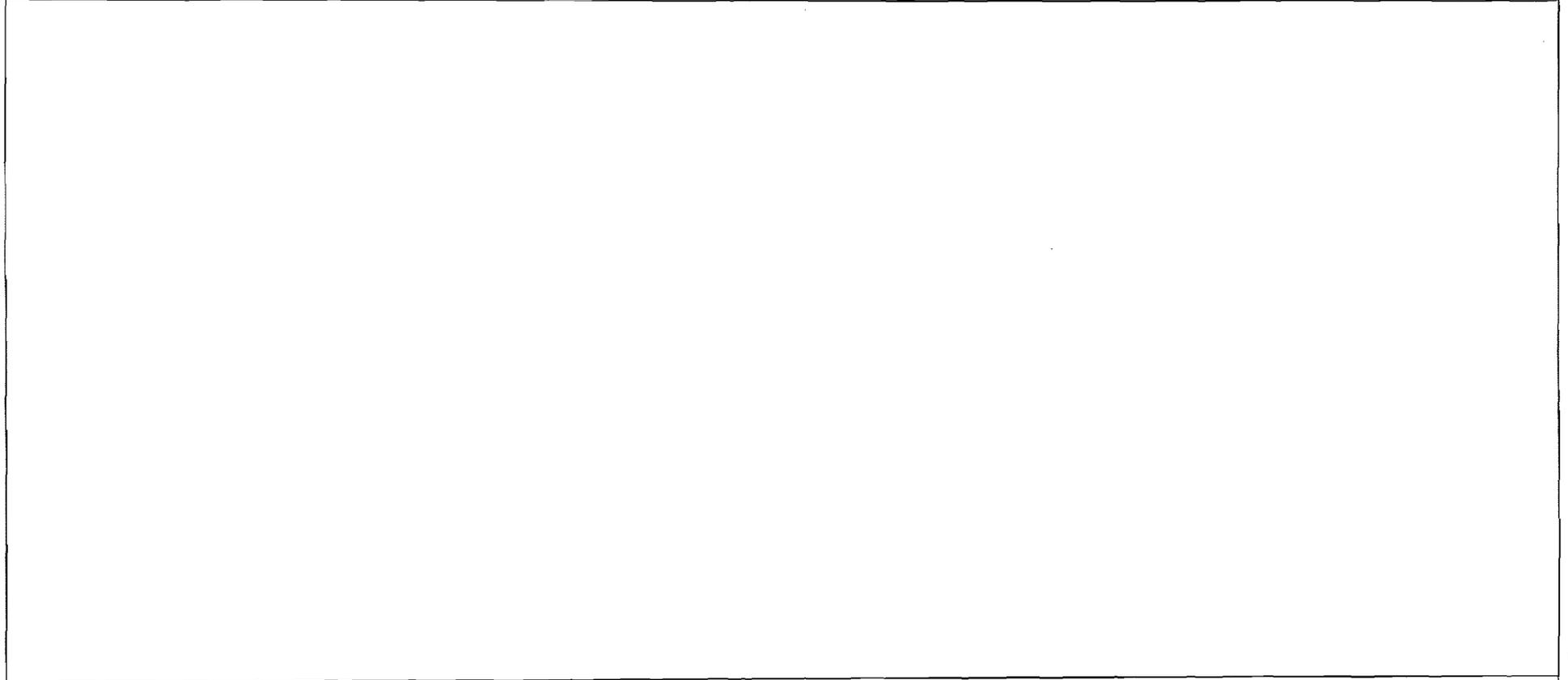
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this work.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into an agreement with Pacific Bell and to pay Pacific Bell \$66,000 for installation of underground telephone service.

Authorization to Enter into an Agreement with Pacific Bell for Installation of Underground Telephone Service, North Field, OIA

ID	Task Name	Duration	Start	Finish	Apr 21, '02			May 26, '02		Jun 30, '02		Aug 04, '02	
					T	F	S	S	M	T	W	T	F
1	Approve work request	13 days	Thu 04/18/02	Mon 05/06/02	[Task Bar]								
2	Board approval of Pacific Bell service agreement	1 day	Tue 05/07/02	Tue 05/07/02		◆							
3	Transmit Board approved Pacific Bell service request	9 days	Fri 05/10/02	Wed 05/22/02			[Task Bar]						
4	Contract execution	7 days	Thu 05/23/02	Fri 05/31/02				[Task Bar]					
5	Construction Period	45 days	Mon 06/03/02	Fri 08/02/02				[Task Bar]					



Design Engineer: John Lee
 Supervising Engineer: Jill Brown
 Date: 04/12/2002

Task	[Task Bar]	Summary	[Task Bar]	Rolled Up Progress	[Task Bar]
Split	[Dotted Line]	Rolled Up Task	[Task Bar]	External Tasks	[Task Bar]
Progress	[Task Bar]	Rolled Up Split	[Dotted Line]	Project Summary	[Task Bar]
Milestone	◆	Rolled Up Milestone	◇		

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 7, 2002**

PROJECT TITLE: Installation of Underground Telephone Service, North Field, OIA

CIP NO: A1.00816.04

W.O. #: 120024

PROPOSED FUNDING SOURCES: PFC

Narrative: Place underground existing telephone service line including removal of nine wooden telephone poles in North Field.

Budget: This project is accounted for under CIP Element # A1.00816.04. This is also one of the projects for the North Field Rental Car Facility Development Program. The project budget totals \$606,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's)

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outside Legal	Misc.	LERRS	Allow.	Tenant Costs	Totals
Phase 1 Install Underground Telephone Service (W.O. 120024)	18	32		106						156
Phase 2 Upgrade Water & Fire Protection System	3	5		97	8	84				197
Phase 3 Install Speed Dial Telephone & AVI System	2	2	54	95						153
Phase 4 Install Flight Information Displays (FID)	3	5	8	84						100
Total	26	44	62	382	8	84				606

Remarks: Refer to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 115

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Authorization to Execute an Easement Agreement with Pacific Gas and Electric Company for Aerial Facilities, North Field, OIA

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

In November 2001, the Board authorized advertising for bids for **Realignment of Langley Street and Widening of Doolittle Drive, North Field, Oakland International Airport, Oakland, California.** This construction improves the egress of traffic onto and off of Doolittle Drive from the North Field, access to the Martin Luther King, Jr. Shoreline Park and the traffic flow along Doolittle.

As explained in November, this project is critical to the operation of the Rent-A-Car facilities located along Langley Street. A Traffic Study indicated that future traffic operations in the area would operate at an acceptable level with signalization and turn lanes at the Langley Street/Doolittle Drive intersection. However, Doolittle Drive will require widening to accommodate additional turn lanes, and to achieve the improvements listed above. Widening the roadway to construct additional lanes requires the relocation of four Pacific Gas and Electric Company (PG&E) poles from the CALTRANS right-of-way onto Port property. In order to provide access to the relocated poles for PG&E's maintenance operations, the Port has been requested by PG&E to grant an easement. An agreement stipulating the terms of the easement has been prepared by the Port and a separate PG&E Tariff Schedule Agreement has been drafted by PG&E and is ready for execution and payment by the Port for relocation of the poles.

The easement is located adjacent to the shoulder of Doolittle Drive and is approximately 15,250 square feet in area. The Poles located within the easement to provide a ten-foot width south (Airport side) from the pole's center alignment. On the north side (Doolittle side) the easement varies in width from approximately five feet to ten feet. The variation is based on each pole's proximity to the CALTRANS Right-of-Way demarcation line. The terms of the easement require PG&E to notify the Port if work needs to be performed in areas operated by the Port and the Port's tenants. It also requires the Port to pay the amount of \$31,501.86 to PG&E for them to relocate their four poles.

ANALYSIS:

In order to meet the project schedule for funding and construction, it was determined to be in the best interests of the Port to request authorization from the Board to pay PG&E for the relocation work. However, an investigation is underway to determine if PG&E is required to relocate the poles at their cost under an existing franchise agreement with CALTRANS or the City of Oakland. The City of Oakland is a co-applicant for the CALTRANS Encroachment Permit. A clause has been included in the agreement in case it is determined that PG&E is required to move the poles at its own expense under an existing agreement with the above named parties. Should it be determined that PG&E is required to move the poles at its expense, PG&E will be obligated to reimburse the Port all costs, fees and taxes paid by the Port for this relocation.

Environmental

The proposed project is exempt pursuant to Public Resources Code, Section 21080 (b)(4) and CEQA Guidelines, Article 18, Statutory Exemptions, Section 15269(c) for emergency projects. The proposed project also meets the requirements of CEQA pursuant to Guidelines, Section 15162. On July 10, 2001 the Board of Port Commissioners approved the Doolittle Drive/Langley Street Improvement Project and an Addendum to the Airport Development Program (ADP) Environmental Impact Report (EIR). The Port of Oakland filed a Notice of Determination on July 11, 2001. The 30-day Statue of Limitations has expired.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

MAY - 7 2002

DATE

General Plan

Pursuant to section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The work is budgeted under CIP Element No. A1.00816.05. The funding source is Port bonds and federal highway funds.

Sustainability

PG&E Co. has agreed to reuse poles and associated equipment in lieu of setting new poles and installing new equipment.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this relocation work.

RECOMMENDATION:

It is recommended that the Board approve the Easement Agreement with Pacific Gas and Electric Company, authorize the Port to pay Pacific Gas and Electric Company \$31,501.86, and authorize the Executive Director to execute the Pacific Gas and Electric Company Tariff Schedule Agreement for the above work.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 7, 2002**

PROJECT TITLE: RE-ALIGN AND SIGNALIZE LANGLEY

CIP NO: A1.00816.05

W.O. #: 106502, 106503

PROPOSED FUNDING SOURCES: Port Cash, Bond & Federal Fund

Narrative: Design and construction of Langley Street Realignment and Intersection Improvement at Doolittle Drive.

Budget: This project is accounted for under CIP Element # A1.00816.05 as one of the projects for the North Field Rental Car Facility Development Program. The project budget totals \$3,312,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A1.00816.05

	Const. Cost	Consult & CM	Port Labor & Fringes	Port OH	Misc.	Outside Legal	LERRS	Allow.	Tenant Costs	Totals
Design & Construction of Langley Street Realignment (W.O.106502)	2,115	269	305	516	50	---	---	---	---	3,255
Permitting Langley Street Realignment (106503)		17	14	25	1	---				57
Total	2,115	286	319	541	51	---				3,312

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 22S

SUBJECT Modifications to Various Crane Rental Provisions in Port of Oakland Tariff 2-A to Reflect Newly Purchased Cranes and Elimination of Crane Rental Provisions For Container Gantry Cranes That Are No Longer Used.

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry A. Bridges (with signature)
EXECUTIVE OFFICE RECOMMENDATION: (with signature)

FACTUAL BACKGROUND:

On July 5, 2000, the Board of Port Commissioners authorized an Assignment Agreement for the second marine cargo terminal in the Port's Vision 2000 Development Program at Berths 57-59 with SSA Terminals (SSAT). The Agreement executed by SSAT ultimately provides six new post-Panamax cranes (Nos. X-C14, X-C15, X-C16, X-C17, X-C18 and X-C19) which are manufactured by Zhenhua Port Machinery Co. (ZPMC). Two of these cranes are already enroute for delivery to the Port and will be operational within several weeks. It is therefore necessary to establish rental charges for the six new cranes in the Port's marine terminal tariff. We propose a basic crane Rental Rate of \$14.00 along with a Maintenance & Repair rate of \$3.50 and a Power rate of \$.70. These rates will be assessed per loaded or empty TEU lifted in new Port tariff item 09164. These are the same rates that were established for the new cranes at the adjacent Hanjin Terminal at Berths 55-56.

Along with the new two SSAT cranes arriving this month, two other new cranes are being delivered for the Trans Bay Container Terminal at Berths 25-26. These two cranes will be designated with crane nos. X-434 and X-435. Since cranes X-434 and X-435 are not quite as large as the SSAT cranes for Berths 57-59, we propose a basic crane Rental Rate of \$13.00 along with a Maintenance & Repair rate of \$3.50 and a Power rate of \$.70. These will also be assessed per loaded or empty TEU lifted in Port tariff item 09150.

There are some other administrative matters that need to be addressed relating to the container gantry crane provisions in the Port's tariff, as follows:

Container gantry crane X-423 has been used sparingly since 1997 when crane X-437 was installed at the Ben E. Nutter Terminal, Berths 35-38. Crane X-423 is an older crane with limited outreach and cannot be used on the newer container ships. Therefore we propose it be eliminated from item 09155 in the Port's tariff. In order to have all working cranes at the Ben E. Nutter Terminal Berths 35-38 published on one page in the Port's tariff we are also proposing to transfer crane X-437 from item number 09157 to item 09155 of the Port's tariff. Cranes X-441 and X-442 at the American President Lines terminal also need to be eliminated from the Port's tariff. The cranes are old and obsolete and have not been used for several years.

The proposed tariff changes are categorically exempt under Section 15301 (p) of the Port CEQA Guidelines, which applies to renewals, extensions, or amendments to leases or license and concession agreements whether the premises or licensed activity was previously leased or licensed to the same or another use beyond that previously existing.

- MOTION
RESOLUTION
ORDINANCE
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Approved by Ordinance passed to print
BOARD ACTION TAKEN Assistant

(Signature)
SECRETARY OF THE BOARD

MAY - 7 2002
DATE

Subject: Modifications to Various Crane Rental Provisions in Port of Oakland Tariff 2-A to Reflect Newly Purchased Cranes and Elimination of Crane Rental Provisions For Container Gantry Cranes That Are No Longer Used.

SUSTAINABILTY FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

Authorize the modifications to crane rental rates and provisions in Port of Oakland Tariff 2-A, as outlined above, effective May 22, 2002

Agenda Sheet

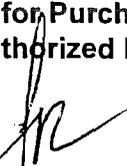
SUBJECT: Recommendation Authorizing Various Forms of Electronic Payment Including Use of Credits Cards for Purchase and Payment of Supplies and Services by Authorized Port Personnel

DATE: May 7, 2002

ITEM NO: 33S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred Rickert Chief Financial Officer 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND

In 1997, the Board authorized as a pilot program, the use of procurement cards (p-cards) by selected Port staff who routinely and repetitively made purchases under \$1,000. The p-cards function in a similar manner as regular bank issued credit cards, except they have special control features more suited for commercial use. These features are more fully discussed below. The pilot program provided the opportunity to test the viability of using p-cards as means of improving productivity and efficiency. This Board letter summarizes the operations of the p-card program and recommends amendment of Port Ordinance 1606 to continue the pilot program through the end of the calendar year pending certain modifications intended to enhance the benefits while mitigating the associated risks.

By way of background, over the course of the pilot p-card program:

- Approximately 46 Port employees have participated, including seven senior managers, 21 managers, supervisors and foremen, four procurement staff, and two vendor specific cards.
- All participants have been required to attend an orientation session which explains the rules and requirements of the program.
- All participants are required to sign a statement acknowledging personal responsibility for how their card is used. Improper use of the p-card can result in termination.
- The cards have daily and monthly dollar expenditure limits and restrictions as to the type of business, as defined by merchant category code, where the card can be used, depending on the employees' job function and classification
- P-cards may not be used at casinos, liquor stores, or adult entertainment establishments.
- Participants are required each month to reconcile their monthly expenditures and submit a transaction log to their supervisor for approval.
- The Port makes one monthly payment to the bank for the aggregate amount due. There are no finance charges.
- P-cards can not be used to make cash withdrawals.

While the p-card program was initially contemplated as a means of transacting small and emergency purchases, given the technological advances associated with development of the Internet as a means of conducting commerce and the desire of some corporate clients to obtain payments of their accounts by use of p-cards, as an accommodation to meet the procurement needs of the Port during this extended pilot program period, procurement staff commenced using the p-cards when convenience seemed to indicate their use was a cost effective and efficient means of expediting payments.

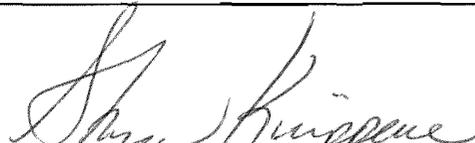
To date, annual expenditures under the p-cards are approximately 1.5 million dollars or 5 to 8% of expenditures normally handled through the purchasing department. About 30% of this amount represents payment arrangements, 10% travel and related expenses, and the remaining 60% covers the purchase of supplies.

- MOTION
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Assistant


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MAY - 7 2002

DATE

Listed below is a summary of fiscal year annual expenditures and card activity by division:

DIVISION	NO. OF CARDS	NO.OF TRANSACTIONS	TOTAL DOLLARS	AVERAGE CHARGE PER TRANSACTION
Finance (Purchasing)	6	1,248	\$ 986,900	\$ 791
Executive Office	2	123	40,600	330
C R E	1	49	13,700	280
Corporate Admin.	4	287	73,300	255
Aviation	15	905	217,600	240
Engineering	12	870	203,400	234
Port Attorney	1	21	4,000	190
Communications	3	277	46,700	169
Maritime	2	30	3,000	100

Over the course of the pilot program, the various controls in place to ensure proper usage of the cards and to immediately identify potential problems include:

- Limited number of card holders
- Merchant codes are used to limit where the card can be used
- Single purchase and monthly expenditure limits are applied to each card
- P-card transactions are subject to scrutiny by supervisory staff
- Transactions are subject to monthly review
- B of A notifies Port of unusual card activity
- The cards can only be used for purchases and not for cash
- Some transactions require the merchant to obtain prior authorization from the bank

In addition, the issuing bank limits the Port's financial exposure for unauthorized purchases to \$50 dollars per card resulting from theft or loss of the card.

Under the pilot program, the cards have been issued through Bank of America (B of A), with which the Port's primary banking relationship is maintained. In addition to limiting the Port's liability, the contract with B of A provides for the following:

- P-cards are to be used for business purposes only
- B of A expects the Port to punish fraudulent behavior by employees
- The Port does not pay transaction or processing fees
- Annual card fees are variable, ranging from \$35 to zero, based on aggregate expenditures (current Port rate is \$25 per card)
- Revenue sharing of 5 basis points, for annual purchases in excess of \$5 million dollars and 10 basis points at \$10 million dollars
- 30-day payment cycle with 10-day grace period

The extended pilot program has proven most useful for evaluating this procurement innovation. We have the benefit of direct empirical experience. Many municipalities (including the City of Oakland), the State of California, federal agencies, and major corporations utilize p-cards. Known problems to date include the following:

- 1) Late submission of monthly reports by cardholders and improper coding;
- 2) Some employees cannot always distinguish when to use p-card versus purchase order;
- 3) Some vendors are mis-categorized in bank's MCC codes resulting in authorized vendors being excluded from Port usage;
4. One p-card was cloned by outsiders, but immediately discovered, resulting in no financial loss to the Port.
5. One employee misused the card, but immediately discovered and corrected, resulting in no financial loss to the Port .

identified benefits associated with the p-card program include:

- Emergency purchases can be expedited
- On-line purchases can be accomplished subject to Board approval
- Increased efficiency and productivity by issuing fewer purchase orders and payment checks
- Vendors get expedited payment
- Some merchants only accept credit cards and not purchase orders
- Convenience
- Low cost associated with the program, saving employees' time and no processing or transaction fees
- Some vendors covered by purchase order have been paid by p-card to expedite the process. These include Waste Management and Xerox.

Our experience is that the p-cards complement the other procurement methods available to the Port. As technology moves forward, the cards are a productive and useful alternative. However, they are not a complete replacement for purchase orders particularly because the terms and conditions of purchase orders and contracts have not yet been incorporated into the p-card procurement process for all vendors.

If the Port were to discontinue the p-card program, it is estimated that 75% of the approximately 4,000 annual transactions currently covered by p-cards would need to be transferred to purchase orders and paid by individual check.

An audit of the p-card program is underway by the Port Auditor. Pending a review of the audit findings and recommendations to revise the program to assure proper usage and effective controls are in place, we are requesting the program be extended for the remainder of the calendar year. When the audit by the Port Auditor is complete, we review the findings and revise the program to assure controls are revised for better effectiveness.

RECOMMENDATION:

It is recommended that the Board approve amendment of Port Ordinance 1606 to authorize continuation of the p-card program through the end of the calendar year.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 34S

SUBJECT: Approval to Amend the Agreement for Nossaman, Guthner, Knox & Elliott, LLP for State Legislative Advocacy Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Governmental Affairs Department contracts on an annual basis for legislative advocacy and lobbying services performed at the State level. On March 5, 2002, the Board of Port Commissioners approved obtaining Nossaman, Guthner, Knox & Elliott, LLP for state legislative advocacy services.

The Port Board of Commissioners on March 5, 2002 approved a resolution that inadvertently set forth an amount of \$75,000 which was \$15,000 below the amount actually negotiated with the lobbying firm. Therefore, the Governmental Affairs Department requests approval to adjust the amount of the contract by \$15,000 to reflect the negotiated contract amount of \$90,000.

ANALYSIS:

This is an administrative adjustment that is required to fulfill the negotiated agreement with our new state lobbyist. The lobbyist has been working since March 5 to ensure that the Port's needs are fulfilled before the state legislature. This is a request to amend the Agreement to increase the total amount previously approved by \$15,000.

SUSTAINABLE OPPORTUNITIES:

This is an administrative adjustment of funds. There are no apparent sustainability opportunities.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to amend the Agreement for State Legislative Advocacy Services for the coming year to reflect the \$15,000 adjustment.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02136

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

MAY - 7 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 35S

- (OBJECT: PERSONNEL ITEMS
- Creation of Salary Schedules
- Creation of Classifications/Positions
- Title Changes

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULES--Ordinance (2 Readings)

- A) It is requested that the Board approve the creation of the following Salary Schedules in order to implement the change in representation unit for **Airport Landside Services Coordinator** from Unit D to Unit F and the change in representation unit for **Port Equipment Supervisor** from Unit E to Unit F.

Classification	Salary Schedule	Rep. Unit	Salaries
Airport Landside Services Coordinator	A	F	a--\$4317; b--\$4532; c--\$4758; d--\$5041; e--\$5346
Port Equipment Supervisor	736	F	a--\$6112; b--\$6418; c--\$6737; d--\$7142; e--\$7571

II. CREATION OF CLASSIFICATIONS/POSITIONS -- Ordinance (2 Readings)

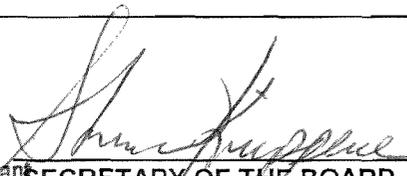
- A) It is requested that the Board approve the creation of the classification **Senior Pricing and Contracts Analyst** and assignment to **Salary Schedule 257.5** (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020). This classification is a result of the Maritime Division Reorganization.
- B) It is also requested that the Board approve the creation of the classification **Port ERDP Program Supervisor** and assignment to **Salary Schedule 529** (a--\$6213; b--\$6524; c--\$6850; d--\$7261; e--\$7697). This classification is being created as a result from a classification audit and replaces the existing Port Employment Resources Coordinator classification.
- C) It is requested that the Board approve the creation of the classification **Port Debt Compliance Coordinator** and assignment to **Salary Schedule 528.2** (a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669). This position was approved in the **FY 2001-2002 Staffing Plan**.

- MOTION
- RESOLUTION
- ORDINANCE
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BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

MAY 7 2002

DATE

N / CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Senior Pricing and Contracts Analyst	OPER	Maritime	1	D	257.5 (a--\$5667; b--\$5950; c--\$6248; d--\$6623; e--\$7020)
Port ERDP Program Supervisor	OPER	Social Responsibility	1	E	529 (a--\$6213; b--\$6524; c--\$6850; d--\$7261; e--\$7697)
Port Debt Compliance Coordinator	OPER	Finance	1	E	528.2 (a--\$6190; b--\$6500; c--\$6825; d--\$7235; e--\$7669)

III. TITLE CHANGES -- Ordinance (2 Readings)

- A) It is requested that the Board approve the following title changes. The new titles are more appropriate for the duties and responsibilities for Civil Engineering classifications.

CURRENT TITLE	NEW TITLE
Port Junior Engineer	Port Junior Engineer (Civil Work)
Port Assistant Engineer	Port Assistant Engineer (Civil Work)
Port Civil Engineer	Port Associate Engineer (Civil Work)
Port Supervising Civil Engineer	Port Supervising Engineer (Civil Work)
Port Junior Engineer (Electrical/Mechanical)	Port Junior Engineer (E & M Work)
Port Assistant Engineer (Electrical/Mechanical)	Port Assistant Engineer (E & M Work)
Port Electrical/Mechanical Engineer	Port Associate Engineer (E & M Work)
Port Supervising Electrical/Mechanical Engineer	Port Supervising Engineer (E & M Work)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedules, creation of classifications/positions and title changes.

Agenda Sheet

DATE: May 7, 2002

ITEM NO: 36S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Personnel Items
- Promotions

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. DEMOTIONS—Resolution (1 Reading)

A) It is requested that the Board approve the demotion of Employee No. 387654, from Associate Port Environmental Planner to Assistant Port Environmental Planner, in the Engineering Environmental Planning Department, due to personnel disciplinary actions, effective the close of the workday of May 8, 2002.

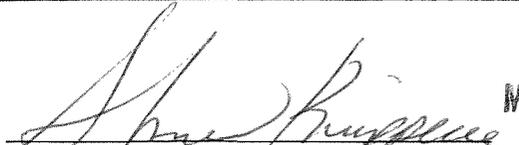
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding demotions.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02137
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD
MAY - 7 2002
DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, May 21, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. to Review Items 40-43.
(See, Closed Session)**

OPEN SESSION: 4:00 p.m.

READING OF THE MINUTES:

Regular meeting of May 7, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Audit, Budget & Finance
Commercial Real Estate
City/Port Liaison
Maritime

READING OF SUMMARY ITEMS: (Marked "S")

20 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Approval of Building Permit and Lease with U.S. Government for Relocation of Weather Balloon Launch Station (Old Earhart Road and Doolittle Drive, North Airport). (Resolution & Ordinance)
- 2** Approval of a Change Order to Contract for the Purchase and Installation of a New PDX Telephone Switch for the Oakland International Airport - Purchase and Install Crash Alarm Network, Remote Switch at Building L-142, Tie-Line to Southwest Airlines Telephone Switch, and Upgrade of Attendant Console Software, South Field, OIA. (Resolution)
- 3S** Approval of Plans and Project Manual for Overlay and Extension of Taxiway C, North Field, OIA. (Resolution)
- 4S** This item not used.
- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Ogden Ground Services, Inc. (#1 Airport Drive, South Airport). (Resolution)

COMMERCIAL REAL ESTATE

- 11** Approval of Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Seabreeze Marina Tunnel Sealing and Wetland Enhancement Project, Seabreeze Marina (Clinton Basin). (Resolution)
- 12** Authorization to Purchase Environmental Insurance on Jack London Square/Ellis Ground Leases. (Resolution)

- 13S** Approval of License and Concession Agreement with the U.S. Lighthouse Society, a Non-Profit California Corporation, for the Berthing of the Historic Lightship Relief in the Area Adjacent to the Fire Boat on the West End of Jack London Square. (Resolution)

MARITIME

- 21** Approval of Professional Services Agreement for Hydrodynamic Engineering Services Related to Construction of a New Berth 21 in the Outer Harbor, Vision 2000. (Resolution)
- 22S** Authorization to Dispense with Standard Bidding Procedures for Demolition of Buildings C-401, C-406, C-407, Office Area, and Miscellaneous Site Preparation Activities. (Resolution)

OPERATIONS

- 31** This item not used.
- 32** Naming Review Committee Report and Recommendations for Naming of Certain Port Facilities. (Resolution)
- 33** Authorization to Extend Contracts with Ricondo & Associates, Inc. and Booz-Allen & Hamilton, Inc. to Update 2002 Feasibility Financial Projections Related to the Port's Upcoming Revenue Bond Issues. (Resolution)
- 34** Amendment to Non-Discrimination in Small Local Business Utilization Policy for Alternative Project Delivery Methods. (Motion)
- 35S** Authorization of a Three-Year Contract not to Exceed \$100,000.00 with George Hills Co. Inc. (Resolution)
- 36S** Authorization to Purchase Motor Vehicles and Declare Replacement Vehicles Surplus. (Resolution)
- 37S** Authorization to Sell Surplus Boat and Electrical Equipment. (Resolution)

38S Authorization to Renew the Port's Insurance Programs for Computers, Loss of Access, Fire Insurance and Ratify Renewals of Automobile Liability, Automobile Physical Damage, Public Officials Errors and Omissions, Port Liability, Airport Liability, Special Events Liability, Excess Workers' Compensation, Contractors Equipment, Crane Physical Damage, and CAPA Umbrella Excess Liability Policy. (Resolution)

39S Authorization to Satisfy Certain Procedural Requirements in Connection with the Redemption of the Special Facilities Revenue Bonds, 1992 Series A (Mitsui O.S.K. Lines, Ltd. Project) on behalf of the Board. (Resolution)

CLOSED SESSION

40 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.
Pursuant to subdivision (a) of Section 54956.9: Name of case:

City of Oakland GATX, Terminal Corporation, et al.
United States District Court, Case No. C 02 1307

41 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.
Significant exposure to litigation pursuant to subdivision (b) Section 54956.9 4 matters.

42 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.
Initiation of litigation pursuant to subdivision (c) of Section 54956.9 2 matters.

43 CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property:	Oakland Army Base
Negotiating Parties:	Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation:	Price and Terms of Payment

Property:	Various Parcels, Jack London Square
Negotiating Parties:	Port and Jack London Square Partners
Under Negotiation:	Price and Terms of Payment

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer
Protopappas, Uribe and President Tagami – 6
Noes: None
Absent: Commissioner Scates – 1

RESOLUTIONS:

- 02141 1** GRANTING THE UNITED STATES OF AMERICA PERMISSION TO PERFORM CERTAIN WORK. (Airport – 1)
- 02142 2** APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH NETVERSANT, INC., TO FURNISH AND INSTALL PBX TELEPHONE SWITCH, SOUTH FIELD, OAKLAND INTERANTIOANL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 2)
- 02143 3** APPROVING PLANS AND SPECIFICATIONS FOR OVERLAY AND EXTENSION OF TAXIWAY C, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport – 3S)
- 02144 4** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH OGDEN GROUND SERVICES. (Airport – 5S)
- 02145 5** CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITITGATED NEGATIVE DECLARATION FOR THE SEABREEZE MARINA TUNNEL SEALING AND WETLAND ENHANCEMENT PROJECT, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT, APPROVING THE MITIGATED NEGATIVE DECLARATION, THE MITIGATION MONITORYING AND REPORTING PROGRAM AND AUTHORIZING CERTAIN RELATED PERMIT APPLICATIONS AND AGREEMENTS. (Commercial Real Estate – 11)
- 02146 6** AUTHORIZING AND APPROVING THE PURCHASE OF AN ENVIRONMENTAL INSURANCE PROGRAM WITH THE CHUBB INSURANCE COMPANY. (Commercial Real Estate – 12)
- 02147 7** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH THE U.S. LIGHTHOUSE SOCIETY. (Commercial Real Estate – 13S)

- 02148 8** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH PACIFIC INTERNATIONAL ENGINEERING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 21)
- 02149 9** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SOLICIT PROPOSALS FOR DEMOLITION OF BUILDINGS C-401, C-406 AND C-407, VISION 2000, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOALS. (Maritime - 22S)
- 02150 10** APPROVING THE NAMING OF CERTAIN PORT FACILITIES AS SELECTED BY ADMINISTRATIVE COMMITTEE AND DIRECTING THE PREPARATION OF ORDINANCES IN IMPLEMENTATION THEREOF. (Operations - 32)
- 02151 11** FINDING AND DETERMINING THAT PROPOSED AGREEMENTS WITH DICONDO & ASSOCIATES AND BOOZ-ALLEN & HAMILTON, INC. FOR FINANCIAL FEASIBILITY SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENTS. (Operations - 33)
- 02152 12** AUTHORIZING EXECUTION OF AGREEMENT WITH GEORGE HILLS COMPANY, INC. FOR CLAIMS ADJUSTING SERVICES. (Operations - 35S)
- 02153 13** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PURCHASE NEW VEHICLES AND EQUIPMENT AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SELL SURPLUS VEHICLES. (Operations - 36S)
- 02154 14** FINDING AND DETERMINING THAT A CERTAIN BOAT AND ELECTRICAL EQUIPMENT OWNED BY THE PORT ARE NO LONGER REQUIRED FOR PORT USE AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SELL, DONATE OR SCRAP THE SURPLUS BOAT AND ELECTRICAL EQUIPMENT. (Operations - 37S)

- 02155 15** APPROVING AND RATIFYING RENEWAL OF PORT'S INSURANCE PROGRAM INCLUDING, COVERAGE FOR COMPUTERS, LOSS OF ACCESS, AND FIRE INSURANCE AND RATIFYING RENEWALS OF AUTOMOBILE LIABILITY, AUTOMOBILE PHYSICAL DAMAGE, PUBLIC OFFICIALS ERRORS & OMISSIONS, PORT LIABILITY, AIRPORT LIABILITY, EXCESS WORKERS' COMPENSATION, CRANE PHYSICAL DAMAGE, AND CAPA UMBRELLA EXCESS LIABILITY POLICIES. (Operations - 38S)
- 02156 16** AUTHORIZING CERTAIN ACTS TO REDEEM THE PORT OF OAKLAND, SPECIAL FACILITIES REVENUE BONDS, 1992 SERIES A (MITSUI O.S.K. LINES, LTD. PROJECT). (Operations - 39S)
- 02157 17 ("S")** APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Resolution Only)
- 02158 18 ("S")** APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Resolution Only)
- 02159 19** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A DEFENSE FUNDING AGREEMENT BETWEEN THE PORT OF OAKLAND AND ZURICH ("DFA") CONCERNING BERTH 24.
(Closed Session)
- 02160 20** CONCERNING SOUTH FIELD TANK ("SFTF"). (Closed Session)
- 02161 21** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND MUTUAL RELEASE WITH KINDER MORGAN ENERGY PARTNERS, LP AND ITS PREDECESSORS, GATX FINANCIAL CORPORATION, AND GATX CORPORATION AND THEIR PREDECESSORS (COLLECTIVELY "GATX") CONCERNING THE CITY OF OAKLAND (PORT) V. GATX TERMINAL CORPORATION, ET AL., ACTION NUMBER C-01-2019 WHA REGARDING THE BERTH 25/26 AREA. (Closed Session)
- 02162 22** APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Closed Session)

Vote on the following ordinances except Ordinance No. 3695:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami – 6

Noes: None

Absent: Commissioner Scates – 1

ORDINANCE:

1 ("S") NOT VOTED ON Port Ordinance No. 3695 being, "AN ORDINANCE AMENDING PORT ORDINANCE NOS. 2610, 2613, AND 3644, AS AMENDED, FIXING CERTAIN REVISED PARKING RATES AND PERMIT PARKING POLICY AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.

2 ("S") Port Ordinance No. 3696 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO PACIFIC GAS AND ELECTRIC COMPANY (PG&E) FOR AERIAL FACILITIES ON NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT."

Final.

3 ("S") Port Ordinance NO. 3697 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NON-EXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH TRANSPACIFIC CONTAINER SERVICE CORPORATION ADDING APPROXIMATELY 12.56 ACRES OF ADJACENT LAND TO ITS BERTH 30 PREMISES."

Final.

4 ("S") Port Ordinance No. 3698 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO MODIFICATION OF BASIC CRANE RENTAL RATES, DELETING CRANES NOS. X-423, X-441 AND X-442 AND ADDING NEW CRANES NOS. X-434, X-435, X-C14, X-C15, X-C16, X-C17, X-C18 AND X-C19 TO TARIFF NO. 2-A."

Final.

5 ("S") Port Ordinance No. 3699 being, "AN ORDINANCE ESTABLISHING GENERAL RULES AND REGULATIONS GOVERNING USE AND DISTRIBUTION OF RECYCLED WATER."

Final.

6 ("S") Port Ordinance No. 3700 being, "AN ORDINANCE REVISING AND RESTATING PORT ORDINANCE NO. 2124 ESTABLISHING RULES AND REGULATIONS FOR THE SUBDIVISION OF LAND AND THE FILING AND APPROVAL OF SUBDIVISION MAPS, AND ESTABLISHING FEES IN CONNECTION THEREWITH."

Final.

7 ("S") Port Ordinance No. 3701 being, "AN ORDINANCE AMENDING SECTIONS 2 AND 4 OF PORT ORDINANCE NO. 1606 TO PROVIDE FOR PURCHASING – CARD PROCUREMENT."

Final.

8 ("S") Port Ordinance No. 3702 being, "AN ORDINANCE AMENDING NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDING PORT ORDINANCE NO. 3690 TO CORRECT SECTION 10.21 OF PORT ORDINANCE NO. 867."

Final.

9 Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE BETWEEN THE UNITED STATES GOVERNMENT DEPARTMENT OF COMMERCE AND NATIONAL OCEANIC AND ATMOSPHERIC ASSOCIATION AND THE PORT OF OAKLAND, AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND."

Airport – 1 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, June 4, 2002 at 3:00 PM.**

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 1

SUBJECT: Approval of Building Permit and Lease with U.S. Government for Relocation of Weather Balloon Launch Station (Old Earhart Road and Doolittle Drive, North Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

To support air traffic control related weather-reporting and communications activities, the National Weather Service (now a branch of the U.S. Department of Commerce, National Oceanic and Atmospheric Administration) has operated an upper air inflation building (weather balloon launch station) on the North Field since 1965 under a perpetual easement covering 340,988sf of land at no rent. Because of land subsidence problems, the Weather Service would like to relocate and add state-of-the-art facilities at a new approximately 1.53-acre site adjacent to the Rolls-Royce Test Cell facility on Old Earhart Road near Doolittle Drive.

ANALYSIS:

The Weather Service proposes to re-locate and/or construct the following: a 240sf pre-cast concrete building (for office/computer storage), a 160sf pre-fabricated wood frame building (to inflate and release weather balloons) and a 200sf fiberglass dome (to house instrument tracking antennae) along with associated utility connections and access improvements.

The proposed agreement's provisions include, but are not limited to terms providing for the following:

The Weather Service would terminate its current agreement; clear its existing site and enter into a new agreement commencing July 4, 2002 renewable through July 3, 2027. The Port would retain the right to relocate the new launch facility. Upon termination of the agreement, the Weather Service would restore the site to its condition prior to the Weather Service's occupancy at the Port's request. Pursuant to the Federal Grant Assurances, no rent would be charged the Weather Service.

is aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to: a) Class I, Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements, and involving negligible or no expansion of use beyond that previously existing and b) Class 11, Section 15311, Accessory Structures. This is an existing, accessory use to Airport operations. The facility is being relocated to an alternate Airport site that is accessible to public utilities. A portion of the lease area is subject to BCDC jurisdiction. The Weather Service submitted an application to BCDC for a permit. The BCDC staff report recommends approval of the application. The BCDC Board is scheduled to consider the application at their mid-May 2002 meeting.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

1. Give first reading to an ordinance that approves and authorizes the execution of the above-described lease subject to the U.S. Government obtaining approval for a permit from BCDC and also subject to the Port Attorney's review as to form
2. Pass a resolution approving a building permit with the U.S. Government for relocation of the weather balloon launch station
3. Approve a finding that the project does not have a significant effect on the environment and is categorically exempt.

Approved by Ordinance
passed to print

Approved by Resolution

No. 02141

BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

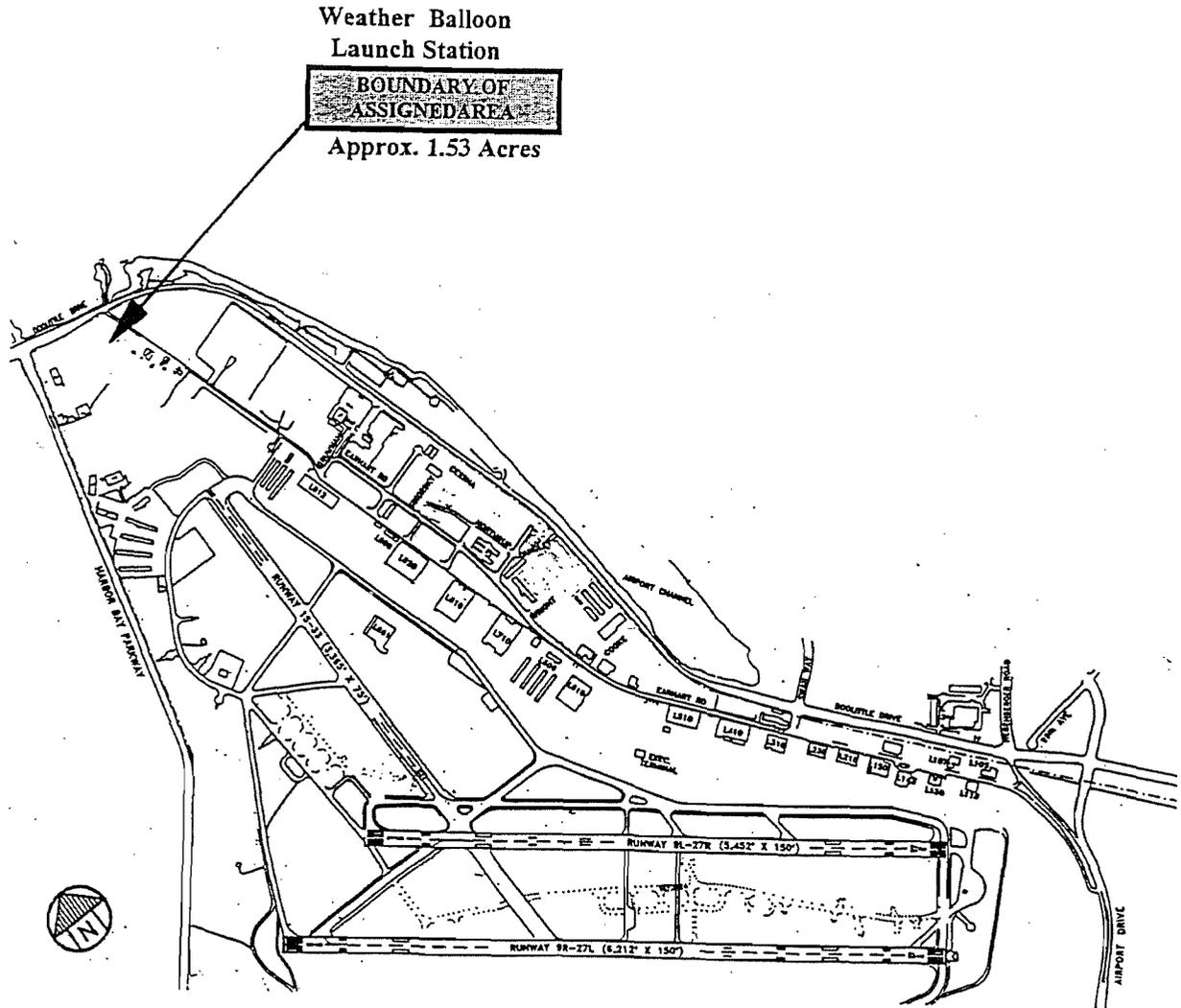
MAY 21 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

**Board of Port Commissioners
Calendar Item**

Approval of Building Permit and Lease with U.S. Government for Relocation of Weather Balloon Launch Station (Old Earhart Road and Doolittle Drive, North Airport)



Airport Properties

Port of Oakland

**Oakland
International Airport
North Airport**

Map Not to Scale

Agenda Sheet

⁷²
SUBJECT: Approval of Change Order to Contract for Purchase and Installation of a New PBX Telephone Switch for the Oakland International Airport - Purchase and Install Crash Alarm Network, Remote Switch at Building L-142, Tie-Line to Southwest Airlines Telephone Switch, and Upgrade of Attendant Console Software, South Field, OIA

DATE: May 21, 2002

ITEM NO: 2

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

On July 10, 2001, the Board approved and authorized execution of a contract for the **Purchase and Installation of a New PBX Switch, Oakland International Airport, Oakland, California**, with lump sum and unit prices totaling \$610,083. The Port selected NetVersant, Inc., as the contractor. The work consists of design and installation of a new PBX Telephone Switch at the South Field, OIA, and remote switches at other facilities in the North Field. It is proposed that the Board approve change orders to this contract for installation of the Crash Alarm Network, an additional remote switch at Port Building L-142, a tie-line between the Port's new PBX switch and Southwest Airlines' PBX switch, and the upgrading of the Attendant Console Software.

ANALYSIS:

Proposed Change Order Work:

Crash Alarm Network:

The original contract provided the appropriate funding for the work of the contract. In addition, the contract provided for the subject project. At the time the contract was executed, the Port did not move forward with the additive since the technology was not well defined and there was no urgency to replace the existing system.

The crash alarm network at OIA is an emergency communication network that notifies Airport-wide users of aircraft emergencies. The network provides dedicated communications links to the North Field Tower, South Field Tower, Operations Watch Room in Building M-104, Aircraft Rescue and Fire Fighting Facility (ARFF), and Airside Airport Operations Manager's Offices.

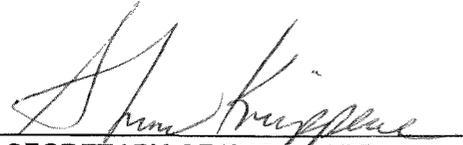
The crash alarm network is generated by a 1982 (circa) Tellabs, 292R Conference/Alerting System located off Airport premises in the Central Office of Pacific Bell. Initiation of the crash alarm system activates intercom speakers in the ARFF facility and telephones for delivery of emergency dispatch instructions to emergency responders. Connection to the crash alarm network is accomplished by dedicated direct lines that emanate from Pacific Bell's Central Office and terminate in Building M-104. This architecture does not meet FAA Advisory Circular; AC No. 150/5210-7C AIRCRAFT FIRE AND RESCUE COMMUNICATIONS that mandates that the crash alarm network system have direct connectivity and reliability between the Air Traffic Control Tower and ARFF.

The current system consists of sensitive analog circuitry that is difficult to expand, test and maintain. Recent additions have required system downtime, intensive troubleshooting to alleviate background noise and attenuation power load imbalance. Pacific Bell has warned that the current system's technology is outdated and, by the end of summer, will not be supported by the Tellabs manufacturer and spare parts will be difficult to obtain.

- MOTION
- RESOLUTION
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- INFORMATION ONLY

Approved by Resolution

No. 02142

BOARD ACTION TAKEN  Assistant

SECRETARY OF THE BOARD

MAY 21 2002

DATE

NetVersant, with the Oakland Fire Department (OFD), the FAA, and Port staff, have collaborated to design a new Crash Alarm Network that will satisfy all requirements of the FAA, and will alert staff of pending emergencies. The system includes installing new equipment to all users of the alert system and will provide direct connections from both the FAA tower, the ARFF building, and Port Operations Stations.

The estimated cost for this portion of the Change Order is \$117,500.

Remote Switch at Building L-142:

Staff believes that it is in the best interests of the Port to connect Port Building L-142 to the new phone system. The Port has a considerable presence in Building L-142, whose tenants include the Port's Aviation Construction Department, Port contractors, Airport tenants, and the Alameda County Sheriff's offices. The sheriffs are the direct responders for security issues outside of the Terminal complex, and they also supervise the supplementary guards at the Security Identification Display Area access points. The remote switches will be tied to the main PBX switch at the Airport and will provide cost savings from replacement of the basic (Centrex) telephone services by Pacific Bell. The current monthly cost for sustaining this facility on the Centrex system and other supplementary phone lines is on the order of \$1,870. The annual cost savings is approximately \$22,440, with an estimated pay back period based on the cost of the remote switch being less than three years. The remote switch will also have the capability to incorporate the building tenants' telephone services, thereby increasing Port revenue.

NetVersant has secured discounted prices for the remote switch, and the offer is valid until the cutover completion of the main PBX switch, which is June 25, 2002. The estimated cost for this portion of the Change Order is \$49,350.

Tie-line to Southwest Airlines:

Airport Operations has requested that there be a tie-line between the new PBX switch and Southwest Airlines' telephone switch. Connection would ensure that Southwest Airlines will be connected to the Port internally should anything happen to the connection with the Pacific Bell's Central Office. Also, the costs of all telephone calls to Southwest Airlines will be reduced with the tie-line between the telephone switches.

The estimated cost for this portion of the Change Order is \$20,600.

Upgrade Attendant Console Software:

During the current installation of the PBX switch, it was found that the current software program for the Airport's telephone operators cannot be integrated with the new telephone system. NetVersant, with the Port staff, have selected a new software program that can meet the needs of the Airport telephone operators. Airport operators handle all incoming calls and paging services at the Airport Terminals.

The estimated cost for this portion of the Change Order is \$20,800.

Environmental

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15301, Class 1, (a, b and d).

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The Project is budgeted under CIP Element No. A2.00216.02. The funding source is Port cash.

To date, Port staff has approved 2 change orders for this project totaling \$49,430 or 8.1% of the total original award amount. Of this amount, \$33,000 (5.4%) was for toning and testing of the existing phone system, \$16,430 (2.7%) was for the purchase of UPS devices with a three-hour battery backup. The total amount for all change orders, including the change order work which is the subject of this Agenda Item, is \$257,680 or 42.2% of the total original award amount.

Change Order		Cost	% of Original Bid
Previous Change Orders (2)		\$ 49,430	8.1%
Crash Alarm Network		\$117,500	19.2%
	Subtotal:	\$166,930	27.3%
Remote Switch at Building L-142		\$ 49,350	8.1%
	Subtotal:	\$216,280	35.4%
Tie-Line to Southwest Airlines		\$ 20,600	3.4%
	Subtotal:	\$236,880	38.8%
Upgrade Attendant Console Software		\$ 20,800	3.0%
	Total:	\$257,680	42.2%

Sustainability

The work of this contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirements Ordinance. In addition, replaced parts and packaging and shipping materials from new parts will be recycled.

Project Labor Agreement

The provisions of the Port Of Oakland Maritime and Aviation Project Labor Agreement (MAPLA), which is currently included in the original NetVersant contract, will also apply to the change order work.

OPTIONS:

1. Crash Alarm Network:

Depend on Pacific Bell to redesign and replace the existing Crash Alarm Network and risk failures of the system in the meantime. However, if the system fails and cannot be repaired expeditiously, the FAA will not allow the Airport to operate. It is recommended that the Port replace the existing Crash Alarm Network under this contract.

2. Remote Telephone Switch at Building L-142:

Postpone the installation of the remote switch to a later time. By doing so, the Port will incur additional costs associated with issuing other Requests for Proposals. Additionally, the current discounted price from the PBX telephone switch manufacturer will not be honored. The cost of the equipment will be approximately 20% greater than the current price. It is recommended that the Port purchase and install the remote switch at Building L-142 at the reduced rates.

3. Tie-Line to Southwest Airlines:

Postpone the installation of the tie-line between the two telephone switches. The cost of the tie-line will be approximately the same if done in the near future. However, there will be no intra-Airport communications with Southwest Airlines in the event main phone lines to the Airport are severed. It is recommended that the Port install the tie-line to ensure telephone connectivity and flexibility.

4. Upgrade Attendant Console Software:

There is no option here; the software must be upgraded prior to the cutover of the new PBX switch.

RECOMMENDATION:

It is recommended that the Board approve this Change Order for a total estimated amount of \$257,680 to NetVersant, Inc., as described above.

Approval of Change Order to Contract for the Purchase & Installation of a New PBX Switch for the OIA-Purchase & Install Crash Alarm Network, Remote Switch at Building L-142, a Tie-line to SWA Telephone Switch, & Upgrade of Attendant Console Software

ID	Task Name	Duration	Start	Finish	3rd Quarter				4th Quarter			1st Quarter			2nd Quarter			3rd Quarter			
					Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
1	Preliminary Design Phase	5 wks	Wed 6/6/01	Tue 7/10/01																	
2	Board Approval	0 days	Tue 7/10/01	Tue 7/10/01																	
3	Bld Period	3 wks	Wed 7/11/01	Tue 7/31/01																	
4	Receive Bids	0 days	Tue 7/31/01	Tue 7/31/01																	
5	Bld Evaluation	3 wks	Wed 8/1/01	Tue 8/21/01																	
6	Award Contract	0 wks	Tue 8/21/01	Tue 8/21/01																	
7	Contract execution	7 wks	Fri 11/16/01	Thu 1/3/02																	
8	Construction Period	24 wks	Tue 2/19/02	Mon 8/5/02																	

I TO C ARP-I

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

April 30, 2002

PROJECT TITLE: PURCHASE AND INSTALLATION OF PBX SWITCH FOR OAKLAND INTERNATIONAL AIRPORT (OIA)

CIP NO: A2.00216.02

W.O. #'s: 106591

PROPOSED FUNDING SOURCES: PORT CASH

Narrative- The current OIA telephone system requires equipment replacement because the existing equipment has reached its physical capacity, it cannot accommodate recent functions and features, and it is excessively dependent on the Pacific Bell system. The required new equipment was programmed in this project to install a new PBX system. Since inception of the project, additional system requirements have emerged or have been made practical by changing technology. Airport Operations has requested an additional remote switch at Port Building L-142 and a tie-line between the new Port PBX switch and the Southwest Airlines PBX switch. The Crash Alarm Network requires equipment replacement because it operates with outdated analog circuitry that is difficult to test, maintain, or expand, and spare parts support is being discontinued by the manufacturer. Integration of the additional requirements into the new PBX switch would require upgrading of the attendant console software. Additional funding of \$313,800 has been requested to fund the additional requirements.

Budget The current CIP budget for this project is included in the CIP in Element A2.00216.02. The revised total budget is summarized in Table 1 below:

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00216.02

Project Components	Port Labor & Fringes	Portwide OH	Consultant	Const. Cost	Misc. & Other	Totals
Purchase and Installation of PBX Switch for OIA	\$53	\$92	\$131	\$1,058	\$20	\$1,354

Remarks-

1. Assumes in-house CM

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 11

SUBJECT: Approval of Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Seabreeze Marina Tunnel Sealing and Wetland Enhancement Project, Seabreeze Marina (Clinton Basin)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

Project Context and Objectives

The San Francisco Bay Regional Water Quality Control Board (Water Board) issued Amended Complaint Number 00-040 for Administrative Civil Liability against the Port in August 2000 for activities conducted at the Seabreeze Marina site involving the removal of a vessel, the Moby Dick, the preceding spring. As part of the Settlement Agreement with the Water Board and BayKeeper, the Port elected to implement a Supplemental Environmental Project (SEP). The Port, with input from the State Coastal Conservancy, Golden Gate Audubon Society, the local community, and the project consultant (Philip Williams and Associates) has developed the SEP into a proposed plan for habitat restoration and wetland enhancement at the Seabreeze Marina site, along the beach on the west side of the site. We took this approach because we felt it was in the Port's eventual interest in pursuing development of the Oak to Ninth site to establish a working relationship with the local community. The Water Board approved the SEP in a letter to the Port dated January 18, 2002. The agreed budget for the SEP (in lieu of a fine) was \$64,000. However, to get approvals for the project, design and monitoring programs have been developed that in our estimation may eventually cost more than this amount. The actual budget, along with options, will be presented to the Board at time of contracting.

At the same time as project planning for the SEP took place, the Port also prepared a workplan for the remediation and closure of two remnant, underground tunnels associated with a former PG&E power plant at the Seabreeze Marina site. The workplan and other project-related materials were submitted to the Alameda County Health Services Agency, Department of Environmental Health (ACDEH), the regulatory agency responsible for oversight of site cleanup activities, as well as the Water Board in April and July 2001. The workplan and other materials were approved in August 2001.

The permits for the wetland enhancement and the tunnel sealing elements of the project have not yet been obtained from the Water Board, the U.S. Army Corps of Engineers, or the San Francisco Bay Conservation and Development Commission.

California Environmental Quality Act (CEQA)

Because they will take place at the same site within the same approximate time frame, the two elements described above – the wetland enhancement plan, and the remediation and closure of the two underground tunnels – have been described as one project, the Seabreeze Marina Tunnel Sealing and Wetland Enhancement Project (project) for the purposes of the preparation of an Initial Study pursuant to CEQA. The Port prepared the Initial Study to determine if the project would have any significant environmental impacts. The Initial Study identified several potential impacts, including impacts to air quality, biological resources, hazards and hazardous materials, hydrology and water quality, and noise, that would be associated with the proposed project, and also identified feasible mitigation measures that, if implemented, would mitigate each of these impacts to a less-than-significant level. Consequently, the Port determined that an Environmental Impact Report was not required, and issued a draft Mitigated Negative Declaration.

The Draft Initial Study/Mitigated Negative Declaration (IS/MND) was circulated for public review for 30 days, starting October 22, 2001, and ending November 20, 2001. (Copies of the IS/MND are available in the office of the Secretary of the Board). At the end of the public review period, the Port had received one comment letter from the State of California

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02145

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

MAY 21 2002

DATE

Department of Fish and Game, Central Coast Region (CDFG), dated November 9, 2001. The CDFG commented that the Port should have provided a re-vegetation and monitoring plan for post-construction site vegetation, that the project should include the removal of non-native smooth cordgrass, that enhancement plantings of native marsh plants should be included in the project, and that the Draft IS/MND should be revised and re-circulated for comment prior to any approved action.

The Port responded to this comment letter by preparing a re-vegetation and monitoring plan, which included enhancement plantings of native marsh plants, and agreed to appropriate removal of non-native smooth cordgrass at the site. The Draft IS/MND was revised as part of the Final Initial Study/Mitigated Negative Declaration (Final IS/MND). The Port, however, disagreed with CDFG's contention that re-circulation of the document was required prior to approval of the document. Because the CDFG was the only commentor on the Draft IS/MND, the Port provided their responses to each of the CDFG's comments directly to the CDFG in the form of a letter dated November 26, 2001, and provided a copy of the re-vegetation and monitoring plan to the CDFG on April 5, 2002. In a phone call on April 11, 2002, the CDFG stated that they had reviewed the planting plan and had no further comments. CDFG's comment letter, as well as the Port's response letter and the re-vegetation and monitoring plan, is included in the Final IS/MND. (Copies of the Final IS/MND are available in the office of the Secretary of the Board.)

In compliance with Section 21081.6 (Public Resources Code), the Port prepared a Mitigation Monitoring and Reporting Program (MMRP) and included it in the Final IS/MND. The MMRP is designed to monitor implementation of mitigation measures during and after design and construction of the project. The authority to monitor and report for the MMRP is within the Port's jurisdiction. The MMRP sets forth clear responsibility for the implementation of each measure.

The Final IS/MND for the project is comprised of two volumes. Volume I contains the Draft IS/MND (dated October 17, 2001). Volume II contains the remainder of the Final IS/MND, which includes the modified Mitigation Measure BIO-1, the Port's planting plan for the site, the comment letter received during the public review period, the responses of the Port to these comments, and the MMRP.

Conditions of Approval

1. During construction, the project sponsor will be required to implement the following measures:
 - a) Water exposed or disturbed soil surfaces at least twice daily, and water or cover stockpiles of debris, soil or other materials that can be blown by the wind;
 - b) Cover all trucks hauling soil, sand, and other loose materials, or require all trucks to maintain at least two feet of freeboard;
 - c) Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites;
 - d) Sweep (with water sweepers) daily all paved access roads, parking areas and staging areas at construction sites; and
 - e) Sweep (with water sweepers) streets daily if visible soil material is carried onto adjacent public streets.
2. The Port, or the Port's consultant, shall provide a qualified biologist to monitor the project site three (3) years following project construction to ensure that appropriate plant colonization, as described in the Port's re-vegetation and monitoring plan (Attachment C in the Final IS/MND) and the project plans, takes place. Monitoring shall take place according to the re-vegetation and monitoring plan. If the biologist determines that satisfactory plant colonization is not taking place, corrective measures, as outlined in the re-vegetation and monitoring plan, shall be implemented by the Port or the Port's consultant.
3.
 - a) All construction activities at the site shall be undertaken by trained workers, in accordance with a site-specific health and safety plan prepared by a trained professional. Prior to the start of construction, the health and safety plan shall be submitted for review to the Port's Environmental Health and Safety Compliance (EH&SC) Department.
 - b) The site-specific health and safety plan must include action levels for dust at the site boundary, and air monitoring provisions at the site boundary, to ensure that contaminated dust does not move off-site at concentrations that could affect the environment and off-site populations. The air monitoring results must be submitted to the EH&SC Department on each day that construction activities take place at the project site for review and demonstration that action levels have not been exceeded. If action levels are exceeded, mitigation must be implemented that would reduce contaminated dust generation at the project boundary. Such

measures could include more frequent watering, reducing the size of excavated areas, or covering excavated areas on an interim basis.

- c) Five days prior to any on-site excavation or grading activities, public notice of such activities shall be provided to tenants and property owners with addresses within a 500-foot radius of the project site, and the project site shall be posted with a notice of scheduled construction activities.
4. Any soil excavated from the site must be classified and re-used on site as permitted by the Water Board, or disposed of off-site, as appropriate. Any off-site disposal must be managed in accordance with applicable local, State, and federal statutes and regulations, and transported by a licensed contractor to an appropriate landfill. Soil determined to be nonhazardous shall be transported to either a Class II or Class III facility.
1. The Port, or the Port's selected project contractor, shall prepare a project-specific Storm Water Pollution Prevention Plan (SWPPP), which will include an erosion and sedimentation control element. The SWPPP shall identify site-specific best management practices (BMPs) that will reduce potential short-term impacts to receiving waters. The project design will address and reduce or eliminate the erosion and discharge of on-site soils into the Estuary after project construction.
2. a) Construction equipment shall be equipped and maintained with effective muffling devices.
b) Prior to construction, the Port shall provide public notice of scheduled construction activities, as required by Mitigation Measure HAZ-1.c.
c) Noise-generating construction activities will generally be limited to the hours of 7 a.m. to 7 p.m. on weekdays. No construction equipment will be operated on weekends, unless advance public notice is provided.

ANALYSIS:

Environmental

A Draft IS/MND has been prepared and circulated for this project. Comments received on the Draft IS/MND were responded to and incorporated into a Final IS/MND. The project is consistent with CEQA and with the Port's CEQA Guidelines.

General Plan

As part of the preparation of the Draft IS/MND, the project has been determined to conform to the land use designation for the site in the Oakland General Plan and the Estuary Plan. The City of Oakland Community and Economic Development Department has concurred in this determination.

Sustainability

This project involves the remediation of a contaminated site, and the enhancement of wildlife habitat in an area that has previously undergone a number of industrial uses. Most of the soil that will be excavated as part of the wetland enhancement will not be trucked off-site or disposed in a landfill, but will be re-used on-site as part of the project. No fertilizers or pesticides will be used in the re-vegetation of the enhancement area. The contractor will implement stormwater management measures during project construction. The local community and environmental organizations have been involved in the planning and implementation of the wetland enhancement element of the project.

OPTIONS:

1. Adopt the Final IS/MND, the MMRP, and the Conditions of Approval to mitigate or avoid significant environmental effects for the Seabreeze Marina Tunnel Sealing and Wetland Enhancement project.
2. Do not adopt the Final IS/MND, the MMRP, and the Conditions of Approval to mitigate or avoid significant environmental effects for the Seabreeze Marina Tunnel Sealing and Wetland Enhancement project.

RECOMMENDATION:

It is recommended that the Board:

1. Certify that it has considered the Final IS/MND on the Seabreeze Marina Tunnel Sealing and Wetland Enhancement project together with all comments received during the public review process;
2. Adopt the Final Initial Study/Mitigated Negative Declaration on the Seabreeze Marina Tunnel Sealing and Wetland Enhancement project on the basis of the whole of the record, including all information contained in Volumes I and II;
3. Adopt the Mitigation Monitoring and Reporting Program for the Seabreeze Marina Tunnel Sealing and Wetland Enhancement project; and
4. Adopt the Conditions of Approval to mitigate or avoid significant environmental effects.

Agenda Sheet

DATE: May 21, 2002

SUBJECT: Authorization to Purchase Environmental Insurance on Jack London Square/Ellis Ground Leases

ITEM NO: 12

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer

EXECUTIVE OFFICE RECOMMENDATION: *S*

FACTUAL BACKGROUND:

On March 29, 2002 escrow closed on the sale of Port of Oakland assets known as: 1) 70 Washington Street; 2) Water Street I; 3) The Pavilion Building; and 4) 66 Franklin Street, Oakland, California to Jack London Square Partners (JLSP). On that same date the Port entered into 66 year Ground Leases on these properties with JLSP/Ellis. Both the Purchase and Sale Agreements and the Ground Leases require the Port to indemnify JLSP/Ellis for certain environmental conditions and claims.

ANALYSIS:

The Port of Oakland's Enterprise Risk Management Department has a policy of always considering environmental insurance prior to developing any Port property. They instructed the Port's Insurance Broker to obtain insurance quotations for Pollution Legal Liability Insurance to insure the Port for its own exposure in connection with environmental claims arising out of both the locations 1- 4 listed above, and the undeveloped parcels C, D, F1, F2, F3 and O. In addition, the Port requested that this insurance insures for liability that the Port may have assumed for JLSP/Ellis pursuant to the indemnification provisions of the lease and sale agreements.

The Port requested quotations for both "known" and "unknown" pre-existing conditions that could result in claims, as well as coverage for "new " pollution conditions that could occur due to a spill during construction or due to pollutants brought onto the properties in the future.

Quotations were received from three insurers, Chubb, American International Group, and ECS. After a lengthy review of coverages, pricing, terms and conditions, Chubb was determined to be the insurer that provided the most competitive program. They have agreed to back date the policy to the date of escrow close and provided a number of coverage improvements and pricing reductions during the negotiations of the final form of the policy.

MOTION

RESOLUTION

ORDINANCE

INFORMATION ONLY

Approved by Resolution No. 02146

BOARD ACTION TAKEN *Assistant*

Sharon Kruppel
SECRETARY OF THE BOARD

MAY 21 2002

DATE

The Chubb Program is outlined below:

Limit: \$10,000,000 per incident / \$10,000,000 aggregate

Term: Ten Years

Deductible: \$250,000 per incident
(650,000) Aggregate deductible for all remediation expenses associated with the undeveloped parcels, after which there is a \$10,000 maintenance deductible only

Coverage:

- On-site Cleanup of Pre-Existing Conditions
- On-site Cleanup of New Conditions
- Off-site Cleanup of Pre-Existing Conditions from Third-Party Claims
- Off-site Cleanup of New Conditions from Third-Party Claims
- Third-Party Claims for Cleanup Costs from Non-Owned Locations
- Defense Costs (within the limits)
- Third-Party Bodily Injury and Property Damage
- Five (5) Non-Owned Disposal Locations Included in the Premium

Premium: \$247,821 - One Time Payment

RECOMMENDATION:

It is recommended that the Board of Port Commissioners approve the purchase of an Environmental Insurance Program as outlined above for a one-time premium payment not to exceed \$247,821 with the Chubb Insurance Company.

Agenda Sheet

^{TD}
SUBJECT: Approval of Professional Services Agreement for Hydrodynamic Engineering Services Related to Construction of a New Berth 21 in the Outer Harbor, Vision 2000

DATE: May 21, 2002

ITEM NO: 21

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

Under the Defense Base Realignment and Closure Act, the United States Army is closing the Oakland Army Base (OAB) and transferring the property to the City of Oakland (City) and the Port of Oakland (Port). It is anticipated that the OAB will be transferred to the City and the Port by the end of the third quarter of 2002. After the OAB has been transferred, the City and the Port plan to swap land parcels near Berth 10 to optimize the City's and Port's development potential of the newly acquired OAB property. The Port is planning on constructing a new marine terminal (New Berth 21) with a state-of-the-art shipping complex that will replace existing Berths 9, 10, 20 and 21. In addition, the eastern portion of Berth 8 will be demolished as part of the construction.

The construction of the New Berth 21 will include filling in the basin bounded by Berths 9, 10, 20, and 21; removing approximately 3 acres of wharf and fill at Berths 8 and 9 to create a "notch" for ship berthing; constructing an approximately 1,470-foot long container ship wharf; and increasing the Outer Harbor marine terminal capacity by 22.5 acres of wharf and container yard.

A critical element of the engineering design is to evaluate the feasibility of constructing the new berth in regards to hydrodynamics, sedimentation, and containership maneuvering into and out of the new berth. Currently, the Port is working within the proposed City of Oakland property limit that would be in effect after the OAB transfer and land swap is completed.

The proposed hydrodynamic study will include the collection of existing bathymetry data the Port has on file and field data specific to the New Berth 21 site. The data will be used to develop a hydrodynamic computer generated model of the site that will include tidal changes current velocities and flow directions. The consultant will initially model the New Berth 21 site in its existing condition to verify that the model is comparable to observations made during field data collection. Next the consultant will revise the computer model by incorporating the proposed new berth and evaluate the model for the effect that the new berth would have on the existing current velocities and flow directions. In addition, the consultant will model the effects that placing fill in the basin bordered by Berths 9, 10, 20 and 21 during wharf and yard construction would have on the existing sediment flow patterns in the Outer Harbor Channel and San Francisco Bay. As part of the study, the consultant will evaluate the proposed notch excavation to the north of the site to verify that the proposed notch configuration is adequate for ship berthing. The consultant will also provide recommendations for optimizing the notch configuration. The model will include the existing 17 and proposed 22 container wide vessels. Included in the study, the consultant will develop a simulated model for the San Francisco Bar Pilots to practice maneuvering ships into and out of the new berth. The simulated ship maneuvering will allow the San Francisco Bar Pilots, who are responsible for guiding the containerships through San Francisco Bay and to the new berth, to provide valuable input at the initial stages of the new berth design

ANALYSIS:

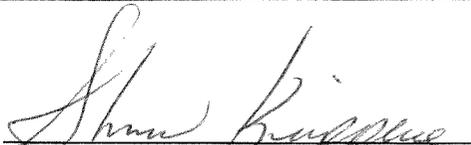
Nineteen Requests for Proposals (RFPs) were sent out on March 13, 2002. Seventeen of the RFPs were sent out to engineering firms with offices in the Local Business Area (LBA). Proposals were received from five firms that specialize in hydrodynamic modeling. Four of the five firms have Port-certified offices in the Local Impact Area/Local Business Area (LIA/LBA).

A Port review panel composed of members from the Engineering, Maritime, and the Social Responsibility Divisions determined that three of the five firms were qualified to be interviewed. The firms invited for interviews, listed in alphabetical order, were:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02 148

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAY 21 2002
DATE

Ben C. Gerwick, Inc. An Affiliate of COWI
Pacific International Engineering^{PLLC}
Schaaf and Wheeler Consulting Civil Engineers

The firms were judged on the firms' professional qualifications, experience of key personnel, relevance of similar completed projects, approach and understanding of project issues, and evidence of compliance with the Port of Oakland's Non-Discrimination and Small Local Business Utilization policy.

Based on the above criteria, the interview panel recommends Pacific International Engineering (PIE). PIE will be the Prime consultant and will perform 75 percent of the professional engineering services. Marine Safety International will be the facility utilized in performing the simulated containership maneuvering and berthing and will receive 20 percent of the contract. Currently, there are no facilities in the LIA/LBA that provide simulated containership maneuvering and berthing services. Waterway Simulation Technology will assist in the development of the simulated containership maneuvering and berthing model and will receive 5 percent of the contract. PIE is a small firm with an Oakland office that has been a sub on a few Port-related projects. This will be their first opportunity to be the prime consultant for a Port project.

This proposed selection was presented to the Maritime Committee on May 17, 2002. The Committee approved the recommended selection for forwarding to the full Board for consideration.

The Social Responsibility Division (SRD) has participated in all phases of the selection process and has determined that Pacific International Engineering is responsive to the Port's Non-Discrimination and Small/Local Business Utilization Policy. The EEO-1 Workforce Reports/Professional Services Questionnaires are on file for each firm on the team.

Environmental

/A

General Plan

N/A

Budget

The estimated value of the agreement, including authority of the Executive Director to authorize potential changes in scope, is \$275,000.

This work is budgeted under the Port's Capital Improvement Program (CIP) Element MA.02800.01. The funding source is Port cash.

Sustainability

N/A

Project Labor Agreement

N/A

RECOMMENDATION:

is recommended that the Board determine that the services as described above are professional services, and authorize the preparation and execution of agreements with Pacific International Engineering in accordance with the provisions above.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL
May 1, 2002

PROJECT TITLE: Maritime Development Plan, Oakland, California

Re: Professional Services Agreement for Hydrodynamic Engineering Services related to Construction of a new Berth 21 in the Outer Harbor

CIP NO: MA.02800.01

W.O. #'s: 104375

PROPOSED FUNDING SOURCES: Port cash

Narrative: The Professional Services Agreement for Hydrodynamic Engineering Services related to Construction of the new Berth 21 in the Outer Harbor is tracked under work order # 104375

Budget: This project is included in the CIP Element # MA.02800.01 budget which is summarized in Table 1 below with the project estimate shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element MA.028001.01

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
MA.028001.01	555 (25)	945 (43)		2000 (275)						3500 (343)
Total =	555	945		2000						3500

Remarks:

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 32

SUBJECT: Naming Review Committee Report and Recommendations for Naming of
Oakland Port Facilities

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones, Director of Communications

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

On November 6, 2001, the Oakland Board of Port Commissioners established the Naming of Port Facilities policy (AP14). The Naming Review Committee is charged with implementing a clear and consistent process to guide the consideration and selection of naming Port facilities and roadways. As part of this process, the Committee is responsible with making recommendations to the Executive Director and in turn to the Administrative Committee based on substantive research and evaluation of each petition.

The Naming Review Committee consists of Port staff representing all Port Divisions.

The Naming Review Committee meets on an "as needed basis" and has met three times, on January 4, February 4 and March 11 of this year. The next meeting is scheduled for June 10, 2002. To date, the following activities have taken place:

- A) February 8, 2002: Letters were sent to nominators, including copies of Naming Petition form and copy of Port Administrative Policy (AP 14) were sent requesting that all petitions be submitted by March 1 for consideration at the April Administrative Committee.
- B) March 1, 2002: Completed petitions were due to the Naming Review Committee for consideration and recommendation to the Administrative Committee. No petitions were received at this time.
 -) March 11, 2002: Naming Review Committee convened a meeting with no petitions received for review and recommendation.
- D) April 30, 2002: The Administrative Committee convened its regular meeting on this date. Seven nominations were submitted, however the formal petitions and supporting information had not been received in time for Committee recommendation to the full board. The Committee, therefore, recommended that the nominations be submitted to the Board without recommendation. Follow-up letters were sent to petitioners informing them of the Committee's action and suggested that Petitioners appear at the May 21 Board meeting in support of their respective nominations.
- E) May 10, 2002: The following petitions have been received for your review and consideration.

Current Nominations and status subject to the Port's new policy:

NAME CONSIDERATION	PETITIONER	PETITION REC'D	COMMENTS
"Tuskegee Airmen Parkway" for new cross-airport roadway	Jim Gardner	YES	Petition received prior to 4/30 Administrative Committee meeting, but was delivered to the wrong office missing inclusion in 4/30 report for consideration.
"Ronald H. Cowan Parkway" for new cross-airport roadway	Ralph Appezzato	YES	No submission received by March 1 deadline. Petition has been received as of May 20, 2002.
"Bessie Coleman" for a Non-specified airport facility or roadway	Jim Gardner	NO	No submission received by March 1 deadline
"Jerry Bizzle" for the new aviation maintenance facility	Prelmer Newman	YES	New Request

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02150

BOARD ACTION TAKEN

Assistant

Ann K...
SECRETARY OF THE BOARD

MAY 21 2002

DATE

"Chappell Hayes" for the new Miramonte Harbor Shoreline Park	Nancy Nadel	YES	Councilmember Nadel did contact the Port informing the Naming Review Committee that she would not be able to meet the March 1 deadline due to requests from the community for sign off on a supporting petition.
"John Alexander" For a street name at FISCO	John Alexander Committee	YES	No submission received by March 1 deadline. Petition has been received as of May 20, 2002.
"Vision 2000" for a non-specified facility or roadway in the maritime Vision 2000 project areas	Delphine Prevost	NO	New Request

ANALYSIS:

The Naming Review Committee is working with various departments to identify those non-specified facilities, streets and roads for possible naming consideration. Also, research is being conducted for other names for consideration that would represent especially those names directly associated with the maritime and aviation industries, which have a local relationship.

FISCAL IMPACT:

There will be fiscal impact as implementation of naming facilities and/or roadways are enacted. The funding requirements have not been fully determined and are currently being researched by the Naming Review Committee with plans for reporting at the June Administrative Committee.

It should be noted that roadways and public amenities will require additional consideration for naming and fiscal impact. Considerations include transition time, budget assignments for naming roadways, notification of stakeholders and catalogue of new names, including signage, map revisions, stationary, etc.

SUSTAINABLE OPPORTUNITIES:

Future naming decisions may afford opportunity for the Port to highlight its sustainability initiatives.

RECOMMENDATION:

The Committee recommended that the nominations be submitted to the Board without recommendation. Petitioners have been invited to appear at the May 21 Board meeting.

**"Tuskegee Airmen
Parkway"**

for new cross-airport
roadway



PORT OF OAKLAND

STEVEN J. GROSSMAN
Director of Aviation

WILLIAM E. WADE
Airport General Manager

Oakland International Airport
One Airport Drive, Box 45
Oakland, CA 94621

Telephone: (510) 577-4000
Fax: (510) 430-9392

March 28, 2002

Mr. Rick Wiederhorn
Port Planning Manager
530 Water Street
Oakland, California 94607

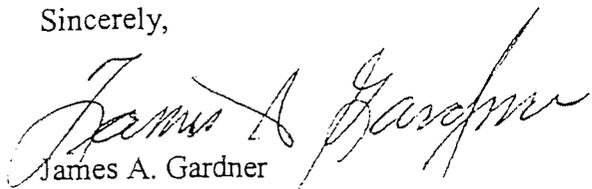
Dear Mr. Wiederhorn:

As we move forward with the new airport construction project, and in keeping with our mission statement, I feel that we should continue to develop a positive image with both the airline industry and traveling public while at the same time this image should reflect on the diversity of our community. It is with this thought in mind that I recommend that we name the new cross-airport roadway "**Tuskegee Airman Parkway.**"

The name "Tuskegee Airman Parkway" will further personify the role the Oakland International Airport has played in the historically significance of aviation history and provide recognition to a group of African American Aviators who are a significant part of aviation history.

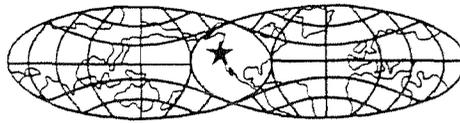
Your consideration regarding this recommendation is very much appreciated in advance. I am certain that both the airport community and the citizens of Oakland will be well served and proud of this recommendation.

Sincerely,



James A. Gardner
Landside Operations Manager

cc: Steve Grossman
William Wade



PORT OF OAKLAND

530 Water Street
Oakland, CA 94607
(510) 627-1401

NAMING PETITION

Nominee Information:

Proposed name (individual, group, function) Tuskegee Airman Parkway

If an individual, DOB: N/A Passed away on (date) N/A

Please address the following questions. Your submission should not be more than three double-spaced original pages.

- ✓ 1. Describe the nominee's professional and or community accomplishments.
- ✓ 2. Describe the nominee's leadership roles, which have resulted in long-term, enduring benefits to the Port of Oakland. **OR** Nominees who do not have direct association with the Port please describe deeds which have had a significant positive impact on the Port, the City of Oakland, State of California, or the United States.
- ✓ 3. Why do you believe lasting recognition of the nominee should be taken into consideration?

Nominator Information:

Name of nominator: James A. Gardner/Samuel Broadnax

Name of group submitting nomination: Individuals

Are you related to nominee, please describe: NO

Day telephone #: (510) 577-4090 Email: JGARDNER@PORTOAKLAND.COM

Address: #1 Airport Dr. Box 45 City: Oakland State: CA Zip: 94621

Signature: _____ Date: _____

For Port use only:		
Received	<u> / / </u>	Forwarded: <u> / / </u>
Reviewed	<u> / / </u>	Notified by: <u> / / </u>

03/21/2002 10:53:23 AM

Re: Tuskegee Airmen Parkway

1. The San Francisco Bay Chapter of Tuskegee Airmen has, for the past nine years, operated a program for "at risk" underprivileged youngsters at Oakland's North Field; a program that is designed to academically, morally and spiritually uplift these youths through mentoring, training and discipline. Those who were close to the edge of unlawful or illegal activities were turned around to develop a keen sense of self-pride in achievement and a positive outlook for their futures.
2. During World War II the Tuskegee Airmen, at a time when this nation, the states and cities were deeply divided along racial lines, fought for the equality for all people regardless of color or ethnicity. The Tuskegee Airmen fought for the rights and freedoms of others who were being subjected to genocide by evil doers bent on world domination. The rights and freedoms that the Tuskegee Airmen fought and died for overseas were the very same rights that they themselves were being denied at home then and later.
3. The Tuskegee Airmen, because of their color, had to face and conquer the bitter adversities of discrimination, segregation and hatred. They fought for a country, that at best, fully despised them. But these gallant Airmen, remarkable in their accomplishments and loyal in their sacrifices, were the ones who paved the way for the complete integration of all of this great nation's armed services.

**"Ronald H. Cowan
Parkway"**

for new cross-airport
roadway

PORT OF OAKLAND
530 Water Street
Oakland, CA 94607
(510) 627-1401

NAMING PETITION

Nominee Information:

Proposed name (individual, group, function) Ronald H. Cowan Parkway

If an individual, DOB: 12/9/34 Passed away on (date) N/A

Please address the following questions. Your submission should not be more than three double-spaced original pages. See Attached Letter for Responses to Questions 1, 2 and 3.

1. Describe the nominee's professional and or community accomplishments.
2. Describe the nominee's leadership roles, which have resulted in long-term, enduring benefits to the Port of Oakland. OR Nominees who do not have direct association with the Port please describe deeds which have had a significant positive impact on the Port, the City of Oakland, State of California, or the United States.
3. Why do you believe lasting recognition of the nominee should be taken into consideration?

Nominator Information:

Name of nominator: Ralph J. Appezzato

Name of group submitting nomination: Individual

Are you related to nominee, please describe: No

Day telephone #: (510)-748-4545 Email: rappezza@ci.alameda.ca.us

Address: 2263 Santa Clara City: Alameda State: CA Zip: 94501

Signature: *Ralph J. Appezzato* Date: 5/1/02

For Port use only:		
Received	<u> / / </u>	Forwarded: <u> / / </u>
Reviewed	<u> / / </u>	Notified by: <u> / / </u>

May 2, 2002



The Honorable President and Members of
the Port of Oakland Board of Commissioners
President Phillip Tagami; Vice President Frank Kiang;
Second Vice President Darlene Ayers-Johnson
Members David Kramer, John Protopappas,
Patricia A. Scates and Peter Uribe

Executive Director Tay Yoshitani
Port of Oakland
530 Water Street
Oakland, Ca 94607

Re: Naming a Portion of the Cross Airport Roadway as Ronald H. Cowan Parkway

Dear Commissioners and Mr. Yoshitani:

This letter is to request that the portion of the new Cross Airport Roadway, currently identified as Air Cargo Road, extending from Airport Drive to Harbor Bay Parkway, be named the "**Ronald H. Cowan Parkway**". This will be a fitting tribute to the person whose vision and leadership resulted in many substantial contributions to Alameda County.

The Cross Airport Roadway project was approved by the voters of Alameda County in 1986 as a specified project included in the Measure B Half-Cent Sales Tax measure. Ron Cowan was a major force in shaping the campaign that resulted in the successful passage of Measure B and the inclusion of the Cross Airport Roadway project in the funding package which will dramatically improve traffic circulation into and around the Oakland Metropolitan International Airport. This was the only major construction project in "Measure B" for the City of Alameda.

For 30 years, Ron Cowan has been the guiding light and the impetus for the planning and development of Harbor Bay Isle, the master-planned community in the City of Alameda which has grown into one of the most respected new areas in Alameda County. With 3,000 homes, schools, parks, open spaces a community shopping center, a sports complex and a mixed-use Business Park which has become home to some of Alameda county's most impressive employers, Harbor Bay Isle has proved itself again and again as a positive asset to the city of Alameda and to Alameda County as a whole. None of this would have happened with the vision, new ideas, and energy of Ron Cowan.

Office of the Mayor

2263 Santa Clara Avenue, Room 320
Alameda, California 94501

510 748-4545 Office - 510 748-4504 Fax - TDD 510 522-7538

The Cross Airport Roadway project is a critical traffic improvement project that will benefit the entire community and caps a career for Ron Cowan that has included the development of Harbor Bay Isle, the ownership of KJAZ-FM radio station, leadership in the emerging telecommunications field through his companies Bay Area Teleport and Harbor Bay Telecommunications, development of a ferry passenger service (Harbor Bay Maritime) which has been accepted as a Public Common Carrier by the California PUC and become the recipient of public subsidies in recognition of the importance of its service, and public service as Chairman of the Blue Ribbon Committee that provided the impetus for the San Francisco Bay Ferry Task Force.

I strongly recommend and request that this portion of the Cross Airport Roadway be named in honor of Ronald H. Cowan. At such time as the Commission is prepared to move forward with the naming of this roadway, I will take this matter before the Alameda Council for their approval.

Very truly yours,



Ralph J. Appezato
Mayor

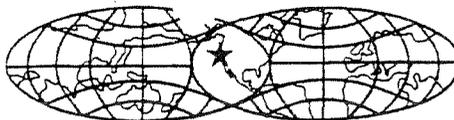
RJA:jc

"Bessie Coleman"

for a non-specified airport
facility or roadway

"Jerry Bizzle"

for the new aviation
maintenance facility



PORT OF OAKLAND

530 Water Street
Oakland, CA 94607
(510) 627-1401

NAMING PETITION

Nominee Information:

Proposed name (individual, group, function) Jerry Bizzle - Aviation Facilities

If an individual, DOB: 12/04/52 Passed away on (date) 3/18/02

Please address the following questions. Your submission should not be more than three double-spaced original pages.

1. Describe the nominee's professional and or community accomplishments.
2. Describe the nominee's leadership roles, which have resulted in long-term, enduring benefits to the Port of Oakland. **OR** Nominees who do not have direct association with the Port please describe deeds which have had a significant positive impact on the Port, the City of Oakland, State of California, or the United States.
3. Why do you believe lasting recognition of the nominee should be taken into consideration?

Nominator Information:

Name of nominator: Aviation Facilities-Construction & General Maintenance Staff
(see attached)

Name of group submitting nomination: Aviation Facilities Staff

Are you related to nominee, please describe: No

Day telephone #: (510) 577-4454 Email: awatson@portoakland.com

Address: 8980 Earhart Rd. City: Oakland State: CA Zip: 94621

Signature: _____ Date: _____

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Forwarded: / /

Notified by: / /

Reviewed / /

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Supplemental Information for Naming Petition

Proposed Jerry Bizzle Aviation Maintenance Facility

Former employee Jerry Bizzle passed while in service to Oakland International Airport. This petition proposes naming the new aviation maintenance building/facility after Jerry Bizzle. His legacy is the highest standards of the Airport motto "safety, security, customer satisfaction." Oakland International Airport staff has reached consensus that this facility should be nominated to bear the name of this illustrious airport maintenance foreman

1. *Nominee's professional and community accomplishments.*

Jerry Bizzle worked for the Port of Oakland at Oakland International Airport for 27 years. He started as a CEDA worker, and advanced through entry-level gardener to leader to Pavement Maintenance Foreman in 1994. He won numerous awards, commendations and kudos from the Federal Aviation Administration, Airlines, tenants and other aviation organizations. These included:

- Earthquake Response Award for Runway 11/29 Repairs, 1989
- FAA NAVAIDS Commendation, 1998
- Aircraft Crash Response Commendation, 1997
- Runway Repairs Commendation, 1994
- Job Action Appreciation, 1997
- Expansion of the Federal Inspectors Parking Lot, 1996
- Terminal I Entrance Doors Commendation, 1995
- Aircraft Crash Runway Repair, 1995
- Asphalt Repairs for U.S. Postal Service CNET Commendation, 1994

In addition to 24/7 emergency responses at the Airport, Jerry Bizzle was committed to alleviating hunger in the City of Oakland. He was an early member of the Black Panther Movement to Feed the Hungry, and also personally hosted many free BBQs to feed hungry in East and West Oakland. He was a member of the NAACP since his college days, and has worked ceaselessly on community awareness and voter registration. Jerry was a committed fundraiser and supporter for the United Way, Red Cross Blood Drives, and Christmas in April.

2. *Nominee's leadership roles, which have resulted in long-term enduring benefits to the Port of Oakland.*

Jerry Bizzle has served and mentor and teacher to numerous workers. He trained virtually all maintenance staff in airport pavement and maintenance standards. He was the reason why the previous runway overlay that was supposed to last ten years was able to last 15 years before last summers' Runway 11/29 overlay. During that project, he remained on-call and patched and re-patched the North Field runways and taxiways to handle the heavy wear-and-tear of diverted air cargo and passenger aircraft.

He mentored many young adults in work ethics and technical skills. He lead summer youth workers for Airport Facilities Maintenance for over 10 years, teaching them work ethics and values as well as real-world technical skills and specialties associated with Oakland Airport. There are many young men and women in Oakland that got their start from summer work with Jerry Bizzle at Oakland Airport.

Jerry was a strong leader at Oakland International Airport. He was responsible and dedicated. He was always available and on-call, monitoring his airport radios in case there was an airport incident that needed tending. As a result of the respect staff had for Jerry, he was always able to gather a crew to respond in evenings, late night, and family holidays. Many crews stayed late to finish projects. Some of his values that continue on through others to make Oakland Airport successful are his dependability, quick response, leadership, strength and compassion.

Until the end, Jerry Bizzle continued to serve the Oakland and Port community. He helped rebuild and maintain many homes and gardens for Oakland's low income and elderly.

3. *Why lasting recognition of the nominee should be taken into consideration.*

Jerry Bizzle served the Port of Oakland and Oakland International Airport as a model for the Port attributes of Customer Focus and Teamwork. He considered his customers everyone at the Airport, including but not limited to tenants, passengers, and airlines; the Port; and the Oakland community. He was dedicated to immediate response, and served daily to uphold the Aviation Division objectives of "Safety, Security, and Customer Service." There are many respectful remembrances of Jerry Bizzle and his level of commitment and willingness to help.

Nomination of New Aviation Maintenance Facility Named After Jerry Bizzle

We, the undersigned, support the naming of the new aviation maintenance facility after Jerry Bizzle. He exemplified the highest standards of Oakland International Airport's Safety, Security, and Customer Service.

Name	Signature	Department
PRELMER NEWMAN	<i>Prelmer Newman</i>	A/P FAC.
Don Hardin	<i>Don Hardin</i>	A/P. FAC.
Theodis R. Johnson	<i>Theodis R. Johnson</i>	A/P Fac.
Darryl Edwards	<i>Darryl Edwards</i>	A/P Fac.
Diane Audelo	<i>Diane Audelo</i>	A/P Facilities
MATTHEW WILKINGHAM	<i>Matthew Wilkingsham</i>	A/P Facilities
ROBERT STONE	<i>Robert Stone</i>	A/P FACILITIES
Dick Seiki	<i>Dick Seiki</i>	
DARRIDE GARZA	<i>Darride Garza</i>	AIR UTILITIES
FRANK PADOJINO	<i>Frank Padojino</i>	A/P UTILITIES.
HECTOR LOPEZ	<i>Hector Lopez</i>	A/P UTILITIES
ALVARO AVENDAÑO	<i>Alvaro Avendaño</i>	A/P UTILITIES
Sam Tamura	<i>Sam Tamura</i>	A/P UTIL
Valerie Zalts-Parmley	<i>Valerie Zalts-Parmley</i>	A/P Util
VERENA MARSHALL	<i>Verena Marshall</i>	A/P. Utility
Jim Baman	<i>Jim Baman</i>	A/P. Utilities
ANDREA WATSON	<i>Andrea Watson</i>	A/P Facilities
DAPHNE CHU	<i>Daphne Chu</i>	A/P Facilities
FRANCIS LOW	<i>Francis Low</i>	A/P Facilities
Thora Tan	<i>Thora Tan</i>	A/P Facilities
DALE STONE	<i>Dale Stone</i>	HARBOR FAC.
Wellman Le	<i>Wellman Le</i>	A/P Facilities
GAIL R. STABER	<i>Gail R. Staber</i>	A/P FACILITIES
NEWTON CHIU	<i>Newton Chiu</i>	A/P COSTIDA
Kenata Gray	<i>Kenata C. Gray</i>	Aviation Marketing
YOLANDA YOUNG	<i>Yolanda Young</i>	AIRPORT PROPERTIES
LORAIN BALANCISE	<i>Loraine Balancise</i>	A/P
DALE STONE	<i>Dale Stone</i>	AIRPORT PROPERTIES
Cheryl M. Archade	<i>Cheryl Archade</i>	Airport Properties
Leslie GILYARD	<i>Leslie Gilyard</i>	airport Properties
WILLIAM E. WEST	<i>William E. West</i>	A/P Properties
Joanne Holloway	<i>Joanne Holloway</i>	Aviation Marketing
MARY LeBlanc	<i>Mary LeBlanc</i>	North Field Admin
George Edmiston	<i>George W. Edmiston</i>	AF32A
Stacy Antonia	<i>Stacy Antonia</i>	AF32 A.
KEVIN M. PITHMAN	<i>Kevin M. Pithman</i>	AF32 A

Nomination of New Aviation Maintenance Facility Named After Jerry Bizzle

We, the undersigned, support the naming of the new aviation maintenance facility after Jerry Bizzle. He exemplified the highest standards of Oakland International Airport's Safety, Security, and Customer Service.

Print Name	Signature	Department
Jerry P. Dilly	IVY P. BELLA	Eng. Admin.
ENRIQUE P. ZANORA	Enrique P. Zanora	ENGR. / DREDGING
JOHN ALDRED	John Aldred	Eng. Admin
TESS MORALES	Tess Morales	Finance
LARRY B. BOU	Larry B. Bou	LANDSIDE
Santana Jimenez	Santana Jimenez	AIP EDUS
PATRICIA SEALS	Patricia Seals	Landside Coord.
JOHN L. BISHOP III	John L. Bishop III	CUSTODIAN
Dubois Mena	Dubois Mena	Landside
MARY BLANCHARD	Mary Blanchard	Airport Admin.
ROBERT GARDNER	Robert Gardner	Airport Administration
Eunice Ugonabo	Eunice Ugonabo	AIP Operations - Airside
Carolyn Anderson	CAROLYN ANDERSON	AIRPORT OPS SUPER.
Alvin Gatewood	Alvin Gatewood	Landside ops.
PATTI BERTRAM	Patti Bertram	AIRSIDE OPERATIONS
JAMES TRICKER	James Tricker	Airside Ops
U. White	Mari White	Marketing
EVA G. YEE	Eva G. Yee	Properties
GOLDY G. CAFE	Goldy G. Cafe	CONSTRUCTION
Milke Morley	Milke Morley	Engr. Const.
Guss STAFFORD	Guss Stafford	AIRSIDE OPERATIONS
ROB ADAMS	Rob Adams	GARAGE
Beatriz Taylor	Beatriz Taylor	Airport Operations
KAREN STEVENSON	Karen Stevenson	Airside
Deborah Edmiston	Deborah Edmiston	50 Aviation Admin
STAN KOPACZ	Stan Kopacz	Airside Ops
DANIEL GILSON JR	Daniel Gilson Jr	MAINT.
TRICIA TRAHAN	Tricia Trahan	Aviation
MARY MCKINLEY	Mary McKinley	AIP Operations
CAROLE WEDC	Carole Wedc	AIP OPS
Andrea McConvey	Andrea McConvey	Airport Operations
Elizabeth Guido	E. Guido	AIP ID Office
Denise Sullivan	Denise Sullivan	LANDSIDE OPERATIONS
Jim Gardner	Jim Gardner	LANDSIDE
Lester Phillips	Lester Phillips	AIP Landside
Rudy Ramos	Rudy Ramos	AIP Admin

Nomination of New Aviation Maintenance Facility Named After Jerry Bizzle

We, the undersigned, support the naming of the new aviation maintenance facility after Jerry Bizzle. He exemplified the highest standards of Oakland International Airport's Safety, Security, and Customer Service.

Name	Signature	Department
Juan R Reynoso		AF 32
MAURO BUSIO		AF 32
Edson L. Lee		A/P Garage
Conrado M. Perdiguerro		Facilities Admin.
Billy R. Mayfield		AF 32 (Facilities)
L. S. GILBERT SR.		A/P FAC.
Geraldine Miller		A/P Prop.
Ricky J. Lopp SR		A/P FAC.
CHAVON PAYNE		A/P FAC
Frederick Randle		A/P FAC
Alfred Chanoy		AF 32
Kwasi Moses		AF 32
Willard Stillwell		AF 32
Michael Pasichka		AF 32
DAN JAGER		AF 32
KARL KUHLMANN		A/P FACIL.
Steven Grines		A/P Garage
ELVIE BUENAVENTURA		A/P Garage
James Williams		A/P Garage
Art Pierre		A/P - Fac
HOMER HUNT		A/P FAC
MICHAEL D. COLLINS		A/P FAC
MIKE MANTIRO		A/P FAC.
Joan Webster		HR/CAS
Deborah L. Preston		HR/CAS
Mattie Yates		HR/CAS
JARVELL BERTNER		CAS/HR
Faith Fuller Tompkins		HR
Raquel Torres Casillas		HR.
Gloria Ramirez		CAS 100
Aileen Evans		CAS 100
Linda S. Davis		Eng.
YUAN HUNG LIU		ENG.
MIKHAIL KORSUNSKY		ENG
JOHN LEE JOHN LEE		ENG DESIGN
YAS FOK		ENG DESIGN

"Chappell Hayes"
for the new Middle Harbor
Shoreline Park

3228 Helen St.
Oakland, CA 94608
May 7, 2002

Ms. Cookie Robles-Wong
Port of Oakland, Community Relations
530 Water St.
Oakland, CA 94604

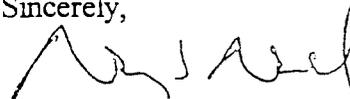
Re: Request for Nomination - Chappell Hayes (please note correct spelling)

Dear Ms. Robles-Wong,

Thank you for the invitation to advocate for my nomination request on May 21, 2002. I will do my best to be there. Alternatively, my daughter will represent the issue, should the timing require my leaving for the Council's closed session. When I spoke to you by phone, explaining that community members wanted to sign a petition of support and that would take a longer time, you told me there was no rush and there would be other meetings of the Naming Review Committee other months. Had I known the date was scheduled, I would have sent the accompanying documents in time for the committee's review. I am Faxing them with this letter for you to distribute to the Commissioners prior to that meeting.

If you have any questions about the submittal or if it is not legible and you would like me to drop off the originals, please don't hesitate to call me at (510) 655-9832.

Sincerely,



Nancy J. Nadel

Attachments:

Naming petition (3 pages)
accompanying signatures (4 pages)
accompanying articles, etc. (12 pages)

PORT OF OAKLAND
530 Water Street
Oakland, CA 94607
(510) 627-1401

NAMING PETITION

Nominee Information:

Proposed name (individual, group, function) Chappell Roland Hayes

If an individual, DOB: 8.5.48 Passed away on (date) 1.24.94

Please address the following questions. Your submission should not be more than three double-spaced original pages.

1. Describe the nominee's professional and or community accomplishments.
2. Describe the nominee's leadership roles, which have resulted in long-term, enduring benefits to the Port of Oakland. OR Nominees who do not have direct association with the Port please describe deeds which have had a significant positive impact on the Port, the City of Oakland, State of California, or the United States.
3. Why do you believe lasting recognition of the nominee should be taken into consideration?

Nominator Information:

Name of nominator: Nancy J. Nadel

Name of group submitting nomination: a petition of West Oakland residents is attached

Are you related to nominee, please describe: wife of deceased

Day telephone #: (510) 238-7303 Email: nnadel@igc.org

Address: 3228 Helen St City: Oakland State: CA Zip: 94608

Signature: Nancy J. Nadel Date: 2.28.02

For Port use only:		
Received	Forwarded:	Notified by:
<u> / / </u>	<u> </u>	<u> </u>
Reviewed	<u> / / </u>	<u> / / </u>

1. The following describes the nominee's **professional and community accomplishments:**

Chappell Hayes, a 13-year West Oakland resident was a Ph.D. candidate in Wood Science and Technology from UC Berkeley. He also had a BA (Summa Cum Laude) and MA in Industrial Arts from San Francisco State University.. He was recipient of an Award from SF State for Outstanding Academic Achievement as well as a Graduate Student Award for Distinguished Achievement in his Major Field. He held a California High School Teaching credential.

Other Achievements: Mr. Hayes was an entrepreneur, a respected community leader, public servant and member of many boards and commissions:

Alameda Countywide Transportation and Advisory Committee member
Founder and Executive Director, the Dowelling Jig, a youth training organization
West Oakland Planning and Advisory Committee Member
United Way, Alameda County Agency Relations Committee Member
Poplar Park Advisory Board Member
Chair, West Clawson Neighborhood Association
Advisory Committee Member, Peralta College District, Computer Learning Center
Alameda County Criminal Justice and Data Processing Committee Member
Board of Directors, Clawson McClymonds Community Improvement Association
President Oakland Neighborhood Tree Organization
Urban Ecology Board Member
Sierra Club Executive Committee Member, East Bay Chapter
Administrative Assistant, Assemblymember Tom Bates
Vice President and co-founder, GeoNodes, Inc., a computer consulting firm
Founding Director of the Africa Resource Center in Oakland

Military Service:

Sergeant, US Air Force 1967-1970, computer technician

Publications:

"Computers in Education: Using Technology to Solve Old Problems", Children and Technology, A Need for Balance. Symposium by the Children's Hospital Institute (1986)
Guide to the Democratic National Convention (1988)

Awards:

Bank of America Award for his contribution to the African American Community, Black History Month. 1994
Clean Air Champion, Bay Area Air Quality Management District, May 6, 1992

2. **Mr. Hayes' Port-related achievement:** He successfully led the effort to convince Port Commissioners to reject highly radioactive spent nuclear fuel as cargo through the Oakland Port. This achievement protected the health and safety of the West Oakland community, Port workers, and the Port asset itself from the risk of radioactive release (June 1986).

Other lasting community-related achievements include:

Running the successful campaign to consolidate Oakland local elections with gubernatorial and presidential elections to increase voter turn-out and civic engagement;

Leading numerous West Oakland Clean-up campaigns (1984-1987) which employed 50 at risk youth to clean-up their community while learning basic reading, writing and math;

Mentoring youth business start-ups - Youth Lawn and Gardens (to assist in neighborhood clean-up activities), Youth Agendas (to produce minutes for non-profit organizations), and Youth Woodworks (to build fencing for non-profit developed housing);

Planting 500 trees in one day on Martin Luther King, Jr. Way in West Oakland and 35 trees in West Clawson (1985);

Leading the community effort to secure funds for a million dollar project to repave curbs and sidewalks in West Clawson and McClymonds neighborhoods (1984-1985);

Leading the effort to assure the West Oakland Fire Station (14th and Mandela) was built anew after the Loma Prieta earthquake;

Leading youth through West Oakland to learn about toxics in their midst and incorporate their new environmental vocabulary into lyrics for a Bay Area Eco-rap contest.

3. **We believe that Chappell Hayes deserves lasting recognition by naming the new Middle Harbor Park after him for the following reasons:**

He rose from the obstacles of poverty and incarceration to complete his doctorate coursework, run a business, become a civic leader and develop programs for at-risk youth to achieve self-sufficiency.

He raised the consciousness of many West Oakland residents about environmental hazards in their midst and fought for clean air and environmental justice in West Oakland.

He was an exemplary, devoted community builder, artisan/woodworker, teacher, neighbor, husband and father.

The community still benefits from the trees he planted, curbs and sidewalks he fought to get, increased voter turn-out, environment he protected and helped to rid of toxics, and most important, youth whose lives were turned from crime and illiteracy to self-sufficiency.

Port of Oakland
Naming Petition
Nominee: Chappell Roland Hayes

Supporting Documents

Port of Oakland
 Naming Petition
 Nominee: Chappell Roland Hayes

We the undersigned residents of Oakland support the naming of Middle Harbor Park after
 Chappell Roland Hayes:

Name	Address
Juan E. Thurston	1001 Linden St Oakland 94607-2727
Jenny W. DeCruz	2221 FRUIT FRUITWAY #301 OAKLAND CA 94601
[Signature]	2611 13 th Ave Oakland
[Signature]	967 35 th Street Oakland CA 94608 485-7374
Stephan Brown	490 HAVISST ST SF 94117
Mark Miller	1734 GRANT AVE MK SF 94137
[Signature]	52a Central Ave, Alameda CA 94610
JESSICA PITT	5814 Ocean View Dr. Oakland 94618
CATALINA GARDON	1125 EAST 18 th St Oakland CA 94606
Beatriz Rodriguez	3130 Shattuck Ave ; Berkeley, CA 94705
Marcot Leclercq	5837 Accidental St OAK 94608
Mark Brechtz	250 Frank Ogawa Plaza Oak 94612
Wallace Woo	10062 BROADWAY TERRACE OAK, CA 94611
Mark Gomez	250 Frank Ogawa Plaza, Ste. 5301 Oakland, CA 94612
Thomas (Lamprey)	350 Sproul St. Suite 300 SF, CA 94104

Port of Oakland
 Naming Petition
 Nominee: Chappell Roland Hayes

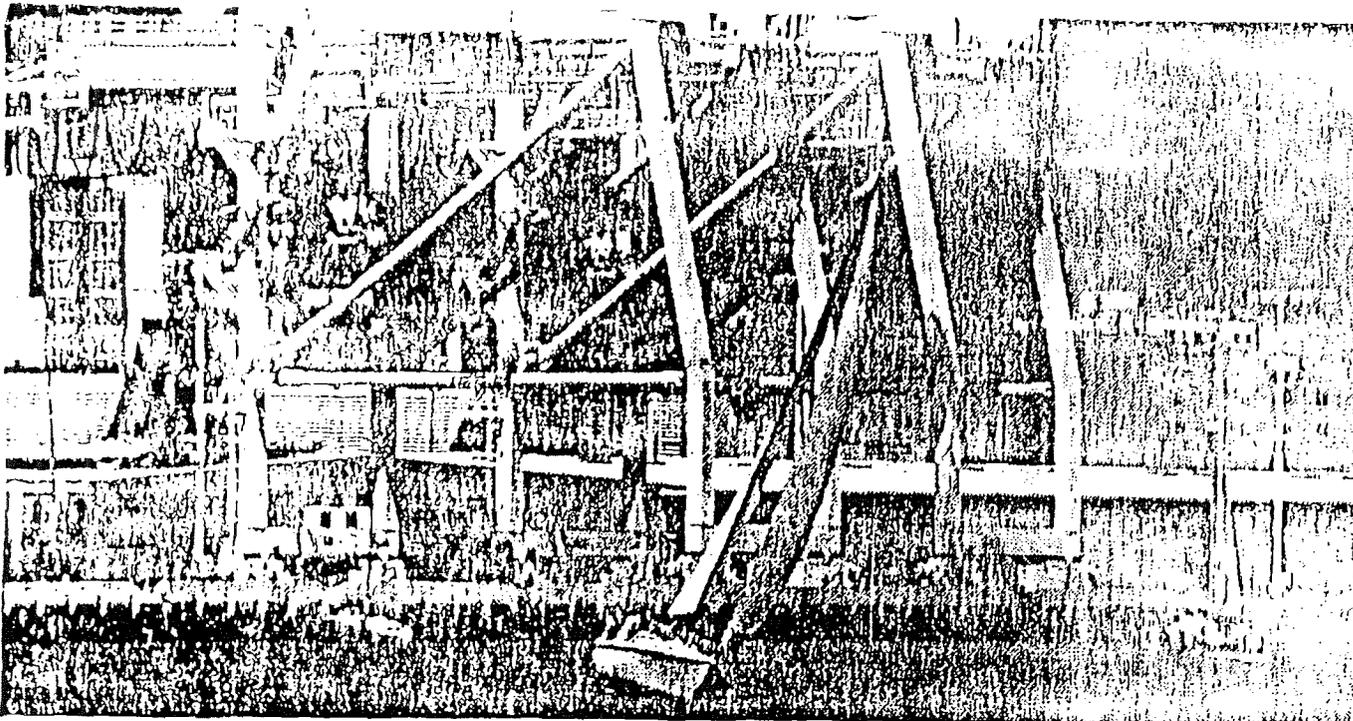
We the undersigned residents of Oakland support the naming of Middle Harbor Park after Chappell Roland Hayes:

Name	Address
Eve Lindi	6539 Heather Ridge Way Oakland 94611
Phillip Gardiner	4344 Detroit Ave Oakland 94619
Laura Wells	351 Santa Clara Ave, Oakland 94610
Heed Soma	317 LESTER AVE OAKLAND 94606
J Z R	10498 Bay Area Blvd
TSEDEY BETRU	1770 8th street 94607
Margaret Gordon	700 Willow #15 94607
Letrishe Culbertson	1030A-14th St., Oak., 94607
Arthur O'Neal	1724 Mendel Parkway 94607
TAMES THOMAS	1530 6th Ave #10 94604
MALAIKA EDWARDS	1223 Adeline St C
RHANELE STELD	2906 Dehner Street, Oakland 94602
Jai Cartagena	2574 24th St. Oakland Ca, 94602
OLL Eda	3158 Davis St. Oakland 94601
Peter Rinke	4233 Lincoln Avenue, Oakland, CA 94602

Port of Oakland
 Naming Petition
 Nominee: Chappell Roland Hayes

We the undersigned residents of Oakland support the naming of Middle Harbor Park after
 Chappell Roland Hayes:

Name	Address
Joe R. Keating	3528 ROBINSON DR, OAK 94602
Rev. John Borens	1724 Adeline St. Oak, Ca. 94607
Ray Hill	3255 LOUISE ST, OAK 94608
Sam Fanch	1423 9th St Oakland 94607
Kim Eschelle	2712 Myrtle St. Oakland CA 94607
DAVID H. Shuley	926 Center Center St 94607
LAWRENCE RICE	729 40TH ST OAKLAND, CA 94609
Dollie Rambo	1416 Magnolia St, oak Ca. 94607
Thelma Roberts	1410 ^{#3} MAGNOLIA ST, OAK, CA 94607
Kemba Spakur	835 57th St, Oakland CA 94608
Dave J.	333 Hezenberg Rd Oak 94621
Norman H.	1155 Third street, suite 260 Oakland 94607
J. S.	676 46th St Oakland CA 94609
William Escobar	1427 Magnolia St 94607
Winifred M. M. M.	1419 Magnolia St. Oakland 94607



4A

RODS from preceding page

John S. Herrington has agreed not to begin shipment until Aug. 1. By then, it is expected that federal district Judge Jack Tinner in Tacoma will have called a hearing on a lawsuit brought against DOE by the Northwest Inland Waters Coalition. The suit charges that DOE has violated the law requiring agencies to report on the likely environmental impact of projects. Although DOE has done "generic" studies, "it has violated the law by failing to conduct a specific study of the effect on Long Beach, on Seattle, on San Francisco," says Richard Rapport, a member of the coalition that filed the suit.

Mr. Rapport, a Seattle neurosurgeon who is also a former president of Washington Physicians for Social Responsibility, says: "We can continue to store a highly toxic, highly carcinogenic material in above-ground storage sites, but until we really know how to handle it, we ought to quit producing it," he says. His objections are echoed by environmental activists and antinuclear groups across US.

For almost 20 years, DOE policy has provided for the return of fuel materials composed or enriched in the US but used in foreign research reactors. Such material routinely enters the US, but the Taiwan shipment has raised some special concerns.

Curt Eschels, special assistant to Washington Governor Booth Gardner (D) for nuclear issues, says DOE should have notified the states of its intentions and must comply with all environmental requirements. Further, he charges that the rods are not originally from the US but from Canada, which has since cut diplomatic and trade ties to Taiwan. He says failure to notify Congress of such a shipment is a violation of law, although the DOE has not publicly confirmed the shipment's origin.

In Seattle, the longshoremen's union has refused to work any ships carrying radioactive cargo. In Long Beach, the port wants DOE to answer a detailed questionnaire before accepting the radioactive waste. In Oakland, citizens' groups have convinced port commissioners to refuse spent fuel rods from any source.

Port of Oakland, Calif., home to pleasure boats and commercial ships, not so sure it wants a 'hot' cargo

Western ports refuse radioactive fuel rods

By Cheryl Sullivan
Staff writer of The Christian Science Monitor

Oakland, Calif.

Chappell Hayes was dismayed when he learned that the Port of Oakland was a likely site to receive shipments of spent nuclear fuel rods from abroad.

Concerned that the highly radioactive rods would be unloaded at a dock only seven-tenths of a mile from his West Oakland home, he led the effort to convince port officials to ban all shipments of spent fuel rods. Last month Oakland became the third port on the West Coast to refuse to accept 474 such rods awaiting transport to the United

States from Taiwan.

But actions taken by the West's largest ports — Seattle, Long Beach, and Oakland — have put the US government in a bit of a bind. Under terms of several international agreements, including the Nuclear Non-proliferation Treaty, radioactive fuel rods used overseas may be sent to the US for disposal — primarily to prevent the waste material from being converted into nuclear bombs or from falling into hostile hands.

The US Department of Energy (DOE) says the radioactive rods (from locations it declines to identify) are to be shipped about two dozen at a time over the next two

years and will be trucked across country to South Carolina for reprocessing. The rods are to be encased in two 20-ton casks specially designed to withstand fire, storm, or other calamities that might be encountered en route.

But the states of Washington and California are not so confident.

"DOE feels these materials can be transported safely. We're taking the position that DOE hasn't shared that information with us, so we don't know," says Bill Fitch of the Washington State Energy Facility Site Evaluation Council.

For now, US Energy Secretary

Please see **RODS** next page

self-evident may not be entirely

Port of Oakland gets tough

Commissioners defy U.S., reject used nuclear fuel as cargo

By Walt Gibbs
OF THE EXAMINER STAFF

OAKLAND — Officials of the Port of Oakland have stood up to the federal government and prohibited highly radioactive spent nuclear fuel as cargo here.

The Board of Port Commissioners yesterday yielded to activists who feared that a lethal cloud of radioactivity could be released in an accident.

The unanimous vote could have international repercussions because of treaties that require the United States to take back the radioactive remains of nuclear-reactor fuel it sends to other countries for research use. The ports of Long Beach and Richmond have enacted similar bans on the transport of spent nuclear fuel.

Yesterday's action was prompted by the federal Department of Energy's plan to ship 474 spent nuclear-fuel rods from a research reactor in Taiwan to a West Coast port. From there they would be trucked to a reprocessing plant in Aiken, S.C., where residual plutonium would be retrieved for the manufacture of nuclear weapons.

Long Beach was the government's first-choice port of entry for the spent fuel, but when commissioners there banned the material earlier this spring, Department of Energy officials began eyeing Oak-

land and Tacoma, Wash.

"The DOE has been looking for a port in the storm, and there hasn't been one," said Tom Buchanan, spokesman for the Northwest Inland Waters Coalition. His group has sued in federal court in Tacoma to stop the shipments from Taiwan.

In hopes of a settlement, the federal government has agreed to delay the shipments at least until Aug. 1.

Oakland port spokesman Mel Wax said the federal government has the power to force its will on local authorities if required to fulfill international treaties. But Douglas Higgins, chairman of the port board, said Oakland would not give in without "taking further actions."

As originally written, the resolution passed yesterday would have forbidden only the Taiwanese cargo, which will be divided into 18 shipments. But residents near the port persuaded the commissioners to extend the ban to include all spent nuclear fuel, regardless of origin.

Chappell Hayes, who lives near the port and heads the West Clawson Neighborhood Association, produced records showing that the port handles spent fuel frequently — a fact that most commissioners professed not to know.

Seymour Bachman, chairman of the commission's Marine Terminals Committee, made the original pro-

posal to ban the Taiwanese fuel rods. He said yesterday that he had mistakenly believed medical isotopes to be the only radioactive material now handled by the port.

Hayes presented numerous dangerous-cargo permits issued by the port in recent years, including 11 that allowed General Electric Corp. to transport fuel rods from a research reactor in Pleasanton to Tokyo and Anchorage, Alaska.

"These shipments have all been moved safely and without incident along . . . approved routes," Michael Kirkland, a G.E. hazardous-waste expert, wrote Feb. 6 in a letter to port officials. "The shipments move, whenever possible, at a time of day or night when traffic is at a minimum."

Said Hayes: "The spent fuel rods anticipated to come from Taiwan are not as imminent a danger to our community as those fuel rods that come through here today. We are concerned about that. We need protection."

Wax noted that all shipments through Oakland have been certified as safe by the Coast Guard and other regulatory agencies.

W. Jackson Davis, a professor of biology and environmental studies at UC-Santa Cruz, said a collision in the Bay, a fire aboard ship or truck accident involving spent fuel could cause death and widespread damage in the area.

ADDRESSING A NEED

The Dowelling Jig recognizes the need for a practical approach to building small businesses in high unemployment communities.

The graduates of this program have a greater opportunity to contribute to their own economic development and that of their neighborhood.

Established in 1983, the Dowelling Jig conducted a business development program and summer clean-up program to provide work experience for its trainees.

By 1985 the Dowelling Jig had grown to include many programs, such as computer training and wood working, to serve nearly 100 trainees.

The Dowelling Jig now plans to establish similar programs in other locations, affording similar opportunities to a larger number of young people.

SUPPORTERS (partial list)

Oakland Alliance
Oakland City Council
Projects to Assist Employment

CONTRIBUTORS (partial list)

Marcus A. Foster Educational Institute
William and Flora Hewlett Foundation
The City of Oakland

"The program offers a unique approach to help alleviate the minority unemployment problem in Oakland, an approach which makes 'business sense.'"

William S. Downing
President and CEO
Oakland Chamber of Commerce

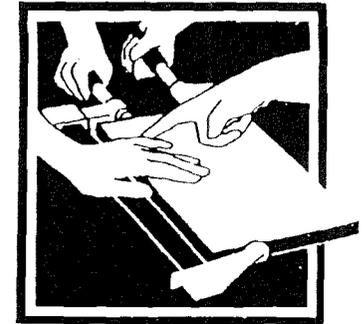
STAFF

An interracial team of highly skilled professionals, the Dowelling Jig staff consists of six dedicated men and women with a total of over 50 years of teaching, research, business, and computer experience.

For further information contact:

Chappell Hayes
Program Director
P.O. Box 29116
Oakland, CA 94604
(415) 835-5345

BUILDING COMMUNITY THROUGH YOUTH ENTERPRISE



THE DOWELLING JIG

A dowelling jig is an alignment tool, long used by wood workers to assure precision alignment of separate boards.

The Dowelling Jig aligns youth with opportunities in their own community, developing viable options for future occupations.

Continued from Page A-11

his proteges and gang members. "I like to position myself in tight situations, the kind that can only be overcome by strength, intellect and courage. I've learned to stand up for my convictions and to never gauge the odds," Hayes says.

And he has used that very philosophy to carry him into the role of a community activist, assuming command when political leaders fail to, even if it means fighting the federal government.

Hayes was at the forefront of the battle to keep spent nuclear fuel rod shipments from being transported through his neighborhood.

And though he relishes the big challenges, he's just as likely to be found in a battle over curbs and gutters or abandoned houses

in the West Clawson neighborhood of West Oakland.

Hayes says he could probably afford to find a home for his wife and 5-year-old daughter in a nicer part of town, but he chooses to stay where he feels he can make a difference.

"When I was looking for a place, there wasn't a great deal of affordable housing, so I selected a community that needed building and found warm and sincere people waiting for me. I felt drawn to them. I didn't just move into a house, I moved into a community."

Hayes says he has always had a strong sense of activism, but it was especially nurtured in prison.

"I had been in the Air Force, stationed in Nevada, and I was busted for marijuana. It was something I didn't deserve, but I

was sentenced to six years in the Nevada state penitentiary. Six years, and the first fellow I met was doing five years for manslaughter," Hayes says.

"It made me feel like part of my life had been taken from me but I found that I could change things by being a role model and a leader of my peers. I didn't have to accept a lower station in life. It was difficult, but I decided I had to work my way out and not become a part of the criminal element.

"I was already a good person, concerned with humanity and all that, but prison taught me it wasn't enough to be concerned, you have to fight.

"People still tell me I have a right to be bitter about the way things happened, but all it did was strengthen my resolve to be an instrument of change in this society."

Ex-convict survives his hard knocks West Oakland teens benefit from example

By *Johnanna*
Tribune

In a part of the city where role models are hard to find, Chappel Hayes has stepped forward to offer West Oakland teens the benefit of his experience.

The bearded, softspoken man with piercing brown eyes, Hayes has been from the top to the bottom and back again.

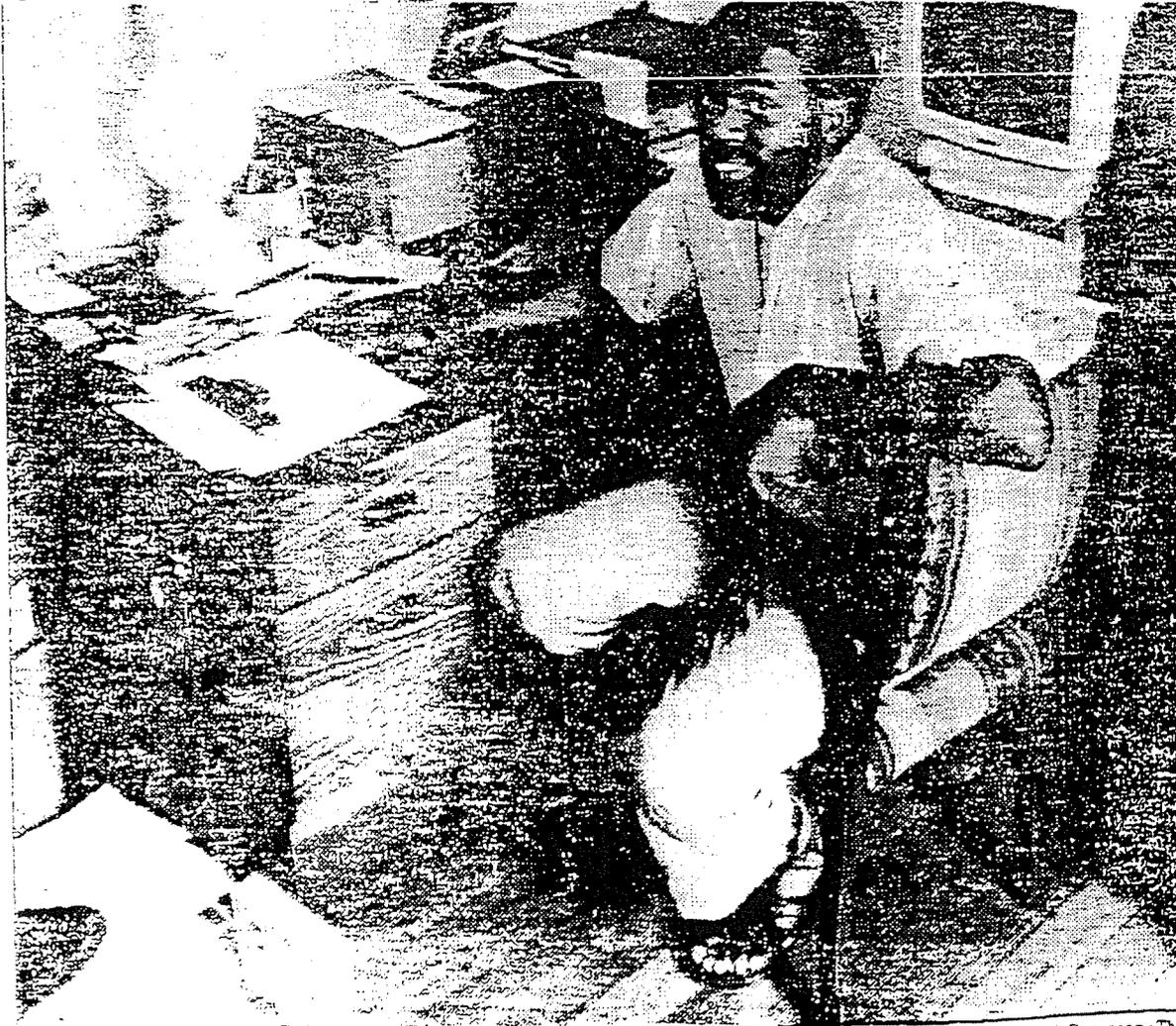
And he says he intends to pull many kids up with him as he

knows first hand what can lead kids to the penitentiary, and "I know how to pull kids back from the edge," says the 37-year-old Hayes, who spent nearly three years in a Nevada prison on a marijuana charge during the early 1970s.

Hayes is not the average ex-convict with a message for kids, however.

He is close to finishing his doctorate work in wood sciences. He runs an innovative and award-winning program through the Oakland public schools called The Dowling Jig, which teaches youngsters how to develop entrepreneurial skills.

He also devotes considerable time to city job training programs and he has been known to mediate street hassles between



By Reginald Pearman/The

Chappel Hayes in his home: "I think I know how to pull kids back from the edge."

Obituaries

Oakland activist dies at 45

Chappell Roland Hayes, a West Oakland community activist and environmentalist, died in his home Sunday night of cancer. He was 45.

Known for tirelessly "fighting the good fight" on local environmental issues, Hayes was the driving force behind a West Oakland-based environmental organization, the Clean Air Alternative Coalition, which is trying to re-route the new Cypress freeway away from neighborhoods.

He was also the first African American named to the executive committee of the Bay Area branch of the Sierra Club.

Hayes was known for going to battle over everything from the routing of nuclear waste shipments to auto emissions. But he was also noted for helping redefine environmental issues to include broad urban issues such as poverty and racism, said friend and co-worker, James Wheaton, president of the Environmental Law Foundation in Oakland.

"He'd say that the environment isn't just rocks and trees and bunnies, it's also about how the African-American male is an endangered species," Wheaton said.

Hayes founded and directed The Dowling Jig Inc., an innovative and award-winning program to teach job skills to youths. Hayes was a fourth-generation wood craftsman who liked to teach his craft to the kids in his program.

"He gave more to his community than any organizer I ever knew, and he did it in a way that was empowering and embracing," Wheaton said. "He

would fight tenaciously, but always in a spirit of loving."

Hayes earned bachelor's and master's degrees in industrial arts, graduating summa cum laude, from San Francisco State University in 1981. He was also a Ph.D. candidate at the University of California at Berkeley in Forest Products.

Hayes was vice president of GeoNodes Inc., a computer data processing and political consulting firm in Oakland, which helped elect City Council member Nate Miley, East Bay Municipal Utilities District board member Stuart Flashman, and Hayes' wife, Nancy Nadel, also an EBMUD board member.

Hayes was a former administrative aide to Berkeley Assemblyman Tom Bates. Last year, he waged a spirited write-in campaign to represent West Oakland on the City Council. He lost, but won many new supporters.

"He spoke of himself as hurling himself through life to make change in the community," Nadel said.

Hayes grew up in Indianapolis, Indiana, and moved to the Bay Area in the early 70s. He moved to Oakland in 1981.

He is survived by his wife and his daughter, Sele Nadel-Hayes, of Oakland; and his mother, Australia Hayes, and two brothers, Sidney and Wiley Hayes, all from Indiana.

Funeral arrangements are being made through Albert Brown Mortuary in Oakland.

Activist Hayes dies of cancer

Chappell Roland Hayes, a West Oakland community activist and environmentalist, died in his home Sunday night of cancer. He was 45. Known for tirelessly "fighting the good fight" on local environmental issues, Hayes was the driving force behind the Clean Air Alternative Coalition, which is trying to re-route the new Cypress freeway away from neighborhoods.

Details on page A-10

RONALD V. DELL
9TH DISTRICT, CALIFORNIA

CHAIRPERSON
ARMED SERVICES COMMITTEE

COMMITTEE ON THE
DISTRICT OF COLUMBIA



Congress of the United States
House of Representatives

January 28, 1994

R TO
OFFICE CHECKED:

CARLOTTA A. W. SCOTT
ADMINISTRATIVE ASSISTANT
CHARLES C. STEPHENSON
LEGISLATIVE DIRECTOR

2108 RAYBURN BUILDING
WASHINGTON, DC 20515
(202) 225-2661

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GENERAL COUNSEL &
DISTRICT DIRECTOR

SANDRÉ R. SWANSON
DISTRICT DIRECTOR

1301 CLAY STREET
SUITE 1000-N
OAKLAND, CA 94612
(510) 763-0370

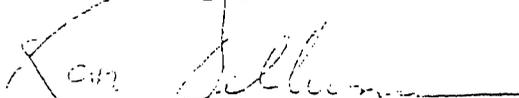
To the Family of
Chappelle Hayes
3228 Helen St
Oakland, CA 94608-4028

Dear friends,

My thoughts are with you as you commemorate the life of a truly magnificent public citizen. Chappelle was in inspiration to so many in his life, one whose priorities were so appropriate and whose humanity was so manifest.

It is tragic that he was taken so early from you, and from all of us who benefited from his wisdom, his determination and his advocacy. Please know that we join with you in remembering his life of public service, and that we wish you the very best in your moment of intense loss and sadness..

Sincerely yours,


Ronald V. Dellums
Member of Congress

RVD:hlh



February 4, 1994

Ms. Nancy J. Nadel
3228 Helen Street
Oakland, CA 94608-4028

Dear Ms. Nadel:

The City of Alameda extends its deepest sympathy to you and your daughter, Sele, in the loss of your husband, Chappell Hayes.

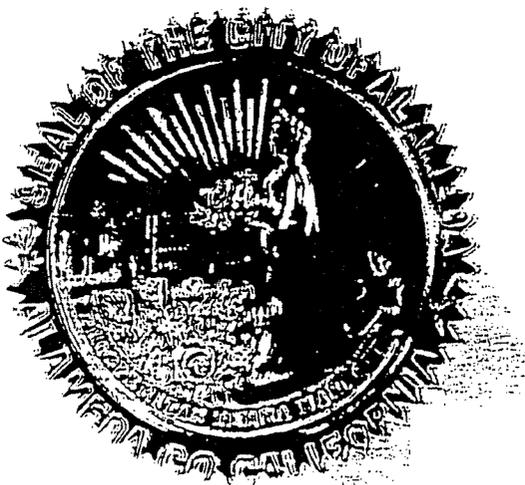
Mr. Hayes dedicated a great deal of time and energy, and was very much respected, for his many activities including provision of jobs for youth and routing for the rebuilding of the Cypress Freeway, among many other efforts benefitting the community.

Mayor William Withrow and the City Council of the City of Alameda stood in tribute and silent reverence as the Council Meeting of February 1, 1994 was adjourned in his memory. Also, Councilman Arnerich requested the City Hall flag be flown at half-mast in his memory.

Yours very truly,

A handwritten signature in cursive script that reads "Diane B. Felsch".

Diane B. Felsch, CMC
City Clerk



Office of the City Clerk, Room 315

City Hall
2263 Santa Clara Avenue · 94501-4453
510.748 4506



Oakland
Chamber of
Commerce

475 14th Street
Oakland, CA 94612-1903
Telephone: 510/874-4800
FAX: 510/839-8817

January 16, 1994

Ms. Nancy Nadel, President
EBMUD Board of Directors, Ward 5
East Bay Municipal Utility District
375 11th Street
Oakland, CA 94607

Dear Ms. Nadel:

On our own behalf and that of the Board of Directors of the Oakland Chamber of Commerce, we wish to express our deepest and heart-felt sympathies concerning the loss of your husband, Chappell Roland Hayes.

Chappell, is certainly a great loss to you and your family and he is also a significant loss to the community of Oakland. Chappell was known by everyone to be a person of great integrity and he always put the concerns of others before himself.

Chappell, in his short life-span, was able to achieve major accomplishments and was one of those rare persons who gave his all to those less fortunate than himself. Chappell will be sorely missed by all of us.

We at the Oakland Chamber of Commerce wish to be of any assistance to you that we can on this occasion of your personal loss. Please do not hesitate to call upon us.

Sincerely,

MARY C. WARREN
Chairperson of the Board

RADM R. L. TOMP, USN (Ret.)
President of OCC



At the close of its session on February 3, 1994
the California Senate adjourned in memory of

Chappell Roland Hayes

On behalf of the California Senate,
may I express my deepest sympathy.

Nicholas C. Petris

Nicholas C. Petris
SENATOR

9th
DISTRICT



IN TRIBUTE

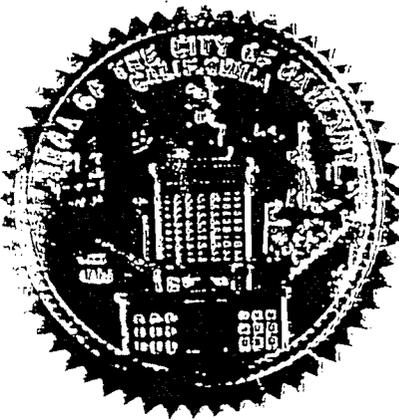
The Council of the City of Oakland
extends its deepest sympathy to you
in the loss of your loved one,

CHAPPELL HAYES

Upon motion by Mayor Elihu M. Harris which
motion was adopted unanimously, all
members of the City Council stood in tribute
and silent reverence as the Council adjourned
its meeting of Tuesday, January 25, 1994.

A handwritten signature in cursive script that reads "Ceda Floyd".

Ceda Floyd
City Clerk and
Clerk of the Council





*The United States of America
honors the memory of
Chappell R. Hayes*

*This certificate is awarded by a grateful
nation in recognition of devoted and
selfless consecration to the service
of our country in the Armed Forces
of the United States.*

William Taft

President of the United States



CHAPPELL ROLAND HAYES

Steel of Justice Forging Man

A Remembrance by Michael Fried



We celebrate and give thanks for the blazing, passionate life of our brother, Chappell Hayes.

We remember Chappell as a son, as a brother, as a father, as a husband, as a friend, as a teacher, as a stern taskmaster, as a gifted leader and so much more. *Mensch, hombre, paisan, etc, soul brother, homie, tribal chief and medicine man...* he was all of these.

Unlike many of our well meaning public and elected officials, who confuse building edifices with building family and community, Chappell understood that human dignity and justice starts at home and radiates house-to-house, neighbor-to-neighbor, one block at a time.

Grand monuments did not impress Chappell for he remembered that throughout history - the great palaces and temples, even the Pyramids of Egypt, wondrous as they are, were built by slaves! And he appreciated with reverence and humility how small and fragile such monuments are in the face of the beauty and power of nature herself. Two epic earthquakes and an inferno have reminded us what Chappell understood so wisely and deeply - that our dominion over the planet and over each other is not only a crime - it is a delusion!

The song says that John Henry was a steel driving man. Well, Chappell Hayes was a steel-of-justice forging man. He was part village blacksmith, part carpenter and part alchemist. His heart, mind and soul were the bellows that fanned the fires of his justice crucible.

We brought him our scraps of ignorance and he transformed them into girders of knowledge and science, saying, *surely we will need knowledge and science for the foundation of the unfinished house of justice we must build together.*

We brought him our faintheartedness and cowardice and he hammered out courage for the cornerstone of the unfinished house of justice.

We brought him our weakness and he molded it into strength for the walls of the unfinished house of justice.

Faced with equivocation and prevarication he gave us truth with which to insulate the windows of the unfinished house of justice.

He heard the gibberish and babel of confused tongues and he gifted us with eloquence and poetry for the doorway of the unfinished house of justice.

He endured racism, intolerance and hatred and transmuted it into brotherhood and dignity for the roof of the unfinished house of justice we must build together.

He withstood betrayal, slander and calumny and taught us that compassion, forgiveness and mercy must warm the fireplace of the unfinished house of justice.

And when the shadow of death hung over him he shared love, acceptance and reconciliation like golden rays streaming through the skylight of that unfinished house of justice we must *all* build together.

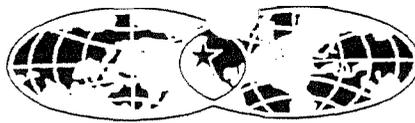
Frederick Douglas wrote that only upon emancipation does the real work begin. Well, our dear brother, Chappell is free at last. Free of care, of pain, of sorrow - his spirit soaring into every corner of the universe and filling it with a luminous light. For us the struggle continues, and the work begins anew on building the unfinished house of justice.

No one can fill Chappell's shoes but we must all strive to walk in his footsteps.

Rest well, dear brother Chappell, the angels of justice and mercy are singing your name today and for all time.



"John Alexander"
for a street name at FISCO



PORT OF OAKLAND

May 8, 2002

Board of Port Commissioners
of the City of Oakland
Oakland, California 94607

Phillip H. Tagami, President
Frank Kiang, First Vice President
Darlene Ayers-Johnson, Second Vice President
David Kramer
John Protopappas
Patricia A. Scates
Peter Uribe

RE: NAMING PETITION APPLICATION

Dear Commissioners:

On behalf of the John Alexander Committee, we are requesting that a street at the former Naval Supply (FISCO) facility be named John Alexander Boulevard. John Alexander was born on April 10, 1924 and died December 3, 1993, spending his entire working life at FISCO. He received the Navy's highest civilian service award and was honored by his co-workers for his service and community activities by having a building at that facility named in his honor. The Port demolished the building after it took over FISCO. The naming of the street preserves the memory and restores the efforts of his co-workers. This application consists of this letter, the attached naming petition, list of community sponsors and supporting articles and letters.

Since he was my father, and Port regulations prohibit nominees related to current Port employees, the proposed action will take special action by the Board. I hope, however that you will agree, that the action is warranted in light of his extraordinary achievements.

Respectfully submitted,

DAVID L. ALEXANDER
Port Attorney

Enclosures

NAMING PETITION APPLICATION
FOR
JOHN DAVID ALEXANDER, JR.

A man's value to his community, friends and family is measured by how well he lived his life. Was he kind, generous, willing to help others and assume a leadership role; did he involve himself in community activities and most important, did others have good things to say about him? John Alexander ("Alex") was all of these things and this Naming Petition Application is submitted to nominate Alex as a recipient for a street name at FISCO in his honor.

Six decades ago, Naval Supply Center Oakland ("NSCO") was a seafaring magnate for the United States Government. Alex's days as the new kid on the block at NSCO were just beginning. Fresh out of the Army Air Corps, Alex began his career at NSCO, rising through the ranks to become the Manager of Preservation & Packing at this facility. As fulfilling as his career may have been, Alex was anxious to promote community involvement among the NSCO "family" and he was highly skilled at it as is demonstrated through NSCO'S Adopt-A-School and Christmas Box Programs which Alex supervised and managed, making these programs among the best in the State. He coordinated the summer students program at NSCO, where high school students were employed at NSCO during the summer.

Alex diligently integrated himself into a lifestyle of being an independent, caring and community-oriented individual. Having the qualities of leadership, attention to detail, strong sense of community, willingness to keep the faith and a perspective on being compassionate and a good listener were talents that served Alex graciously throughout his life.

Alex served as a management representative on adverse action and discrimination cases for NSCO. He was an instructor at the Navy Transportation Management School, instructing both military and civilian personnel in the preservation and packing field. He also went aboard ships to instruct shipboard personnel and traveled to Bremerton, Whidbey Island and Fallon, Nevada on teaching assignments.

Alex received numerous awards, citations and letters of commendation, expressing appreciation for his participation in NSCO programs, culminating into his being awarded the Civilian Meritorious Service Award in 1988, which is the United States Navy's highest civilian award.

Alex also received awards for participation in the Learn and Earn Program from McClymonds High School, where a scholarship fund has been established in his honor, a Department of the Navy commendation in preservation and packing and in 1984 he received the Father of the Year Award from the Institute of Black Family Life and Studies in Oakland, California. He participated in establishing the Cub Scouts and Boy Scouts in his community of Parchester Village in Richmond, California and donated yearly to the United Negro College Fund.

Alex was a member of Beth Eden Baptist Church in Oakland, the NAACP, an associate member of the National Council of Negro Women, the American Legion, NSCO post #695, NSCO Federal Managers Association and the Masons: Ashlar Chapter #35.

Alex never looked for any accolades; he just wanted to keep "stirring the pot" for those who came after him.

Working with young people was pleasing and rewarding to Alex, especially when his young "students" came back for advice, information, recommendations or as co-workers as NSCO.

Alex held an A.A. degree from Contra Costa College in San Pablo, California, a B.A. degree from the University of California, Hayward campus (which he earned in his 60's), and a certification in Business Management from the Department of the Navy, United States of America. He accomplished these great deeds during his "free time"—he just wanted to keep up with the changing World.

After 50 years of public service, Alex's co-workers and FISCO officials permanently acknowledged his contributions to NSCO and to the community at large by naming a building after him, and in 1994 FISCO named their most powerful forklift after him in his honor. When the Port acquired FISCO in 1997, it demolished the building which bore his name.

The naming of a street in FISCO in his honor restores the tribute bestowed upon him by his co-workers, his community and the United States Navy and underscores the value of his hard work, contributions, and public service.

Respectfully submitted,

John Alexander Committee

PORT OF OAKLAND
530 Water Street
Oakland, CA 94607
(510) 627-1401

NAMING PETITION

Nominee Information:

Proposed name (individual, group, function) John Alexander Boulevard

If an individual, DOB: 4/10/24 Passed away on (date) 12/3/93

Please address the following questions. Your submission should not be more than three double-spaced original pages.

1. Describe the nominee's professional and or community accomplishments.
2. Describe the nominee's leadership roles, which have resulted in long-term, enduring benefits to the Port of Oakland. **OR** Nominees who do not have direct association with the Port please describe deeds which have had a significant positive impact on the Port, the City of Oakland, State of California, or the United States.
3. Why do you believe lasting recognition of the nominee should be taken into consideration?

Nominator Information:

Name of nominator: David L. Alexander

Name of group submitting nomination: John Alexander Committee

Are you related to nominee, please describe: My father

Day telephone #: (510) 627-1340 Email: dalexand@portoakland.com

Address: 530 Water Street City: Oakland State: CA Zip: 94607

Signature:  Date: 5/8/02

For Port use only:		
Received <u> / / </u>	Forwarded: <u> / / </u>	Notified by: <u> / / </u>
Reviewed <u> / / </u>		

JOHN ALEXANDER COMMITTEE

John Burris	Oakland
Ed Dillard	Oakland
Rev. and Mrs. Dotson	Richmond
Ron Finlayson	Oakland
Lee Halterman	Berkeley
Virgil and Mildred Harper	Richmond
Hon. Elihu Harris	Oakland
Bobbi Hayes	Richmond
Michael Jackson	Oakland
Lester Lawson	Oakland
Hon. Barbara Lee	Oakland
Lloyd Madden	Richmond
Jim McMillan	Richmond
Shannon Reeves	Oakland
Hon. Larry Reid	Oakland
Dana Scott	Oakland
Michael Scott	Oakland
Willard Smith	Oakland
Charlene Thomas	Oakland
Clarence Thomas	Oakland
Stan Thomas	Oakland
Tommy and Cubie Thompson	Oakland
Ken Trammel	Richmond
Isaiah Turner	Richmond
Terry Wiley	Oakland
Tom Williams	Oakland

The



Oak Leaf

"Putting Excellence to Work"

Volume 46, Number 2

January 29, 1988

Alexander presented NSCO's highest honor

By Sharon R. McGriff

John Alexander, who started working for Naval Supply Center, Oakland more than 40 years ago, was awarded the Base's highest civilian award recently.

Captain Ray Sareeram, Commanding Officer of the Center, presented the Civilian Meritorious Service Medal to Alexander during a ceremony honoring Dr. Martin Luther King Jr.

Alexander, Supervisor, Packing and Preservation, Code 405 was cited for his tireless work on behalf of NSCO and the community at large.

Alexander, who did not know about the award until the ceremony, said he was stunned by the presentation.

"Had I been called on to give a speech, I would have been totally unprepared," Alexander said.

Described by those who know him as "kind, considerate, caring and honorable," Alexander, who was instrumental in helping establish the Center's Adopt-A-School Program, embodies the spirit and philosophy of Dr. Martin Luther King Jr.

"He (Alexander) is truly an inspiring person," said Lester Lawson, Deputy Director Traffic



John Alexander, center, and CAPT Ray Sareeram, NSCO Commanding Officer, proudly display the Civilian Meritorious Service Medal Alexander received during recent ceremonies honoring the birthday of Dr. Martin Luther King Jr. Alexander's wife, Vivian, holds a plaque presented to her husband who was cited for his tireless work on behalf of the Center.

Division. Lawson, who has worked with Alexander for more than 15 years, compares the leadership of Alexander to that of King.

"He has that special ability to

get the best out of people. And he does his best for everyone else. He cares how you feel," Lawson explained.

Just as King had a commitment

to put an end to poverty, racism and war during his lifetime, Alexander has demonstrated through NSCO's Adopt A School and Christmas Box programs that

"The Dream" continues to live.

Born in Waco, Texas, the NSCO recipient has lived in the Bay Area since he was 3 years old. He served in the Army Air Corp from 1943 to 1946 during World War II. Shortly after leaving military service in 1946, he was hired by NSCO.

Alexander holds an A.A. degree from Contra Costa College, and a B.A. degree from Cal State Hayward.

While at NSCO, he has received numerous citations and letters expressing appreciation for his work in various Center-related programs.

For many years he has served as a coordinator of the summer students program for his division and has helped to sponsor the Christmas Box Program. He is an active member of the Adopt-A-School Program where he is chairman of the School Improvement Project.

He and his wife Vivian, have a son, David, an attorney in Oakland and a daughter, Darlene Scott, who works as a legal secretary in San Francisco. In 1984 he was named Father of the Year by the Institute for the Advanced Study of Black Family Life and Culture in Oakland.

TOP CIVILIAN HONORS



Staff photo by Bob...

JOHN ALEXANDER, right, and Capt. Ray Sareeram, left, of the Oakland Naval Supply Center.

Navy recognizes Richmond man's work

OAKLAND — John Alexander prefers to avoid the spotlight. His work with the summer youth program, the Christmas toy collection and the Adopt-A-School program is normally carried out behind the scenes.

But the Richmond resident was called from to audience Thursday during ceremonies honoring Martin Luther King Jr. at the Oakland Naval Supply Center and given the Civilian Meritorious Service Medal, the highest award the Navy can give to a civilian.

"I had no idea this was coming," Alexander said.

Alexander, who has lived in Richmond since 1959, is supervisor of the packaging and preservation division at the supply center. Capt. Ray Sareeram, commanding officer of the sup-

ply center presented the award.

Of his community work, Alexander said, "It's just something I felt needed to be done, so I did it."

"It's also selfish because I enjoy it," he said. Alexander, 62, has received 13 other citations for his community work over the years. In 1984 he was named Father of the Year by the Institute of Black Studies in Oakland.

"He has that special ability to get the best out of people," said Lester Lawson, who has worked with Alexander for 15 years. "And he does his best for everyone else. He cares how you feel."

Alexander's community work is confined mostly to projects at the supply center these

days, but in the past he was active in the Richmond Boy Scouts and Girl Scouts and at local recreation centers.

Alexander is chairman of the School Improvement Program in the supply center's Adopt-A-School program. The Adopt-A-School program provides interaction between employees of participating companies and students.

The supply center has adopted McClymonds High School in Oakland.

"The idea is to act as role models," Alexander said. "We try to motivate students to stay in school and go on to college."

He said his inspiration came from his son and daughter, who both attended Richmond High School and went on to UC-Berkeley.

EMPLOYEE SPOTLIGHT

Mr. John Alexander, better known as Alex, is the Branch Head of the Preservation/Container Assembly Branch in the Packing and Preservation Division, of the Traffic Department.

Alex is an involved individual. His Preservation Section, working both in 4144 and 5118, processes material that the inventory managers or Naval Supply Systems Command feel need a higher degree of protection. This section also provides preservation and protective packaging for material destined for overseas shipment or long term storage; provides magnetic shielding for air shipments; provides sub-freezing or low temperature packaging for shipment; and re-coops and transfers acids, alkalis, solvents, paints, and oils for shipment and/or storage. Almost all of the work in the Preservation Shop is reimbursable and requires accurate estimating and record keeping. One of the more monumental challenges was the processing of the initial induction of SUBSAFE Level 1 material to the Center. The processing of this material was complicated by the fact that all personnel involved had to be trained and they in turn were tasked with training additional personnel as the job required.

Running the Container Assembly Section or the "Box Shop", Bldg. 532, is a whole different arena. It is the function of the Box Shop to provide boxes and crates for all packing operations here on the Center. It also manufactures pallet caps; non-standard storage items, as required; and operates a household goods container salvage/storage program.

In addition, Alex is the official research and development man in the Packing and Preservation Division. He is currently working on Foam-in-Place applications, and has developed many plausible techniques to utilize this new and money-saving process. He has also worked with Sika Packaging Equipment, Sleeve Wrap Tunnel, both package-size and pallet-size, and just about any new technique or piece of equipment which will increase productivity and reduce costs.

Alex also performs several collateral duties along with his primary responsibilities as Branch Head. As a resident expert on packaging and preserving repairable items, Alex is a guest speaker at the Navy Transportation Management School instructing both military and civilian personnel in the repairable program (packing/preservation phase). When his services are requested, he also goes aboard ships and instructs shipboard personnel in repairable and other packaging/preservation techniques. He has also instructed at Bremerton, Wildbey Island, and Fallon, Nevada.

For many years Alex has been the division coordinator for the summer students program. Every summer young



students receive training in packing and preservation procedures by training with one regular Center employee and receiving individual and personal on-the-job training. On a bi-weekly basis, Alex will hold a student group caucus to discuss their problems and progress. Working with the young people is very pleasing to Alex and rewarding especially when some of the young students he has helped come back later for more information concerning job opportunities, recommendations and even end up working at the Center as a regular employee.

Alex also serves as a management representative on diverse action and discrimination cases for the Traffic Department.

If that isn't enough, for the several years Alex's Branch has sponsored a yearly Christmas Box program, that has now grown Division-wide, starting with Christmas 1976. The Packing and Preservation Division distributed 50 boxes of food and toys to needy families in the Bay Area.

On his "free time", Alex attends Contra Costa College in San Pablo. Although he already has an AA degree in Social Sciences and is nearing a Certificate in Business Management, he is just trying to keep up with the rest of his family. His wife, Vivian, a graduate of San Francisco City College, is a nurse in Richmond. His sister, Mary Lou, is a Supply Technician in ICD. His son, David Alexander, a graduate of the University of California and Bolt Hill Law School, is now practicing law in San Francisco. David's wife, Adrienne, has a Masters Degree in Business Management from the University of California and is employed as an Assistant Vice President for the Bank of America in San Francisco. Alex's daughter, Dana Scott, also a graduate of the University of California, has a degree in criminology. At present she is the Office Manager for a law firm in San Francisco. Dana and her husband, Michael, have presented Alex with his only grandchild, "Christie".

Yes, Mr. John Alexander is a very active person.

John Alexander 4/22/77

HERMAN J. M. JORGENSEN IV
20 Frederick Road
Montezuma, California 93940

April 16, 1993

Mr. John Alexander
Code FAPPH
Defense Distribution Region West
Oakland, CA 94625-5000

Dear Mr. Alexander,

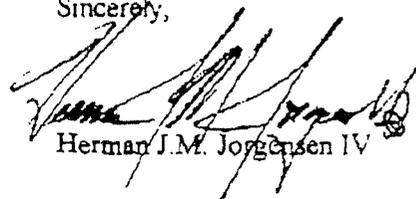
Though I wanted very much to attend your fifty anniversary celebration at Naval Supply Center Oakland, my studies here at the Naval Postgraduate School preclude my attendance. In fact, I will be in the midst of taking an Applied Statistics exam during your festivities. Rest assured, though my mind will be tangling with the relation between exponential and Poisson distributions, my heart will be with you and your esteemed colleagues as you celebrate fifty years of distinguished public service.

It truly must fill you with great satisfaction to look back at your outstanding contribution to our nation. Your superb support of the United States Navy throughout these many years of crises and vigilant operations speaks volumes of your selfless character and devotion to duty. Despite the fact you started your career with the Army during World War II, divine providence placed you on a transport ship and you immediately realized that you must do all you can to support the sea services. Your attention to detail, your strong sense of community, and your willingness to keep the faith provided your coworkers a steady and reliable helm as Oakland transited sometimes turbulent waters.

I take great satisfaction and honor in having the opportunity to work with you. Please allow me to add my accolades to the many others you are receiving. Your fifty years of distinguished service to your nation is a very special achievement.

My wife, Jackie and I send our best wishes to you, your family and friends on this special day.

Sincerely,



Herman J.M. Jorgensen IV

"Vision 2000"

for a non-specified facility or
roadway in the maritime
Vision 2000 project areas

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 33

SUBJECT: Approval to Extend Contracts with Ricondo & Associates, Inc. and Booz-Allen & Hamilton, Inc. to Update 2002 Feasibility Financial Projections Related to the Port's Upcoming Revenue Bond Issues

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On August 7, 2001, the Board approved awarding feasibility study contracts to both Ricondo & Associates, Inc. and Booz-Allen & Hamilton, Inc. to prepare feasibility studies to support the issuance of the upcoming 2002 Port Revenue Bond issue. Due to our continued work on our CIP program and revised operating and capital budget, these contracts have expired. Continuing with these firms is crucial to finish work relating to a revenue bond issue in July of 2002. The feasibility studies will be part of the Port's official statement for the bond issuance. Ricondo will again serve as the lead consultant and complete the Aviation projections and Booz-Allen will perform the study for Maritime.

The fees for the feasibility study and projections were expected not to exceed \$400,000 including out-of-pocket expenses (\$200,000 for Ricondo & Associates and \$200,000 for Booz-Allen & Hamilton) for a March 2002 revenue bond issue. Due to the events of September 11, 2001 and our continuing work including substantial work for Sec. 5.13(c) indenture compliance for the Ellis CRE transactions, we have reached the maximum compensation. It is expected that the feasibility work will be completed in July 2002 at an additional cost not to exceed \$200,000. These fees are considered cost of issuance and will be funded from the proceeds of the sale of the bonds.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to extend the contracts with (1) Ricondo & Associates, Inc. in an amount not to exceed \$100,000 including out-of-pocket expenses and (2) Booz-Allen & Hamilton, Inc. in an amount not to exceed \$100,000 including out-of-pocket expenses.

It is also recommended that the Board authorize the Executive Director to authorize an additional sum of \$25,000 for each contract for any additional work that the Port deems necessary.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02151

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

MAY 21 2002

DATE

Board of Port Commissioners – PORT OF OAKLAND

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 34

SUBJECT: Amendment to Non-Discrimination in Small Local Business Utilization Policy for Alternative Project Delivery Methods.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Bernida Reagan

EXECUTIVE OFFICE RECOMMENDATION

Factual Background

Staff has been directed to present an amendment to the Port of Oakland's Non-Discrimination Small/Local Business Utilization ("NDSLBU" or "the current policy") to ensure full and equitable opportunities for local and small businesses to participate in contract opportunities of the Port Capital Improvement Program completed with "alternative delivery methods". After numerous discussions with community members, a diverse group of small and large contractors, including truckers, the Terminal Expansion (TEx) program staff, and the Engineering and Aviation divisions, the Social Responsibility Division (SRD) has developed a comprehensive plan that maintains the current NDSLBU policy's intent of maximizing local and small business participation yet does not adversely affect project schedules or budgets of proposed projects. This enhancement to the current policy seeks to ensure the participation of local and small businesses at every level of contracting; to make available and identify resources to assist those businesses; and to monitor compliance with this and other Port policies in a coherent, understandable and equitable way.

To facilitate public discussion and comment, this policy is provided in draft form and will be finalized after receiving comments from the Commissioners, Port staff and the public. Regulations are provided separately from the policy language to facilitate review.

Analysis

Historically, the Port has used the Design-Bid-Build ("DBB") project delivery method for awarding contracts utilizing the preference points methodology as its means of implementing the NDSLBU policy. Currently, this is the only method used to implement the NDSLBU policy. For TEx and for other projects, it is likely that other delivery methods, such as Design-Build ("DB") and Construction Management at Risk ("CMr") will be utilized as alternatives to the traditional DBB project delivery method. The introduction of these new project delivery methods will alter the way the Port does business by adding new sets of criteria on which contract awards are based and new forms of relationships with contractors, subcontractors and consultants. Although it is possible that the existing regulations may apply to both new project delivery methods, it is likely that there may be instances in which the preference points methodology will not apply. Therefore, SRD proposes alternate solutions for implementing the NDSLBU policy when exceptions occur.

Five major policy enhancements are proposed:

- 1) A pre-qualification process will ensure that anyone who proposes to do work with the Port using an alternative delivery method demonstrate a past history of effectively utilizing small and local businesses as well as a measurable, well-defined plan for doing so on the project proposed.
- 2) An overall minimum utilization requirement will be set for each project, based on SBE/LBE supplied information which would enable the Port to establish reasonable, achievable requirements;
- 3) Proposers must identify goals, which meet or exceed the Port's minimum requirements. The winning proposer's goals will become part of the contract.

Approved on Motion of

Commissioner White

which was seconded and passed unanimously.

BOARD ACTION TAKEN

Assistant

Anna Krupp
SECRETARY OF THE BOARD

MAY 21 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

- 4) If the contract goals are exceeded, the contracting party will be rewarded; if the goals are not met, the contracting party may be penalized.
- Data on local and available firms will be maintained and reporting requirements will be integrated via Web-based programs which contracting parties will be required to use.

These policies have been developed to take into account schedules, budgets and predictability for all parties. Staff will develop selection processes for each project; implementation plans tailored to the project characteristics and compliance monitoring based on the implementation plan for each project.

Throughout the proposed process, SRD will work closely with Engineering, Aviation, the TEx program, the Management Information Services Department and others to identify barriers to the participation of small and local business and to identify and expand resources and programs to overcome those barriers.

Fiscal Impact

We estimate, conservatively, that the Port's implementation of incentive awards under this policy may increase the cost of completing covered projects by approximately 3 to 5%. Goals for local and small local business participation will be set to require aggressive and creative outreach efforts and therefore, should result in modest award of incentives.

The Surety Bond program is budgeted at \$50,000 for the next fiscal year.

Sustainability

The trucking policy is designed with the expectation that the equipment or truckers to be utilized on Port projects are environmentally compliant with regard to low emissions and high efficiency. This policy builds in favorable consideration in the selection process for firms which engage in sustainable and responsible business practices.

Recommendation:

It is recommended that the Board consider the recommended enhancements to the current LBU policy, receive public comment on this matter, and give staff appropriate direction to finalize the LBU policy enhancements for Board approval.

**SUMMARY AGENDA (BOARD CALENDAR
May 21, 2002**

AIRPORT

- 3S** Approval of Plans and Project Manual for Overlay and Extension of Taxiway C, North Field, OIA. (Resolution)
- 4S** Approval of Plans and Project Manual for Enhancement of Damon Slough Wetland Mitigation Site. (Resolution)
- 5S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Ogden Ground Services, Inc. (#1 Airport Drive, South Airport). (Resolution)

COMMERCIAL REAL ESTATE

- 13S** Approval of License and Concession Agreement with the U.S. Lighthouse Society, a Non-Profit California Corporation, for the Berthing of the Historic Lightship Relief in the Area Adjacent to the Fire Boat on the West End of Jack London Square. (Resolution)

MARITIME

- 22S** Authorization to Dispense with Standard Bidding Procedures for Demolition of Buildings C-406, C-407, C-401, Office Area, and Miscellaneous Site Preparation Activities. (Resolution)

OPERATIONS

- 35S** Authorization of a Three-Year Contract not to Exceed \$100,000.00 with George Hills Co. Inc. (Resolution)
- 36S** Authorization to Purchase Motor Vehicles and Declare Replacement Vehicles Surplus. (Resolution)
- 37S** Authorization to Sell Surplus Boat and Electrical Equipment. (Resolution)
- 38S** Authorization to Renew the Port's Insurance Programs for Computers, Loss of Access, Fire Insurance and Ratify Renewals of Automobile Liability, Automobile Physical Damage, Public Officials Errors and Omissions, Port Liability, Airport Liability, Special Events Liability, Excess Workers' Compensation, Contractors Equipment, Crane Physical Damage, and CAPA Umbrella Excess Liability Policy. (Resolution)

- 39S** Authorization to Satisfy Certain Procedural Requirements in Connection with the Redemption of the Special Facilities Revenue Bonds, 1992 Series A (Mitsui O.S.K. Lines, Ltd. Project) on behalf of the Board. (Resolution)

RESOLUTION AND ORDINANCE: ("S")

APPROVING APPOINTMENT OF SPECIAL COUNSEL.
(Resolution Only)

Port Ordinance No. 3695 being, "AN ORDINANCE AMENDING PORT ORDINANCE NOS. 2610, 2613, AND 3644, AS AMENDED, FIXING CERTAIN REVISED PARKING RATES AND PERMIT PARKING POLICY AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.

Port Ordinance No. 3696 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO PACIFIC GAS AND ELECTRIC COMPANY (PG&E) FOR AERIAL FACILITIES ON NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT."

Final.

Port Ordinance NO. 3697 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A NON-EXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH TRANSPACIFIC CONTAINER SERVICE CORPORATION ADDING APPROXIMATELY 12.56 ACRES OF ADJACENT LAND TO ITS BERTH 30 PREMISES."

Final.

Port Ordinance No. 3698 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO MODIFICATION OF BASIC CRANE RENTAL RATES, DELETING CRANES NOS. X-423, X-441 AND X-442 AND ADDING NEW CRANES NOS. X-434, X-435, X-C14, X-C15, X-C16, X-C17, X-C18 AND X-C19 TO TARIFF NO. 2-A."

Final.

SUMMARY AGENDA
May 21, 2002

Port Ordinance No. 3699 being, "AN ORDINANCE ESTABLISHING GENERAL RULES AND REGULATIONS GOVERNING USE AND DISTRIBUTION OF RECYCLED WATER."

Final.

Port Ordinance No. 3700 being, "AN ORDINANCE REVISING AND RESTATING PORT ORDINANCE NO. 2124 ESTABLISHING RULES AND REGULATIONS FOR THE SUBDIVISION OF LAND AND THE FILING AND APPROVAL OF SUBDIVISION MAPS, AND ESTABLISHING FEES IN CONNECTION THEREWITH."

Final.

Port Ordinance No. 3701 being, "AN ORDINANCE AMENDING SECTIONS 2 AND 4 OF PORT ORDINANCE NO. 1606 TO PROVIDE FOR PURCHASING - CARD PROCUREMENT."

Final.

Port Ordinance No. 3702 being, "AN ORDINANCE AMENDING NO. 867, CREATING NEW SALARY SCHEDULES, NEW POSITIONS, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES AND AMENDING PORT ORDINANCE NO. 3690 TO CORRECT SECTION 10.21 OF PORT ORDINANCE NO. 867."

Final.

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 3S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
SUBJECT: Approval of Plans and Project Manual for Overlay and Extension of Taxiway C, North Field, OIA

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for **Overlay and Extension of Taxiway C, North Field, Oakland International Airport, Oakland, California**, and are submitted for approval and authorization to advertise for bids.

The scope of work consists of the following: 1) construction of asphalt concrete pavement overlay from Taxiway B to Taxiway C1; 2) construction of asphalt concrete pavement from Taxiway C1 to Taxiway Q; 3) installation of pavement striping and markings; 4) removal and replacements of existing taxiway lights; 5) relocate existing drainage structures; and 6) raise existing utility structures to final grade levels.

ANALYSIS:

Taxiway C was built in the 1960s and is showing signs of deterioration. The pavement and taxiway lighting system are in need of improvements. The project is part of the North Airport Reconstruction Program to enhance safety and extend the life of existing facilities. The existing taxiway pavement has lasted well beyond its useful life and has deteriorated to the point where an overlay is needed to function safely and to maintain existing FAA standards. The extension of Taxiway C from Taxiway C1 to Taxiway Q enhances aircraft safety, by eliminating two quick 90-degree turns through an old aircraft parking position.

Environmental

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section: 15301, Class: 1 (a, c, d, e and f) and 15302, Class 2 (b and c).

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The Capital Budget provides for this work under CIP Element No. A1.00626.04. The Project Budget Detail is attached. The funding source will be Passenger Facility Charges (PFC).

Sustainability

Suitable excavated material, trench spoils and material resulting from the grinding of asphalt concrete and Portland cement concrete pavements will be used as fill on the project as allowable.

The extension of Taxiway C will improve the alignment for taxiing aircraft, thus lessening the total taxiing time, resulting in lowered consumption of fossil fuels and corresponding decreases in air pollutant emissions.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02143

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

MAY 21 2002
DATE

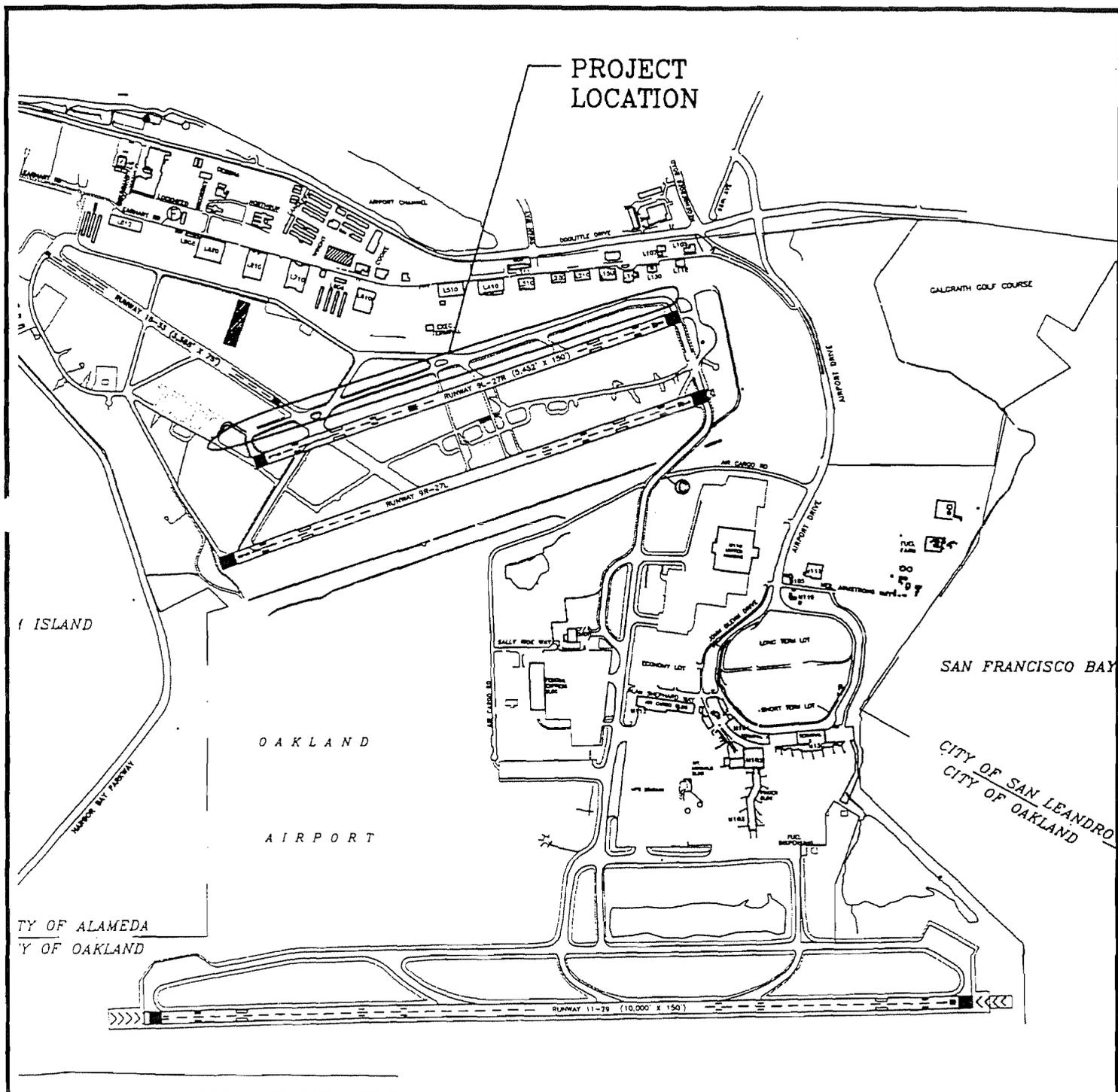
Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

RECOMMENDATION:

It is recommended that the Board:

- 1) Find that the project does not have a significant effect on the environment and is categorically exempt according the Port CEQA Guidelines pursuant to Section 15301, Class 1 (a, c, d, e, and f) and Section 15302, Class 2 (b, and c); and
- 2) Approve the Plans and Project Manual for the project and that authorization be given to advertise for bids to be received on June 26, 2002.



PORT OF OAKLAND

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY
November 7, 2001

PROJECT TITLE: Construction of Overlay of Taxiways B & C

CIP NO: A1.00626.04

W.O. #'s: 106506, 106581, pending

PROPOSED FUNDING SOURCES: Port cash, bonds and grants

Narrative- the original construction of Taxiway B and Taxiway C occurred in the 1960s. Because of the need for Taxiway B to support diverted Runway 11/29 traffic, it was overlayed during the summer 2001. Taxiway C is showing signs of deterioration and is in need of pavement and lighting improvements.

Budget- These two projects are both included in the CIP Element # A1.00626.04 which is being revised to reflect the current scope of work. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element A1.00626.04

Project Components	Port Labor & Fringe	Port OH	Consult	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Construction of Overlay of Taxiway B	93	158	322	663	0	0	0	0	0	0	1236
Construction of Overlay of Taxiway C	280	477	418	5046	0	0	0	0	0	0	6221
Total =	373	635	740	5709			0	0	0	0	7457

Remarks-

1. Assumes in-house CM
2. Both labor and consultant costs for Construction of Overlay of Taxiway B reflects work performed on planning/design of Overlay of Taxiway C
3. \$40,000 added to consultant costs for Construction of Overlay of Taxiway C for outside survey

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 5S

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Ogden Ground Services, Inc. (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SJG*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Ogden Ground Services, Inc. (Ogden), a baggage and ground handling service, is currently under a Right-of-Entry and Indemnity Agreement (Right-of-Entry) which provides for occupancy of 280sf of office trailer space adjacent to Gate 4, Building M-103 on the South Airport. The Right-of-Entry was effective July 26, 2001 through March 31, 2002; rent is \$1,939 per month plus 10% of gross revenues. During the period of August 1, 2001 through February 28, 2002, the Port received an average of \$13,951 per month as a percentage of gross revenues.

ANALYSIS:

It is proposed that the Port enter into an Agreement to Extend Right-of-Entry and Indemnity Agreement that would extend Ogden's occupancy of the same premises, commencing April 1, 2002 and ending March 31, 2003, with a mutual 30-day termination provision. Monthly rent, which is established in accordance with the Airport's annual rates and charges (Port Ordinance 3634), would be adjusted to \$1,882.44 per month effective April 1, 2002. In addition, Ogden would continue to pay 10% of gross revenues.

is aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with Ogden Ground Services, Inc., subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02144

BOARD ACTION TAKEN Assistant

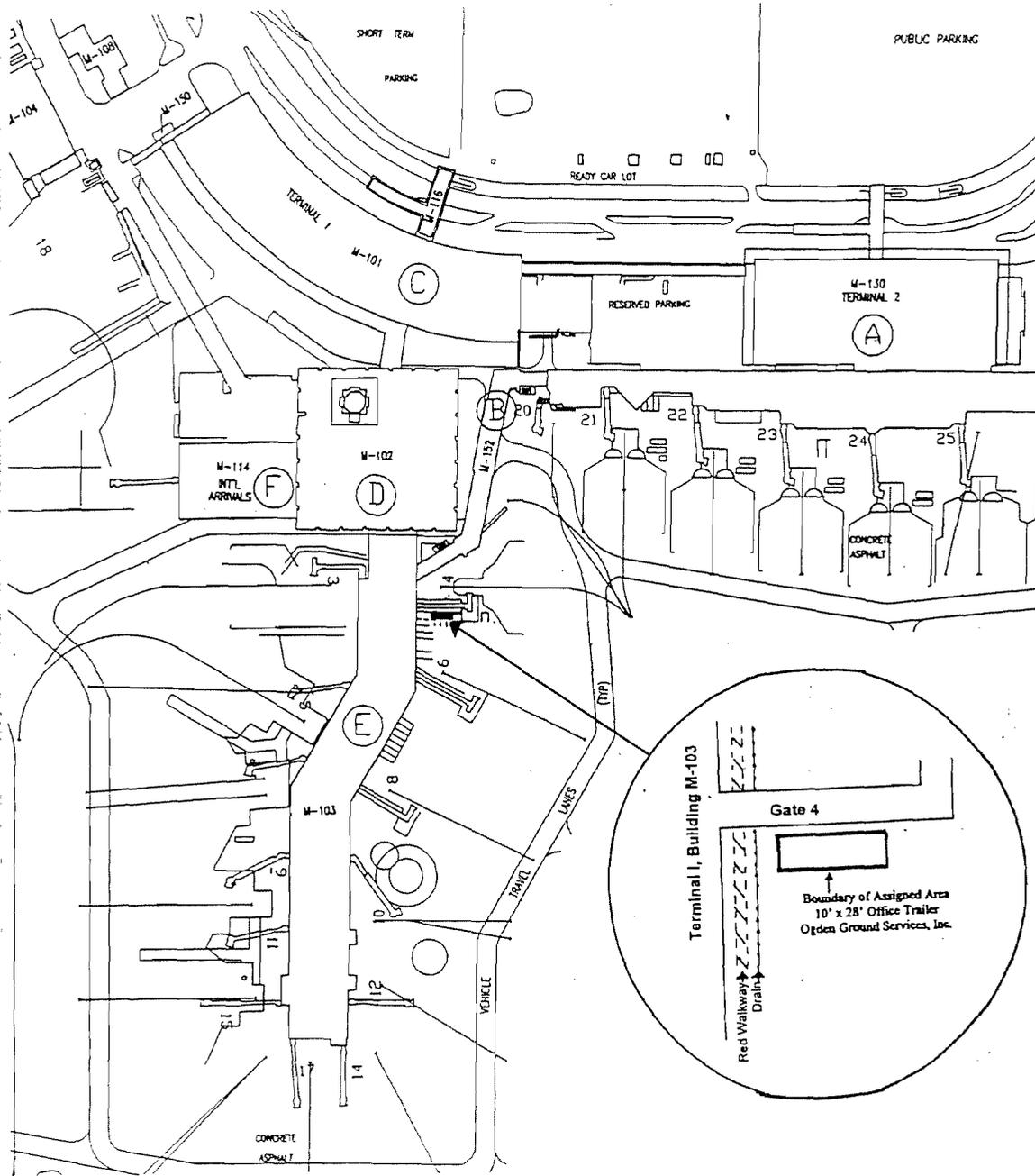
[Signature]
SECRETARY OF THE BOARD

MAY 21 2002

DATE

**Board of Port Commissioners
Calendar Item**

**Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with Ogden Ground
Services, Inc. (#1 Airport Drive, South Airport)**



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Agenda Sheet

DATE: May 21, 2002

ITEM NO: 13S

SUBJECT:

Approval of License and Concession Agreement with the U.S. Lighthouse Society, a non-profit California Corporation, for the Berthing of the Historic Lightship Relief in the area adjacent to the Fire Boat on the West End of Jack London Square

SUBMITTED BY: Omar Benjamin

EXECUTIVE OFFICE RECOMMENDATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

Since 1990, the U.S. Lighthouse Society, a non-profit California corporation, has had an agreement with the Port of Oakland to store the Lightship Relief at the 9th Avenue Terminal. The Lighthouse Society is dedicated to the purchase, maintenance and restoration of lighthouses throughout the United States. The United States has decommissioned all lightships and most of them have been scrapped; however, in the late 1980's, the Lighthouse Society obtained the decommissioned Lightship Relief that served as a floating lighthouse for over 25 years with the intent of restoring the vessel and putting it on public display.

The Lightship was built in 1951 in Boothbay Harbor, Maine, and is registered as a National Historic Monument as is the Potomac. For each assignment, a lightship had the name of its assignment painted on the sides. For example, a relief lightship that would temporarily relieve other lightships had "RELIEF" painted on its sides. Since its last duty as a relief lightship, the Society retained the "RELIEF" designation. In 1951, the Lightship Relief, LV 605, served on the OVERFALLS station off the coast of Delaware, USA. It then served off the California coast as the BLUNTS from 1960 to 1969 and finally served as a relief lightship RELIEF for all west coast lightships until 1976. With its purchase, the Lighthouse Society saved this vessel from the scrap yard.

In 1993, the Port applied for \$470,000 in Federal Transportation Enhancement Activity (TEA) funds which were approved in 1998 to provide for an ADA berthing facility in Jack London Square for the Presidential Yacht Potomac and a berth for the Lightship Relief. In addition, the Port sponsored an application for \$110,000 in Federal TEA grant funds to help restore the hull of the Lightship Relief. Both of these projects have been completed. The Lighthouse Society has completed restoration of the Lightship Relief and the ship is now ready for its display as planned.

The Lighthouse Society will execute the Port's standard License Agreement with a term of one year and a mutual 30-day termination provision. The Lighthouse Society will provide liability insurance naming the Port as additionally insured. The Lighthouse Society will agree to open the Lightship for public viewing at fees approved by the Port on weekends, weekdays during the summer and on weekends during the remaining portion of the year. The Lighthouse Society will pay rent of \$1.00/year and will pay all taxes, utilities servicing the vessel and other direct costs for its operations. The Port is not obligated to sponsor the Lightship or provide any operational funds to the Society, therefore, there will be no financial impact on the Port.

ANALYSIS:

The Lightship Relief will be berthed at the quay wall to the west of the Potomac and fireboat Sea Wolf. This newly dedicated public access area created by the Port provides for a public access walkway between the fire station and the Oakland Estuary. This project was funded, in part, with Federal TEA funds and has been approved by BDCD. This area will now have two historic vessels that will help in attracting public activity to the west end of Jack London

- INFORMATION
- SOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02147
BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

MAY 21 2002
DATE

Subject:

Approval of License and Concession Agreement with the U.S. Lighthouse Society a non-profit California Corporation for the berthing of the Historic Lightship Relief in the area adjacent to the Fire Boat on the West End of Jack London Square

square. Port staff is currently negotiating with BCDC about a schedule and acceptable alternatives to the public access once provided by the FDR Pier that was dedicated as public access associated with the development of Howard Terminal. The FDR Pier has been condemned and can no longer offer public access. At this time, the Port is preparing alternative plans for the demolition of the Pier and is working on an informal basis with BCDC, JLSP (the Jack London Square developers) and others to deal with planning issues relative to public access replacement in the area.

LAND USE AND ENVIRONMENTAL DETERMINATION:

The proposed license and concession agreement is within the scope of the Lightship Relief Berthing Facilities Project, since the facility was constructed specifically for the purpose of berthing the Lightship Relief. The Lightship Relief Berthing Facilities Project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Sections 15301 and 15303, and Port CEQA Guidelines Section 15311(f).

SUSTAINABILITY:

At this time there are no obvious environmental issues or opportunities in entering into this license agreement. The TEA grant funding to construct the berthing facilities for the Potomac and the Lightship Relief was based on the ability to enhance local areas and provide recreational activities that can be found through the use of multi-modal transportation facilities. The ferry terminal and the Amtrak Station provide multi-modal transportation to and from this display of historic and maritime interest.

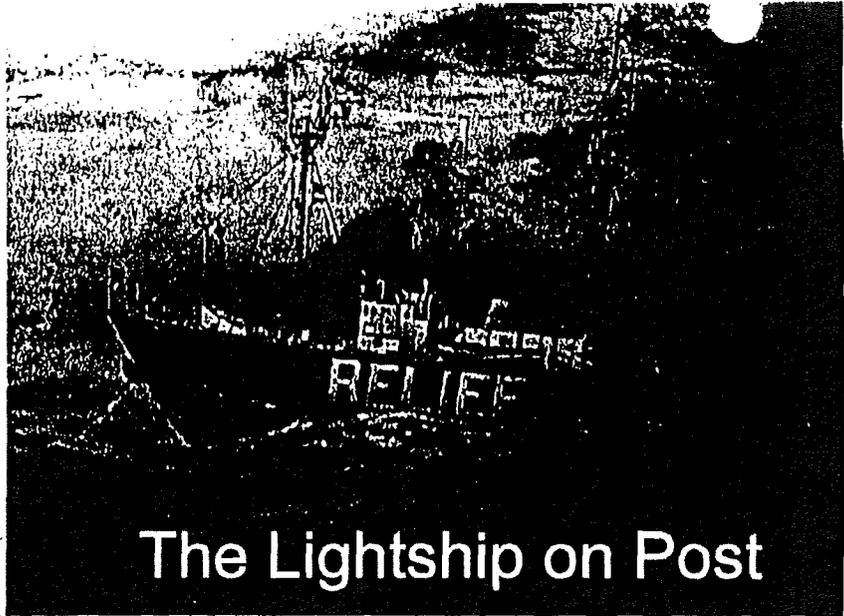
OPTIONS:

Through a series of steps taken over the years, the Port has agreed to undertake the development of this project. In 1993, staff conceptualized the project and applied for Federal funding with Board approval. A key component of the project was the ADA access ramp developed for the Potomac and the addition of the Lightship Relief creating a mini historic ship basin. The Port has an agreement with the Potomac Association requiring that it provide an accessible berth. In 1998, BCDC approved the Port's application for the permit. The Port finalized agreements with Caltrans for funding this project under the Federal TEA guidelines in 1999 and in 2001 the Board approved plans and specifications and advertising for bids on the project. The Lighthouse Society has been anxiously waiting for the berth to be developed so that they may finally berth the vessel and have it accessible to the public as an interesting museum piece.

If the Port does not enter into the agreement with the Lightship Relief and decides that some commercial use of the facility may generate revenue, such action may result in the forfeiture of the \$460,000 TEA Grant funding the Port received to develop the project. The application and agreements with Caltrans describe the Transportation Enhancement Project for the berthing of historic vessels. In addition, the Port sponsored TEA application for the Lightship to obtain \$110,000 grant for hull repair was conditioned on its berthing in this location.

RECOMMENDATION:

It is recommended that a License and Concession Agreement be executed with the U.S. Lighthouse Society for the berthing of the Lightship Relief at the area shown on the attached exhibit at a rental rate of \$1.00 per year. The Lighthouse Society will have the vessel open to the public on a regular schedule to be approved by the Port. In addition, the Lighthouse Society will maintain liability insurance naming the Port and other interested parties as additionally insured. This agreement will be effective June 1, 2002, or upon execution.

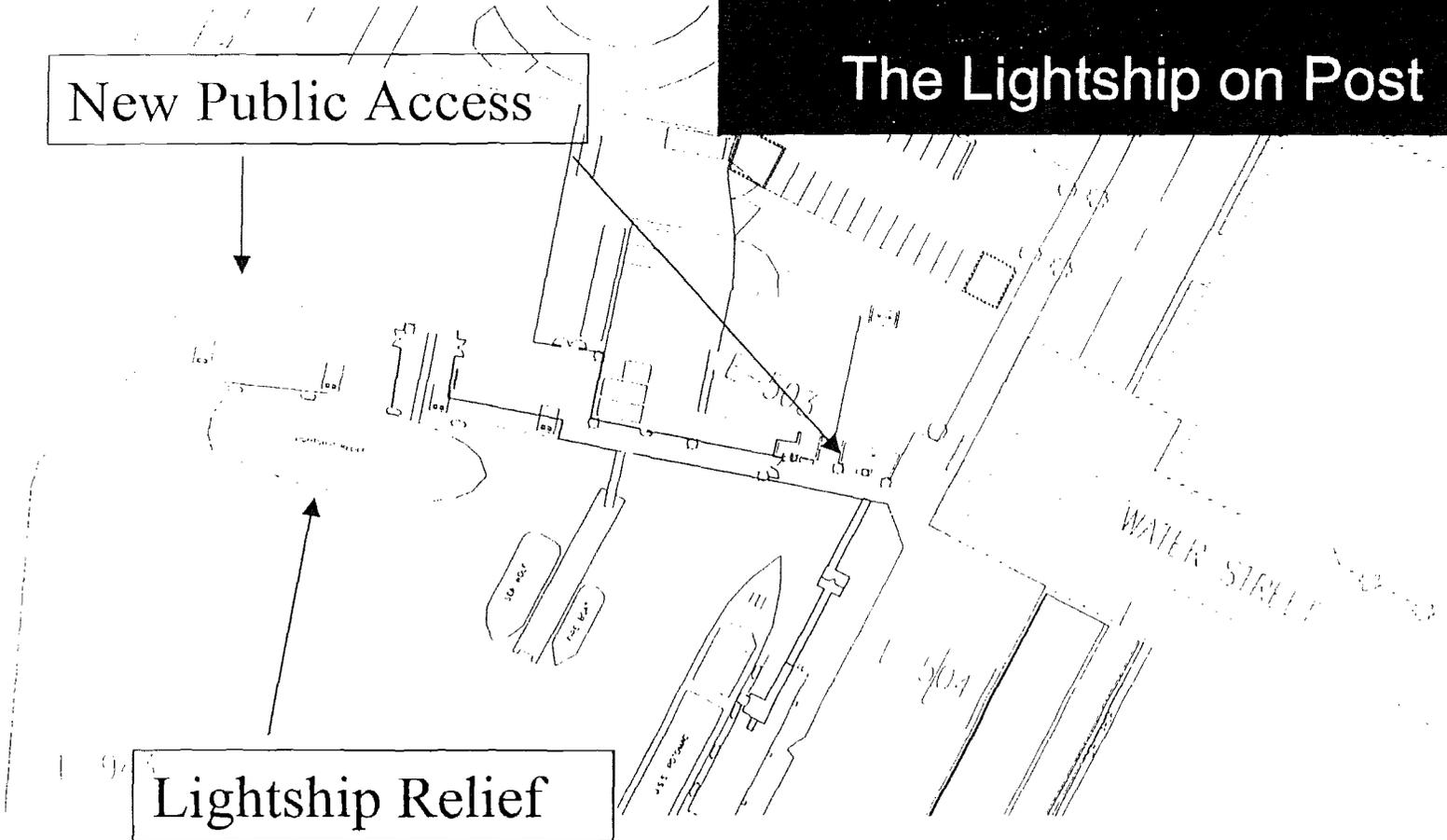
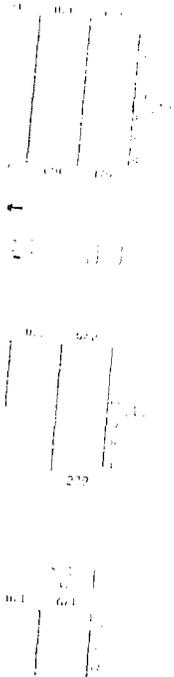


The Lightship on Post

New Public Access



Lightship Relief



Agenda Sheet

^{TD}
 SUBJECT: Authorization to Dispense with Standard Bidding Procedures
 for Demolition of Buildings C-406, C-407, C-401 Office Area, and
 Miscellaneous Site Preparation Activities

DATE: May 21, 2002ITEM NO: 22S

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Joseph K. Wong EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

In preparation for future expansion of Maritime activities, the Port has signed an agreement with Stevedoring Services of America Terminals (SSAT) to operate Berths 57-59, which will include the demolition of all or part of Building D-833 to make way for a new terminal entrance and Administrative Complex. The signed agreement includes a clause for the new terminal entrance and Administrative Complex to be available for occupation by January 2004. As a result, the Port's Harbor Facilities and Construction Departments, including the vehicle maintenance and administrative functions that are currently located in Building D-833, will need to be relocated to a new Port Field Support Services Complex (PFSSC) to be constructed at the site currently occupied by Buildings C-406 and C-407 and a portion of Building C-401.

ANALYSIS:

The site currently being occupied by Buildings C-406, C-407, and the office portion of Building C-401 has been selected as the site for the future Maritime Support Center (MSC) and will include the PFSSC. Buildings C-406 and C-401 consist of truck docks and office areas. Building C-406 sustained partial damage due to fire several years ago. The roof over the north dock area has been removed and the office area is uninhabitable in its present condition. Currently, Three Rivers Trucking is using the south dock area as a transload facility. Building C-401 is currently unused. A ground water treatment system has been installed on the south side of the building and is used to remove petroleum product floating on the water table underneath the site. The source of the floating petroleum product was a leaking underground storage tank (UST) that has been removed. The site surrounding Building C-401 is currently being used for wheeled container parking. Building C-407 is a former truck maintenance building and is currently unused. Building C-407 is within the footprint of subsurface soils and ground water impacted by the former leaking UST.

In order to construct the PFSSC and meet the deadline for construction of SSAT's new Administrative Complex, the existing Buildings C-406, C-407, and the C-401 office area need to be demolished and the site prepared for the PFSSC construction by October 2002. It is anticipated that the existing tenant at Building C-406, Three Rivers Trucking, will be relocated to the Building C-401 dock area.

The project will include the complete demolition of Buildings C-406 and C-407, and the partial demolition of Building C-401. Only the office portion of Building C-401 will be demolished. As part of the demolition work, the existing Portland Cement Concrete (PCC) slabs, walls, foundations, and asphalt concrete pavements will be removed, crushed, and stockpiled on site to be used as aggregate base for the new pavement sections.

Environmental subsurface investigations have identified the potential for encountering hydrocarbons in subsurface soils during underground vault and foundation excavations. Due to the potential for encountering hydrocarbons in subsurface soils, contractors with 40-hour Occupational Safety and Health Administration (OSHA) trained workers would be required to perform the foundation excavation work during demolition.

- MOTION
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No.

02149
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Assistant


 SECRETARY OF THE BOARD

MAY 21 2002

DATE

Site preparation will include placing fill materials from a Port-designated source to increase the elevation of the existing ground surface to match the Joint Intermodal Terminal (JIT) grades that border the site.

Under standard bidding procedures, the length of time involved in selecting a contractor is typically greater than 4 months and would postpone the construction schedule and ultimately the date that SSAT could occupy the new Administration complex at Berths 57-59. Delays to the terminal would impact revenues.

Proposals will be solicited from contractors who had bid on the demolition of the buildings on the former Fleet Industrial Supply Center as part of the Vision 2000 Program and any other qualified local demolition contractor.

Environmental

The demolition of Buildings C-401, C-406 and C-407 is covered (for the purposes of CEQA) under the Draft EIS/EIR for the Disposal and Reuse of Fleet and Industrial Supply Center, Oakland, Vision 2000 – Maritime Development. Demolition and site preparation activities are referred to on page 2-17 of this document, and demolition is addressed by several impacts and mitigation measures in the document.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 program and this particular project conform to the policies of the City of Oakland General Plan.

Budget

This work is budgeted under Capital Improvement Project Item Number M6.00563.02. The funding source is Port cash and bonds.

Sustainability

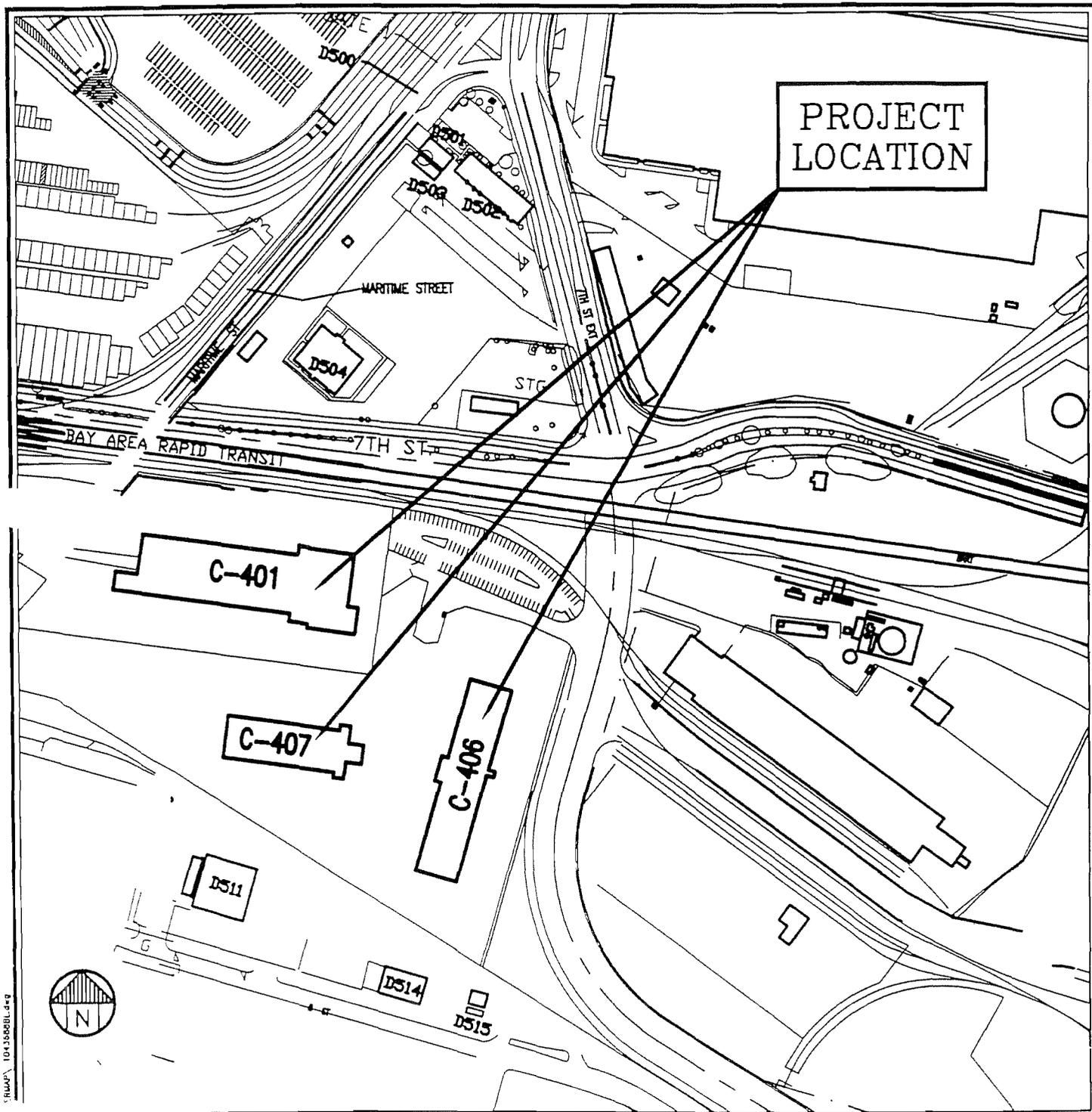
This project is consistent with the Port's sustainable development strategy. The PCC slabs, walls, foundations, and asphalt concrete pavements will be crushed and recycled as aggregate base for use in new pavement sections constructed on site. The steel removed will also be taken to a recycler. The fill to be used is excess material generated on a nearby Port project.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that, in order to meet the construction schedule for the Port Field Support Service Center, the Board find it to be in the best interests of the Port to dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute a contract for the demolition of Buildings C-406, C-407, C-401 office area, and miscellaneous site preparation activities based on receipt of quotations from selected contractors.



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PORT OF OAKLAND

VISION 2000 PROGRAM

Schedule for Demolition of Buildings C-401, C-406, and C-407
Maritime Support Center
Oakland, California

ID	Task Name	Start	Finish	2nd Quarter			3rd Quarter			4th Quart
				Apr	May	Jun	Jul	Aug	Sep	Oct
1	Work Order Approved	Tue 4/23/02	Tue 4/23/02	◆ 4/23						
2	Plans and Specifications	Tue 4/23/02	Thu 6/13/02	[Task Bar]						
3	Board Meeting to Approve Dispensing with Formal Bidding	Tue 5/21/02	Tue 5/21/02		◆ 5/21					
4	Plans and Specifications Completed	Thu 6/13/02	Thu 6/13/02			◆ 6/13				
5	Bidding	Mon 6/17/02	Wed 7/10/02			[Task Bar]				
6	Bid Due Date	Wed 7/10/02	Wed 7/10/02				◆ 7/10			
7	Review Bids	Wed 7/10/02	Tue 8/6/02				[Task Bar]			
8	Award	Tue 8/6/02	Tue 8/6/02					◆ 8/6		
9	Set Up Contract	Tue 8/6/02	Fri 8/23/02					[Task Bar]		
10	Contract Signed - Notice to Proceed	Fri 8/23/02	Fri 8/23/02						◆ 8/23	
11	Demolition	Mon 9/9/02	Thu 10/31/02							[Task Bar]
12	Building C-401 Demolished and Site Prepared for New PFSSC Construction	Tue 10/1/02	Tue 10/1/02							◆ 10/1

Project: demo-sched Date: Mon 5/6/02	Task	[Task Bar]	Rolled Up Task	[Task Bar]	External Tasks	[Task Bar]
	Progress	[Progress Bar]	Rolled Up Milestone	◆	Project Summary	[Summary Bar]
	Milestone	◆	Rolled Up Progress	[Progress Bar]		
	Summary	[Summary Bar]	Split	[Dotted Bar]		

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL
May 6, 2002

PROJECT TITLE: Demolition of Buildings C-406, C-407, C-401 Office Area, and Miscellaneous Site Preparation Activities, Vision 2000, Oakland, California

RE: Authorization to Dispense with Standard Bidding Procedures for Demolition of Buildings C-406, C-407, C-401 Office Area, and Miscellaneous Site Preparation Activities

CIP NO: M6.00563.02

W.O. #'s: 104368, 104369, and 104370

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The authorization to dispense with standard bidding procedures for demolition of buildings C-406, C-407, and C-401 office area, and miscellaneous site preparation activities is being tracked under work order # 104368, 104369, and 104370.

Budget: This project is included in the CIP Element # M6.00563.02 budget which is summarized in Table 1 below with the project estimates shown under the element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00563.02

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00563.02	270 (57)	460 (93)	7958 (600)	500						9188 (750)
Total =	270	460	7958	500						9188

Remarks:

Agenda Sheet

DATE: May 21, 2002

SUBJECT: Authorization of Three-Year Contract not to Exceed \$100,000.00 with George Hills Company, Inc.

ITEM NO: 35S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer

EXECUTIVE OFFICE RECOMMENDATION: 5

FACTUAL BACKGROUND:

George Hills Company, Inc. has performed non-airport and automobile liability claims administration and related adjusting services for the Port of Oakland since 1986. We have maintained an excellent working relationship with the Oakland claims office for more than fifteen (15) years under an annual purchase order contract not to exceed the sum of \$14,999.00 per year.

George Hills Company, Inc. is a California corporation. In 1954, they established their first Oakland office to provide professional claims services. Since that time, they have expanded to include eight (8) more California offices, as far south as Fresno and as far north as Lakeport.

The present Oakland claims office has both the qualifications and experience working with other self-insured entities and municipalities. The following cities are long time clients of George Hills Company, Inc.: City of Albany, City of Berkeley, City of Emeryville, City of Oakland, City of Piedmont and the City of Union City. The local office also does work for Bay Cities, a Joint Power Insurance Authority which includes all of the above public entities, except the City of Oakland.

George Hills Company, has provided to the Port claims investigation services on a 24-hour per day, 7-day per week response basis, including but not limited to the following:

- Site and Scene Investigation
- Analysis
- Photographs
- Diagrams
- Contact with Claimant (Including Taped Interviews)
- Interview of Witness

MOTION

RESOLUTION

ORDINANCE

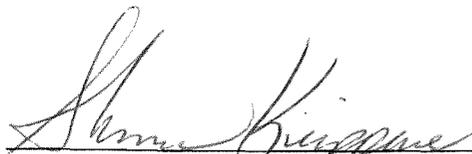
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Approved by Resolution

No. 02152

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

MAY 21 2002

DATE

Additionally, George Hills Company will provide other claims adjusting and administrative services and will submit periodic reports regarding the Port's claim activities, including but not limited to the following:

**Preliminary Reports Outlining the Results of Initial Claims Investigation
Full Captioned Reports Within Thirty (30) Days of Receipt of Claim
Monthly Loss Runs**

For the purpose of continuity, Enterprise Risk Management recommends continuing use of George Hills Company, Inc. to perform liability claims administration and related adjusting services.

To date, we have never exceeded the \$14,999.00 purchase order limit and were able to pay all of the invoices received from George Hills Company, Inc. for their claims administration services.

In 1999, we added the Airport Shuttles and AirBART Shuttles to the Port's automobile insurance program, which resulted in a considerable premium savings for the Port. However, that increased the volume of claims being handled by George Hills Company, Inc., so that additional fees above \$15,000.00 are necessary.

We are requesting Board authority to execute a three-year professional services contract, not to exceed the sum of \$100,000.00, with George Hills Company, Inc., so that they may continue to perform claims administration work for the Port of Oakland. The fees incurred for the adjustment of the Airport Shuttles and AirBART are charged back to the Airport's operating budget.

BUDGET:

This contract will not increase any costs for the Port. Its costs are budgeted under the Risk Management Department Insurance Deductible operating budget and the Airport's operating budget for the Shuttles and AirBART Shuttles.

RECOMMENDATION:

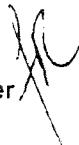
It is recommended that the Board approve a three-year professional services contract with George Hills Company to perform liability claims administration services for fees not to exceed \$100,000.00 total.

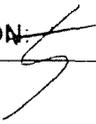
Agenda Sheet

SUBJECT: Authorization to Purchase Motor Vehicles and Declare Replacement Vehicles Surplus

DATE: May 21, 2002

ITEM NO: 36S

SUBMITTED BY: Fred Rickert, Chief Financial Officer 

EXECUTIVE OFFICE RECOMMENDATION: 

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

FACTUAL BACKGROUND

Port departments have developed a list of vehicles recommended for purchase this fiscal year and the list has been included in the fiscal year 2002 budget. The total amount budgeted for motor vehicles and related equipment is approximately \$2.5 million dollars. This letter primarily covers pick-up trucks. *Additional vehicles will be addressed in a separate board letter.*

A breakdown of how the vehicles will be assigned, which are additions or replacements and the estimated cost follows:

QTD/Vehicle	Department	Replace/Addition	Estimated Cost	Primary Purpose
(11) ½ ton pick-ups w/extended cab	Engineering facilities and Construction	4- Replacements 7- Adds	\$276,000	Maintenance
(4) 1 ton truck w/utility body	(2) Aviation (2) Engineering	4- Replacements	\$140,000	Maintenance
(4) ½ ton truck w/utility body	Aviation	4- Replacements	\$120,000	Maintenance
(1) Scrubber	Aviation	1- Replacements	\$100,000	Maintenance
(1) Wheel Loader	Aviation	1- Replacements	\$160,000	Maintenance

Total: \$796,000

The intent is to purchase these vehicles through cooperative agreement with the State of California and other public entities. These arrangements offer the benefits of highly competitive prices and relatively quick turn-around. Staff will solicit quotations for vehicles not available under cooperative agreement.

Recommendation:

It is recommended that the Board authorize the Executive Director to purchase the vehicles specified herein at an approximate cost of \$796,000, plus taxes and fees, through cooperative agreement with other public entities or through open market procurement. It is further recommended that the Board declare all vehicles scheduled for replacement as surplus and authorize the Executive Director to sell the vehicles or to donate the vehicles to eligible not for profit community based organizations.

- MOTION
 RESOLUTION
 ORDINANCE
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Approved by Resolution

No.

02153

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

MAY 21 2002

DATE

Agenda Sheet

DATE: May 21, 2002

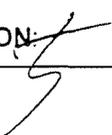
ITEM NO: 37S

SUBJECT: Authorization to Sell Surplus Boat and Electrical Equipment

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred Rickert, Chief Financial Officer

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND

The Engineering Division has determined that it no longer has a need for one small boat acquired in 1996, at a cost of approximately \$15,000, to use for the sampling and Analysis Program for the 50 feet deepening project. The boat was subsequently used for the Regional Water Quality Board mandated monitoring program related to the Berth 55-59 Construction Project. The boat has an estimated current resell value of \$5-7,000.

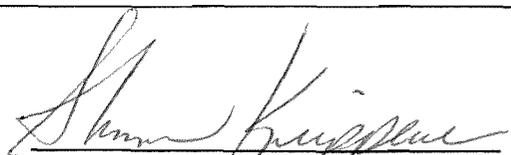
The electrical equipment is comprised of 7 spider boxes and related accessories, including power cords and protective devices for the cords. The Engineering Division acquired the spider boxes, at a cost of approximately \$8,500, to facilitate the distribution of electricity at special events. The spider boxes have an estimate current resell value of \$4-5,000.

Recommendation:

It is recommended that the Board declare the boat and spiders boxes, including accessories as surplus and authorize the Executive Director to sell the boat for a minimum of \$5,000 and to sell the spider boxes for a minimum of \$4,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02154


BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

MAY 21 2002

DATE

Agenda Sheet

DATE: May 21, 2002

SUBJECT: Authorization to Renew the Port's Insurance Programs for Computers, Loss of Access, Fire Insurance and Ratify Renewals of Automobile Liability, Automobile Physical Damage, Public Officials Errors & Omissions, Port Liability, Airport Liability, Special Events Liability, Excess Workers' Compensation, Crane Physical Damage, and CAPA Umbrella Excess Liability Policy

ITEM NO: 38S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Property and Casualty insurance market has hardened significantly this year. This is the most dramatic change since the "Liability Insurance Crisis" of the early 1980's. However, this time it is the property market that has been the most effected. During the last two (2) years, the property insurance market has experienced a decline in underwriting results which has resulted in reduced market capacity, especially for catastrophic perils such as Earthquake & Flood, with more restrictive terms and increased pricing. These trends were substantially accelerated because of the September 11th events.

We have received premium increases driven by the market and our increased insurable values and revenue in all lines of insurance with the greatest percentages in the areas of our Fire Insurance, which is just expiring from a three-year program with a rate guarantee, our cranes which are insured for Earthquake and our Excess Workers Compensation program which will no longer have unlimited coverage, but instead are capped at \$25,000,000. To contain even greater premium increases, we have increased our deductibles/retentions for our Port Liability, Airport Liability, Public Officials Errors & Omissions, and Fire Insurance.

With the exception of the stand-alone Airport Terrorism Insurance and the Cranes, all policies will contain War/Terrorism exclusions.

The Executive Director has authorized the May 20th renewals subject to the Board of Port Commissioners ratification. Every effort will be made to reduce these costs further. The premiums shown represent the high end of the range. We will also consider reducing our Fire Insurance limit and increase our deductibles to contain costs.

MOTION

RESOLUTION

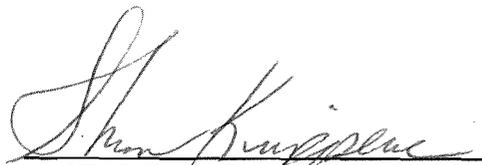
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No. 02155

BOARD ACTION TAKEN



Assistant SECRETARY OF THE BOARD

MAY 21 2002

DATE

<u>COVERAGE</u>	<u>EXPIRING</u>	<u>RENEWAL</u>
AUTOMOBILE LIABILITY	5/20/01 – 5/20/2002 Company – Genesis Limit - \$1,000,000 Retention - \$100,000 Units 267 Premium - \$89,507	5/20/02 – 5/20/2003 Company – Genesis Limit - \$1,000,000 Retention - \$100,000 Units 322 Premium - \$133,900
AUTOMOBILE PHYSICAL DAMAGE (Airport Shuttles/AIR-BART)	5/20/01 – 5/20/2002 Company – Genesis Premium – \$29,841	5/20/02 – 5/20/2003 Company – Genesis Premium - \$36,642
PORT LIABILITY	5/20/01 – 5/20/2002 Company – MOAC Limit - \$1,000,000/\$3,000,000 Retention - \$100,000 Rate - .131% Premium - \$132,500	5/20/02 – 5/20/2003 Company – MOAC Limit - \$1,000,000/\$3,000,000 Retention - \$200,000 Rate - .168% Premium - \$168,000 (28% Increase)
PUBLIC OFFICIALS ERRORS & OMISSIONS	5/20/01 – 5/20/2002 Company (Coregis/AIG/Gulf/GenStar) Limit - \$20,000,000 Retention - \$250,000 Premium – \$142,710	5/20/2002 – 5/20/2003 Company AIG/GULF/GenStar/ACE Limit - \$20,000,000 Retention - \$500,000 Premium - \$416,500
CAPA, UMBRELLA EXCESS LIABILITY	5/20/01 – 5/20/2002 Company – U.S. & London Limit - \$150,000,000 Retention - \$1,000,000 Premium - \$140,583	5/20/02 – 5/20/2003 Company – U.S. & London Limit - \$150,000,000 Retention - \$1,000,000 Premium - \$250,000 (Estimate)
AIRPORT LIABILITY	5/20/01 – 5/20/2002 Company – AAU Limit - \$200,000,000 Retention - \$200,000 Premium – \$194,402	5/20/2002 – 5/20/2003 Company – AAU Limit - \$200,000,000 Retention - \$250,000 Premium - \$286,646
AIRPORT TERRORISM	10/08/01 – 10/08/2002 Company – AIG Limit - \$50,000,000 Premium – \$450,000	10/08/02 – 5/20/03 Company – Global AAU Limit - \$50,000,000 Premium - \$425,000 (Pro-rated \$260,950)

EXCESS WORKERS COMPENSATION	5/20/01 – 5/20/2002 Company – Employer Re Limit - Statutory Rate – 0.0821 Premium – \$27,500	5/20/2002 – 5/20/2003 Company – Employer Re Limit - \$25,000,000 Rate – 0.2015 Premium - \$87,971
CRANES	5/20/01 – 5/20/2002 Company – U.S. & London Value - \$189,973,884 Rate - .8354 Premium – \$1,585,852	5/20/2002 – 5/20/2003 Company – U.S. & London Value - \$229,426,557 Rate – TBD Premium - \$2,300,000 To \$3,340,500
COMPUTERS	6/1/01 – 6/1/2002 Company – Hartford Limit - \$3,100,000 Premium – \$15,800	6/1/2002 – 6/1/2003 Company – Firemans Fund Limit - \$3,100,000 Premium - \$18,922
LOSS OF ACCESS	6/1/01 – 6/1/2002 Company – Lloyds Limit - \$3,000,000 Premium – \$26,651	6/1/2002 – 6/1/2003 Company – Lloyds Limit - \$3,000,000 Premium - \$40,500
FIRE INSURANCE	6/01/99 – 6/01/2002 Company – Travelers Limit - \$817,570,319 Premium - \$352,301	6/01/2002 – 6/01/2003 Company - TBD Limit - \$1,015,350,238 Premium - \$609,210 to \$1,400,000 (Estimate)

RECOMMENDATIONS:

It is recommended that the Board ratify the renewal of the Port's Insurance Program including Automobile Liability, Automobile Physical Damage, Port Liability, Public Officials Errors & Omissions, Excess Public Officials Errors & Omissions, CAPA Umbrella Excess Liability, Airport Liability, Cranes, and authorize the renewals of Fire Insurance, Computers, and Loss of Access, with the insurers, limits and premiums described above, subject to the Port Attorneys review as to form and legality.

Agenda Sheet

DATE: MAY 21, 2002

ITEM NO: 39S

SUBJECT: Authorization to Satisfy Certain Procedural Requirements in Connection with the Redemption of the Special Facilities Revenue Bonds, 1992 Series A (Mitsui O.S.K. Lines, Ltd. Project) on Behalf of the Board

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On June 23, 1992, the Port of Oakland facilitated the financing of certain terminal improvements at Berth 30 on behalf of Mitsui O.S.K. Lines, Ltd. and its assignee Trans Pacific Container Service Corporation (Trapac) by issuing its Special Facilities Revenue Bonds, 1992 Series A (Mitsui O.S.K. Lines, Ltd. Project) (the "Bonds"), pursuant to a Trust Indenture, dated as of June 1, 1992, by and between the Board and U.S. Bank, N.A., as the Trustee and Registrar. There were excess proceeds reinvested in accordance with IRS requirements. As of March 31, 2002, the excess proceeds plus interest were approximately \$9,250,700. Under applicable law and the Bond documents, such unexpended proceeds may be used to redeem all or a portion of the Bonds on July 1, 2002, the first "Call" date. Under the Trust Indenture, the Board is to cause the redemption of such Bonds upon a request by Trapac.

ANALYSIS

Trapac has requested that the Board cause the redemption of such Bonds that may be redeemed with the unused proceeds plus interest, on July 1, 2002. In order to facilitate the redemption of the Bonds, the Trust Indenture requires the Board to take certain procedural steps, including, among others, giving prior notices to the Trustee and the Registrar to redeem the Bonds and providing the Registrar with written instructions that must be distributed by the Registrar to the owners of the Bonds. The instructions distributed to the owners will also be provided to certain information depositories and other entities as required under the Trust Indenture. In order to ensure that the redemption process is properly and timely conducted, the authority to take the procedural steps as required in the Trust Indenture needs to be delegated to the Executive Director, Deputy Executive Director, or Chief Financial Officer, or their designees. The actions required of the Board under the Trust Indenture are procedural in nature and of short turn-around time prior to the redemption of the Bonds.

RECOMMENDATION:

We recommend that the Board authorize the Executive Director, Deputy Executive Director, or Chief Financial Officer of the Board, or their designees, to take all procedural and related activities, including without limitation the notices to the Trustee and the Registrar to redeem the Bonds and the instructions to be provided to the Registrar for distribution as well as to execute any documents necessary to the redemption of bonds, subject in each case to the approval of the Port Attorney.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No.

02156

BOARD ACTION TAKEN



Assistant SECRETARY OF THE BOARD

MAY 21 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director
DAVID L. ALEXANDER
Port Attorney
JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, June 18, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

REPORT OF PRESIDENT:

Presentation of Scholarship Award Winners

Employees' Scholarship Program Winners

Adamaka Ajaelo	Victoria Lau
Taamiti Bankole	Hau Thi Le
John Boatner	Vinh Le
Adam Briones	Gina Lowe
Daniel Controneo	Deborah Nkwuo
Viridiana Cornejo	Tu-Anh Nguyen
Martha Gonzales	Rudy Ortegon
Leqi Guan	Betty Pham
Saul Guzman	Vien Dung Phung
Melissa Ho	Sou Sio Saechao
Latisha Jones	Cindy San
Maria Korsunsky	

AEA Scholarship Winners

Adam Briones	Gina Lowe
Sarah Chinn	Vien Dung Phung
Jason Estella	Lo Saetern
Brian Kozono	Anna Tran
Vinh Le	Adam Visconti
Stephanie Lee	Caroline Thompson
Ya Wei Liang	Jennifer Ting Yu

READING OF THE MINUTES:

Regular meeting of June 4, 2002.

ITEMS REQUIRING CLOSED SESSION:

See Item 40 - 42

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Audit, Budget & Finance
Commercial Real Estate

READING OF SUMMARY ITEMS: (Marked "S")

8 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Authorization to Include the Installation of Landscaping, Fencing, and Striping for the Aviation Maintenance Facilities Complex, North Field, OIA, in the Port's Small Business Program. (Resolution)

- 2** Approval of a Consultant Agreement with CCS Planning and Engineering, Inc., to Provide Traffic Transportation Analysis and Signage Study and to Prepare Plans and Specifications for the Fabrication and Placement of Signs at the Oakland Airport. (Resolution)

- 3** This item not used.
- 4** Permit Parking Lot Policy. (Resolution)
- 5S** Authorize Shuttleport to Use Leased Buses or Additional Non-Port Owned Buses. (Resolution)

COMMERCIAL REAL ESTATE

- 11** Authorization to Execute an Agreement with the State Department of Boating and Waterways for \$60,000 in Grant Funding to the Port to be Used for the Abatement of Abandoned Watercraft in the Oakland Estuary. (Resolution)
- 12S** Ratification of Change Order to Contract for Demolition of Building G-305 and Removal of Foundations for Buildings G-301, G-302 and G-303, Inner Harbor – Delete Bid Item 6. (Resolution)

MARITIME

- 21** Recommendation to Approve Suspension and Financial Settlement of China Shipping Container Line's Terminal Use Agreement at Ben E. Nutter Terminal. (Resolution)
- 22** Approval of a Second Revision to the Project Description for the Oakland Harbor Navigation Improvement (-50 Foot) Project and Finding that the Revision Does Not Require the Preparation of a Subsequent or Supplemental Environmental Impact Report (EIR). (Resolution)
- 23S** Authorization to Issue Request for Proposal (RFP) to Perform Maritime Market Segmentation Analysis and to Develop a Maritime Marketing Strategy. (Resolution)
- 24S** Termination of Contract for Construction of Replacement Crane Spare Parts Building. (Resolution)

OPERATIONS

- 31** Amendment to Non-Discrimination in Small Local Business Utilization Policy for Alternative Project Delivery Methods. (Resolution)
- 32** Informational Report by the MIS Department. (Information Only)

CLOSED SESSION

- 40** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 4 matters.
- 41** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (c) Section 54956.9 1 matter.
- 42** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.9, under negotiations:

Property:	Oakland Army Base
Negotiating Parties:	Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation:	Price and Terms of Payment
Property:	34 Acres on Pardee Drive & Swan Way
Negotiating Parties:	Port of Oakland and Commercial Real Estate/Aviation
Under Negotiation:	Price and Terms of Payment

Vote on the following resolutions except Number 12:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami – 7
Noes: None
Absent: None

Vote on Number 12:

Ayes: Kiang, Kramer, Protopappas, Scates, Uribe
and President Tagami – 6
Noes: Commissioner Ayers-Johnson – 1
Absent: None

RESOLUTIONS:

- 02190 1** GRANTING AUTHORIZATION TO INCLUDE THE INSTALLATION OF LANDSCAPING, FENCING, AND STRIPING FOR THE AVIATION MAINTENANCE FACILITIES COMPLEX, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, IN THE SMALL BUSINESS PROGRAM, FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR SUCH WORK WITHOUT COMPETITIVE BIDDING; AND AUTHORIZING EXECUTION OF A CONTRACTOR FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport – 1)
- 02191 2** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CCS PLANNING AND ENGINEERING, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT.
(Airport – 2)
- 02192 3** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH SHUTTLEPORT FOR THE LEASING OF ADDITIONAL BUSES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport – 5S)
- 02193 4** ACCEPTING GRANT FUNDING FROM STATE OF CALIFORNIA DEPARTMENT OF BOATING AND WATERWAYS FOR THE ABATEMENT OF ABANDONED WATERCRAFT IN THE OAKLAND ESTUARY. (Commercial Real Estate – 11)

- 02194 5** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH PEAK ENGINEERING, INC., FOR DEMOLITION OF BUILDING G-305 AND REMOVAL OF FOUNDATIONS FOR BUILDINGS G-301, G-302 AND G-303, INNER HARBOR CHANNEL, OAKLAND, CALIFORNIA. (Commercial Real Estate - 12S)
- 02195 6** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT PROVIDING FOR SUSPENSION AND FINANCIAL SETTLEMENT OF TERMINAL USE AGREEMENT WITH CHINA SHIPPING CONTAINER LINES. (Maritime - 21)
- 02196 7** CERTIFYING REVIEW AND CONSIDERATION OF ADDENDUM TO THE ENVIRONMENTAL IMPACT REPORT FOR THE OAKLAND HARBOR NAVIGATION IMPROVEMENT (-50 FOOT) PROJECT, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING REVISIONS TO THE PROJECT DESCRIPTION, AND APPROVING REVISIONS TO THE PROJECT DESCRIPTION. (Maritime - 22)
- 02197 8** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT OF OAKLAND ("PORT") TO RETAIN A CONTRACTOR TO PERFORM A MARITIME MARKET SEGMENTATION ANALYSIS AND TO DEVELOP A MARITIME MARKETING STRATEGY THROUGH A REQUEST FOR PROPOSALS (RFP), WITHOUT COMPETITIVE BIDDING AND AUTHORIZING AND APPROVING THE ISSUANCE OF AN RFP FOR SAME. (Maritime - 23S)
- 02198 9** APPROVING AND AUTHORIZING TERMINATION OF CONTRACT WITH W.E. LYONS CONSTRUCTION CO. FOR CONSTRUCTION OF REPLACEMENT CRANE SPARE PARTS BUILDING, OAKLAND, CALIFORNIA. (Maritime - 24S)
- 02199 10** APPROVING POLICY ENHANCEMENTS TO NON-DISCRIMINATION AND SMALL LOCAL BUSINESS UTILIZATION POLICY FOR ALTERNATIVE PROJECT DELIVERY APPROACHES. (Operations - 31)
- 02200 11** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS BETWEEN THE PORT OF OAKLAND AND ARKWRIGHT MUTUAL INSURANCE COMPANY REGARDING NINTH AVENUE TERMINAL AND MISCELLANEOUS SITES. (Closed Session - 40)
- 02201 12** RECOMMENDING THE ADOPTION OF A PERMIT PARKING LOT POLICY AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT. (Airport - 4)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer,
Protopappas, Scates, Uribe and President Tagami – 7
Noes: None
Absent: None

ORDINANCES:

1 ("S") Port Ordinance No. 3704 being, "AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE NO. 3634 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.

2 ("S") Port Ordinance No. 3705 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF GROUND LEASE WITH GRAY AND REYNOLDS PROPERTIES, INC."

Final.

3 ("S") Port Ordinance No.3706 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.06, AND ADDING SECTION 1.291 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Final.

4 ("S") Port Ordinance No. 3703 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTIONS 2.01, 8.0631 AND ADDING SECTIONS 8.47 AND 14.5."

Final.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a Special Budget Meeting held on Tuesday, June 25, 2002, at 5:30 P.M.**

The next regular meeting will be held on Tuesday, July 2, 2002 at 3:00 P.M.

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 1

^{TD}
SUBJECT: Authorization to Include the Installation of Landscaping, Fencing, and Striping for the Aviation Maintenance Facilities Complex, North Field, OIA, in the Port's Small Business Program

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On September 5, 2000, the Board of Port Commissioners approved the Plans and Specifications for the Aviation Facilities Maintenance Complex (AFMC) and authorized advertisement for bids. The AFMC is currently under construction and scheduled to be completed in mid-January, 2003. In an effort to provide prime contracting opportunities to small local contractors, various components of the project sitework were separated out and set aside to bid separately under the Small Business Program. These sitework components include landscaping, fencing, gates, pavement striping, and vehicle bumpers.

ANALYSIS:

It is believed to be in the best interests of the Port to include this project in the Port's Small Business Program. This program allows small local contractors to attain experience in public sector work. To encourage small local contractor participation in this work, it is recommended that the Port dispense with competitive bidding procedures and engage in an outreach program to initially solicit proposals from only small local contractors.

Environmental

The Port of Oakland approved the project by Resolution No. 98471 and filed a categorical exemption at Alameda County on December 22, 1998. The San Francisco Bay Conservation and Development Commission (BCDC) issued Permit No. M98-71 to the Port of Oakland on February 8, 1999.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The work is budgeted under CIP Element No. A1.00685.01. The funding source is Port cash. The Project Budget Detail is attached.

Sustainability

A sustainable development strategy will be implemented for the design and construction for this project. The landscaping for this project includes drought resistant, California native species. The paint for the striping will be lead free. All waste construction debris that can be recycled will be.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02190

BOARD ACTION TAKEN

Assistant

[Signature]

SECRETARY OF THE BOARD

JUN 18 2002

DATE

Project Labor Agreement

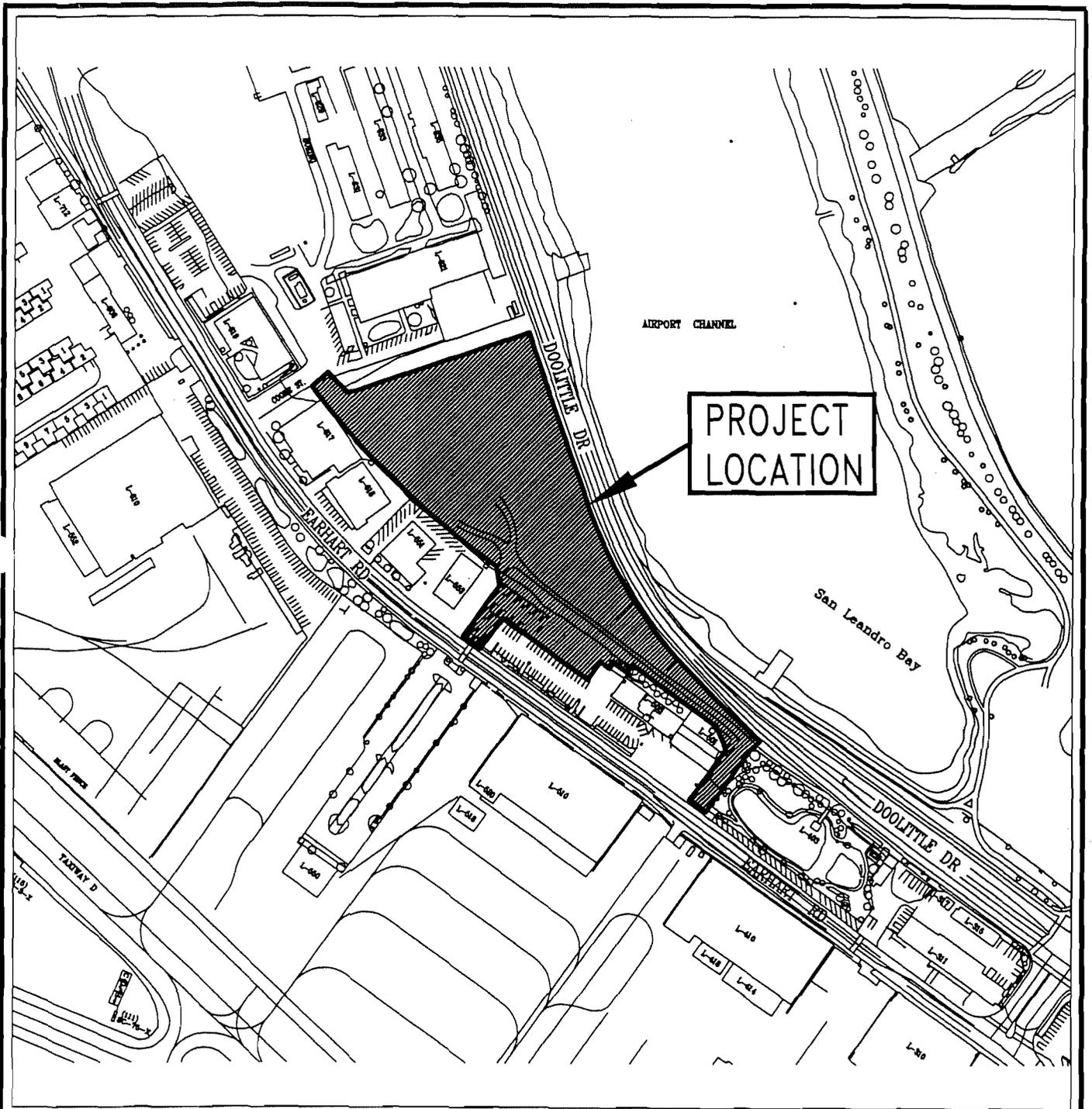
The provisions of the Port Of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply for this work.

However, if a qualifying small local contractor submits a proposal that is acceptable to the Port and said contractor is otherwise eligible for exemption from the MAPLA under the program established in the MAPLA's Appendix "G"-Letter of Understanding re: Small Business Utilization Program, it is the Port's intention to exercise the exemption and to award the contract under that program.

RECOMMENDATION:

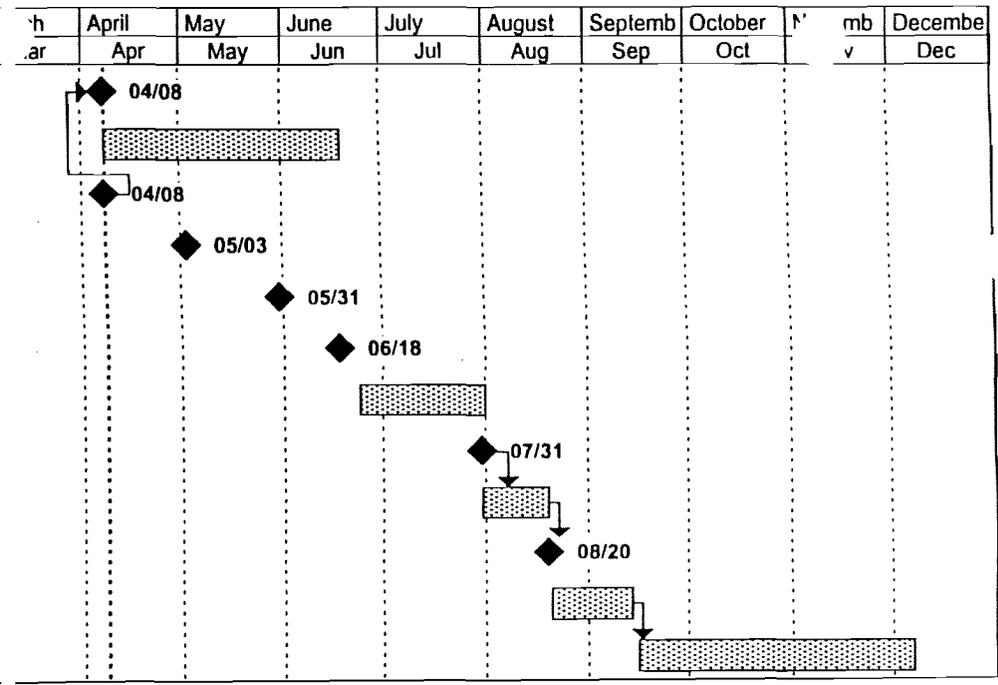
It is recommended that the project Installation of Landscaping, Fencing and Striping for the Aviation Maintenance Facilities Complex, North Field, OIA, be included in the Port's Small Business Program, and that it be found to be in the best interests of the Port to dispense with formal competitive bidding procedures. It is also recommended that the Executive Director be authorized to execute a contract for this work with a small local contractor who submits an acceptable bid.

It is further recommended that the Executive Director be authorized to execute a contract for this work with any qualified contractor, based on informal bids, if the attempt to secure an acceptable bid from a small local contractor is not successful.



PORT OF OAKLAND

ID	Task Name	Duration	Start	Finish
1	KICKOFF MEETING	0 days	Mon 04/08/02	Mon 04/08/02
2	DESIGN PERIOD	52 days	Mon 04/08/02	Tue 06/18/02
3	30% REVIEW	0 days	Mon 04/08/02	Mon 04/08/02
4	75% REVIEW	0 days	Fri 05/03/02	Fri 05/03/02
5	100% P&S	0 days	Fri 05/31/02	Fri 05/31/02
6	BOARD DATE	0 days	Tue 06/18/02	Tue 06/18/02
7	BID PERIOD	28 days	Mon 06/24/02	Wed 07/31/02
8	BIDS DUE	0 days	Wed 07/31/02	Wed 07/31/02
9	BID REVIEW	14 days	Wed 07/31/02	Mon 08/19/02
10	AWARD DATE	0 days	Tue 08/20/02	Tue 08/20/02
11	EXECUTE CONTRACT	18 days	Wed 08/21/02	Fri 09/13/02
12	CONSTRUCTION PERIOD	60 days	Mon 09/16/02	Fri 12/06/02



Project: SBE
Date: Mon 04/08/02

Task 

Split 

Progress 

Milestone 

Summary 

Rolled up Task 

Rolled up Split 

Rolled up Milestone 

Rolled Up Progress 

External Tasks 

Project Summary 

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 30, 2002**

PROJECT TITLE: Installation of Landscaping, Fencing, and Striping for the Aviation Maintenance Facilities Complex, North Field, OIA

CIP NO: A1.00685.01

W.O. #: 106504

PROPOSED FUNDING SOURCES: Port Cash

Narrative: It is to the best interest of the Port to install the landscaping, fencing, and striping for the Aviation Maintenance Facilities Complex under Port's Small Business Program.

Budget: This project is accounted for under CIP Element # A1.00685.01, which includes three active work orders and six "closed for labor" work orders. The project budget totals \$15,488,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's)

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outsi de Legal	Misc.	LERR S	Allow.	Tenant Costs	Totals
Install Landscaping, Fencing, & Striping (W.O. 106504)	47	80		188		6				321
Construct Airport Facility Complex (W.O. 106201)	788	1,225	1,300	11,350	25	375				15,063
Relocate Overhead Cables to Underground (W.O. 106620)	1									1
Preliminary Study of Facilities Location (Closed WO106031)	4	4	2							10
Study Power Requirements for Facilities (W.O. 106100)	3	3								6
Environmental Study of Project (W.O. 106123)			3							3
Relocation of Airport Facilities (W.O. 106167)	2	1				1				4
Survey Services for right of way (W.O. 106265)			5			7				12
Resolve Lease Issues of Facilities (W.O. 106487)	1	1			29		37			68
Total	845	1,314	1,309	11,538	54	389	37			15,488

Remarks: Refer to Project Statement and Project Cost Estimate for Budget details.

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 2

^{TD}
SUPPORT: Approval of a Consultant Agreement with CCS Planning and Engineering, Inc., to Provide Traffic Transportation Analysis and Signage Study and to Prepare Plans and Specifications for the Fabrication and Placement of Signs at the Oakland Airport

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland Terminal Expansion Program (TEx) at the Oakland International Airport includes the construction of new rental car facilities and various interim and permanent parking facilities. The parking facilities will be located both on and off-Airport and will vary as construction proceeds. In order for the Port to provide smooth and efficient routing of Airport patron traffic to the new rental car and parking facilities during construction, the Port will install signing along major access roadways and highways leading to the Airport. The signing needs to be in place in time for the opening of the new Rental Car Facilities and the Pardee Parking Lot.

To achieve this objective, the Port has solicited proposals from engineering consulting firms for the preparation of signing and traffic studies and construction bid documents for the placement of signs. The deliverables include the following:

- Guide Signing Study for signage directing traffic to Oakland International Airport, the Airport Parking Lots, and the Rental Car Facilities.
- Traffic Study investigating the traffic impacts to the local roads and intersections caused by patrons using the Pardee Parking Lot and Rental Car Facilities.
- Permits for new signs placed at locations under the jurisdiction of Caltrans and the Cities of Oakland, Alameda, and San Leandro.
- Plans, specifications, and cost estimate for the construction and placement of the new signs.
- Engineering services during construction, including review of contractor submittals and shop drawings and assistance to the Port in response to contractor's requests for information.

ANALYSIS:

Basis of Selection

On March 27, 2002, the Port of Oakland solicited proposals to provide traffic and transportation engineering analysis and design services for TEx. The three design teams that submitted proposals on April 18, 2002, were led by:

1. AGS, Inc.,
2. CCS Planning and Engineering, Inc., and
3. Fehr and Peers Associated, Inc.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02191

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

JUN 18 2002

DATE

All three proposals were determined to have followed the submittal instructions and were evaluated by a panel consisting of Port Engineering, TEx, and Social Responsibility Division (SRD) personnel. The proposals were ranked in accordance with the engineering consulting firm's suitability to provide engineering services as described in the Request for Proposal (RFP), specific experience described below, compliance with requirements of the Port's Non-Discrimination and Local Business Utilization Policy, and meeting the Port's insurance requirements. The criteria included evaluation of responsiveness, overall experience and expertise, proposed personnel and specialized knowledge.

The three proposing teams were asked to make a presentation on May 2, 2002, and answer questions from the panel. After the presentations, the technical panel members awarded up to 85 points for the proposal and interview. The SRD documents for the total local business utilization were allotted up to a maximum of 15 points for each team.

The ranking for all firms, based on an average summation of technical and social responsibility points, was as follows:

1. CCS Planning and Engineering, Inc.
2. AGS, Inc.,
3. Fehr and Peers Associated, Inc.

The project team proposed by CCS includes the following members:

Company	Location	% Of Work	SRD Status	Classification
CCS Planning and Engineering, Inc.	Oakland	79.9	LIABE/LBABE	Prime
JWD Group	Oakland	11.5	LIABE/LBABE	Signage Design
Meyer Mohaddes Associates	Oakland	8.6	Local but not certified	Dynamic Message Signs

SRD concurs with the recommendation. The firm's EEO forms are on file

Environmental

The proposed project involves designing and placing signage for vehicle and pedestrian traffic at various on-Airport and off-Airport locations. The specific locations will be identified from the traffic and transportation engineering analysis conducted by CCS. Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the proposed project is categorically exempt under Section 15311, Class 11. Section 15311 exempts projects that involve construction, or replacement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities, including but not limited to on-premise signs, and small parking lots.

General Plan

The proposed work is in conformance with the transportation designation for the site in the City of Oakland General Plan.

Budget

Staff is currently developing a Scope of Work and negotiating fees with CCS. It is anticipated that the maximum compensation for these services will not exceed \$80,000. It is recommended that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations. In addition, it is requested that the Executive Director be authorized to approve up to an additional \$20,000 for potential changes in scope.

This work is budgeted under: (1) CIP No. A2.00805.03 for work allocated to the TEx Program, funding source is Port Bonds; and (2) CIP No. A1.00816.06 for work allocated to the Rental Car CFC funding source. The Project Schedule and Project Budget Detail are attached.

Sustainability

The project design will conform to the latest editions of applicable codes and regulations, and also incorporate the Port of Oakland's sustainable development strategy.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this agreement.

OPTIONS:

1. Take no action. Direct staff to analyze traffic changes and revise signage for the new parking areas and rental car facility. The result would require the hiring of additional staff with expertise in traffic studies and signing.
2. Authorize the award of a contract with CCS for an amount not-to-exceed \$80,000, and authorize the Executive Director to sign the agreement subject to the Port's attorney's review and approval of the documents.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the services described above are professional services; and
2. Authorize the preparation and execution of a contract with CCS Planning and Engineering, Inc., for an amount not to exceed \$80,000 as described above.

Activity ID	Activity Description	Orig Dur	Rem Dur	%	Early Start	Early Finish	2002					2003								
							A	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	M
Consultant Selection & Award																				
1000	Consultant Selection & Award	25	25	0	18APR02	22MAY02														
Traffic Study																				
1110	Traffic Study	46*	46*	0	23MAY02	25JUL02														
Phase I: Signs																				
1035	Signage Study	70*	70*	0	23MAY02	28AUG02														
1070	Preparation of Bid Document	95	95	0	29AUG02	08JAN03														
1080	Bidding Stage Services	30	30	0	09JAN03	19FEB03														
1090	Construction Phase Services	40	40	0	13FEB03	09APR03														

Start Date 18APR02
 Finish Date 14MAY03
 Date Date 18APR02
 Run Date 24MAY02 10:17

 Early Bar
 Progress Bar
 Critical Activity

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TTEA

Sheet 1 of 1

Analysis and Design Services
Traffic & Transportation Engineering

Date	Revision	Checked	Approved

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Permit Parking Lot Policy

DATE: June 18, 2002

ITEM NO: 4

PROGRAM AREA:

- Airport Operations C.I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

At its June 3 meeting, the Aviation Committee reviewed the policy alternatives available for the use of a permit parking lot adjacent to the passenger terminal complex. A copy of the alternatives memo is attached for the Commission's information. After extensive discussion the Committee decided that a permit parking lot should be provided to serve the purposes outlined in alternatives one and two. That is that the permits will be issued to Aviation and other Port staff that require access on a routine basis. Permits will also be issued to the RSVP volunteers and vendors providing service to the Port and the terminal tenants. The above individuals would not be charged for use of the lot. The current policy of charging airline tenants would continue. Additionally, former commissioners would continue to have access to the lot following the end of their term but would pay for the permit at the rate equal to the tenant rate, which is currently \$30 per month.

Alternative 2 involved local elected and appointed officials. The recommended policy would provide permits at the tenant rate for those in this category. The Committee also requested a definition of what is meant by surrounding cities. Staff would define surrounding cities as Alameda, San Leandro and Emeryville, which is the same definition, used to define Local Impact Area businesses. All permits in this category would have an expiration date to coincide with the term of office of the permit holder or four years whichever is less.

For state and federal officials, the Committee decided that due to the intermittent use of the lot by these individuals, short-term arrangements would be made. Because a permit would not be issued and the use of the lot sporadic, there would not be a charge for these individuals. No permits would be issued for business and community leaders as described in alternative 4.

With the current lot scheduled to be closed at the end of June, the Committee directed that a new lot be established with no more than the current 68 spaces. Should more spaces be needed at some future date the size of the lot could be expanded after review by the Aviation Committee.

Under a separate cover, staff will provide a comparison of the permit lot policies at San Jose International and SFO.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

RECOMMENDATION:

It is recommended that the Commission adopt a permit parking lot policy as identified above and direct staff to develop and implement the necessary administrative procedures to put the policy into effect.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

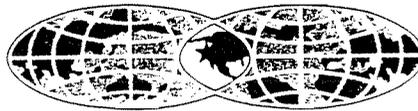
No. 02201

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

JUN 18 2002

DATE



PORT OF OAKLAND

STEVEN J. GROSSMAN
Director of Aviation

*Phone (510) 627-1133
Fax (510) 835-0178
E-mail: sgrossma@portoakland.com*

June 5, 2002

BOARD OF PORT COMMISSIONERS OF THE CITY OF OAKLAND

Commissioner Phillip Tagami, Chair
Commissioner Darlene Ayers-Johnson
Commissioner Frank Kiang

Dear Members of the Aviation Committee:

Re: Permit Parking Lot Policy Alternatives

The purpose of this memo is to provide information on the policy alternatives available to the Board in the provision of a permit parking lot at the Airport that provides close in parking to the terminal complex. Each policy alternative carries with it different ramifications as to who uses the lot. Use of the lot would be tied to a specific job or position and not an individual. The following are the basic alternatives:

1. Provide parking for those requiring routine access to the terminal complex. Routine access can be defined as having a business purpose within the terminal complex. The Airport does provide two remote employee parking lots where the majority of Port and tenant employees park. Certain employees, due to the nature of their work, come and go from the terminal complex several times per day and close in parking facilitates their work. Currently, tenant employees pay a fee of \$30 per month to park in the permit lot. The benefit of providing a permit lot for this group is that it improves the efficiency of the Port's operation as well as tenant operations. Not providing this facility will require these individuals to park in other employee lots or the public lot. Employee lots are already constrained and vendors who park in the public lot will pass the cost on to the Port. Groups included in this alternative would include:
 - Aviation and tenant management staff
 - RSVP Volunteers
 - Port staff and commissioners
 - Vendors
2. Provide parking for those who travel in support of Port activities or who lobby legislatively on issues of interest to the Port. The Port depends on state and federal funding sources for a number of its projects and certain individuals routinely travel in support of these issues and provide a value to the Port even if the entire purpose of the trip is not directly related to the Port. These individuals attend meetings both domestically and internationally where Port issues are discussed and are not limited to just Washington D.C. and Sacramento. Examples of this activity would include City and County officials lobbying to obtain funds for the Airport Connector project, lobbying for dredging funds or going on trade missions where Port tenants and shippers are contacted. Entities included in this category would be:

- Mayors of Oakland and surrounding cities
 - Oakland City Council
 - Oakland City Manager
 - City Attorney
 - City Auditor
 - Alameda County Board of Supervisors
3. Provide parking for those policy makers at the state and federal level who develop legislation that affects the operations of the Port. In many cases these individuals travel extensively and providing close in parking would be recognition of the role they play in the long-term success of the Port. From an Airport perspective, there is a benefit to encourage these individuals to use Oakland International so that they become familiar with the Airport and its issues thus facilitating discussions on legislative issues. Entities included in this category would include:
- Bay area congressional delegation
 - Bay area legislative members
 - State Attorney General
 - Other state elected officials
4. Provide parking for community and business leaders as recognition for their specific support of the Port. In many cases the Port builds coalitions of groups and entities to support various activities of the Port. These have included the Dredging Coalition, Airport Connector Coalition etc. These individuals have given their time in support of these efforts and the close in parking is a way of saying thank you for that support. Permits could be issued for a specific period of time. Having business and community leaders use the Airport has been viewed as part of the marketing program of the Airport. No quantification of the benefits of this effort has been attempted nor may be possible. Given the current success of the Airport in attracting new service and passengers, the time may be right to change this approach to provide the parking permit only for those who have worked directly on Port projects. This alternative carries with it the most subjective approach to the issue.

The above policy alternatives are clearly not mutually exclusive. The Board may decide on any combination of the four. Additionally, the policy would include the cost, if any, for these permits. As mentioned above, only tenants who work in the terminal complex pay for their permits at a current cost of \$30 per month. Tying the cost of permits to the valet parking rates is an option for those using the lot on a periodic basis. Valet parking is currently \$30 per day. An assumption could be made that the average permit holder would use the lot 10 days per year thus an annual charge of \$300 per year could be put into effect.

The physical location of this permit lot will change over time. The current location will be lost this summer due to the need to construct facilities related to the 100% baggage check program. An interim location in an area previously used by Hertz is being developed. This location would serve until needed for additional terminal construction. Should this occur, a system could be developed to accommodate this use in the new garage. In any event, the policy adopted by the Board will govern the program.

Sincerely,



Steve Grossman
Director of Aviation

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 5S

SUBJECT: Authorize Shuttleport to Use Leased Buses or Additional Non-Port Owned Buses

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SG*

EXECUTIVE OFFICE RECOMMENDATION *S*

FACTUAL BACKGROUND:

ShuttlePort is the company responsible for managing and operating the Port's fleet of twenty buses at Oakland International Airport. Due to an increase of airport tenant employees, it has become necessary for the Port to at operate a smaller size bus to continue servicing the airport tenants. This bus is for smaller sized parking areas where the Port's larger 35' and 40' buses have difficulty maneuvering.

GENERAL:

ShuttlePort has obtained a lease agreement with Creative Bus Sales, Inc. on behalf of the Port. The Port requested that ShuttlePort acquire a smaller type bus to operate in difficult to maneuver areas. This smaller bus is needed to help service the increase in employees at Oakland International Airport. This eighteen to twenty passenger "cut-away" bus is available a six-month lease for \$12,000. The monthly rate of the lease is \$2000. The cost of the maintenance is covered by the vendor and the insurance premium cost of the vehicle is about \$3355 annually or \$280 per month plus any claims expense up to \$250,000 auto liability per accident and \$100,000 physical damage per accident. There's a \$50 DMV fee charge and a monthly sales tax charge at 8.25%.

OPTIONS:

The available options are:

1. Amend the contractual agreement with ShuttlePort authorizing ShuttlePort to lease additional buses to service the airport tenants.
2. Hire additional Port of Oakland staff to manage the AirBart and Parking shuttle bus operations.

SUSTAINABILITY OPPORTUNITIES:

There are no readily apparent sustainability opportunities.

RECOMMENDATION:

It is recommend that the Board approve the amending of the ShuttlePort's contract to authorize ShuttlePort to lease a minimum of one, with a maximum of three, additional buses to service the airport tenants as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02192

BOARD ACTION TAKEN

Assistant

Sharon K. ...
SECRETARY OF THE BOARD

JUN 18 2002

DATE

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 11

SUBJECT: Authorization to Execute an Agreement with the State Department of Boating and Waterways for \$60,000 in Grant Funding to the Port, to be used for the Abatement of Abandoned Watercraft in the Oakland Estuary

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Department of Boating and Waterways (DBW) has funding available to local public agencies for the removal of abandoned recreational vessels and other substantial hazards to navigation from navigable waterways in California. The program is supported through the dedicated Abandoned Watercraft Abatement Fund (AWAF). It is the goal of DBW to promote a safer and more enjoyable boating environment by removing water hazards that are the most threatening to navigation and the environment.

In October 1997, Governor Pete Wilson signed into California Boating Law Senate Bill 172. This bill appropriated funds from the Harbors and Watercraft Revolving Fund to the AWAF for the statewide removal of abandoned vessels and other substantial hazards to navigation. The total statewide fund for the upcoming 2002/2003 fiscal year is \$1,000,000.00. These grant funds can be used specifically for the removal storage and/or disposal of navigational hazards.

Local agencies are eligible to apply for this grant funding. Port staff recently submitted an application to DBW for grant funding and recently received confirmation that the application has been approved by the State. The Port has been granted \$60,000 in Grant funds to be used through the end of fiscal year 2003/04.

The Port of Oakland has jurisdiction over certain waterways on the Oakland side of the Estuary. Each year several recreational vessels are found abandoned within the Port jurisdiction. These vessels can pose environmental, health, safety, or navigational threats to Estuary waterways. Port staff recently discovered a total of seven abandoned vessels within the Estuary that were either submerged, beached on shorelines, or abandoned in isolated areas. These vessels and future vessels will need to be removed from the Estuary. The cost to remove each individual vessel can range from \$3,500.00 to \$7,500.00. Costs can include "floating" submerged vessels, towing costs to move vessel to a boatyard, hauling costs to remove vessel from the water, temporary storage costs and potential demolition costs.

The Port does have a limited local enforcement program to help control and prevent vessel abandonment. This program currently consists of weekend police boat patrols of the Oakland Estuary by the Oakland Police Department. They work closely with the Port Harbormaster and primarily monitor for abandoned, submerged vessels and any other navigational hazards, along with enforcing boat speed limits. Also, when needed the Port's Harbormaster coordinates using the Police boat with OPD to post required notices on abandoned vessels.

ANALYSIS

As a condition to receiving the grant funding, there is a requirement that the Port execute a written agreement with DBW. The following are the primary terms and conditions of the agreement:

- The Port agrees to match the total amount expended under the agreement with a ten percent (10%) contribution towards removal cost, as required under the Harbors and Navigation Code section 525. The Port's matching fund requirement would be a maximum of \$6,000 over the next two fiscal years. This amount is currently in the expense budget for CRED.
- The grant funds provided under the agreement can be used only for the removal, storage and disposal of eligible water hazards. Removal and disposal of any vessel under the agreement is subject to prior approval by DBW.
- The grant funds cannot be used for the abatement, removal, storage, or disposal of commercial vessels. The funds can only be used for recreational vessels.
- The Port would be responsible for costs associated with the treatment, removal, storage, or any other handling of hazardous substances.

The Port must comply with Harbors and Navigation Code 522 and any other applicable law regarding titles and liens.

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Also, the Port would conduct a title search for all vessels, presumed to be abandoned, as provided by Harbors and Navigation Code 526.

- The Port must secure bids from vendors through the competitive bid process to select a subcontractor to perform the work.
- The Port would obtain all necessary permits, authorization and documentation prior to the removal of any vessel.
- Any marine salvage contractor performing sub-contract work for the Port would provide the Port with general commercial liability insurance coverage sufficient to fully insure against any and all risks of hazardous activities associated with work.
- DBW has the right to terminate the Agreement for any reason with (30) days written notice to Port. Also, DBW will have the right, by two-day written notice, to terminate the contract because of failure of the Port to fulfill its contract obligations.

OPTIONS

1. Approve the execution of the Agreement for acceptance of the grant funding under the terms and conditions listed above.
2. Do not approve the Agreement

SUSTAINABILITY

Entering into an agreement with the Department of Boating and Waterways for \$60,000 in grant funding for the abatement of abandoned watercraft in the Oakland Estuary would be consistent with the Port's Sustainability Policy. By having the grant funds available the Port would be able to respond proactively to remove abandoned recreational boats found within the Port jurisdiction. Abandoned vessels often contain hazardous substances such as asbestos, petroleum product / waste, and other associated chemicals and fluids that could pose a potential environmental threat to the Oakland Estuary. Responding quickly to these potential environmental threats is important and the grant funding will help make this possible.

RECOMMENDATION

It is recommended that the Board authorize the Executive Director to execute an Agreement with the California Department of Boating and Waterways, regarding the \$60,000 in grant funding from the Abandoned Watercraft Abatement Fund, as outlined above, provided that the Agreement is in a form that is acceptable to the Port Attorney.

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 12S

SUBJECT: Ratification of Change Order to Contract for Demolition of Building G-305 and Removal of Foundations for Buildings G-301, G-302 and G-303, Inner Harbor – Delete Bid Item 6 and Dispose of Debris

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Port of Oakland has a contract with Peak Engineering, Inc., for **DEMOLITION OF BUILDING G-305 AND REMOVAL OF FOUNDATIONS FOR BUILDINGS G-301, G-302 AND G-303, INNER HARBOR CHANNEL, OAKLAND, CALIFORNIA**, which became effective on June 13, 2001, at lump sum and unit prices totaling \$221,839. The work consists of removing the existing building, foundations and asphalt concrete pavement; grading the site; and hydroseeding.

Port Ordinance No. 1606, Section 5, delegates to Port Staff the authority to approve change orders within prescribed limits. Accordingly, Board approval is required for any single change order exceeding \$250,000 and for all change orders over a cumulative total of 10% of the contract amount (\$22,184 for this contract). This restriction applies equally to additive and deductive change orders, with the value of deductive change orders adding to the cumulative total.

ANALYSIS:

During the course of the work unanticipated debris were encountered which had to be removed. The cost to do this debris removal was \$16,553. It was also determined during consultation with Commercial Real Estate and Engineering Design that the originally designed fill for the site was unnecessary. The deletion of this item of work would provide a savings to the project of \$31,680.

To date, there have been two contract change orders totaling \$25,238. Since the 10% limit on change orders is \$22,184, staff's direction to the contractor to remove the debris was, technically, beyond its delegated authority under the change order ordinance. Therefore, Port staff respectfully requests that the Board ratify Change Order No. 2, which adds \$16,553 to the contract. Staff seeks the Board's direct approval of a deductive change order in the amount of \$31,680.

Budget

Deleting Bid Item No. 6 will result in a net total project cost savings of \$6,442, including all change order work.

Sustainability

By using the on-site material, the following occurred:

1. Trucking and its detrimental effect on air quality were reduced.
2. Imported fill material was eliminated.
3. The future use of the site has not yet been determined, and that use may ultimately require the removal of any imported material placed on the site.

OPTIONS:

Option 1: Do not approve the deductive change order. The construction contract would cost \$25,238 over the bid amount and put the project over budget.

Option 2: Delete Bid Item No. 6, "Furnish and Install Imported Fill," in its entirety. This would reduce the contract amount by \$31,680, and result in a net total project cost savings of \$6,442, including all change order work, under the contract bid total.

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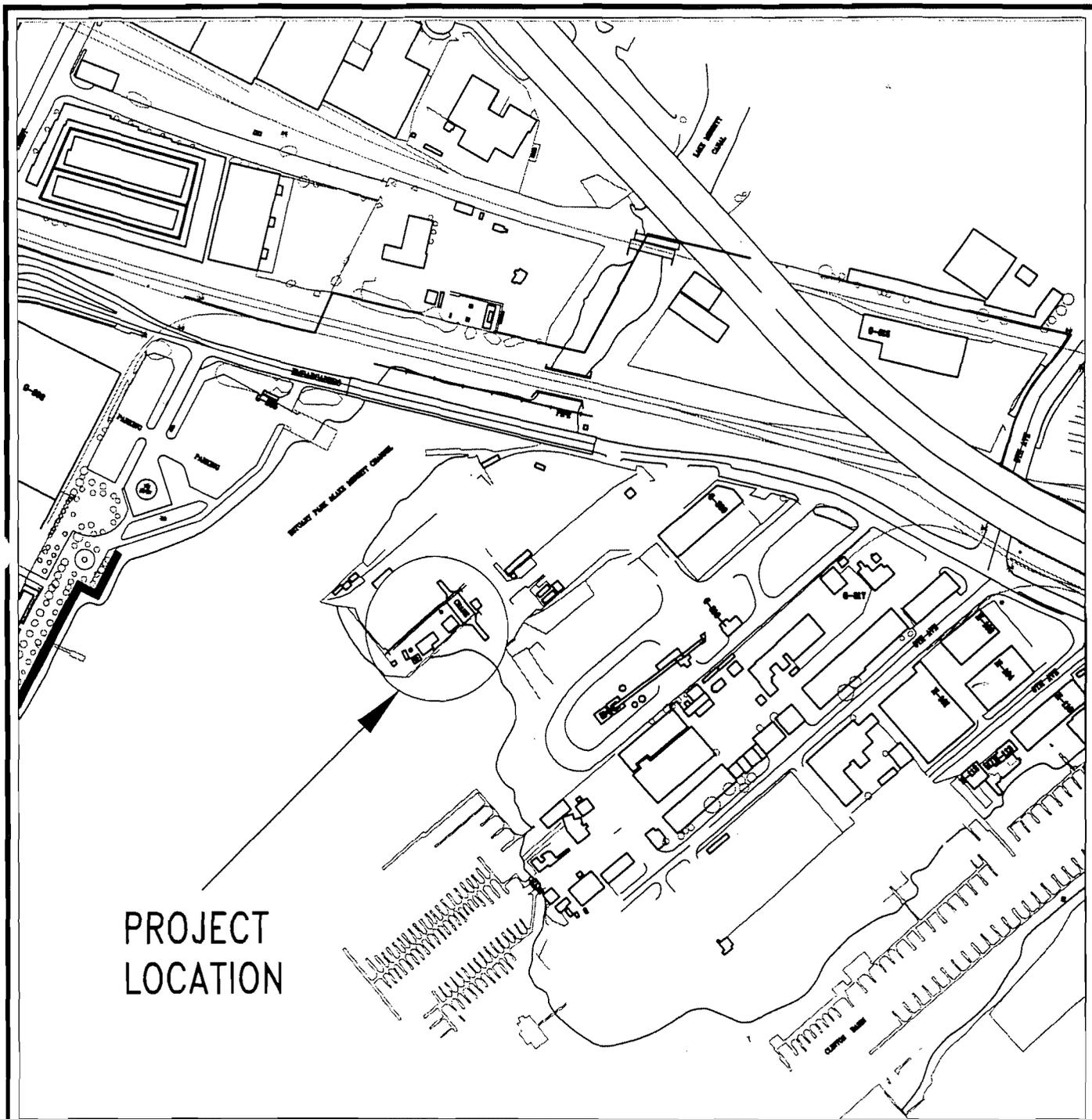
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RECOMMENDATION:

It is recommended that the Board take the following actions:

1. Ratify Staff's direction to the Contractor to make changes resulting in \$16,553 in additional cost by approving the necessary change order; and
2. Exercise its authority to directly approve a deductive change order for \$31,680 to delete Bid Item No. 6, "Furnish and Install Imported Fill," in its entirety, from the subject contract awarded to Peak Engineering, Inc.



PORT OF OAKLAND

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

June 18, 2002

PROJECT TITLE: Demolition of Building G-305 and Removal of Foundations for Buildings G-301, G-302 and G-303, Inner Harbor Channel, Oakland, CA

CIP NO: P2.00628.03

W.O. NO: 103942

PROPOSED FUNDING SOURCES: Port Cash

Narrative: The Demolition of Building G-305, Removal of Foundations for Buildings G-301, G-302 and G-303, Inner Harbor Channel, Oakland, CA is being tracked under work order # 103942. A change order to delete bid item 6, in the amount of \$25,238.0, is recommended for ratification at the June 18, 2002 Board Meeting. The net budget impact of this and all previous change orders is a net reduction of the project cost of approximately \$6,442.0. At the time of issue of this PBD, the project is projecting a net positive variance of \$23,000.0

Budget: This project is accounted for under CIP Element # P2.00628.03. The project budget totals \$383,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element P1.00461.08

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Costs	Totals
Project Design and Construction	48	81	10	244	0	0	0	0	0	0	383
Total =	48	81	10	244	0	0	0	0	0	0	383

Remarks/Notes:

1. OCIP budget not shown. Estimated insurance costs included in Construction Cost estimate.
2. Costs reimbursed by Oakland Village Corporation.

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

DATE: June 18, 2002

ITEM NO: 21

SUBJECT: Recommendation to Approve Suspension and Financial Settlement of
China Shipping Container Line's Terminal Use Agreement at
Ben E. Nutter Terminal

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges *Jerry A. Bridges*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

In April 2000 China Shipping Container Lines (CSL) entered into a Terminal Use Agreement (TUA) with the Port at the Ben E. Nutter Terminal implementing a new service. The TUA was originally scheduled to terminate on May 31, 2001, a period of approximately thirteen months, and was structured to provide more economic incentives at the outset in order to help generate cargo volumes. CSL had an option to extend the TUA for a two-year period but at higher Minimum Annual Guarantees (MAG) and exercised this option, extending the term through May 31, 2003. Previously, Zim-American Israeli Shipping (ZIM) also had a TUA at Charles P. Howard Terminal. Under the compensation terms of the CSL TUA, CSL cargo on ZIM vessels at Howard Terminal was treated as cargo discharged or loaded to CSL at Nutter Terminal. ZIM's vessel service terminated at Howard Terminal in October, 2000, but CSL continued and still continues to provide substantial amounts of cargo through Howard Terminal under its slot charter arrangements with Norasia and CMA-CGM, both Non-TUA carriers, that pay Port charges through SSA Terminals (SSAT) under its Management Agreement at Howard Terminal. Except for the provision pertaining to ZIM, the CSL TUA does not provide CSL cargo any economic benefit when CSL cargo is on another shipping line's vessel.

CSL had entered into a joint service agreement with CMA-CGM in April 2001, just prior to exercising its option to extend the term at Nutter Terminal. This joint service, known as "Loop 3", was comprised of five vessels, three owned by CSL and two owned by CMA-CGM. As indicated above, while both CSL and CMA-CGM called Oakland, they each used separate terminals under different compensation terms. Unfortunately, both CSL and CMA-CGM fell into a misunderstanding. This misunderstanding was not in accordance with CSL's TUA. Both CSL and CMA-CGM believed they could call Nutter Terminal or any other Port facility and be subject to the CSL TUA compensation terms and the guarantees. This belief was based on their experience at other West Coast ports. Operations staff with the terminal operator inadvertently further confused this misunderstanding by indicating to CMA-CGM that its vessels in the joint service with CSL would be governed under CSL's TUA for Nutter Terminal. As a result of this confusion, CMA-CGM made six vessel calls at Nutter Terminal believing they would be subject to the economic benefits in the CSL TUA. In an unrelated matter, CSL then suspended its vessel service to Oakland making its last vessel call on October 6, 2001. The vessel for this last CSL call sailed on October 7, 2001. However, CSL continues to bring significant cargo volume to Oakland's Howard Terminal through their joint service arrangement on CMA-CGM vessels.

During the period when both CSL and CMA-CGM called Nutter Terminal, Port staff billed under a "vessel controls" basis, which means Port charges are assessed in accordance with the provisions of any Port use agreement that is in place for the specific vessel operator and marine terminal. Absent a specific use agreement, staff is required to assess 100% of the charges in the Port's marine terminal tariff. Therefore, CSL vessels and cargo at Nutter Terminal were billed under the terms of the CSL TUA; and, CMA-CGM's six vessel calls at Nutter Terminal and cargo were billed at 100% of tariff, as required since CMA-CGM had no agreement to use Nutter Terminal. It is significant to note that the majority of cargo on the six CMA-CGM vessels at Nutter was CSL's. Due to the confusion previously mentioned, CSL acted in good faith and paid the Port dockage on both their vessels and CMA-CGM's vessels along with all charges for wharfage at Nutter Terminal, but under the terms of the CSL TUA. In the meantime, CMA-CGM is unwilling to pay full tariff for their six vessels calls at Nutter claiming that the Port has been paid by CSL under the CSL TUA.

The Maritime Division, CSL and CMA-CGM would like to resolve the billings confusion to the benefit of all parties by considering the six CMA-CGM vessels under CSL's TUA, as already paid. Furthermore, in consideration of CSL's significant cargo activity at Oakland even though their vessels no longer call, we propose that CSL's TUA be suspended effective October 8, 2001, the day following their last call.

ANALYSIS:

It was CSL's misunderstanding that their joint activity with CMA-CGM would enable CSL to meet their increased MAGs at Nutter Terminal so that both lines could share the economic benefits CSL received under its TUA. In addition to the activity CSL generated at

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Until prior to their last vessel call, CSL continues to generate approximately \$700,000 in annual Port net wharfage as well as additional crane revenue which makes the CSL account worth approximately \$1,000,000 annually.

PROPOSED SETTLEMENT:

It is proposed that the CMA-CGM six vessels calls and all related cargo be considered CSL vessel calls and activity under their TUA. The amount currently billed to CMA-CGM at full tariff for this activity is approximately \$274,832.50, excluding delinquencies. If approved, these CMA-CGM bills will be cancelled and the activity then billed to CSL under its TUA economic provisions. The accounting will result in a billing to CSL of approximately \$149,722.10, of which \$144,788.50 has already been received by the Port and remains unapplied in CSL's account.

FINANCIAL IMPACT TO THE PORT:

As noted immediately above, while staff billed at 100% of tariff the commercial reality is that had the six CMA-CGM vessels called at Howard Terminal, they would not have paid full tariff anyway due to the rates guaranteed through SSAT and the Port's net revenue would have been almost even with what was generated under the China Shipping TUA terms. The Maritime Division feels it is a fair compromise to all parties involved considering the continued use of Oakland by CSL, the possibility that CSL may resume vessel service, and potential for increased volume by CMA-CGM.

The proposed financial settlement and suspension of the CSL TUA is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABLE OPPORTUNITIES:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in the Agenda Sheet Item.

RECOMMENDATION:

It is recommended that the Board approve the proposed suspension of the CSL TUA and the settlement of the misunderstanding between the Port, CSL and CMA-CGM, as outlined above.

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 22

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of a Second Revision to the Project Description for the Oakland Harbor Navigation Improvement (-50 Foot) Project and Finding that the Revision Does Not Require the Preparation of a Subsequent or Supplemental Environmental Impact Report (EIR)

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND

On February 1, 2000, the Board of Port Commissioners certified the Final Environmental Impact Report (Final EIR) for the Oakland Harbor Navigation Improvement (-50 Foot) Project (Project), made findings concerning significant effects of the Project, adopted a Mitigation Monitoring and Reporting Program (MMRP) and a statement of overriding considerations for unavoidable adverse impacts, and approved the Project. Subsequently, the Board approved Addendum I to the Final EIR on July 18, 2000, through Resolution No. 20281. That Addendum evaluated several proposed changes to the Project with no new and/or substantially more severe impacts above those identified in the Final EIR.

ANALYSIS:

Since the Board approved the Project, additional engineering, design, and some construction work have proceeded. These efforts have revealed new facts that suggest a limited revision in the Project description. The proposed change would not cause new significant environmental impacts or a substantial increase in the severity of previously identified environmental impacts. Nor does the change suggest any new mitigation measures or project alternatives that should be considered for adoption.

Environmental

Accordingly, staff has prepared Addendum II to the Final EIR. The California Environmental Quality Act (CEQA) provides for the preparation of an addendum to a previously certified EIR if changes or additions to the project are necessary, but none of the conditions requiring a supplemental or subsequent EIR have occurred. Here, Addendum II describes the proposed revision in the Project description, assesses potential changes in environmental impacts that might be caused by the revision, and concludes that none of the changes is substantial enough to require preparation of a supplemental or subsequent EIR.

Revised Project Description

The new feature described in the Addendum may be summarized as transportation of up to 400,000 cubic yards of the sediments to be dredged for the navigation project to Winter Island in the Sacramento-San Joaquin River Delta in eastern Contra Costa County for use by Reclamation District 2122 for levee rehabilitation consistent with the existing approvals for that site. The use of dredged material for levee rehabilitation on Winter Island has been separately evaluated under the California Environmental Quality Act through a Negative Declaration approved on September 5, 1990, by the Reclamation District.

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Effects of the Revision

The revision in the Project Description that is described in the Addendum would preserve and enhance the Project's ability to provide all of the benefits that were identified in February and July 2000, and would add new benefits. As described in the July 2000 Addendum to the EIR/S, these sediments were planned to be offloaded and dried at the Oakland Berth 10 re-handling facility and hauled by truck to an authorized landfill. The change described in Addendum II is the transport of this material to Winter Island for beneficial reuse. This option has several environmental advantages over landfill disposal. It would:

- 1) Use the dredged material for a productive use—levee rehabilitation;
- 2) Avoid truck trips from Oakland to a landfill, thus reducing road traffic congestion;
- 3) Result in a net reduction in air quality emissions; and
- 4) Save limited landfill capacity for other materials that cannot be beneficially reused.

The Addendum also demonstrates that the Project description change would not materially affect the Project's environmental impacts. No new significant impacts are identified, and pre-existing impacts would not substantially increase in severity. All applicable mitigation measures in the MMRP would apply to the Project as revised.

RECOMMENDATION:

It is recommended that the Board adopt a resolution approving revision of the Project description for the -50 Foot Project to include transportation of up to 400,000 cubic yards of the sediments to be dredged for the navigation project to Winter Island in the Sacramento-San Joaquin River Delta in eastern Contra Costa County for use by the Reclamation District for levee rehabilitation consistent with the existing approvals for that site.

It is further recommended that the Board find that these changes do not require the preparation of a subsequent or supplemental EIR because the changes will not result in significant new effects or a substantial increase in the severity of previously identified significant effects.

Addendum II to the Environmental Impact Report for the Oakland Harbor Navigation Improvement (-50 Foot) Project

1.0 INTRODUCTION

The purpose of this addendum to the Oakland Harbor Navigation Improvement (-50 Foot) Project (the Project) Environmental Impact Report (EIR) is to evaluate a new project option that would reduce the overall environmental impacts of the project. The new feature is: transporting a portion of the dredged material to be excavated from the project and using it for levee reinforcement on Winter Island in the Sacramento-San Joaquin River Delta in eastern Contra Costa County.

Up to 400,000 cubic yards (cy) of dredged material would be used for levee rehabilitation. This material consists of dredged material from the navigation project that has been determined to be unsuitable for unconfined aquatic disposal but is suitable for levee rehabilitation. This material includes sediment that is classified as Wetland Non-Cover (WNC) and Construction-Fill material (CF); no state or federal hazardous waste would be reused in this manner. The WNC and CF sediments would be dredged from the harbor channels and berths as prescribed by all relevant permits and approvals. Only material consistent with the existing Winter Island Waste Discharge Requirements (RWQCB Order 01-061) and approved by the interagency Dredged Material Management Office (DMMO) would be transported and reused on Winter Island.

As described in the July 2000 Addendum to the EIR/S, these sediments were planned to be offloaded and dried at the Oakland Berth 10 rehandling facility, and hauled by truck to an authorized landfill. The proposed change described in this addendum is to transport this material to Winter Island for beneficial reuse. This option has several environmental advantages over landfill disposal. It would:

1. Use the dredged material for a productive use—levee rehabilitation;
2. Avoid truck trips from Oakland to a landfill, thus reducing road traffic congestion;
3. Result in a net reduction in air emissions; and
4. Save limited landfill capacity for other materials that cannot be beneficially reused.

2.0 CEQA CONTEXT

The Port of Oakland, the lead agency under the California Environmental Quality Act (CEQA), and the Corps of Engineers, the lead agency under the National Environmental Policy Act (NEPA), prepared an EIS/R that evaluated the environmental effects of the Oakland Harbor Navigation Improvement (-50-foot) Project in May 1998. Subsequently, the Corps prepared an “Information Report” and the Port prepared “Revisions to the Final EIR” describing changes in the Project. The EIS/R and the Revisions to the Final EIR comprise the “Final EIR.” On February 1, 2000, the Board of Port Commissioners adopted Resolution No. 20049 certifying the Final EIR with findings concerning significant effects of the Project. The resolution also approved the Project together with the recommended mitigation, a mitigation monitoring and reporting program, and a statement of overriding considerations for significant unavoidable impacts consisting of dredging noise during construction, air pollutant emissions during operations, and cumulative freeway traffic during operations. The Final EIR explained why the Port

Addendum II to the Environmental Impact Report for the Oakland Harbor Navigation Improvement (-50 Foot) Project

could not feasibly reduce these impacts to a level of insignificance and identified a program of mitigation measures to reduce air quality impacts.

The Port approved Addendum I to the Final EIR on July 18, 2000 through Resolution No. 20281. The Addendum evaluated several proposed changes to the Project with no new and/or substantially more severe impacts above those identified in the Final EIR.

CEQA provides for preparation of an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions calling for preparation of a supplemental or subsequent EIR has occurred (as defined in the CEQA *Guidelines*, Section 15162). The conditions that might trigger the need to prepare a Subsequent or Supplemental EIR are:

- Substantial changes proposed in the Project, or substantial changes in circumstances, that will require major revisions of the previous EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified, shows that:
 - The Project will have one or more significant effects not discussed in the previous EIR;
 - Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the Project proponents decline to adopt them; or
 - Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponents decline to adopt them.

As discussed in the Conclusions (Section 5), construction and operation of the -50-foot Project including the change addressed in this Addendum II would not result in any of the conditions above. There would be no new and/or substantially more severe impacts above those identified in the Final EIR. Moreover, there would be no considerable changes in mitigation measures and no changes in alternatives. Therefore, a supplemental or subsequent EIR is not required and an addendum is the appropriate environmental document to present the effects of the Project refinement.

The use of dredged material for levee rehabilitation on Winter Island has been permitted by the Regional Water Quality Control Board (Order No. 01-061), and the Corps of Engineers (permit 22033S59) and evaluated under the California Environmental Policy Act through a Negative Declaration approved on September 5, 1990 by Reclamation District 2122. Winter Island is outside of BCDC jurisdiction, so does not require authorization from BCDC.

Addendum II to the Environmental Impact Report for the Oakland Harbor Navigation Improvement (-50 Foot) Project

3.0 CHANGE IN PROJECT DESCRIPTION

Up to 400,000 cy of WNC and/or CF quality sediment would be hauled to Winter Island for reuse. These 400,000 cy of sediment were originally slated to be disposed of at a landfill. The dredged material would be transported to Winter Island in dump scows. Three scows would be used in rotation: 2 with a maximum capacity of 3000 cy each which would carry approximately 2160 cubic yards each trip (equivalent to 2,700 cy after bulking during removal), and 1 with a maximum capacity of 5000 cubic yards which would carry approximately 3600 cy per trip (equivalent to 4,500 cy after bulking during removal). Each barge would be towed by one tug boat to the perimeter of Winter Island. The barge would be detached from the tug and either be moored directly to the outboard side of the levee, or moored to the offloader barge. The tug would then take the barge that had just been emptied back to the dredging area. In other words, the tugs would only be changing out barges, they would not spend time waiting for a scow to be unloaded. The dredged material would be offloaded by a barge-mounted clamshell dredge. The clamshell dredge would have an off-loading rate of approximately 300 to 400 cy/hour, meaning the smaller scows would be off-loaded in 7 to 9 hours, and the larger scow would be off-loaded in 11 to 15 hours.

The barge operator would allow the excess material and water to drain out of the clamshell bucket before the bucket is moved over the water. Consistent with the RWQCB Order, placement of the dredged material would be on the interior side of the island levees so that it would not result in any discharge of dredged or fill material into the adjacent channels on the exterior side of the levees. All scows would be equipped with draft and position monitoring equipment to ensure against loss of material in transit.

4.0 ENVIRONMENTAL ANALYSIS OF PROPOSED PROJECT CHANGE

4.1 Air Quality

As stated in the Final EIR, emissions from construction activities are not a significant impact under the Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines as long as BAAQMD's "Feasible Control Measures for Construction Emissions of PM₁₀" are applied. The Project as approved includes these measures, so the Project, including the current refinement, would cause no significant impact pursuant to CEQA.

In addition to recommending implementation of the BAAQMD measures, the Final EIR and Addendum I also reported the total anticipated air pollutant emissions from Project construction activities. Those totals have changed as result of the proposed Project refinement and new information. The Project change described in Section 3 would affect air quality emissions associated with construction, as described below.

As all of the dredged sediment proposed to be hauled to Winter Island is material originally slated to be transported to a landfill, the Project refinement would eliminate up to 20,000 truck trips to haul sediment from the Berth 10 facility to the landfill. These

Addendum II to the Environmental Impact Report for the Oakland Harbor Navigation Improvement (-50 Foot) Project

truck trips would be replaced with up to 182 tug trips (i.e., on average, a barge trip would replace over 100 truck trips). The off-loading at Winter Island would be via diesel-powered clamshell dredge; off-loading at Berth 10 was assumed to occur using electrically-powered equipment. Winter Island is located approximately 45 nautical miles from the Port of Oakland.

To account for the proposed refinement to the Project, the air emissions were recalculated, taking into consideration the effect of the change in location. This addendum uses the same assumptions as the Addendum I for key items:

- 1) emission factors for tugs, tender boats, and support boats
- 2) the travel speeds and time required for tugs towing scows to and from the dredge/disposal sites; and
- 3) the load factors associated with vessel engines under conditions of load, no load, and idle.

The new calculations are provided in Table 1.

The estimated emissions associated with reuse at Winter Island were compared to the estimated emissions associated with disposal at a landfill. As can be seen from Table 1, projected total air emissions resulting from the proposed refinement are approximately 30% less than the corresponding emissions reported in Addendum I. While oxides of nitrogen (NO_x) emissions increase by slightly less than 5 tons (15%), and oxides of sulfur (SO_x) emissions increase by approximately 1 ton, carbon monoxide (CO) emissions are reduced by approximately 20 tons (80%) and particulate matter (PM) and particulate matter less than 10 microns in diameter (PM₁₀) emissions are reduced by approximately 65%.

For federal Clean Air Act purposes, estimated annual project air emissions would remain below the Conformity Determination *de minimis* threshold. Emissions for all constituents other than NO_x are well below the conformity threshold based on Addendum I estimates; the change proposed here would not change that conclusion. NO_x emissions are close to the conformity threshold in one year (Year 2) of construction; reuse at Winter Island would be scheduled such that total projected project emissions for NO_x would remain below the conformity threshold in all years of construction.

4.2 Traffic/Circulation

4.2.1 Ground Transportation

The traffic projections in the EIR and Addendum I are based on the potential for congestion associated with the number of daily truck trips. Under the project refinement evaluated in this addendum, some sediment could still be transported to the rehandling facility and from there to the landfill, and the daily amount of sediment removed could still be as high as that described in the prior Addendum. Thus estimated haul rate described in the previous addendum would not change, and the impacts and mitigation measures identified in the Final EIR for the roadways near the disposal sites would still apply to the revised Project. No new mitigation measures would be required.

Addendum II to the Environmental Impact Report for the Oakland Harbor Navigation Improvement (-50 Foot) Project

The Project refinement provides a benefit to transportation by reducing the total truck traffic for the Project by as much as 20,000 round trips. Thus, the number of days potentially affected by truck traffic associated with the construction of the Project would decrease substantially.

4.2.2 Vessel Transportation

The Project change described in this Addendum would result in only very minor modifications to the impacts on vessel traffic previously described in the EIR. With use of Winter Island as a potential sediment reuse/disposal site, the number of barge trips required to deliver sediment to out-of-Port reuse sites would increase by up to 182 barge trips. The overall change would be no more than 2 additional barge trips per day. Given the overall volume of vessel traffic on the Bay, such change would not have a discernable impact.

4.3 Cumulative Impacts of Change

The change described in Section 3 above would not affect the Project's contribution to cumulative impacts.

With respect to air quality, the Project's incorporation of the Bay Area Quality Management District's control measures for PM₁₀ emissions from construction would continue to prevent either a Project-level or a significant cumulative air quality impact from occurring.

The project change would cause no change in cumulative ground transportation impacts because the daily number of truck trips anticipated remains the same as that reported in the previous Addendum and the total number of truck trips would be lower. The change would cause a *de minimus* change in vessel transportation conditions, because the maximum change would consist of a maximum of two more barge trips per day.

5.0 CONCLUSION

The discussion in Section 4 shows that the refinement proposed in the Project since its approval in February and July 2000 does not call for preparation of a subsequent or supplemental EIR. Neither the Project nor its circumstances have changed so as to involve new significant environmental effects or a substantial increase in the severity of previously identified environmental effects. Accordingly, this Addendum is the appropriate means for analyzing the environmental effects of the Project refinement.

Figure 1: Winter Island Vicinity Map

Table 1: Estimated Emissions Associated with Reuse/Disposal of 400,000 cy of Sediment

WINTER ISLAND LOCATION



9-29-89

LOCATION MAP
WINTER ISLAND
 SAN JOAQUIN RIVER
 MIDDLE SLOUGH
 NEW YORK SLOUGH

APPLICANT:
 RECLAMATION DISTRICT 2122
 WINTER ISLAND
 C/O ROBERT PACINI
 5115 CLAYTON RD. #A
 CONCORD, CA 94521-3101
 DATE: SEPT. 29, 1989

LEVEE
REHABILITATION
PURPOSE: FLOOD CONTROL
 DATUM: N.S.V.D.
 COUNTY: CONTRA COSTA

Figure 1

**TABLE 1
ESTIMATED EMISSIONS ASSOCIATED WITH REUSE/DISPOSAL OF 400,000 CY OF SEDIMENT**

REUSE AT WINTER ISLAND																				
Activity/Equipment Type	Horsepower (Hp)	Load Factor (a)	Emission Factor (lbs/1000 gal fuel) (b)						Number Active	Fuel Use per Piece (c) (Gal/Hr)	Hours per Day (d)	Work Days (e)	Total Hours Worked	Total Fuel Consumption (gal)	Total NOx Emissions (tons)					
			NOx	CO	PM	PM10	ROG	SOx							NOx	CO	PM	PM10	ROG	SOx
<i>Transport to and Off-Loading at Winter Island</i>																				
Clamshell Dredge (diesel)	1800	0.7	419	57	9	8.8	18.2	75	1	72.80	13.7	120	1646	83,866	17.6	2.4	0.4	0.4	0.8	3.1
Tugboats	1800	0.498	419	57	9	8.8	18.2	75	2	59.76	13.0	120	3125	92,992	19.5	2.7	0.4	0.4	0.8	3.5
Tender Boat	250	0.31	380	81.5	24	23	51.6	26.9	1	5.12	16	120	1920	3,047	0.6	0.1	0.0	0.0	0.1	0.0
Survey Boat	100	0.5	380	81.5	24	23	51.6	26.9	1	3.30	8	60	480	792	0.2	0.0	0.0	0.0	0.0	0.0
TOTAL FUEL USE AND EMISSIONS FOR REUSE/DISPOSAL AT WINTER ISLAND															37.8	5.2	0.8	0.8	1.7	6.7
MITIGATED EMISSIONS FOR REUSE/DISPOSAL AT WINTER ISLAND															32.1	5.2	0.8	0.8	1.5	1.7
TOTAL EMISSIONS															42.1					

REHANDLING AT BERTH 10 AND LANDFILL DISPOSAL (FROM ADDENDUM I)																				
Activity/Equipment Type	Horsepower (Hp)	Load Factor (a)	Emission Factor (lbs/1000 gal fuel) (b)						Number Active	Fuel Use per Piece (c) (Gal/Hr)	Hours per Day (d)	Work Days (e)	Total Hours Worked	Total Fuel Consumption (gal)	Total NOx Emissions (tons)					
			NOx	CO	PM	PM10	ROG	SOx							NOx	CO	PM	PM10	ROG	SOx
<i>Transport to Berth 10</i>																				
Clamshell Dredge Off-Loader (electric)	1,800	0.85	0	0	0	0	0	0	1	0.00	16	120	1920	-	0.0	0.0	0.0	0.0	0.0	0.0
Tugboat	800	0.491	419	57.0	9.0	8.8	18.2	75.0	1	5.92	16.7	120	2004	5,825	1.2	0.2	0.0	0.0	0.1	0.2
Tender Boat	250	0.155	380	81.5	24.0	23.0	51.6	26.9	1	2.56	16	120	1920	762	0.1	0.0	0.0	0.0	0.0	0.0
Survey Boat	100	0.500	380	81.5	24.0	23.0	51.6	26.9	1	3.30	8	72	576	950	0.2	0.0	0.0	0.0	0.0	0.0
<i>Handling & Transport from Rehandling Facility to Landfill</i>																				
Land-Based Crane	1,800	0.85	0	0	0	0	0	0	1	0.00	16	120	1920	-	0.0	0.0	0.0	0.0	0.0	0.0
D-8 Bulldozers	300	0.50	285	78.5	25.3	24.3	32.5	31.1	2	9.90	6	257	3082	15,254	2.2	0.6	0.2	0.2	0.2	0.2
Loaders	300	0.50	321	98.7	29.3	28.1	48.3	31.2	4	9.90	8	158	5069	25,091	4.0	1.2	0.4	0.4	0.6	0.4
End-Dump Trucks (15-20 cy)	300	0.80	86.8	82.5	6.6	6.6	13.3	2.8	50	9.90	9	158	71280	564,538	24.5	23.3	1.9	1.9	3.8	0.8
TOTAL FUEL USE AND EMISSIONS USING BERTH 10 AND LANDFILL DISPOSAL															32.2	25.4	2.5	2.4	4.7	1.6
MITIGATED EMISSIONS USING BERTH 10 AND LANDFILL DISPOSAL															27.4	25.4	2.5	2.4	4.5	0.7
TOTAL EMISSIONS															62.9					

NOTES:

(a) Composite Load Factor for Winter Island Reuse includes the following:

- Travel to Disposal Site Hauling Loaded Barge (80% Load Factor, 5 knot speed)
- Travel from Disposal Site Hauling Empty Barge (20% Load Factor, 7 knot speed)
- Hooking up and Disconnecting from Barge (5% Load Factor, 1.5 hours per round trip)

Total Hours

Composite Load Factor

(b) Emission factor for trucks based on 3 120-mile trips/day, and 2 hours of idling/day

(c) Hourly Fuel Use is for all vehicles in each category combined (e.g., for 50 trucks, hourly fuel use is for all 50 trucks)

(d) Hours per Day is for each individual piece of equipment

(e) Days worked for Winter Island estimate assumes that dredging occurs at the rate 4,000/cy per day of in situ material (4,800 cy/day of bulked material)

Conversion factors:

0.0022048 Lb/yr
2000 Lb/T

9.15
6.5
1.5

17.2
0.506
NOx= 86.8 CO= 82.5 PM= 6.6 PM10= 6.6 ROG= 13.3 SOx= 2.8

Agenda Sheet

DATE: June 18, 2002

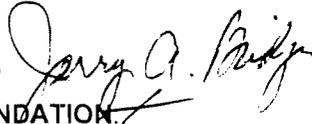
ITEM NO: 23S

SUBJECT: Authorization to Issue Request for Proposal to Perform Maritime Market Segmentation Analysis and to Develop a Maritime Marketing Strategy

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Maritime Division seeks to expand its market share of waterborne cargo through initiatives that will promote marine terminal capacity and by differentiating our seaport from other West Coast gateways. A preliminary review of the Port's current cargo volume levels indicates a more timely and comprehensive analysis is warranted in order to better promote and leverage Oakland's advantages over other West Coast ports.

The Port of Oakland market share of U.S. West Coast containerized international trade has remained relatively constant at around 10.5 to 11 percent for the past five years while the market share of the ports of Los Angeles and Long Beach has increased from 65.0 percent to 71.6 percent and the market share of the ports of Seattle and Tacoma has dropped from 20.5 percent to 15.5 percent. During this same time period, imported containerized cargo moving through all West Coast ports increased 48 percent in volume, while West Coast containerized export cargo volumes remained relatively stable. Over this five-year period, Oakland has not participated in the massive growth in West Coast intermodal imports. Oakland imports have increased 24 percent at volume levels that were only approximately seven percent of total West Coast containerized imports for calendar year 2001. The primary reason for Oakland's overall market share remaining stable is that Oakland did not significantly participate in the growth of containerized import cargo.

The closure of the Fleet Industrial Supply Center Oakland (FISCO) has provided the Port with extraordinary development opportunities. Within the past year, new container and intermodal rail terminals have opened for operations on this property, and we are projecting that in August of this year, a second new container terminal will begin operating. In addition, work has begun on dredging Port navigation channels to -50 feet. As part of the master planning for development of the FISCO property, approximately 75 acres north of the Joint Intermodal Terminal have also been set aside for infrastructure that supports intermodal rail and container terminal operations. These developments have been designed to provide capacity for handling increases in future Oakland containerized cargo volumes, particularly intermodal import cargo.

ANALYSIS AND FINANCIAL IMPACT:

As part of the recent reorganization of the Maritime Division, staff proposes that the services of an outside contractor be utilized to assist Port marketing staff in identifying and quantifying maritime cargo opportunities. Development of a corresponding marketing strategy to attract more intermodal cargo to ensure the full utilization of new and existing ocean and rail terminal facilities is also needed. This proposed study will dovetail with efforts to identify maritime infrastructure development opportunities for 75 acres adjacent to the Joint Intermodal Terminal. The specific tasks which we seek to have performed by a contractor are:

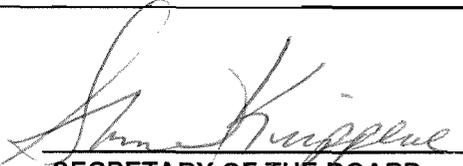
- Identify competitive advantages Oakland has over other gateways.
- Interview key railroad, ocean carrier and terminal operator personnel to determine future infrastructure needs and their long term strategies.
- Interview top logistics personnel of major importers of containerized cargo to identify import cargo opportunities, warehousing/distribution systems and needs, and competitive factors that influence gateway selection.
- Identify key commodities and exporters/importers that Oakland should target.
- Identify key facility and technology requirements.
- Develop and recommend a maritime marketing strategy.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

Approved by Resolution
No. 02197

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

JUN 18 2002

DATE

The Port Maritime Division has limited staff resources to conduct a wide ranging market analysis and development of a strategic

plan in a timely manner that encompasses all of the elements delineated above. Staff estimates that \$70,000 will be required to perform the marketing analysis as outlined with an additional \$10,000 contingency amount reserved for unanticipated increases in the cost of the study.

SUSTAINABILITY FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

It is recommended that the Board authorize staff to issue a request for proposal for hiring an outside contractor to perform a maritime market segmentation analysis and to develop and recommend a maritime marketing strategy in accordance with the scope of work outlined above.

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 24S

SUBJECT: Termination of Contract for Construction of Replacement Crane Spare Parts Building

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port of Oakland has a contract with W. E. Lyons Construction Co., for **CONSTRUCTION OF REPLACEMENT CRANE SPARE PARTS BUILDING, OAKLAND, CALIFORNIA**, which became effective on December 5, 2001, at lump sum and unit prices totaling \$533,787. The work consists of designing and building a medium weight, 60' X 60' steel building.

ANALYSIS:

Shortly after this contract was awarded, it became apparent that it would be more cost effective to incorporate the Crane Spare Parts Storage Building into the Port's future Field Support Services Complex. This would also conserve valuable land use in the Maritime area, as well as decrease utility installation cost.

To date, there have been no contract change orders.

Budget

Termination of this contract will limit the contract cost to the Port to \$22,938.13 for design and document preparation costs incurred by the contractor prior to the Notice of Termination. This project is budgeted in CIP Element No. MM.01170.03. This CIP Element No. will be closed and the remainder of the budget will be rolled into CIP Element No. SM.00667.01, the element for the Field Support Services complex.

Sustainability

By incorporating the Crane Spare Parts Storage Building into the Field Support Services Complex, the benefits to the Port will be as follows:

1. Less valuable land in the Maritime area will be used for non-revenue producing activities.
2. Putting all of the Port facilities in one location will require fewer trips by Port personnel to remote locations. This will save on fuel consumption, hours spent in transit, and site security.
3. A shared site will allow for coordination of utilities, requiring less excavation, and shared parking areas.

OPTIONS:

1. Option 1: Build the stand-alone Crane Spare Parts Storage Building.
2. Option 2: Terminate the contract for the stand-alone building to allow consolidation with the future Field Support Services Complex.

RECOMMENDATION:

It is recommended that the Board find it to be in the Port's best interests to terminate the contract with W. E. Lyons Construction Co., and that the contractor be paid \$22,938.13 for work produced prior to contract termination.

- MOTION**
- RESOLUTION
 - ORDINANCE
 - INFORMATION ONLY

Approved by Resolution

No. 02198

[Signature]

JUN 18 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD DATE

Agenda Sheet

DATE: June 18, 2002

ITEM NO: 31

SUBJECT:

Amendment to Non-Discrimination in Small Local Business Utilization Policy for Alternative Project Delivery Methods.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Bernida Reagan 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

Staff has been directed to present an amendment to the Port of Oakland's Non-Discrimination Small/Local Business Utilization ("NDSLBU" or "the current policy") to ensure full and equitable opportunities for local and small businesses to participate in contract opportunities of the Port Capital Improvement Program completed with "alternative delivery methods." After gathering significant input from community stakeholders, the Social Responsibility Division (SRD) has developed a comprehensive plan that maintains the current NDSLBU policy's intent of maximizing local and small business participation yet does not adversely affect project schedules or budgets of proposed projects. This enhancement to the current policy seeks to ensure the participation of local and small businesses at every level of contracting; to make available and identify resources to assist those businesses; and to monitor compliance with this and other Port policies in a coherent, understandable and equitable way. The full text of the proposed policy is available for review on the Port's internet website www.portofoakland.com. Regulations are provided separately from the policy language to facilitate review.

ANALYSIS:

Historically, the Port has used the Design-Bid-Build ("DBB") project delivery method for awarding contracts utilizing the preference points methodology as its means of implementing the NDSLBU policy. Currently, this is the only method used to implement the NDSLBU policy. For TEX and for other projects, it is likely that other delivery methods, such as Design-Build ("DB") and Construction Management at Risk ("CMr") will be utilized as alternatives to the traditional DBB project delivery method. The introduction of these new project delivery methods will alter the way the Port does business by adding new sets of criteria on which contract awards are based and new forms of relationships with contractors, subcontractors and consultants. Although it is possible that the existing regulation may apply to both new project delivery methods, it is likely that there may be instances in which the preference points methodology will not apply. Therefore, SRD proposes alternate solutions for implementing the NDSLBU policy when exceptions occur.

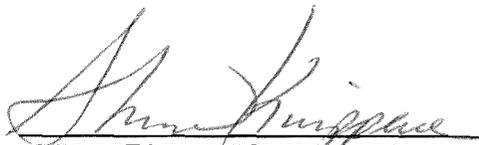
Five major policy enhancements are proposed:

- 1) A minimum qualification process will ensure that anyone who proposes to do work with the Port using an alternative delivery method demonstrate a past history of effectively utilizing small and local businesses as well as a measurable, well-defined plan for doing so on the project proposed.
- 2) An overall minimum utilization requirement will be set for each project, based on Small Business Enterprise/Local Business Enterprise supplied information which would enable the Port to establish reasonable, achievable requirements.
- 3) Proposers must identify goals, which meet or exceed the Port's minimum requirements. The winning proposer's goals will become part of the contract.
- 4) If the contract goals are exceeded, the contracting party will be rewarded; if the goals are not met, the contracting party may be penalized. Incentives will not exceed 2.5 % of the project cost. Penalties will not exceed 3.5%.
- 5) Data on local and available firms will be maintained and reporting requirements will be integrated via Web-based programs which contracting parties will be required to use.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02199

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

JUN 18 2002

DATE

Subject:

**Amendment to Non-Discrimination in Small Local
Business Utilization Policy for Alternative Project
Delivery Methods.**

Page 2 of 2

These policies have been developed to take into account schedules, budgets and predictability for all parties. Staff will develop selection processes for each project; implementation plans tailored to the project characteristics and compliance monitoring based on the implementation plan for each project.

Throughout the proposed process, SRD will work closely with Engineering, Aviation, the TEx program, the Management Information Services Department and others to identify barriers to the participation of small and local business and to identify and expand resources and programs to overcome those barriers.

FISCAL IMPACT:

We estimate, conservatively, that the Port's implementation of incentive awards under this policy may increase the cost of completing covered projects by approximately 2.5%. Goals for local and small local business participation will be set to require aggressive and creative outreach efforts and therefore, should result in modest award of incentives.

SUSTAINABILITY:

The trucking policy is designed with the expectation that the equipment or truckers to be utilized on Port projects are environmentally compliant with regard to low emissions and high efficiency. This policy builds in favorable consideration in the selection process for firms which engage in sustainable and responsible business practices.

RECOMMENDATION:

It is recommended that the Board consider and approve the enhancements to the current LBU policy and delegate authority to the Executive Director to approve regulations necessary to implement these policy enhancements.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 18, 2002

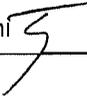
ITEM NO: 32

SUBJECT: Informational Report by the MIS Department

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

As requested by President Tagami during the Board of Port Commissioners Meeting on June 4, 2002, MIS will present a report regarding the IAMS project and the information services/technology status at the Port.

Report topics include:

- 1) IAMS - Project Effects, Benefits and Estimates
- 2) Briefing on Port Information Services and Technology
 - a. Current MIS Status
 - b. Future Directions
 - c. Challenges Facing MIS

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 11S

SUBJECT: Approval of an amendment to Port Ordinance 3634 to increase North Field Fees by current CPI

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

In May 1979, The Board adopted a policy of linking rates and charges of certain North Airport activities and properties to the previous calendar year's Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The San Francisco-Oakland area calendar year April 2001 to April 2002 CPI-W increase was 2.1%. Therefore, fees governing aircraft parking, assigned ramp spaces, T-hangars and office space in said T-hangars, Port-A-Ports and Tiedowns would be increased 2.1% effective July 1, 2002.

Proposed monthly rates are as follows:

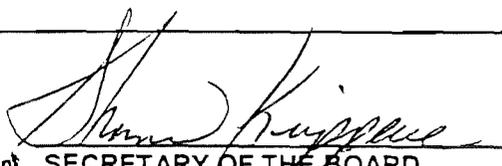
	PRESENT				PROPOSED			
	Monthly Rate	First 8 Hours or Fraction Thereof	Each Add'l 8 Hours or Fraction Thereof	Maximum Total Daily Rate	Monthly Rate	First 8 Hours or Fraction Thereof	Each Add'l 8 Hours or Fraction Thereof	Maximum Total Daily Rate
Blimp	\$1,130	\$77	\$37	\$114	\$1,154	\$79	\$38	\$116
Tiedown, Taxi-in/Taxi-Out	\$143				\$146			
Tiedown, 40 feet or less	\$99	\$6	\$3	\$8	\$101	\$6	\$3	\$8
Tiedown, 50 feet or less	\$142	\$7	\$4	\$12	\$145	\$7	\$4	\$12
Tiedown, 75 feet or less	\$211	\$12	\$5	\$18	\$215	\$12	\$5	\$18
Tiedown, 100 feet or less	\$236	\$17	\$6	\$26	\$241	\$17	\$6	\$27
Tiedown, 125 feet or less	\$367	\$26	\$12	\$39	\$375	\$27	\$12	\$40
Tiedown, 150 feet or less	\$535	\$37	\$17	\$53	\$546	\$38	\$17	\$54
Tiedown, 175 feet or less	\$709	\$48	\$25	\$71	\$724	\$49	\$26	\$72
Tiedown, 200 feet or less	\$875	\$60	\$30	\$87	\$893	\$61	\$31	\$89
Tiedown, over 200 feet	\$1,056	\$71	\$36	\$105	\$1,078	\$72	\$37	\$107
T-Hangar- 780 sq. ft.	\$258				\$263			
T-Hangar- 1040 sq. ft.	\$345				\$352			
T-Hangar- 1060 sq. ft.	\$351				\$358			
T-Hangar- 1340 sq. ft.	\$444				\$453			
T-Hangar- 2050 sq. ft.	\$680				\$694			
T-Hangar- 840 sq. ft.	\$215				\$220			
T-Hangar- 960 sq. ft.	\$244				\$249			
T-Hangar- 1110 sq. ft.	\$283				\$289			
T-Hangar- 1152 sq. ft.	\$297				\$303			
T-Hangar- 1596 sq. ft.	\$405				\$414			
Port-A-Port Single Engine	\$221				\$226			
Port-A-Port Light Twin Engine	\$268				\$274			
Ramp Space 1060 sq. ft.	\$154				\$157			
Ramp Space 1340 sq. ft.	\$207				\$211			
Ramp Space 2050 sq. ft.	\$311				\$318			
Ramp Space unspecified sq. ft.	\$109				\$111			
T-Hangar Office Space (per sq. ft.)	\$0.2566				\$0.2620			

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

JUN - 4 2002
DATE

The Board of Port Commissioners hereby finds and determines that the imposition of the above changes pursuant to Section 1 of this ordinance is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 21080(b)(8) and Sections 15273 and 15061(b)(3) of Title 14 of the California Code of Regulations. The basis for the exemption under Sections 21080(b)(8) and 15273 is that the rates are established and imposed for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas. In addition, in view of the minor amount of the rate increase under Section 15061(b)(3), it can be seen with certainty that there is no possibility that imposition of the rates referenced herein will have a significant affect on the environment.

SUSTAINABILITY:

There are no obvious sustainability opportunities involved.

RECOMMENDATION:

It is recommended that the Board approve an amendment to Port Ordinance 3634 establishing the above fee schedule for monthly rentals effective July 1, 2002, as proposed.

SAN FRANCISCO-OAKLAND-SAN JOSE

05/15/02

Consumer Price Index, All Items, 1982-84=100 for Urban Wage Earners and Clerical Workers (CPI-W)

SEMIANNUAL

YEAR	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	1ST HALF	2ND HALF	ANNUAL AVERAGE
1983		96.5		96.8		98.1		99.0		99.0		100.5			98.2
1984		101.4		102.2		103.5		106.0		104.9		105.6	102.1	105.3	103.7
1985		106.5		107.1		107.9		108.6		108.7		108.8	107.0	108.6	107.8
1986		110.3		109.4		111.0		111.3		112.0		110.7	110.1	111.4	110.7
1987	111.3	112.4	112.8	113.9	113.9	114.0	114.7	114.9	115.4	116.0	116.2	116.4	113.1	115.6	114.3
1988	117.5	117.0	117.9	117.8	118.7	119.0	119.7	120.5	121.1	121.3	121.1	121.5	118.0	120.9	119.4
1989	122.8	122.9	124.6	124.8	125.7	125.6	126.4	127.0	126.1	126.7	126.4	126.6	124.4	126.5	125.5
1990	127.6	128.2	129.0	129.8	129.9	130.7	131.3	132.0	132.9	133.6	133.7	133.9	129.2	132.9	131.1
1991	135.3	134.5	134.7	134.2	134.8	136.0	136.4	137.2	137.9	137.8	138.1	138.2	134.9	137.6	136.3
1992	138.5	139.1	139.9	139.6	140.1	140.3	140.4	141.0	141.8	142.3	142.3	142.3	139.6	141.7	140.6
1993	143.0	143.5	143.8	144.8	144.8	144.0	144.1	144.0	144.4	145.0	145.0	144.7	144.0	144.5	144.3
1994	145.3	145.0	145.6	145.6	146.1	145.7	146.6	147.1	147.1	147.0	147.6	147.4	145.6	147.1	146.3
1995	148.2	148.3	148.9	149.4	149.0	149.6	149.3	149.3	150.0	150.2	149.9	149.6	148.9	149.7	149.3
1996	150.5	150.5	150.7	151.9	153.0	152.9	153.4	153.0	153.8	154.3	154.2	153.1	151.6	153.6	152.6
1997	154.1	155.0	156.2	156.7	156.8	157.0	157.5	158.1	158.6	159.5	159.5	159.4	156.0	158.8	157.4
1998		159.6		160.8		161.7		162.7		163.4		163.7	160.5	163.1	161.8
1999		165.7		168.8		168.3		170.0		171.2		170.9	167.2	170.5	168.8
2000		172.6(R)		174.9(R)		175.2		177.8(R)		179.3		180.2	173.9(R)	178.7	176.3
2001		183.5		184.9		186.9		186.7		187.5		186.5	184.5	186.9	185.7
2002		186.8		188.8											

Table of over-the-year % increases. An entry for Feb. 2000 indicates the percentage increase from Feb. 1999 to Feb. 2000 (in this example 4.2%).

1984		5.1		5.6		5.5		7.1		6.0		5.1			5.6
1985		5.0		4.8		4.3		2.5		3.6		3.0	4.8	3.1	4.0
1986		3.6		2.1		2.9		2.5		3.0		1.7	2.9	2.6	2.7
1987		1.9		4.1		2.7		3.2		3.6		5.1	2.7	3.8	3.3
1988	5.6	4.1	4.5	3.4	4.2	4.4	4.4	4.9	4.9	4.6	4.2	4.4	4.3	4.6	4.5
1989	4.5	5.0	5.7	5.9	5.9	5.5	5.6	5.4	4.1	4.5	4.4	4.2	5.4	4.6	5.1
1990	3.9	4.3	3.5	4.0	3.3	4.1	3.9	3.9	5.4	5.4	5.8	5.8	3.9	5.1	4.5
1991	6.0	4.9	4.4	3.4	3.8	4.1	3.9	3.9	3.8	3.1	3.3	3.2	4.4	3.5	4.0
1992	2.4	3.4	3.9	4.0	3.9	3.2	2.9	2.8	2.8	3.3	3.0	3.0	3.5	3.0	3.2
1993	3.2	3.2	2.8	3.7	3.4	2.6	2.6	2.1	1.8	1.9	1.9	1.7	3.2	2.0	2.6
1994	1.6	1.0	1.3	0.6	0.9	1.2	1.7	2.2	1.9	1.4	1.8	1.9	1.1	1.8	1.4
1995	2.0	2.3	2.3	2.6	2.0	2.7	1.8	1.5	2.0	2.2	1.6	1.5	2.3	1.8	2.1
1996	1.6	1.5	1.2	1.7	2.7	2.2	2.7	2.5	2.5	2.7	2.9	2.3	1.8	2.6	2.2
1997	2.4	3.0	3.6	3.2	2.5	2.7	2.7	3.3	3.1	3.4	3.4	4.1	2.9	3.4	3.1
1998		3.0		2.6		3.0		2.9		2.4		2.7	2.9	2.7	2.8
1999		3.8		5.0		4.1		4.5		4.8		4.4	4.2	4.5	4.3
2000		4.2(R)		3.6		4.1		4.6(R)		4.7		5.4	4.0(R)	4.8	4.4
2001		6.3		5.7		6.7		5.0		4.6		3.5	6.1	4.6	5.3
2002		1.8		2.1											

R: Revised

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 3704

AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE
NO. 3634 RELATING TO CHARGES FOR USE OF
FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL
AIRPORT.

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. Subsection d(1) of Section 9 of Port Ordinance No. 3634 is hereby amended to read in full as follows:

"For paved or improved aircraft parking spaces in the North Field, other than those described in subsection e(1), e(2), e(3), f(1) or f(2), designated to accommodate aircraft with wingspans or length, whichever is greater, of:

	Monthly Rate	First 8 Hours or Fraction Thereof	Each Additional 8 Hours or Fraction Thereof	Maximum Total Daily Rate
40 feet or less	\$ 101.00	\$ 6.00	\$ 3.00	\$ 8.00
50 feet or less	145.00	7.00	4.00	12.00
75 feet or less	215.00	12.00	5.00	18.00
100 feet or less	241.00	17.00	6.00	27.00
125 feet or less	375.00	27.00	12.00	40.00
150 feet or less	546.00	38.00	17.00	54.00
175 feet or less	724.00	49.00	26.00	72.00
200 feet or less	893.00	61.00	31.00	89.00
Over 200 feet	1,078.00	72.00	37.00	107.00
Blimp	1,154.00	79.00	38.00	116.00

Notwithstanding the monthly rates hereinabove set forth, the monthly rate for aircraft 40 feet or less requiring taxi-in/taxi out capability is \$146.00."

Section 2. Subsection g(2) of Section 9 of Port Ordinance No. 3634 is hereby amended to read in full as follows:

"For storage of aircraft in T-hangars in the North Field, the monthly storage rates exclusive of office space in said T-hangars shall be as follows:

<u>Hangar Area</u> <u>(Port owned Hangars)</u>	<u>Monthly Rates</u>
Port-A-Port (single)	\$226.00
Port-A-Port (light twin)	274.00
T-Hangar (840 sq. feet)	220.00
T-Hangar (960 sq. feet)	249.00
T-Hangar (1,110 sq. feet)	289.00
T-Hangar (1,152 sq. feet)	303.00
T-Hangar (1,596 sq. feet)	414.00

**Hangar Area Between Hangar 6 & 7,
and South of Building L-606**
(Port owned Hangars)

<u>Hangar Area</u> <u>(Port owned Hangars)</u>	<u>Monthly Rates</u>
T-Hangar (780 sq. feet)	\$263.00
T-Hangar (1,040 sq. feet)	352.00
T-Hangar (1,060 sq. feet)	358.00
T-Hangar (1,340 sq. feet)	453.00
T-Hangar (2,050 sq. feet)	694.00

<u>Hangar Area</u> <u>(Privately owned Port-A-Port)</u>	<u>Monthly Rates</u>
Executive Ramp Space (unspecified)	\$ 111.00
Executive Ramp Space (1,060 sq. feet)	157.00
Executive Ramp Space (1,340 sq. feet)	211.00
Executive Ramp Space (2,050 sq. feet)	318.00

The rate for office space in said T-hangars shall be \$.2620 per square foot per month rounded to the nearest dollar for the total office space occupied. Electricity shall be provided separately on a metered basis."

Section 3. The Board of Port Commissioners hereby finds and determines that the establishment and imposition of the above rates pursuant to Sections 1 and 2 of this ordinance is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 21080(b)(8) and Sections 15273 and 15061(b)(3) of Title 14 of the California Code of

Regulations. The basis for the exemption is that it can be seen with certainty that there is no possibility that imposition of the rates referenced herein will have a significant effect on the environment.

Section 4. Section 1 of this ordinance shall be effective July 1, 2002

In Board of Port Commissioners, Oakland, California, June 4, 2002. Passed to print for one day by the following vote: Ayes: Commissioners Ayers-Johnson, Kramer, Scates and President Tagami - 4. Noes: None. Absent: Commissioner Kiang, Protopappas and Uribe - 3.

John T. Betterton
Secretary of the Board

Adopted at a **meeting held**

By the following Vote:

Ayes:

Noes:

Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 16

SUBJECT: First Reading of an Ordinance Authorizing the Execution of a Ground Lease with Gray and Reynolds Properties, Inc. for the 1.1 Acre Site Located at 1211 Embarcadero Road

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION

CALENDAR MEMO

FACTUAL BACKGROUND:

In February 2001, the Board authorized an Exclusive Negotiating Agreement (ENA) between the Port and Gray & Reynolds, a local development team consisting of Dan Gray and Peter Reynolds. The ENA covered a 4.4 acre parcel located at Embarcadero Cove south of the 9th Avenue Terminal and adjacent to the Homewood Suites hotel. After extensive negotiations, the ENA was fully executed on July 31 2001. There have been a number of extensions to the ENA, with the most recent extension expiring on April 27, 2002. During the extensions, the developer was required to file a request for CEQA review with the City of Oakland, and to complete negotiations on the master lease. The CEQA review has been completed, and negotiations on the ground lease covering one of the three sites covered under the ENA, the 1.1-acre site that formerly housed the Hungry Hunter restaurant, have been completed.

CURRENT PROJECT:

The proposed project entails the demolition of an existing structure and construction of a three or four story, 23,000 square foot commercial building on a 1.1 acre site located at 1221 Embarcadero. The building will include 7,056 square feet of commercial uses on the ground floor, including a boat sales showroom and an area dedicated to general food sales with outdoor seating along the waterfront. Total project costs are estimated to be \$4,500,000. The developer has met with the San Francisco Bay Conservation and Development Commission (BCDC) on a number of occasions, and the project currently includes a small pocket park on the water, and landscape and hardscape improvements including public access areas between the estuary and the building.

GROUND LEASE PROPOSAL:

The following is a summary of the terms and conditions of the proposed land lease:

1. The premises would consist of approximately 49,672 square feet of land located on Embarcadero south of 10th Avenue, adjacent to the newly constructed Homewood Suites hotel. The premises would also include the dock currently used by Integra Marine, consisting of 10,200 square feet of submerged land and water area. Lessee would be responsible for demolishing the building improvements (the former Hungry Hunter location) currently on the site during the pre-term of the lease. The lessee would be reimbursed for the demolition costs through a rental credit not to exceed \$50,000.
2. The lease term would be for a period of 66 years, not including pre-term.
3. There would be a pre-term period in the lease, which would commence on the effective date of the lease, and expire on the 356th day following the date that the condition to obtain Closure Letters from the regulatory agencies (Alameda County Health Care Services Agency-Department of Environmental Health and the California Regional Water Quality Control Board-San Francisco Region) is satisfied or waived by the Lessee. During the pre-term, the lessee would have the option of demolishing the building, and would work to obtain entitlement and approvals from the City of Oakland, BCDC, and any other approvals required for the project. Construction rent commences upon expiration of the pre-term. The lessee has a one-time option to extend the pre-term for an additional 120 days. During that extension period, the lessee would pay construction rent.
4. The Port shall use commercially reasonable efforts to obtain the Closure Letters and a site feasibility letter (the "letters") from the regulatory agencies by December 31, 2002. If the Port is unable to obtain the letters, then the Lessee has the option to terminate the lease on the earlier of (i) January 10, 2003 or (ii) 10 days following the receipt by Lessee of the Closure Letters and/or site development feasibility letter. If the Lessee fails to terminate at that time, the election to terminate is of no further effect.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN


SECRETARY OF THE BOARD

JUN - 4 2002

DATE

5. Lessee would construct an office building on the site containing approximately 23,000 rentable square feet, in accordance with plans and specification to be approved by the Port and the City of Oakland. All signs would also be subject to Port and City approval.
6. The initial minimum rent would be \$5,333 per month (based on a 10% return on \$16 per square foot of the usable area outside the BCDC public areas) against 15% of net (the subtenants are under triple net leases). The minimum rent commences at the first to occur of:
 - a) 18 months following the commencement date of the construction term
 - b) When the building is 75% leased and occupied
7. The minimum rent would be adjusted at five-year intervals to either 75% of the average monthly rental paid to the Port during the 36-month period immediately preceding the rental adjustment, or the percentage change in the Consumer Price Index, whichever is greater. There will be a ceiling of 10% on the adjustment. In no case would the minimum rental be adjusted to less than the existing minimum rental.
8. The construction rent would be 50% of the minimum monthly rent or \$2,667 per month. The costs of demolition of the building will be credited against the construction rent, in an amount not to exceed \$50,000.
9. Lessee has deposited \$50,000, which will be credited as a security deposit. Provided that no default has occurred, from the date that 75% of the office building is leased, the Port shall apply the security deposit towards the minimum rent.
10. The Port will be responsible for remediation costs up to \$250,000 (costs incurred commencing on February 1, 2002). This includes the removal of no more than 1,866 cubic yards of soil located under the old Hungry Hunter building and in utility trenches needed to service the new building. If at any time the Port determines that the Port's remediation costs shall exceed \$250,000, the parties shall have 30 days (after the lessee is notified and provided with evidence of the Port's costs) to attempt to agree which party will pay for such excess costs. If the parties are unable to reach an agreement with 30 days, the Lease shall terminate.
11. The lessee will be responsible for all maintenance and repair of the improvements. The Port shall reimburse the lessee for costs expended to maintain the public access area. The annual reimbursement, which shall be based on costs expended by the lessee, shall not exceed \$5,000 per year. This amount shall be increased annually by the CPI index, and the funds expended shall be deducted from the minimum monthly rent after being approved by the Port.
12. The lessee would pay prevailing wages during construction of the improvements in accordance with the Port's current policy on prevailing wages during construction.
13. The lessee would pay all taxes, assessments and utilities.
14. The lessee would be responsible for the cost of any public access improvements required by BCDC.
15. The lease could not be assigned or subleased without prior Port approval, which would be not unreasonably withheld.
16. The lease will contain a provision allowing the lessee a right of first offer if the Port elects to lease or sell all or part of the adjoining 3.3 acre site to the south of the leased premises.

LAND USE AND ENVIRONMENTAL DETERMINATION:

At its October 3, 2001 meeting, the City of Oakland Planning Commission approved the design and a Conditional Use Permit for the proposed project. They noted that the proposed project is an appropriate land use at this location and an appropriate and well designed commercial project that will further the overall objectives of the Estuary Policy Plan, particularly those related to the development of commercial-recreational and water oriented activities, recreational and open space, and enhanced waterfront public access. They also determined that the proposed project is categorically exempt from the California Environmental Quality Act pursuant to Section 15332, Infill Development Projects, of the State CEQA guidelines. The Port is relying on the City's analysis in proceeding with this ordinance.

SUSTAINABILITY

The proposed project will take an underutilized site and convert it to a better economic use. The lessee will develop the property consistent with Port of Oakland sustainability policies, as applicable.

**First Reading of an Ordinance Authorizing the Execution
of a Ground Lease with Gray and Reynolds Properties, Inc. for the
1.1 Acre Site Located at 1211 Embarcadero Road**

OP IS:

1. Approve the ground lease as outlined.
2. Put the parcel back on the market. The other proposals received for the site proposed re-use of the Hungry Hunter building, which is economically obsolete. The lessee's proposal will result in improved public access, and a newer facility on the site.

RECOMMENDATION:

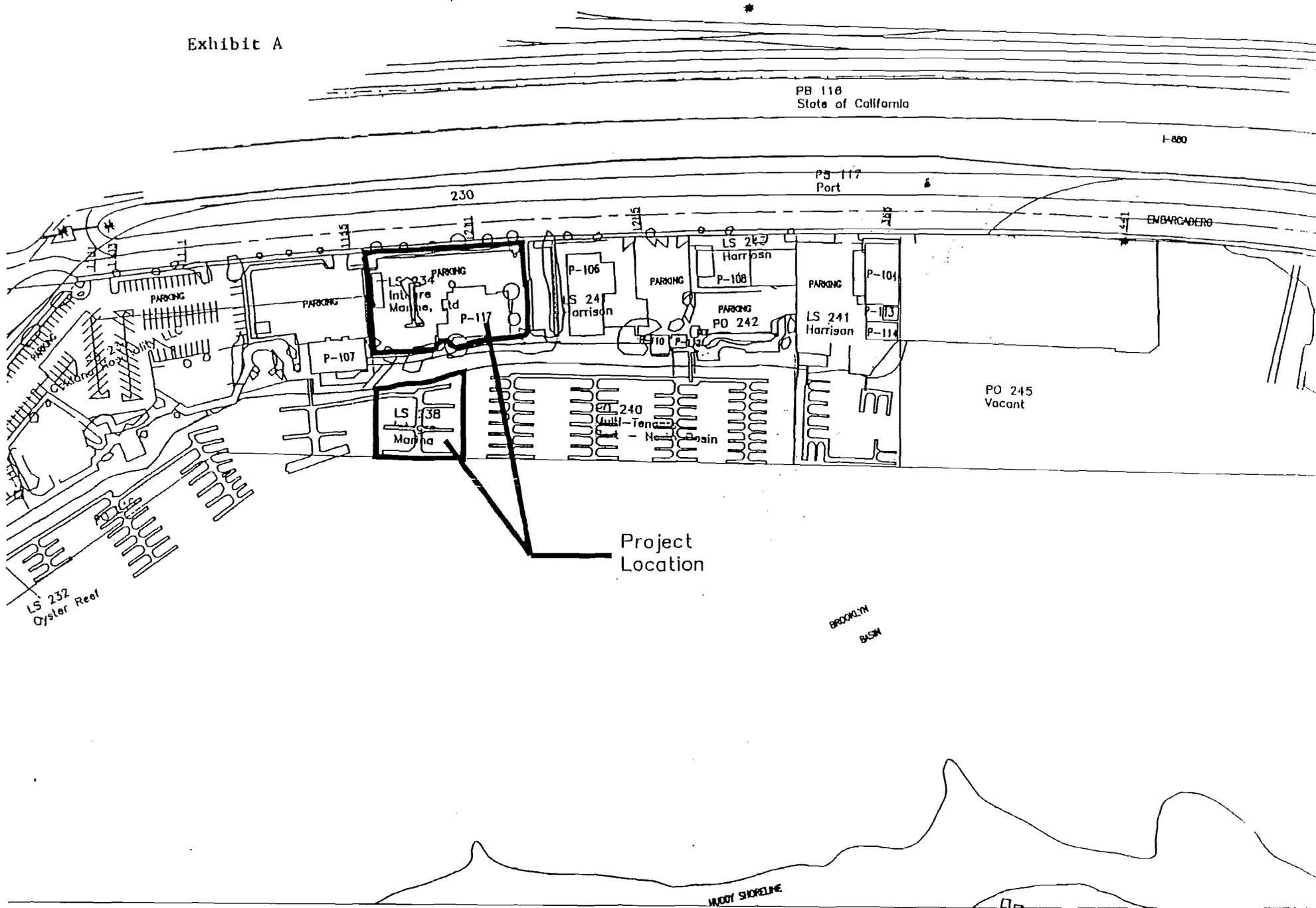
It is recommended that the Board give first reading to an ordinance authorizing the terms of the ground lease with Gray and Reynolds as outlined.



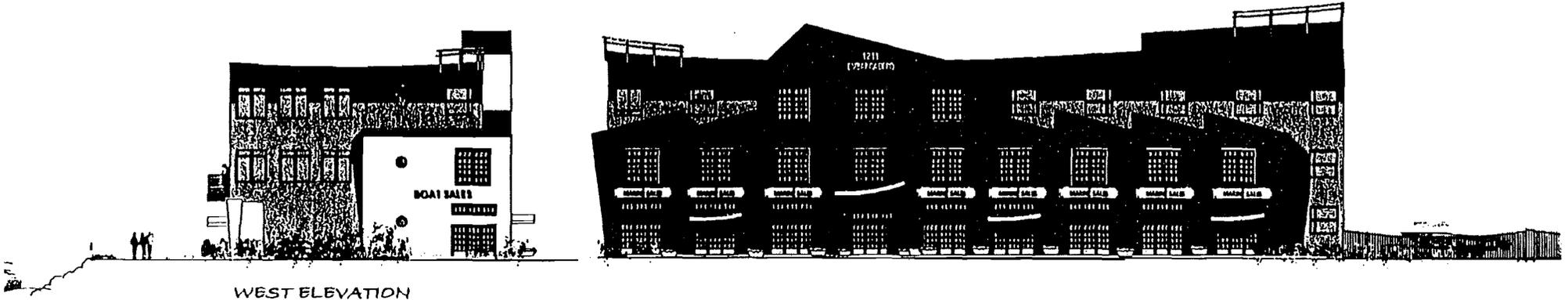
First Reading of an Ordinance Authorizing the Execution
 of a Ground Lease with Gray and Reynolds Properties, Inc.
 for a 1.1 Acre Site Located at 1211 Embarcadero Road.

June 4, 2002

Exhibit A

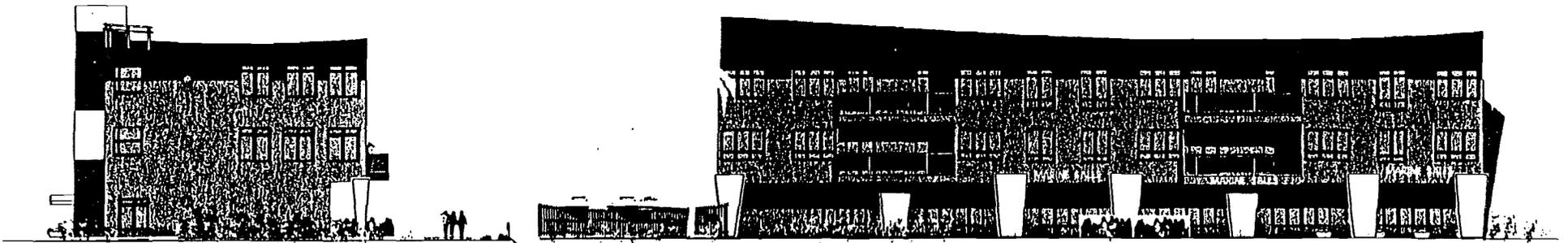


exterior elevations



WEST ELEVATION

FREeway VIEW ELEVATION



WEST ELEVATION

WATER VIEW ELEVATION

ESTUARY COVE PROJECT
OAKLAND

F I V I I
C R A I G
G R A N T

ARCHITECTS
ARCHITECTS
BUILDING
MANAGEMENT
CONSULTANTS
1000 BAY STREET
SAN FRANCISCO, CA 94111
415.774.1111
WWW.FIVIGRANT.COM

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 3705

**ORDINANCE APPROVING AND AUTHORIZING
EXECUTION OF GROUND LEASE WITH GRAY
AND REYNOLDS PROPERTIES, INC.**

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. The Board of Port Commissioners ("Board") hereby approves a Ground Lease between the **CITY OF OAKLAND**, a municipal corporation, acting by and through the Board, as Lessor, and **GRAY AND REYNOLDS PROPERTIES, INC.**, a California corporation ("Lessee"), for premises consisting of approximately 49,672 square feet of land located on Embarcadero south of 10th Avenue and for premises which include the dock currently used by Integra Marine, consisting of 10,200 square feet of water, providing for the Port to pay a total maximum of \$250,000 for remediation costs, and for other purposes incidental and reasonably related thereto for a term of 66 years, at the rent proposed and as otherwise upon the terms and conditions set forth in Board Agenda Sheet Item No. 16 dated June 4, 2002, and such standard terms and conditions as specified in the Lease and approved by the Executive Director.

Section 2. The Executive Director is hereby authorized to execute said Ground Lease.

Section 3. The Board hereby finds and determines that the proposed Lease is exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Guidelines Section 15332.

Section 4. This ordinance is not evidence of and does not create or constitute (a) a contract, Lease or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. This ordinance approves and authorizes the execution of said Ground Lease in accordance with the terms of this ordinance. Unless and until a separate written Ground Lease is duly executed on behalf of the Board as authorized by this ordinance, is signed and approved as to form and legality by the Port Attorney, and is delivered to Lessee, there shall be no valid or effective Ground Lease.

Section 5. This ordinance shall take effect thirty (30) days from and after its final adoption.

In Board of Port Commissioners, Oakland, California, June 4, 2002. Passed to print for one day by the following vote: Ayes: Commissioners Ayers-Johnson, Kramer, Scates and President Tagami - 4. Noes: None. Absent: Commissioner Kiang, Protopappas and Uribe - 3.

John T. Betterton
Secretary of the Board

Adopted at a **meeting held**

By the following Vote:

Ayes:

Noes:

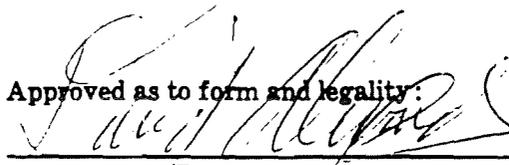
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 3706

AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.06, AND ADDING SECTION 1.291 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT.

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. The salary schedules set forth in Section 2.06, of Port Ordinance No. 867 shall be and the same are hereby amended by increasing the rates of compensation set forth on said salary schedules by an additional five percent (5%) effective September 1, 2001, by an additional one percent (1%) effective March 1, 2002 and by an additional four percent (4%) effective September 1, 2002.

Section 2. Section 1.291 is hereby added to Port Ordinance No. 867 to read as follows:

"Sec. 1.291. In addition to the compensation otherwise provided herein each person employed in a regular full time position belonging to Employee Representation Unit F on the effective dates hereof, at the rates indicated below, shall be entitled to an additional five percent (5%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective September 1, 2001.

In addition to the compensation otherwise provided herein each person employed in a regular full time position belonging to Employee Representation Unit F on the effective dates hereof, at the rates indicated below, shall be entitled to an additional one percent (1%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective March 1, 2002.

In addition to the compensation otherwise provided herein each person belonging to Employee Representation Unit F employed on the effective dates hereof, at the rates indicated below, shall be entitled to an additional four percent (4%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective September 1, 2002."

Section 3. This ordinance shall be effective as of the date stated therein, in accordance with the provisions of the Memorandum of Understanding between International Brotherhood of Electrical Workers 1245 and the Port of Oakland dated September 1, 2001.

In Board of Port Commissioners, Oakland, California, June 4, 2002. Passed to print for one day by the following vote: Ayes: Commissioners Ayers-Johnson, Kramer, Scates and President Tagami - 4. Noes: None. Absent: Commissioner Kiang, Protopappas and Uribe - 3.

John T. Betterton
Secretary of the Board

Adopted at a **meeting held**

By the following Vote:

Ayes:

Noes:

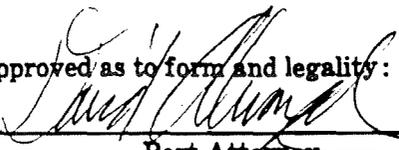
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 41S

SUBJECT: PERSONNEL ITEMS
 - Creation of Salary Schedules
 - Creation of Classifications/Positions

**DUPLICATE
 OF PRIOR
 CALENDAR MEMO**

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshida 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULES--Ordinance (2 Readings)

A) It is requested that the Board approve the creation of the following Salary Schedules in order to implement its assignment to the creation of the classifications/positions later on this agenda.

Salary Schedule	Rep. Unit	Salaries
93.8H	A	a--\$23.65; b--\$24.84; c--\$26.10; d--\$27.60; e--\$29.19 (per hour)
74	A	a--\$4114; b--\$4320; c--\$4536; d--\$4808; e--\$5096

II. CREATION OF CLASSIFICATIONS/POSITIONS -- Ordinance (2 Readings)

It is requested that the Board approve the creation of the classification **Permit Technician, Part-Time** as indicated below.

B) It is requested that the Board approve the creation of the classification **Aviation Graphics Specialist** as a result of a classification series study initiated by the Engineering Division of the Drafting Technician series. The Board approved the creation of the new Engineering Technician series. The audit also revealed that the Aviation Draftsman position, which was a part of that series, had significantly different duties. This classification action rectifies that inconsistency. The salary will be amended from Salary Schedule 39 (a--\$4001; b--\$4197; c--\$4410; d--\$4666; e--\$4933) to Salary Schedule 74 (a-- \$4114; b-- \$4320; c--\$4536; d--\$4808; e--\$5096).

CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Permit Technician	OPER	Engineering	1	A	93.8H (a--\$23.65; b--\$24.84; c--\$26.10; d--\$27.60; e--\$29.19)
Aviation Graphics Specialist	OPER	Aviation	1	A	74 (a--\$4114; b--\$4320; c--\$4536; d--\$4808; e--\$5096)

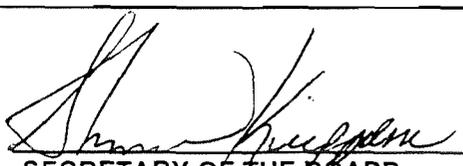
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedules and creation of classifications/positions.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

**Approved by Ordinance
 passed to print**

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

JUN - 4 2002

DATE

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 3707

AN ORDINANCE AMENDING PORT ORDINANCE NO. 867,
AMENDING SECTIONS 2.01, 8.0631 AND ADDING
SECTIONS 8.47H AND 14.5.

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. Section 2.01 of Port Ordinance No. 867 is hereby amended to add new salary schedule which section shall read as follows:

<u>SCHEDULE</u> <u>No.</u>	<u>Rate</u> <u>a.</u>	<u>Rate</u> <u>b.</u>	<u>Rate</u> <u>c.</u>	<u>Rate</u> <u>d.</u>	<u>Rate</u> <u>e.</u>
93.8H	23.65/hr.	24.84/hr.	26.10/hr.	27.60/hr.	29.19/hr.
74	4114	4320	4536	4808	5906

Section 2. Section 8.0631 of Port Ordinance No. 867 is hereby amended to amend the Salary Schedule from 39 to Salary Schedule No. 74.

Section 3. The following sections are hereby added to Port Ordinance No. 867 to read as follows:

<u>Section No.</u>	<u>No. of Positions</u>	<u>Title</u>	<u>Salary or Schedule No.</u>
8.147H	1	Permit Technician (Part-Time)	93.8H
14.5	1	Aviation Graphics Specialist	74

In Board of Port Commissioners, Oakland, California, June 4, 2002. Passed to print for one day by the following vote: Ayes: Commissioners Ayers-Johnson, Kramer, Scates and President Tagami - 4. Noes: None. Absent: Commissioner Kiang, Protopappas and Uribe - 3.

John T. Betterton
Secretary of the Board

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

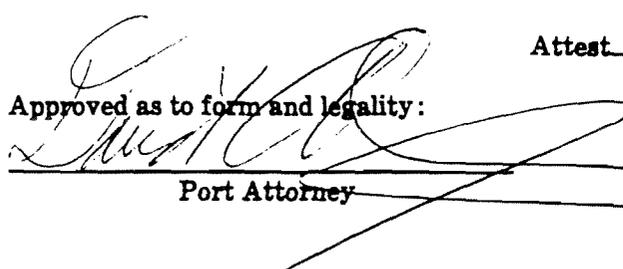
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, June 4, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. to Review Items 43-47.
(See, Closed Session)**

OPEN SESSION: 4:00 p.m.

READING OF THE MINUTES:

Regular meeting of May 21, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Administration
Aviation
Maritime

READING OF SUMMARY ITEMS: (Marked "S")

11 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Authorization to Approve First Supplemental Agreement with Lochard Corporation in Order to Add New Components to the Airport Noise and Operations Monitoring System. (Resolution)
- 2** This item not used.
- 3** Approval to Dispense with Standard Bidding Procedures for Foundation and Structural Systems for the Explosives Detection System (EDS) Structure, Terminal 2, OIA, to Meet the Urgent Security Requirements of Outbound Baggage Screening. (Resolution)

- 4** **CONTINUED TO 6/18** Approval of the 2002 Addendum and Re-Approval of the 1999 Mitigated Negative Declaration for the BAYAIR Corporate Hangar and Fixed Base Operation. (Resolution)

- 5** This item not used.
- 6** Request for Approval for a Second Supplemental Agreement to the Existing Agreement with ARINC Inc. and Ratification of Expenditures Paid to ARINC for Maintenance Agreement Changes as Required by Airline Operators of Muse at Oakland International Airport. (Resolution)
- 7** Approval of Supplemental Agreement with Environ International Corporation for Environmental Consulting Services. (Resolution)

- 8** Approval to Provide the East Bay Regional Park District Additional Funds for Monitoring the Arrowhead Marsh Restoration Site. (Resolution)
- 9S** Professional Services Contract with Grace Under Pressure Productions for Consulting Services to Coordinate and Plan Events in Conjunction with the 75th Anniversary of Oakland International Airport. (Resolution)
- 10S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Evergreen Aviation Ground Logistics Enterprises, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 11S** Approval of an Amendment to Port Ordinance No. 3634 to Increase North Field Fees by Current CPI. (Ordinance)
- 12S** Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (North Airport). (Resolution)
- 13S** Approval of Consultant Agreement with Leigh Fisher Associates for Traffic Management Planning for Terminal Expansion Program Construction, Oakland International Airport (#1 Airport Drive, South Airport). (Resolution)
- 14S** Award of Contract for Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Airport, OIA. (Resolution)

COMMERCIAL REAL ESTATE

- 16** First Reading of an Ordinance Authorizing the Execution of a Ground Lease with Gray and Reynolds Properties, Inc. for the 1.1 Acre Site Located at 1211 Embarcadero Road. (Ordinance)

MARITIME

- 21** Recommendation to Pass a Resolution Approving and Authorizing the Executive Director to Execute a Covenant to Restrict Use of Property, Charles P. Howard Terminal Site. (Resolution)
- 22** Authorization to Solicit Bids to Provide Security Service for Port View Park and the Training Building. (Resolution)

- 23** Approval of List of Consultants to Provide As-Needed Marine Terminal Yard and Gate Planning and Design at the Port of Oakland. (Resolution)
- 24** Approval of Change Order to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Park – CDSM Modification. (Resolution)
- 25** Approval of Second Supplemental Agreement with Liftech Consultants, Inc., for the Design of Berth 59 Wharf – The Cell C Excavation Plan and Other Miscellaneous Extra Work. (Resolution)

OPERATIONS

- 31** Recommended Approval of California Unified Certification Program. (Resolution)
-
- 32 HELD OVER** Request for Authorization to Negotiate with Information Assets Management System Consultants. (Resolution)
-
- 33** Publication of Notice of Public Hearing Pursuant to the Requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Regarding the Port of Oakland's Financing Program in Connection with its Capital Improvement Program. (Resolution)
- 34** Approval of Seventh Supplemental Agreement with PricewaterhouseCoopers Dated June 9, 1996-1997 to Perform Audit Services for FY Ending June 2002 Relating to Passenger Facility Charges (PFC's). (Resolution)
- 35** Personnel Items: Approving Memorandum of Understanding with International Brotherhood of Electrical Workers, Local 1245. (Resolution & Ordinance Only – See Closed Session Item 47)
- 36** Approval of First Supplemental Agreement to Fitzgerald, Abbott, & Beardsley, LLP for Training in the Prevention of Sexual Harassment for FY 01-02. (Resolution)
- 37** Approval of First Supplemental Agreement to Century Corporate Counsel, P.C. for Investigations of Discrimination Complaints for FY 01-02. (Resolution)
- 38** Approval of Contract for Amistad & Associates in Team Building Training for FY 01-02. (Resolution)

- 39S** Adoption of Amendments to Deferred Compensation Plan. (Resolution)
- 40S** Approval of Plans and Project Manual for Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002, and Ending July 31, 2003, 2004 or 2005. (Resolution)
- 41S** Personnel Items: Creation of Salary Schedules; and Creation of Classifications/Positions. (Ordinance)
- 42S** Travel Authorization. (Resolution)

CLOSED SESSION

- 43** CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of case:

Ralph Tornstrom v. Port of Oakland, Workers'
Compensation Appeals Board Case No. OAK 275432
- 44** CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 3 matters.
- 45** CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (c) Section 54956.9 1 matter.
- 46** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:
- | | |
|----------------------|--|
| Property: | Oakland Army Base |
| Negotiating Parties: | Port, Oakland Base Reuse Authority,
City of Oakland, Oakland Redevelopment Agency |
| Under Negotiation: | Price and Terms of Payment |
| Property: | Various Parcels, Jack London Square |
| Negotiating Parties: | Port and Jack London Square Partners |
| Under Negotiation: | Price and Terms of Payment |

47 CONFERENCE WITH LABOR NEGOTIATOR, as provided under Government Code Section 54957.6.

Agency Negotiator: John Glover
Employee Organization: IBEW

Vote on the following resolutions except number 27:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates and President Tagami - 4

Noes: None

Absent: Commissioners Kiang, Protopappas and Uribe - 3

Vote on number 27:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Scates and President Tagami - 5

Noes: None

Absent: Commissioners Protopappas and Uribe - 2

RESOLUTIONS:

02163 1 FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH LOCHARD CORPORATION FOR THE ADDITION OF NEW COMPONENTS TO THE AIRPORT NOISE AND OPERATIONS MONITORING SYSTEM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT.
(Airport - 1)

02164 2 FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR CONSTRUCTION OF FOUNDATION AND STRUCTURAL SYSTEMS FOR THE EXPLOSIVES DETECTION SYSTEM (EDS) STRUCTURE, TERMINAL 2, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT(S) FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS.
(Airport - 3)

- 02165 3** RATIFYING AND APPROVING A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH ARINC, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 6)
- 02166 4** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH ENVIRON INTERNATIONAL CORPORATION FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 7)
- 02167 5** APPROVING ADDITIONAL FUNDING TO EAST BAY REGIONAL PARK DISTRICT FOR THE ARROWHEAD MARSH RESTORATION SITE. (Airport - 8)
- 02168 6** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GRACE UNDER PRESSURE PRODUCTIONS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT. (Airport - 9S)
- 02169 7** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH EVERGREEN AVIATION GROUND LOGISTICS ENTERPRISES, INC. (Airport - 10S)
- 02170 8** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CAL-AIR AVIATION SERVICES, INC. (Airport - 12S)
- 02171 9** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH LEIGH FISHER ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport - 13S)

- 02172 10** AWARDING CONTRACT TO FEE CONSTRUCTION, INC. FOR CONSTRUCTION AND INSTALLATION OF POST INDICATOR VALVES AT BUILDING L-820 (HANGAR 9), NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport - 14S)
- 02173 11** APPROVING AND AUTHORIZING EXECUTION OF A COVENANT TO RESTRICT USE OF PROPERTY CONCERNING THE CHARLES P. HOWARD TERMINAL SITE. (Maritime - 21)
- 02174 12** APPROVING PLANS AND SPECIFICATIONS FOR PROVISION OF SECURITY SERVICE FOR PORT VIEW PARK AND THE OAKLAND PIER TRAIN TOWER AND CALLING FOR BIDS THEREFOR. (Maritime - 22)
- 02175 13** APPROVING LIST OF CONSULTANTS TO PROVIDE AS-NEEDED MARINE TERMINAL YARD AND GATE PLANNING AND DESIGN AT THE PORT OF OAKLAND, OAKLAND, CALIFORNIA. (Maritime - 23)
- 02176 14** APPROVING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH BERTHS 57/58 CONSTRUCTORS, A JOINT VENTURE, FOR CONSTRUCTION OF THE BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS, OAKLAND, CALIFORNIA. (Maritime - 24)
- 02177 15** RATIFYING AND APPROVING A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH LIFTECH CONSULTANTS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime - 25)
- 02178 16** APPROVING THE PORT'S PARTICIPATION IN THE CALIFORNIA UNIFIED CERTIFICATION PROGRAM. (Operations - 31)

- 02179 17** THIS NUMBER NOT USED.
- 02180 18** OF THE BOARD OF PORT COMMISSIONERS OF THE CITY OF OAKLAND, STATE OF CALIFORNIA, AUTHORIZING THE PUBLICATION OF NOTICE AND THE HOLDING OF A PUBLIC HEARING PURSUANT TO SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, IN CONNECTION WITH THE FINANCING OF THE PORT'S CAPITAL IMPROVEMENT PROGRAM. (Operations - 33)
- 02181 19** FINDING AND DETERMINING THAT A PROPOSED SEVENTH SUPPLEMENTAL AGREEMENT WITH PRICEWATERHOUSE-COOPERS AND YANO AND ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 34)
- 02182 20** RATIFYING AND APPROVING MEMORANDUM OF UNDERSTANDING WITH INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 1245. (Operations - 35)
- 02183 21** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH FITZGERALD, ABBOTT & BEARDSLEY LLP ("FAB") FOR SEXUAL HARASSMENT PREVENTION TRAINING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 36)
- 02184 22** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH CENTURY CORPORATE COUNSEL, P.C. ("CENTURY") FOR INVESTIGATIONS OF DISCRIMINATION COMPLAINTS CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 37)

- 02185 23** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH AMISTAD AND ASSOCIATES FOR TEAM BUILDING TRAINING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 38)
- 02186 24** ADOPTING AMENDMENTS TO THE RESTATED DEFERRED COMPENSATION PLAN. (Operations – 39S)
- 02187 25** APPROVING PLANS AND SPECIFICATIONS FOR REPAIR AND MINOR CONSTRUCTION OF SECURITY FENCING OF PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING AUGUST 1, 2002, AND ENDING JUNE 30, 2003, 2004 OR 2005, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Operations – 40S)
- 02188 26** CONCERNING CERTAIN TRAVEL. (Operations – 42S)
- 02189 27** COMPRISING AND SETTLING CLAIMS AND AUTHORIZING EXECUTION OF STIPULATED SETTLEMENT.
(Closed Session – 43)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kramer,
Scates and President Tagami – 4

Noes: None

Absent: Commissioners Kiang, Protopappas and Uribe - 3

ORDINANCES:

- 1 ("S")** Port Ordinance No. 3703 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE BETWEEN THE UNITED STATES GOVERNMENT DEPARTMENT OF COMMERCE AND NATIONAL OCEANIC AND ATMOSPHERIC ASSOCIATION AND THE PORT OF OAKLAND, AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND."

Final.

- 2** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE NO. 3634 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Airport – 11S to print.

- 3** Port Ordinance No. _____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF GROUND LEASE WITH GRAY AND REYNOLDS PROPERTIES, INC."

Commercial Real Estate – 16 to print.

- 4** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.06, AND ADDING SECTION 1.291 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Operations – 35 to print.

- 5** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTIONS 2.01, 8.0631 AND ADDING SECTIONS 8.47 AND 14.5."

Operations – 41S to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next meeting will be a regular meeting held on Tuesday, June 18, 2002 at 3:00 PM.**

**SUMMARY AGENDA OF BOARD CALENDAR
June 4, 2002**

AIRPORT

- 9S** Professional Services Contract with Grace Under Pressure Productions for Consulting Services to Coordinate and Plan Events in Conjunction with the 75th Anniversary of Oakland International Airport. (Resolution)
- 10S** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Evergreen Aviation Ground Logistics Enterprises, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 11S** Approval of an Amendment to Port Ordinance No. 3634 to Increase North Field Fees by Current CPI. (Ordinance)
- 12S** Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (North Airport). (Resolution)
- 13S** Approval of Consultant Agreement with Leigh Fisher Associates for Traffic Management Planning for Terminal Expansion Program Construction, Oakland International Airport (#1 Airport Drive, South Airport). (Resolution)
- 14S** Award of Contract for Construction and Installation of Root Indicator Valves at Building L-820 (Hangar 9), North Airport, OIA. (Resolution)

OPERATIONS

- 39S** Adoption of Amendments to Deferred Compensation Plan. (Resolution)
- 40S** Approval of Plans and Project Manual for Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002, and Ending July 31, 2003, 2004 or 2005. (Resolution)
- 41S** Personnel Items: Creation of Salary Schedules; and Creation of Classifications/Positions. (Ordinance)
- 42S** Travel Authorization. (Resolution)

SUMMARY AGENDA
June 4, 2002

ORDINANCES: ("S")

Port Ordinance No. 3703 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE BETWEEN THE UNITED STATES GOVERNMENT DEPARTMENT OF COMMERCE AND NATIONAL OCEANIC AND ATMOSPHERIC ASSOCIATION AND THE PORT OF OAKLAND, AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND."

Final.

Agenda Sheet

DATE: May 21, 2002

SUBJECT: Approval of Building Permit and Lease with U.S. Government for Relocation of Weather Balloon Launch Station (Old Earhart Road and Doolittle Drive, North Airport)

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SG*

**DUPLICATE
OF PRIOR**

EXECUTIVE OFFICE RECOMMENDATION: *3*

CALENDAR MEMO

FACTUAL BACKGROUND:

To support air traffic control related weather-reporting and communications activities, the National Weather Service (now a branch of the U.S. Department of Commerce, National Oceanic and Atmospheric Administration) has operated an upper air inflation building (weather balloon launch station) on the North Field since 1965 under a perpetual easement covering 340,988sf of land at no rent. Because of land subsidence problems, the Weather Service would like to relocate and add state-of-the-art facilities at a new approximately 1.53-acre site adjacent to the Rolls-Royce Test Cell facility on Old Earhart Road near Doolittle Drive.

ANALYSIS:

The Weather Service proposes to re-locate and/or construct the following: a 240sf pre-cast concrete building (for office/computer storage), a 160sf pre-fabricated wood frame building (to inflate and release weather balloons) and a 200sf fiberglass dome (to house instrument tracking antennae) along with associated utility connections and access improvements.

The proposed agreement's provisions include, but are not limited to terms providing for the following:

The Weather Service would terminate its current agreement; clear its existing site and enter into a new agreement commencing July 4, 2002 renewable through July 3, 2027. The Port would retain the right to relocate the new launch facility. Upon termination of the agreement, the Weather Service would restore the site to its condition prior to the Weather Service's occupancy at the Port's request. Pursuant to the Federal Grant Assurances, no rent would be charged the Weather Service.

As aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to: a) Class I, Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements, and involving negligible or no expansion of use beyond that previously existing and b) Class 11, Section 15311, Accessory Structures. This is an existing, accessory use to Airport operations. The facility is being relocated to an alternate Airport site that is accessible to public utilities. A portion of the lease area is subject to BCDC jurisdiction. The Weather Service submitted an application to BCDC for a permit. The BCDC staff report recommends approval of the application. The BCDC Board is scheduled to consider the application at their mid-May 2002 meeting.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

1. Give first reading to an ordinance that approves and authorizes the execution of the above-described lease subject to the U.S. Government obtaining approval for a permit from BCDC and also subject to the Port Attorney's review as to form
2. Pass a resolution approving a building permit with the U.S. Government for relocation of the weather balloon launch station
3. Approve a finding that the project does not have a significant effect on the environment and is categorically exempt.

**Approved by Ordinance
passed to print**

Approved by Resolution

No. 02141

Shirley Kuppel
ASSISTANT SECRETARY OF THE BOARD

MAY 21 2002

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

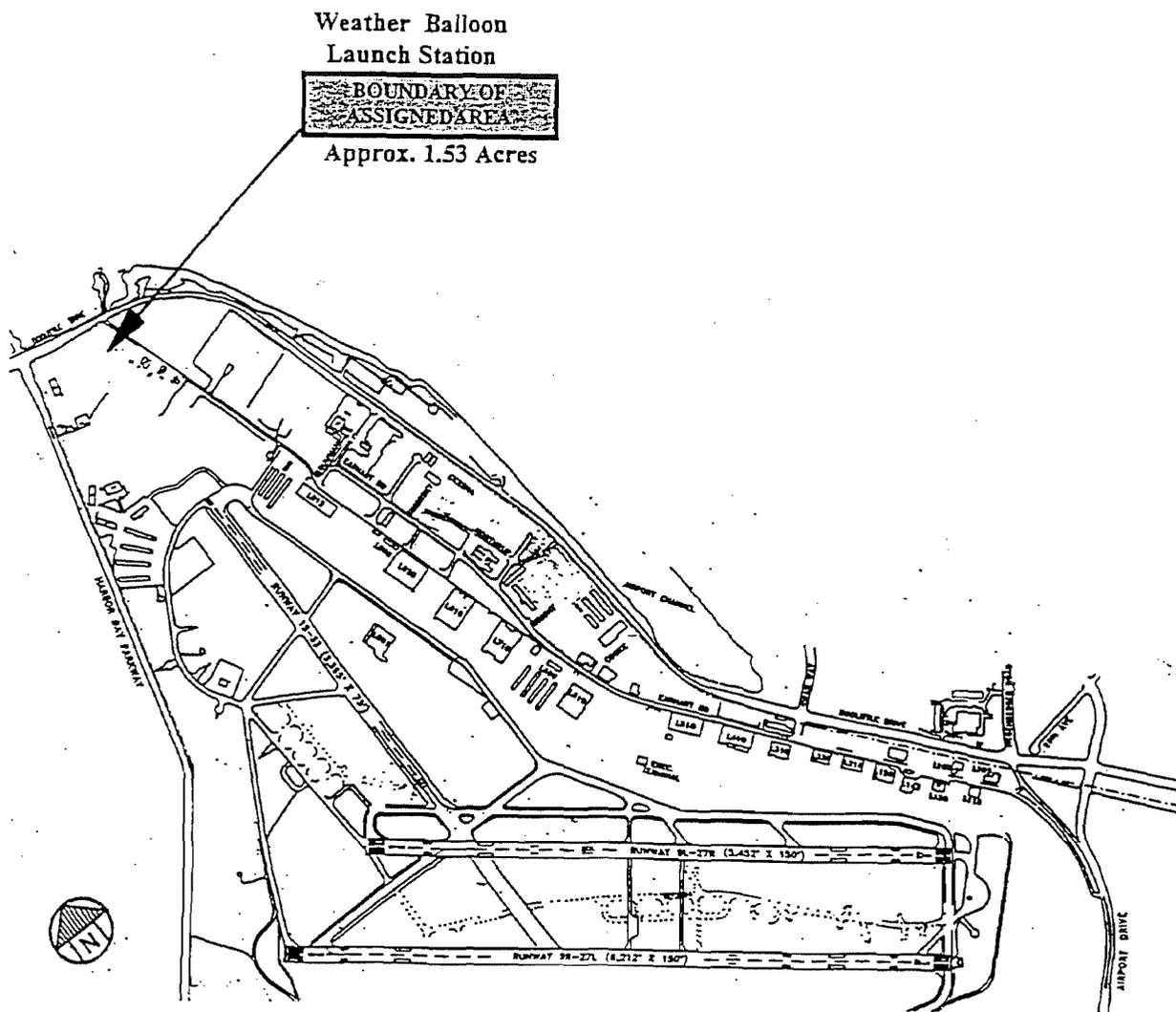
ASSISTANT

SECRETARY OF THE BOARD

DATE

Board of Port Commissioners
Calendar Item

Approval of Building Permit and Lease with U.S.
Government for Relocation of Weather Balloon Launch
Station (Old Earhart Road and Doolittle Drive, North
Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
North Airport

Map Not to Scale

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE No. 3703

**AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION
OF LEASE BETWEEN THE UNITED STATES GOVERNMENT,
DEPARTMENT OF COMMERCE NATIONAL OCEANIC AND
ATMOSPHERIC ASSOCIATION AND THE PORT OF OAKLAND,
AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT,
OAKLAND.**

WHEREAS in consideration of the matters set forth in Agenda Sheet Item No. 1, dated May 21, 2002, and the desirability to support air traffic control related weather-reporting and communications activities at the Metropolitan Oakland International Airport; now, therefore,

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. That certain Lease for use of real property between the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners ("Board"), as Grantor, and the **United States of America, Department of Commerce National Oceanic and Atmospheric Administration**, hereinafter referred to as the Government, covering 1.53 acre site adjacent to the Rolls-Royce Test Center on Old Earhart Road near Doolittle Drive, Oakland, commencing July 4, 2002, as more fully set forth in Agenda Sheet Item No. 1, dated May 21, 2002, provided, however that the Government obtains approval for a permit from BCDC and also subject to the Port Attorney's review as to form and legality.

Section 2. The Executive Director is hereby authorized to execute said Lease provide that it has been approved as to form and legality by the Port Attorney.

Section 3. This Ordinance is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. This ordinance approves and authorizes the execution of an agreement in accordance with the terms of this ordinance. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this ordinance, is signed and approved as to form and legality by the Port Attorney, and is delivered to other contracting party, there shall be no valid or effective agreement

Section 4. This Ordinance shall take effect 30 days from and after its final adoption. After this Ordinance becomes effective, and the conditions set forth in Section 3 for a valid and effective contract, Lease or grant are satisfied, the Port Attorney is hereby authorized and directed to record said Lease.

In Board of Port Commissioners, Oakland, California, May 21, 2002. Passed to print for one day by the following vote: Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami - 6. Noes: None. Absent: Commissioner Scates - 1.

John T. Betterton
Secretary of the Board

Adopted at a

meeting held

By the following Vote:

Ayes:

Noes:

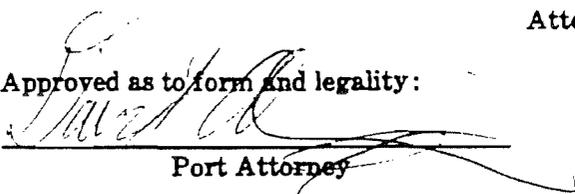
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Professional Services Contract with Grace Under Pressure Productions for Consulting Services to Coordinate and Plan Events in Conjunction with the 75th Anniversary of Oakland International Airport

DATE: June 4, 2002

ITEM NO: 9S

PROGRAM AREA:

- Checked: Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Earlier this year, Aviation Marketing entered into a Professional Services agreement with Grace Under Pressure Productions (Grace Productions), an Oakland based firm, to assist Oakland International Airport (OAK) staff with planning and coordinating events related to the airport's 75th Anniversary.

ANALYSIS:

The planned public celebrations of OAK's 75th Anniversary are extremely important. The celebrations will support continued positive relationships and partnerships with airport stakeholders.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious sustainability opportunities involved.

OPTIONS:

- Maintain the current agreement without increasing the maximum compensation;
Retain another consulting firm to assist the Port with planning the events to celebrate OAK's 75th Anniversary;
Increase the maximum compensation for the agreement with Grace Productions.

RECOMMENDATION:

It is recommended that the Port revise the agreement with Grace Productions to plan and coordinate events in conjunction with OAK's 75th Anniversary from \$15,000 to a maximum compensation of \$30,000 for the period ending 6/30/02.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

02168

Signature of Assistant Secretary

BOARD ACTION TAKEN

ASSISTANT SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with Evergreen Aviation Ground Logistics Enterprises, Inc. (#1 Airport Drive, South Airport)

ITEM NO: 105

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SG*

EXECUTIVE OFFICE RECOMMENDATION *✓*

FACTUAL BACKGROUND:

Evergreen Aviation Ground Logistics Enterprises, Inc. (Evergreen) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement dated August 25, 2001 to transport freight for the United States Postal Service's S-Net contract. No premises are occupied by Evergreen under the agreement. The monthly rent is \$4,260 or 10% of gross revenues (or pro rata share of Evergreen's cost of doing business on the Airport versus off-Airport, whichever is applicable) derived from the trucking portion of the S-Net contract, whichever is greater. During the period of September 1, 2001 through March 31, 2002, the Port received the minimum rent of \$4,260 per month.

ANALYSIS:

The proposed Agreement to Extend Right-of-Entry and Indemnity Agreement (Extension Agreement) would have a one-year term commencing May 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to transport freight for the United States Postal Service's S-Net contract. No premises would be occupied by Evergreen under the Extension Agreement. The monthly minimum and percentage rent would remain the same.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with Evergreen Aviation Ground Logistics Enterprises, Inc., subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

Approved by Resolution No.

02169
BOARD ACTION TAKEN

Sharon Krupp
Assistant SECRETARY OF THE BOARD

JUN - 4 2002
DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

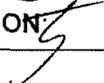
ITEM NO: 118

SUBJECT: Approval of an amendment to Port Ordinance 3634 to increase North Field Fees by current CPI

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

In May 1979, The Board adopted a policy of linking rates and charges of certain North Airport activities and properties to the previous calendar year's Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The San Francisco-Oakland area calendar year April 2001 to April 2002 CPI-W increase was 2.1%. Therefore, fees governing aircraft parking, assigned ramp spaces, T-hangars and office space in said T-hangars, Port-A-Ports and Tiedowns would be increased 2.1% effective July 1, 2002.

Proposed monthly rates are as follows:

	PRESENT				PROPOSED			
	Monthly Rate	First 8 Hours or Fraction Thereof	Each Add'l 8 Hours or Fraction Thereof	Maximum Total Daily Rate	Monthly Rate	First 8 Hours or Fraction Thereof	Each Add'l 8 Hours or Fraction Thereof	Maximum Total Daily Rate
Blimp	\$1,130	\$77	\$37	\$114	\$1,154	\$79	\$38	\$116
Tiedown, Taxi-in/Taxi-Out	\$143				\$146			
Tiedown, 40 feet or less	\$99	\$6	\$3	\$8	\$101	\$6	\$3	\$8
Tiedown, 50 feet or less	\$142	\$7	\$4	\$12	\$145	\$7	\$4	\$12
Tiedown, 75 feet or less	\$211	\$12	\$5	\$18	\$215	\$12	\$5	\$18
Tiedown, 100 feet or less	\$236	\$17	\$6	\$26	\$241	\$17	\$6	\$27
Tiedown, 125 feet or less	\$367	\$26	\$12	\$39	\$375	\$27	\$12	\$40
Tiedown, 150 feet or less	\$535	\$37	\$17	\$53	\$546	\$38	\$17	\$54
Tiedown, 175 feet or less	\$709	\$48	\$25	\$71	\$724	\$49	\$26	\$72
Tiedown, 200 feet or less	\$875	\$60	\$30	\$87	\$893	\$61	\$31	\$89
Tiedown, over 200 feet	\$1,056	\$71	\$36	\$105	\$1,078	\$72	\$37	\$107
T-Hangar- 780 sq. ft.	\$258				\$263			
T-Hangar- 1040 sq. ft.	\$345				\$352			
T-Hangar- 1060 sq. ft.	\$351				\$358			
T-Hangar- 1340 sq. ft.	\$444				\$453			
T-Hangar- 2050 sq. ft.	\$680				\$694			
T-Hangar- 840 sq. ft.	\$215				\$220			
T-Hangar- 960 sq. ft.	\$244				\$249			
T-Hangar- 1110 sq. ft.	\$283				\$289			
T-Hangar- 1152 sq. ft.	\$297				\$303			
T-Hangar- 1596 sq. ft.	\$405				\$414			
Port-A-Port Single Engine	\$221				\$226			
Port-A-Port Light Twin Engine	\$268				\$274			
Ramp Space 1060 sq. ft.	\$154				\$157			
Ramp Space 1340 sq. ft.	\$207				\$211			
Ramp Space 2050 sq. ft.	\$311				\$318			
Ramp Space unspecified sq. ft.	\$109				\$111			
T-Hangar Office Space (per sq. ft.)	\$0.2566				\$0.2620			

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JUN - 4 2002
DATE

The Board of Port Commissioners hereby finds and determines that the imposition of the above changes pursuant to Section 1 of this ordinance is exempt from the requirements of the California Environmental Quality Act under California Public Resources Code Section 21080(b)(8) and Sections 15273 and 15061(b)(3) of Title 14 of the California Code of Regulations. The basis for the exemption under Sections 21080(b)(8) and 15273 is that the rates are established and imposed for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas. In addition, in view of the minor amount of the rate increase under Section 15061(b)(3), it can be seen with certainty that there is no possibility that imposition of the rates referenced herein will have a significant affect on the environment.

SUSTAINABILITY:

There are no obvious sustainability opportunities involved.

RECOMMENDATION:

It is recommended that the Board approve an amendment to Port Ordinance 3634 establishing the above fee schedule for monthly rentals effective July 1, 2002, as proposed.

SAN FRANCISCO-OAKLAND-SAN JOSE													SEMIANNUAL		
Consumer Price Index, All Items, 1982-84=100 for Urban Wage Earners and Clerical Workers (CPI-W)													1ST	2ND	ANNUAL
05/15/02	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	HALF	HALF	AVERAGE
1983		96.5		96.8		98.1		99.0		99.0		100.5			98.2
1984		101.4		102.2		103.5		106.0		104.9		105.6	102.1	105.3	103.7
1985		106.5		107.1		107.9		108.6		108.7		108.8	107.0	108.6	107.8
1986		110.3		109.4		111.0		111.3		112.0		110.7	110.1	111.4	110.7
1987	111.3	112.4	112.8	113.9	113.9	114.0	114.7	114.9	115.4	116.0	116.2	116.4	113.1	115.6	114.3
1988	117.5	117.0	117.9	117.8	118.7	119.0	119.7	120.5	121.1	121.3	121.1	121.5	118.0	120.9	119.4
1989	122.8	122.9	124.6	124.8	125.7	125.6	126.4	127.0	126.1	126.7	126.4	126.6	124.4	126.5	125.5
1990	127.6	128.2	129.0	129.8	129.9	130.7	131.3	132.0	132.9	133.6	133.7	133.9	129.2	132.9	131.1
1991	135.3	134.5	134.7	134.2	134.8	136.0	136.4	137.2	137.9	137.8	138.1	138.2	134.9	137.6	136.3
1992	138.5	139.1	139.9	139.6	140.1	140.3	140.4	141.0	141.8	142.3	142.3	142.3	139.6	141.7	140.6
1993	143.0	143.5	143.8	144.8	144.8	144.0	144.1	144.0	144.4	145.0	145.0	144.7	144.0	144.5	144.3
1994	145.3	145.0	145.6	145.6	146.1	145.7	146.6	147.1	147.1	147.0	147.6	147.4	145.6	147.1	146.3
1995	148.2	148.3	148.9	149.4	149.0	149.6	149.3	149.3	150.0	150.2	149.9	149.6	148.9	149.7	149.3
1996	150.5	150.5	150.7	151.9	153.0	152.9	153.4	153.0	153.8	154.3	154.2	153.1	151.6	153.6	152.6
1997	154.1	155.0	156.2	156.7	156.8	157.0	157.5	158.1	158.6	159.5	159.5	159.4	156.0	158.8	157.4
1998		159.6		160.8		161.7		162.7		163.4		163.7	160.5	163.1	161.8
1999		165.7		168.8		168.3		170.0		171.2		170.9	167.2	170.5	168.8
2000		172.6(R)		174.9(R)		175.2		177.8(R)		179.3		180.2	173.9(R)	178.7	176.3
2001		183.5		184.9		186.9		186.7		187.5		186.5	184.5	186.9	185.7
2002		186.8		188.8											

Table of over-the-year % increases. An entry for Feb. 2000 indicates the percentage increase from Feb. 1999 to Feb. 2000 (in this example 4.2%).

1984		5.1		5.6		5.5		7.1		6.0		5.1			5.6
1985		5.0		4.8		4.3		2.5		3.6		3.0	4.8	3.1	4.0
1986		3.6		2.1		2.9		2.5		3.0		1.7	2.9	2.6	2.7
1987		1.9		4.1		2.7		3.2		3.6		5.1	2.7	3.8	3.3
1988	5.6	4.1	4.5	3.4	4.2	4.4	4.4	4.9	4.9	4.6	4.2	4.4	4.3	4.6	4.5
1989	4.5	5.0	5.7	5.9	5.9	5.5	5.6	5.4	4.1	4.5	4.4	4.2	5.4	4.6	5.1
1990	3.9	4.3	3.5	4.0	3.3	4.1	3.9	3.9	5.4	5.4	5.8	5.8	3.9	5.1	4.5
1991	6.0	4.9	4.4	3.4	3.8	4.1	3.9	3.9	3.8	3.1	3.3	3.2	4.4	3.5	4.0
1992	2.4	3.4	3.9	4.0	3.9	3.2	2.9	2.8	2.8	3.3	3.0	3.0	3.5	3.0	3.2
1993	3.2	3.2	2.8	3.7	3.4	2.6	2.6	2.1	1.8	1.9	1.9	1.7	3.2	2.0	2.6
1994	1.6	1.0	1.3	0.6	0.9	1.2	1.7	2.2	1.9	1.4	1.8	1.9	1.1	1.8	1.4
1995	2.0	2.3	2.3	2.6	2.0	2.7	1.8	1.5	2.0	2.2	1.6	1.5	2.3	1.8	2.1
1996	1.6	1.5	1.2	1.7	2.7	2.2	2.7	2.5	2.5	2.7	2.9	2.3	1.8	2.6	2.2
1997	2.4	3.0	3.6	3.2	2.5	2.7	2.7	3.3	3.1	3.4	3.4	4.1	2.9	3.4	3.1
1998		3.0		2.6		3.0		2.9		2.4		2.7	2.9	2.7	2.8
1999		3.8		5.0		4.1		4.5		4.8		4.4	4.2	4.5	4.3
2000		4.2(R)		3.6		4.1		4.6(R)		4.7		5.4	4.0(R)	4.8	4.4
2001		6.3		5.7		6.7		5.0		4.6		3.5	6.1	4.6	5.3
2002		1.8		2.1											

R: Revised

Agenda Sheet

SUBJECT: Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (North Airport)

DATE: June 4, 2002

ITEM NO: 12S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman



EXECUTIVE OFFICE RECOMMENDATION:



FACTUAL BACKGROUND:

Cal-Air Aviation Services, Inc. (Cal-Air) was granted access to the Airline Operating Area (AOA) on the North Airport under a Right-of-Entry and Indemnity Agreement dated April 10, 2002 to provide ground-handling services to Northwest Airlines on the premises of the Fixed Base Operator (Kaiser Air) on the North Airport. The monthly rent is \$250 or 10% of gross revenues, whichever is greater.

ANALYSIS:

The proposed License and Concession Agreement would have a one-year term commencing April 10, 2002, a mutual 30-day cancellation provision and would authorize continued AOA access to the North Airport. No premises would be assigned to Cal-Air under this agreement. The monthly rent and use would remain the same.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Cal-Air Aviation Services, Inc. subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02170

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT Approval of Consultant Agreement with Leigh Fisher Associates for Traffic Management Planning for Terminal Expansion Program Construction, Oakland International Airport (#1 Airport Drive)

DATE: June 4, 2002
ITEM NO: 13S

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

During the next 12 months, the Port will start significant construction projects at the Airport. The projects will change the Airport roadways, curbs and parking lots from what the frequent user has become familiar with over the past 10 years. The Terminal 2 Explosive Detection System building extension, Terminal 2 security renovations, Terminal 2 concourse extension and the Parking Garage will be starting approximately during the same time period. These will be followed by approximately 6 to 7 additional years of Airport Terminal Expansion Program (TEx) construction projects.

The Airport needs a traffic management plan to coordinate pedestrian and vehicular traffic movement during development phases of the numerous construction projects. The TEx program anticipated and budgeted for this planning effort and other activities that will assist airport users during construction, including projects such as directional signage between I-880 and the Airport (e.g., directing vehicles to open parking lots), and the "1-888 I Fly OAK" national toll free hotline that provides callers with comprehensive information on airport parking, driving instructions, public transit options, on-demand shuttles, taxis, rental cars and other information essential for reaching and departing the Airport.

BASIS OF SELECTION:

Three national firms have the specialized expertise in Airport traffic and curbside management that the Airport requires for this planning effort. One is based in Chicago, the second is based in Cincinnati, and the third, Leigh Fisher Associates, is based in San Mateo. Leigh Fisher Associates (LFA) has successfully performed for the Port other studies on Airport parking demand and strategic planning as well as curbside demand and user allocations. They offer the expertise required and are located in the Bay Area.

ANALYSIS:

The proposed initial traffic management planning effort would include: 1) updating the Year 2000 parking lot occupancy levels provided by LFA to reflect 2002 activity; 2) updating the Year 2001 traffic counts and projections provided by LFA to reflect 2002 activity; 3) assess the roadway and curbside operations during the proposed multiple phases of construction for the Parking Garage and for the Terminal 2 renovation; 4) review and assess the various new and reconfigured rental car and parking lot shuttle bus operations (e.g. common rental car shuttle bus, Pardee Parking Lot shuttle, other Airport parking lot shuttles); 5) review and assess the various pedestrian routes between the curb and the existing terminals and between the completed garage and the existing terminals; 6) develop alternative management plans; and 7) prepare plans and illustrate the recommended management plans for implementation by TEx and Airport Landside Operations.

The consultant agreement would be for an amount not to exceed \$250,000. The initial phase described above would be budgeted at \$120,000. Tasks 1 and 2 would be approximately \$20,000. Tasks 3 through 7 are estimated at \$80,000. A contingency amount of \$20,000 is budgeted to cover additional traffic counts, occupancy surveys and other data collection that may be needed. The \$130,000 balance of the contract would be used for on-call services with a scope and budget to be authorized by the Director of Aviation.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02171

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

JUN - 4 2002

DATE

SOCIAL RESPONSIBILITY DIVISION:

The Port's Social Responsibility Division (SRD) has determined that the firm presented is responsive to and meets the intent of the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy. The firm is located in San Mateo and there are no sub-consultants (except to conduct roadway and curbside traffic counts).. The SRD concurs with the recommendation of this firm. SRD further recognizes the lack of Local Business availability for this specific task, and concurs with the selection of the most local company.

ENVIRONMENTAL:

Leigh Fisher Associates (LFA) will initiate planning efforts that entail updating traffic data, reviewing and assessing new and re-configured parking lot operations and pedestrian routes at the terminal. LFA will recommend management plans to be implemented by TEx and airport landside operations. Pursuant to CEQA Guidelines, Article 5., Section 15060, it is determined that entering into a Consultant Agreement with Leigh Fisher Associates to prepare a traffic management plan will not result in a direct or reasonably foreseeable indirect physical change in the environment. No further environmental review under CEQA is required for the proposed activity.

GENERAL PLAN:

Not applicable.

BUDGET:

The project would be funded from the capital budget for the TEx program under CIP A2.00820.13.

SUSTAINABILITY:

There are no obvious sustainability opportunities involved.

PROJECT LABOR AGREEMENT:

Not applicable

OPTIONS:

1. Take no action. The Port would be required to hire additional staff with the required expertise to undertake the planning work and coordinate with the different contractors to provide a vehicle and pedestrian traffic management plan.
2. Obtain three fee quotes from similar firms to conduct the survey and return to the Board with a recommendation. Other firms won't have the knowledge base of having done work with the Oakland Airport and are not located within the region.
3. Determine that the services described above are professional services, waive competitive bidding and award the contract with this consultant to conduct the work as described above.

RECOMMENDATION:

It is recommended that the Board:

- a) determine that the services described above are professional services;
- b) waive competitive bidding for the reasons stated above;
- c) award the contract with Leigh Fisher Associates as described above, for an amount not to exceed \$250,000; and,
- d) authorize the Executive Director to sign the agreement, subject to the Port Attorney's review and approval of the documents.
- e) Approve the finding that a contract with Leigh Fisher Associates will not cause a direct or reasonably foreseeable indirect physical change to the environment; and that preparing a traffic management plan for the TEx will not result in significant environmental effects.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

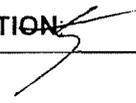
ITEM NO: 14S

SL **JECT:** Award of Contract for Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

Two bids were received and opened on May 1, 2002, for the **Construction and Installation of Post Indicator Valves at Building L-820 (Hangar 9), North Field, Oakland International Airport, Oakland, California.** The following Bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
Fee Construction, Inc.	Livermore, CA		**	\$52,100.00
TDW Construction, Inc.	Livermore, CA		X	\$67,941.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

** Bidder not certified as an LIABE/LBABE at time of Bid.

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

The Board of Port Commissioners, on April 2, 2002, approved the Plans and Project Manual for this project to advertise for bids to be received on May 1, 2002.

ANALYSIS:

Non-Responsive Bid

The bid submitted by TDW Construction, Inc., is considered to be non-responsive since they do not possess the required California State Contractors License classification C-16, Fire Protection, to bid the project.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. This portion of the Policy does not impact the award, since the bid submitted by TDW Construction, Inc., bid is considered to be non-responsive. Therefore, Fee Construction, Inc., is the low bidder.

The Port's Social Responsibility Division (SRD) did not analyze the bid for compliance with the Policy, since there is only one responsive Bidder. LIABE participation is 0%, and LBABE participation is 0%.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02172

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Accordingly, it is recommended that Fee Construction, Inc., be considered to be the lowest responsible bidder for the purpose of this contract.

SRD concurs with Engineering's recommendation,

Subcontractor Listing

Fee Construction, Inc., did not list any subcontractors.

Budget

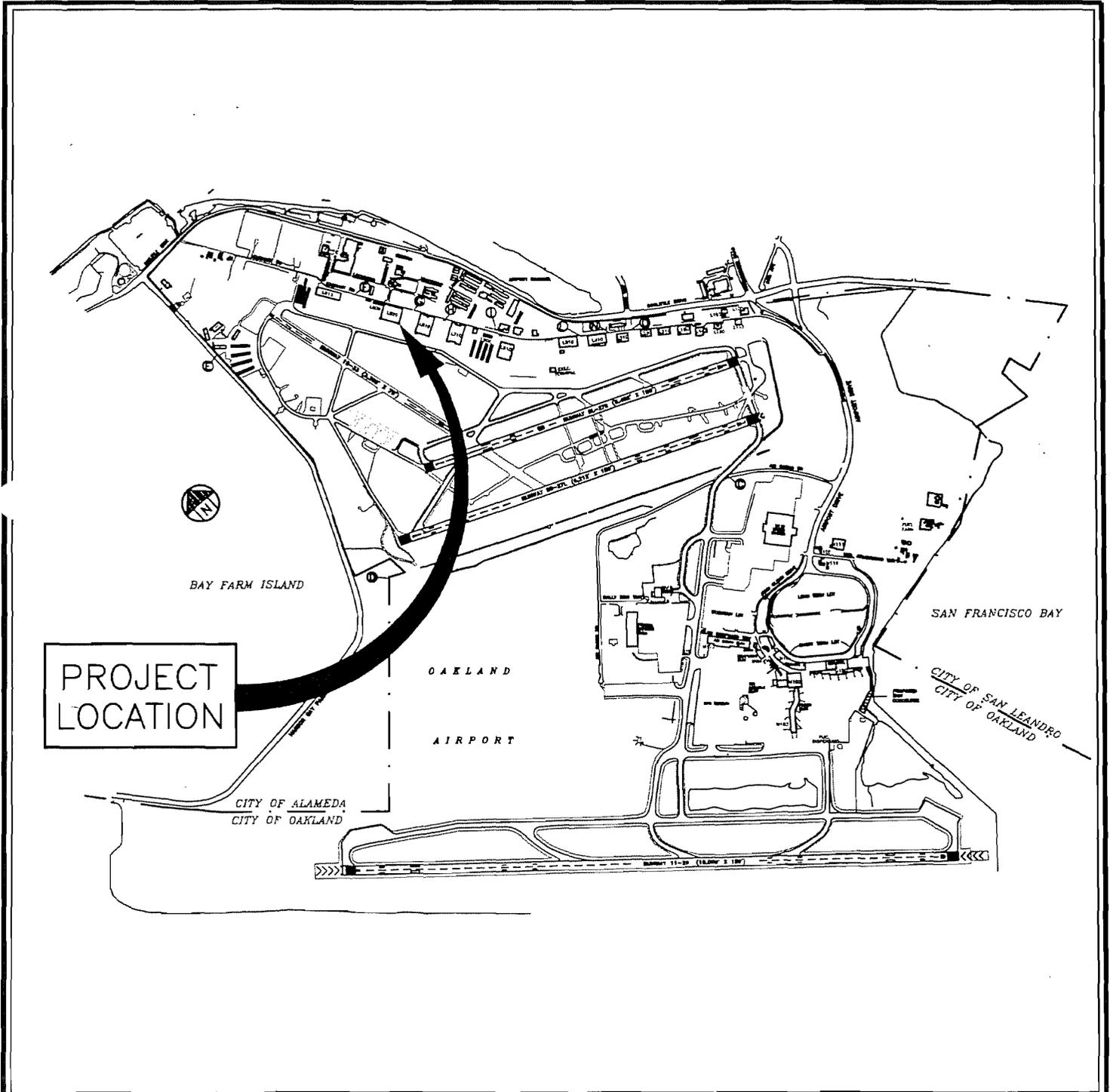
This project is budgeted under CIP Item No. A1.00239.34 and will be funded by Port cash. The Project Budget Detail is attached.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

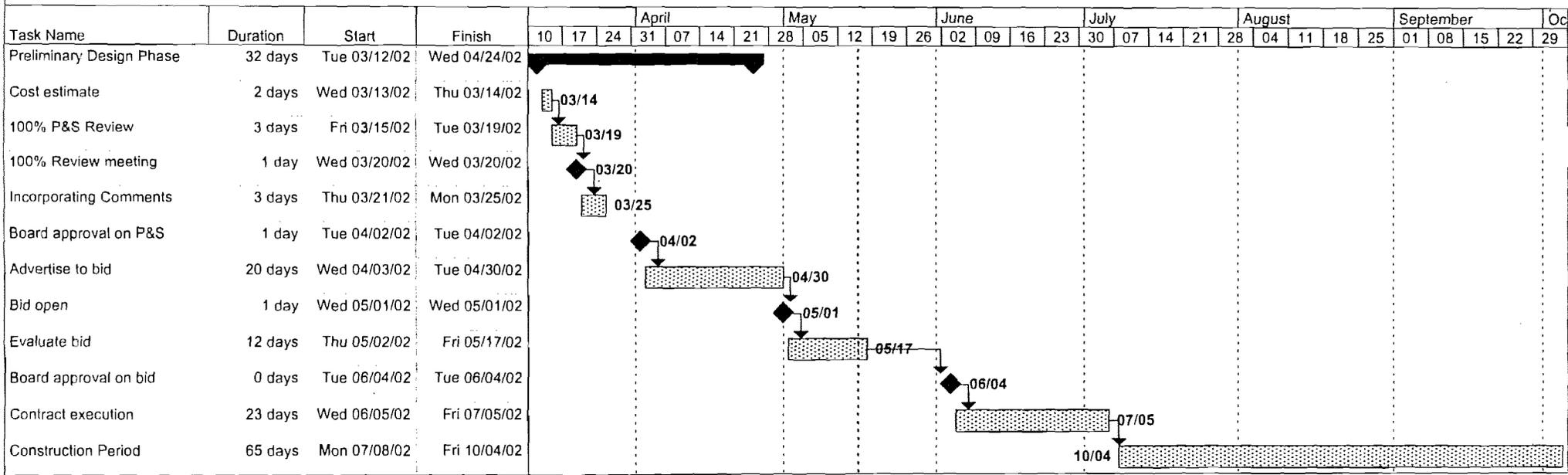
RECOMMENDATION:

It is recommended that Fee Construction, Inc., be found to be the lowest responsible responsive bidder, that the contract for the above project be awarded to Fee Construction, Inc., for the amount of its bid, and that the other bid be rejected and the bid security returned to the bidder.



PORT OF OAKLAND

Installation of Post Indicatives for Building L-820



Design Engineer: Jesse Richardson
 Supervising Engineer: Jill Brown
 Date: 05/16/2002

Task	[Task bar]	Milestone	[Milestone diamond]	Rolled Up Split	[Dotted line]	External Tasks	[External task bar]
Split	[Dotted line]	Summary	[Summary bar]	Rolled Up Milestone	[Diamond]	Project Summary	[Project summary bar]
Progress	[Solid bar]	Rolled Up Task	[Task bar]	Rolled Up Progress	[Solid bar]		

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 15, 2001**

PROJECT TITLE: Upgrade of Post Indicator Valves for Hangar 9, Building L-820, North Field, Oakland International Airport

CIP NO: A1.00239.34

W.O. #: 106633

PROPOSED FUNDING SOURCES: Port Cash

Narrative: The design and construction work for upgrading the Post Indicator Valves is being tracked under work order 106633.

Budget: This project is accounted for under CIP Element # A2.00239.34 The project budget totals \$186,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A1.00

	Port Labor & Fringes	Port OH	Consult & CM	Const. Cost	Outside Legal	Misc.	LERRS	Allow.	Tenant Costs	Totals
Upgrade of Post Indicator Valves	31	51		96	—	8	—	—	—	186

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

SUBJECT: Adoption of amendments to Deferred Compensation Plan

Date: June 4, 2002

Item No. 39S

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:



PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

The Deferred Compensation Plan of the Port of Oakland is being amended and restated effective as of January 1, 2002 to conform to changes made in the governing provisions of the Internal Revenue Code by the Economic Growth and Tax Relief Reconciliation Act of 2001 and conforming changes recently made in the governing provisions of California tax law. These changes include an increase in the annual limit on the amount of compensation that participants may defer from \$8,500 in 2001 to \$11,000 in 2002. The annual limit will increase by \$1,000 each year thereafter to \$15,000 in 2006, with subsequent cost of living increases in multiples of \$500. The amendment also increases the percentage limitation on annual deferral from 33-1/3% of compensation to 100% of compensation. Other changes include provisions that (1) allow participants age 50 and over to make special catch-up contributions of \$1,000 per year, (2) permit participants and their spousal beneficiaries to make direct rollovers of distributions to IRAs, 403(b) annuities, other 457 plans or qualified 401(a) plans, (3) eliminate the special minimum distributions rules that previously applied to 457 plans, and (4) reflect that distributions may be made to former spouses of participants under Qualified Domestic Relations Orders prior to the time distributions are made to participants.

RECOMMENDATION:

It is recommended that the Board of Port Commissioners adopt the changes and amendments as noted above to the Deferred Compensation Plan of the Port of Oakland restated and effective as of January 1, 2002.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. OR 186

JUN - 4 2002

BOARD ACTION TAKEN

DATE



Assistant Secretary of the Board

Agenda Sheet

DATE: June 4, 2002

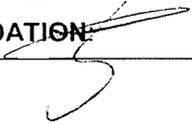
ITEM NO: 40S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of Plans and Project Manual for Repair and Minor Construction of Security Fencing of Port of Oakland Facilities for the Period Commencing August 1, 2002, and Ending June 30, 2003, 2004 or 2005

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for **Repair and Minor Construction of Security Fencing of Port of Oakland Facilities for the Period Commencing August 1, 2002, and Ending June 30, 2003, 2004 or 2005, Oakland, California**, and are hereby submitted for approval and authorization to advertise for bids.

The work of this annual Contract consists, in general, of on-call repair and minor construction of security fencing of Port of Oakland facilities.

Currently, the Port has no annual contract with a security fencing Contractor. The previous three-year term annual contract expired on May 31, 2001, and it could not be renewed. Two attempts to obtain a new contract in 2001 failed. The first, soliciting informal bids from Small Business Enterprises, was approved by the Board on April 24, 2001; there was one qualified bidder, whose bid exceeded the budget for this project. The second, soliciting formal bids, was approved by the Board on September 20, 2001, and only one bid was received, which exceeded the budget for this project. Currently, fencing work is being done through purchase orders. However, when issuing purchase orders, contractor selection and approval is necessary for each instance of work, thereby producing a delay that causes customer service to suffer. With an annual contract, contractor selection occurs only once at the time the contract is awarded. Therefore, the annual Contract is again submitted for approval and authorization to advertise for bids. For this Contract, the work will be limited to repairs and minor construction work, and therefore, the Maritime and Aviation Project Labor Agreement (MAPLA) does not apply. One previous fencing contractor stated that they were not bidding because of the MAPLA. It is expected that this contract modification will result in more competition and lower bids, since more fencing contractors are expected to bid on such a program.

The Project Manual for this new Contract includes a provision allowing the Port to renew the contract in one-year increments through June 30, 2005. Renewal of the contract shall only occur if agreed to in writing by both the Executive Director of the Port and the Contractor. Should the Contract be renewed, all provisions of the Project Manual shall apply and the unit prices shown on the Bid Sheet will be adjusted in proportion to the Construction Cost Index of the Engineering News Record (San Francisco).

ANALYSIS:

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA 15301, Class 1 (d and f) maintenance and minor alteration of existing public or private structures.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02187

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

JUN - 4 2002

DATE

General Plan

Pursuant to Sec. 727 of the City Charter, the project has been determined to conform to the policies of the Oakland General Plan.

Budget

The budget for the total work is estimated at \$150,000 per year. The cost of such repair and minor construction of security fencing is included in the Operating Budget for Fiscal Year 2002-03. The funding source is Port cash.

Sustainability

The work of this contract is subject to the Port's Sustainability Policy implemented in November 2000. In particular, the work of this Contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirement Ordinance, and the Project Manual requires the Contractor to separate salvageable construction material and debris for reuse or sale.

Project Labor Agreement

Since the work will be limited to repair and minor construction work outside the scope of the MAPLA, the provisions of the MAPLA do not apply to this work.

RECOMMENDATION:

It is recommended that the Plans and Project Manual be approved and authorization be given to advertise for bids to be received on July 10, 2002.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

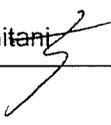
ITEM NO: 41S

SUBJECT: PERSONNEL ITEMS
 Creation of Salary Schedules
 - Creation of Classifications/Positions
 -

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULES--Ordinance (2 Readings)

A) It is requested that the Board approve the creation of the following Salary Schedules in order to implement its assignment to the creation of the classifications/positions later on this agenda.

Salary Schedule	Rep. Unit	Salaries
93.8H	A	a--\$23.65; b--\$24.84; c--\$26.10; d--\$27.60; e--\$29.19 (per hour)
74	A	a--\$4114; b--\$4320; c--\$4536; d--\$4808; e--\$5096

II. CREATION OF CLASSIFICATIONS/POSITIONS -- Ordinance (2 Readings)

It is requested that the Board approve the creation of the classification **Permit Technician, Part-Time** as indicated below.

B) It is requested that the Board approve the creation of the classification **Aviation Graphics Specialist** as a result of a classification series study initiated by the Engineering Division of the Drafting Technician series. The Board approved the creation of the new Engineering Technician series. The audit also revealed that the Aviation Draftsman position, which was a part of that series, had significantly different duties. This classification action rectifies that inconsistency. The salary will be amended from Salary Schedule 39 (a--\$4001; b--\$4197; c--\$4410; d--\$4666; e--\$4933) to **Salary Schedule 74 (a-- \$4114; b-- \$4320; c--\$4536; d--\$4808; e--\$5096).**

CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Permit Technician	OPER	Engineering	1	A	93.8H (a--\$23.65; b--\$24.84; c--\$26.10; d--\$27.60; e--\$29.19)
Aviation Graphics Specialist	OPER	Aviation	1	A	74 (a--\$4114; b--\$4320; c--\$4536; d--\$4808; e--\$5096)

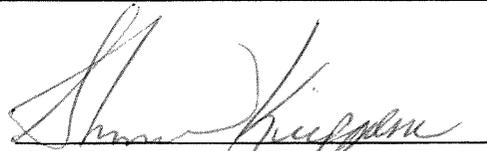
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of salary schedules and creation of classifications/positions.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
 passed to print

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Agenda Sheet

DATE: June 4, 2000

ITEM NO: 42S

SUBJECT: TRAVEL AUTHORIZATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton

EXECUTIVE OFFICE RECOMMENDATION:

As provided for in the Port's Administrative Manual, it is recommended that the Board approve the travel of H. Gay Joseph, Manager, Capital Programs & Budgeting, Maritime, to London, England, on or about the period June 14 - 22, 2000, to attend the Port Investors Forum & Workshop 2002.

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02188

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Authorization to Approve First Supplemental Agreement with Lochard Corporation in Order to Add New Components to the Airport Noise and Operations Monitoring System

DATE: June 4, 2002

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND

On August 7, 2001, the Board of Port Commissioners authorized Resolution # 01298, which approved a 5-year maintenance contract with Lochard Corporation, the developer of the Airport Noise and Operations Monitoring System (ANOMS). This system has been the mainstay of the Airport's noise abatement program since 1990, and has become increasingly sophisticated with additional components and features as time has passed. Currently, ANOMS is comprised of four Sun computer workstations, 14 (soon to be 16) permanent microphones, 4 portable microphones, a flight operations/radar connection at FAA Bay TRACON, and a 24-track recording unit. Due to the Phase 1 Settlement Agreement with the City of Alameda, the Citizens League for Airport Safety and Serenity (CLASS) and Keep Jets Over the Bay (KJOB), and the FAA Bay TRACON's move to a new facility in Sacramento, it is necessary to add or replace components to the ANOMS.

The Port of Oakland agreed in the Phase 1 Settlement Agreement to install a flight tracking system on the Airport's web site so that citizens could use the internet to view actual Bay Area flight operations. Because Lochard is the sole source proprietor of the ANOMS software and is responsible for integrating all system components, staff believes it is in the best interests of the Port to hire Lochard to install a web connection and operate and maintain the web page for the Airport. Lochard's costs for performing these services are competitive not to mention the unknown costs that would probably incur to make another vendor's equipment operate compatibly with the existing software. The cost to develop and install the web connection is \$49,000, plus an annual \$20,400 fee to operate and maintain the web page.

Since 1994, the Airport has received flight operations data from the FAA radar facility, Bay TRACON, which is located at Oakland Airport. In the near future, this facility is merging with others to form the Northern California TRACON in Sacramento. Consequently, it is necessary for the Port to purchase new equipment in order to interface with the FAA's upgraded radar system. There are two companies who supply this type of equipment and service, and Lochard has offered the better price for their system and services. The total cost for purchasing the competitor's radar interface equipment would be \$118,000, with a \$20,000 annual maintenance fee. They have not offered a discount for additional airport users. In contrast, Lochard's price for the equipment is \$97,000 currently with an annual maintenance fee of \$16,000. If San Francisco Airport decides in the future to also acquire data from this equipment, Oakland would receive a rebate of \$32,000 for the equipment (lowering the price to \$65,000), and the annual maintenance fee would be decreased to \$12,000.

OPTIONS

1. As stated above relative to the web site connection, the Port could contract with another software developer to provide this connection. As this is a condition of the recent Phase 1 Settlement Agreement, the Port is required to add a flight tracking web page to the Airport's web site via ANOMS.
2. Concerning the radar interface equipment, the Port could contract with the other vendor of similar equipment to perform this service. There are only two companies that offer this type of equipment and service.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

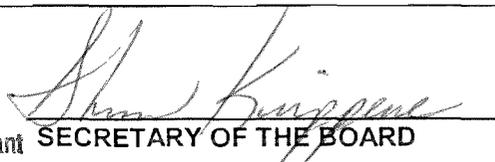
Approved by Resolution

No.

02163

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

JUN - 4 2002

DATE

ANALYSIS

Staff believes it is in the Port's best interests to hire Lochard to install and maintain the flight tracking web page to ensure stable operation of ANOMS and to eliminate the staff time that would be necessary to coordinate this interface between two separate vendors. In either case staff would still rely on Lochard to ensure that the web connection interfaces well and without harm to the existing ANOMS software and operation. In addition, it is in the Port's best interest to have Lochard maintain the server connection and provide regular operating services for the web page.

Relative to the new radar interface equipment, Lochard's prices for providing and maintaining this system are considerably lower than their competitor's. Lochard has proven to provide reliable, responsive service; therefore, staff feels it is in the Port's best interest to purchase this ANOMS component from Lochard.

GENERAL PLAN

These are computer components to be added to the Airport's noise monitoring system and are not subject to the provisions of the City of Oakland General Plan.

BUDGET

The equipment costs will be capitalized, and the Port will seek reimbursement through PFCs for the equipment.

ITEM DESCRIPTION	1 st year only	Annually after 1 st year
Web page hardware, development and installation	\$ 49,000	
Operation and maintenance of web page (annually)	20,400	\$20,400
Radar/flight operation interface equipment, up to	97,000	
Maintenance of radar interface (annually after 1 st year), up to		16,000
TOTAL COST (1ST year), up to	\$166,400	
TOTAL COST for maintenance (annually after 1st year), up to		\$36,400

SUSTAINABILITY

There are no obvious environmental opportunities involved in this project.

RECOMMENDATION

It is recommended that the Board approve a supplemental agreement to the existing Lochard contract to 1) install, operate and maintain a flight tracking web page that will be linked to the Airport web site; and 2) to install and maintain equipment at the N. California TRACON to supply flight operations and radar data to the ANOMS. Total cost for both equipment installations would be up to \$146,000, and total fixed cost for maintenance of both components would be up to \$36,400 annually. (The \$16,000 maintenance fee for the radar connection, which may be lowered to \$12,000, is not due until the second year of operation.) These costs will be added to the existing Lochard maintenance contract of \$60,000 annually, with adjustment for inflation.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Authorization to Dispense with Standard Bidding Procedures for Foundation and Structural Systems for the Explosives Detection System (EDS) Structure, Terminal 2, OIA, to Meet the Urgent Security Requirements of Outbound Baggage Screening

ITEM NO: 3

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port's Aviation and Engineering Divisions are currently designing projects in the existing Terminals 1 and 2 to comply with the Aviation and Transportation Security Act (the Act), which came into effect as a result of September 11th. Certain provisions of the Act require that all checked baggage be screened using Explosive Detection Screening (EDS) devices by December 31, 2002. The installation of this equipment must begin by mid-October to meet the December 31st deadline. The Terminal 2 portion of this security effort includes housing new EDS devices and related support functions of the Transportation Security Administration (TSA) within the area currently serving as the VIP parking lot.

This same area will be the outbound baggage make-up room as part of the Terminal 2 renovation project, which is about to begin and will involve placing piles, concrete columns, and a roof in the area where the EDS machines will be functioning.

In order to avoid disruption of this new security screening area, minimize the cost of "throw-away" construction, and accommodate the future Terminal 2 renovation, it is recommended that the Port expedite the construction of the permanent concrete framed structure in time for the EDS equipment installation beginning in mid-October. This construction needs to begin in the VIP parking lot on June 24th.

ANALYSIS:

To accomplish this challenging task and provide responsive delivery of the construction project, the Port needs to use an innovative contracting method that happens quickly and with a minimum of Staff effort. The proposed 95 feet X 225 feet structure consists of a concrete roof deck; columns and shear walls supported on a 12" thick concrete slab with pile caps; and approximately 130 piles. The total cost of construction is estimated at \$3.6 million, of which approximately \$700,000 is for the piles. The design of the pile system for the EDS structure is scheduled for completion on May 24, 2002, and the remainder of the design for the foundation and structural system will be completed on June 7th.

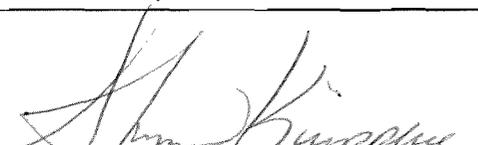
In order to complete the work by October 18th, work on the piles to support the structure must begin immediately, and the remainder of the work will follow shortly thereafter.

To achieve this aggressive schedule, Staff requests that the Board dispense with standard bidding procedures and authorize the Executive Director to approve change orders to existing contracts, as follows:

1. **Piles (Est. \$700,000):** Due to the time-critical nature of the piling operations, Staff recommends that this portion of the work be awarded on an agreed-upon time-and-materials basis with fixed rates. It is recommended that these price negotiations be initiated with McGuire-Hester Construction Inc., for the following reasons:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02164


BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

JUN - 4 2002

DATE

- a). **Adjacency:** The proposed contractor has recently mobilized for work on the adjacent Third Curbside Project. There are benefits to minimizing the number of different contractors working in close proximity to one another, to the terminal buildings, and to the main roadway. It is anticipated that consolidating contractor operations within this constricted area will simplify the interface with the Airport's Landside Operations, as well as help to mitigate impacts on the traveling public in and around passenger pick-up/drop-off areas.
 - b). **Management:** Construction of the new EDS Structure is being managed by the TEx Team. Utilizing the proposed contractor, who is also being managed by TEx on the Third Curbside Project, has inherent benefits (established relationships, protocols, communication, etc.).
2. **Pile Caps/Slab/Columns/Roof: (Est. \$2.9 Million):** Staff recommends soliciting competitive bids from a pool of existing Port contractors who are currently engaged in Airport construction projects with a minimum contract value of \$2 Million. Due to the time-critical nature of the work and the site constraints, the selected contractor must be experienced with large concrete construction projects.

Environmental

The new EDS Structure will house the EDS devices and the required TSA support functions for Terminals 1 and 2 ("EDS Project"). The Board of Port Commissioners certified an Environmental Impact Report (EIR) and a supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The EDS Project is not a component of the ADP. As explained above, the EDS Project is necessitated by Airport security requirements and procedures. Pursuant to Public Resources Code section 21080(b)(4) and CEQA Guidelines section 15260(c), this project is exempt from the California Environmental Quality Act (CEQA) because it is necessary to mitigate an emergency. In particular, the project involves construction of building additions for the outbound baggage EDS devices and support for the EDS equipment in order to comply with the Federal government's December 31, 2002 requirement for operation of the EDS equipment. A Notice of Exemption will be filed upon the Board of Port Commissioners' approval of the EDS Project.

Budget

The estimate for the above work is \$4.7 Million, including design and construction. The cost for this work is to be allocated from the Terminal 2 Renovation Project, which derived this portion of its funding from the Main Terminal portion of the \$1.4 Billion Airport Terminal Expansion (TEx) budget. The additional cost of this upgrade does not impact the TEx Program budget, but will increase the \$116.8 Million amount requested for the Terminal 2 expansion project. This project is funded under CIP No. A2.00843.01. The funding source for this project is Port cash, supplemented with Bonds and/or PFC funding. The Port is seeking reimbursement from Federal funds.

Sustainability:

Sustainable opportunities will be considered and incorporated, to the extent feasible, in the execution of this project.

Project Labor Agreement

This project is covered under the existing PLA

Owner Controlled Insurance Program (OCIP)

The project is covered under the Port's OCIP.

OPTIONS:

1. Option 1 – Dispense with standard bidding procedures and proceed with the work as change orders to existing contracts, as stated above.
2. Option 2 – Dispense with formal bids and solicit bids from a pre-qualified list of contractors, including, but not limited to, those who have active contracts with the Port. Even if expedited, the process for this would take too much time to get a separate contract in place.
3. Option 3 – Use the standard contracting methods with a separate contract, in which case the work would not be done in time for the EDS equipment to be installed.

Staff is recommending Option 1 because it has the highest chance of meeting the very aggressive, yet mandated, schedule in order to comply with the mandated deadline.

RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to:

1. Dispense with standard bidding procedures for the above work because of its extremely urgent security-related nature; and,
2. Authorize the Executive Director to proceed with the work as change orders to existing contracts, with a cost not to exceed \$3.9 Million (\$3.6 Million plus 10% contingency).

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 6

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBJECT: Request for Approval for a Second Supplemental Agreement to the Existing Agreement with ARINC Inc. and Ratification of Expenditures Paid to ARINC for Maintenance Agreement Changes as Required by Airline Operators of Muse at Oakland International Airport

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

In January 1999, the Board approved the resolution to award ARINC a contract for the Design, Installation and Maintenance of a Common Use system called MUSE (Multi-User System Equipment) at Oakland International Airport (OAK). ARINC was required, in that contract, to provide 1 year of level one maintenance to OAK with options to renew for four additional years. Level one maintenance is defined as the first response of technical personnel to a users request for assistance, in this instance, the Airline customer service agent (CSA). These requests can range from equipment failures to data circuit failures in the operation of the common use system. The original annual costs for this level one support was \$90,372.00 based on a two-hour response time. However, the requirements of the Airlines for this service were higher than what was originally anticipated. The Airlines required an immediate response to the requests of their CSA's. This required coverage for 16 hours with on-site personnel. This is accomplished by having 1 technician on site for each of the 8-hour shifts with a third technician on call for after hours, vacations, holidays, and et.al. At this time the Airline operators at OAK experience response times, by the technical support staff, of 5 to 10 minutes. Currently, the annual cost for maintaining this level of support is \$346,812.00. These costs are passed back to the carriers in their rates and charges at year's end. In addition to the increase of costs associated with the required level of service, the MUSE system has also incurred operating expenses and costs associated with the accommodation of the carriers and their specific needs regarding their operations on MUSE.

ANALYSIS:

The contract with ARINC needs to be modified to reflect the higher costs incurred by the Airport for these maintenance services. The Port has paid ARINC \$211,760 for these services from May of 2001 through December of 2001. Additionally, maintenance costs of \$185,867 from January, 2002 through June, 2002 would also be covered. Staff intends to identify other potential providers of this service for next fiscal year expects to have a new provider by September 1, 2002. Costs for July and August are not expected to exceed \$60,000.

GENERAL:

The sum of these charges will bring the Port current for costs associated for the operation and maintenance of the common system at OAK for contract 99017 through September 1. These charges would be funded via billing back to the Airlines through the rates and charges structure.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (a) which exempts interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances, and Section 15061 (b) (3) which renders projects not subject to review for exemption under CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SUSTAINABILITY:

The MUSE system allows for the more efficient use of current facilities and thus reduces the need to expend resources on new construction.

RECOMMENDATION:

It is recommended that it be found in the best interest of the Port, that a supplemental agreement to provide for the additional costs of \$457,627 for the current ARINC contract be approved by the Board of Commissioners.

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

Approved by Resolution

No. 02165

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

[Signature]

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

^{TD}
SUBJECT: Approval of Supplemental Agreement with Environ International Corporation for Environmental Consulting Services

DATE: June 4, 2002
ITEM NO: 7

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

On December 16, 1997, the Board of Port Commissioners certified a Final Environmental Impact Report (EIR) for the Port's Airport Development Program (ADP). The Board's certification was challenged in Court. The State Court of Appeals ruled for the Port on several counts, but required the Port to complete a Supplemental EIR (SEIR) to address several issues, including potential increases in toxic air contaminant emissions and potential related health and environmental risks.

The ADP SEIR's toxic air contaminant analysis is somewhat unprecedented, in that the environmental science that is necessary to complete the work is still in the developmental stage and has yet to be reviewed or sanctioned by any panel of the California Court of Appeals. The environmental analyses that have been and will be performed for the ADP could have long-term implications for this and future Port projects, including non-airport projects. Consequently, staff previously proposed to the Board that the ADP SEIR air toxics analysis be performed in two phases: (1) an attorney-client privileged first phase; and, (2) a public document second phase.

The attorney-client privileged phase of the SEIR process enables the Port's Attorney and outside counsel to understand the technical implications of the Court's decision and to identify the best available legal strategy for responding to the Court of Appeals decision. This effort will also help focus the scope of the public SEIR document. The Port Board approved the two-phase SEIR process on January 29, 2002, including the attorney-client privileged work.

To avoid critical path delay issues for related projects and to complete the ADP SEIR in a timely manner, it was necessary to expedite the attorney-client privileged phase SEIR work. It was discovered that Environ International Corporation (ENVIRON), an environmental consulting and engineering firm, had an existing professional services contract (Contract No. 20361) with the Port to provide human and ecological health risk assessment consulting services. This contract is held by the Environmental Health and Safety Compliance Department (EH&SC) in Engineering, and was awarded primarily to support property development projects in the Oakland Estuary. Consequently, the Environmental Planning Department, under direction from the Port Attorney's office, engaged ENVIRON to perform a confidential screening level air toxics scoping analysis for the SEIR. In order to most efficiently engage ENVIRON, the Environmental Planning Department has been using the existing EH&SC ENVIRON contract as a compensation vehicle to allow ENVIRON to immediately start and conduct its work. Meanwhile, contract funds intended to support other Port projects under the ENVIRON contract have been depleted and must be restored. Therefore, a supplemental agreement is needed.

The purpose of the proposed Supplemental Agreement is to restore contract funding intended for other ENVIRON consulting projects that was instead used to facilitate a rapid start of work on the ADP Supplemental EIR. The requested contract funds will be used to support the work performed to date and projected work on the ADP SEIR.

ANALYSIS:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02166

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JUN - 4 2002

DATE

... minimize delays in responding to the Court, work on the ADP SEIR was begun through existing contracts. ENVIRON was identified as having special expertise and knowledge of local mobile source health risk assessment issues and familiarity with the regulatory climate regarding these issues. The original contract was intended to support CRE development, and some work had already commenced according to the scope of work contained in the contract. Replacing the funds will allow completion of the CRE scope of work and enable ENVIRON to be paid for work performed to date and projected to support the ADP SEIR.

Budget

The SEIR effort is budgeted under CIP No. A2.00686.02. The funding source will initially be Port cash, with the intention of reimbursement by future PFCs.

DESCRIPTION	AUTHORIZED	PROPOSED
Original Agreement	\$600,000	
Additional Amount for Supplemental Agreement		\$600,000
Proposed Maximum allowable Compensation		\$1,200,000

Sustainability:

The recommendation to use ENVIRON for the ADP SEIR work is consistent with the Port's Sustainability Policy, as it will ensure the most efficient use of valuable Port funds and resources.

OPTIONS:

... Supplemental Agreement was chosen to cover the Scope of Services because the work is already in progress and partially completed under an existing and adequate professional services contract. A Supplemental Agreement is the most cost-efficient method of obtaining funding to complete the work.

RECOMMENDATION:

It is recommended that the Board authorize the preparation and execution of a supplemental Agreement with Environ International Corporation for professional services as described above, increasing the maximum compensation under the agreement by \$600,000, for a total allowable compensation of \$1,200,000.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 19, 2000

ITEM NO: 24

SUBJECT: Approval of Environmental Consulting Services in the Area of Human Health and Ecological Risk Assessments for the Ninth Avenue Terminal

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

PROGRAM AREA:

- Program Area options: Airport Operations, Commercial Real Estate, Maritime Operations (checked), Overall Operations

FACTUAL BACKGROUND:

The Ninth Avenue Terminal (Terminal) is located along the Oakland Estuary between Seventh and Tenth Avenues. The Terminal encompasses approximately 33 acres of property, including concrete and timber wharves, and has been used extensively by Port tenants for maritime activities and various commercial and industrial activities since 1940.

Environmental investigations conducted to date have documented the following:

- Soil and groundwater have been impacted by petroleum hydrocarbons;
Petroleum hydrocarbons have been observed to accumulate in an inactive storm drain system;
Inactive underground storage tanks are known to remain in place in some areas; and,
A solvent plume exists near the center of the Terminal.

For the past several years, the Port, the City of Oakland, and other interested parties have been evaluating potential changes in use of the Terminal area as part of the Estuary Policy Plan. The current version of the Estuary Policy Plan suggests that the Terminal be transformed into a mixed-use development with public space, buildings for commercial and public use, and a pedestrian walkway along the shoreline. A Specific Plan will be prepared to further refine the Estuary Policy Plan concepts.

In order to make the transition from a primarily industrial use to a mixed use/public space development, the Port will need to retain an environmental consulting firm to perform the remainder of the environmental investigations, including human health risk assessments (HHRA) and an ecological risk assessment (ERA) in preparation for development activities. The Prime Consultant will enter into a standard form professional services agreement with the Port to provide environmental consulting on a task specific basis, in the areas of hazardous materials assessment, HHRA, ERA, remedial alternative cost estimating, strategic risk management planning, and corrective action plan preparation.

ANALYSIS:

Requests for Proposals (RFPs) were sent to ten environmental consulting firms in the Local Business Area (LBA) and the Local Impact Area (LIA) with known expertise in performing human health and ecological risk assessments. Four firms submitted proposals, namely:

- 1. Environ International Corporation, located in Emeryville, CA
2. ENTRIX, located in Walnut Creek, CA
3. McLaren Hart, located in Alameda, CA
4. Malcolm Pirnie, located in Oakland, CA

Staff evaluated and scored the four proposals based on technical expertise (maximum 20 points), cost (maximum 15 points), and evidence of compliance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (maximum 15 points). Each firm could earn a maximum of 50 points in the proposal review portion of the selection process.

- MOTION
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Staff also interviewed each firm and evaluated their responses to four questions that would demonstrate their expertise in the field of human and ecological risk assessments. A maximum of 50 points could be earned in the interview portion of the selection process.

The top-ranked firm, Environ International Corporation (Environ), is located in the LIA. The firm is capable of performing the services required and has never held a professional services contract with the Port.

FIRM	TEAM MEMBERS	LOCATION	OEO STATUS **	% OF WORK
Environ International Corporation	Liz Miesner Robert Scofield	Emeryville, CA	LIA	49%
EVS	Chris Boudreau Susan McGroddy	Alameda, CA	LIA	20%
SCA Environmental	Chuck Siu	Oakland, CA	MBE / LIA	7%
Chromalab	Gary Cook	Pleasanton, CA	MBE / LBA	6%
McGill Martin (Self)		Walnut Creek, CA	WBE / LBA	6%
Aquifer Sciences	Rebecca Sterbentz	Lafayette, CA	WBE / LBA	8%
Columbia Analytical Services	John Hicks	Santa Clara, CA	n.a.	5%

It is proposed to execute a professional services contract with Environ for approximately four years, and to compensate the firm at agreed billing rates on a time-and-materials basis for a total amount not to exceed \$600,000. The \$600,000 aggregate amount is based on the cost estimate provided in Environ's proposal, as requested in the RFP. The contract will be used only as required and will not be exceeded without prior approval from the Board.

The Port's Office of Equal Opportunity participated in all phases of evaluating the consultants and their proposals. OEO has determined that Environ is responsive to the Port's Non-Discrimination and Small/Local Business Utilization Policy. The EEO-1 Work Force Reports/Professional Services Questionnaires are on file.

BUDGET:

The cost of these services is covered by the EH&SC Operating Budget for FY00-01, and the appropriate Environmental Liability Account established for such work. For services required in subsequent years, staff will budget accordingly and authorized work will not exceed the approved budget.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the consulting services, as described, are professional services; and
2. Authorize the preparation and execution of an agreement with Environ International Corporation, to perform risk assessments at the Ninth Avenue Terminal in accordance with the above provisions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 8

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
SUBJECT: Approval to Provide the East Bay Regional Park District Additional Funds for Monitoring the Arrowhead Marsh Restoration Site

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Port has facilitated stakeholder participation in the design process for the Pardee Parking Lot Project. The design process, to date, included meeting with the East Bay Regional Park District (EBRPD), Regional Water Quality Control Board, and Golden Gate National Audubon Society to review the plans for the lot. Specific elements are now incorporated into the plans as a result of the meetings. These elements include a larger area of vegetated swales around the perimeter for treating storm water runoff, physical measures to prevent predator bird species from perching on light standards, shuttered lighting that reduces excess lighting from "spilling over" onto the adjacent site, and a vegetated visual buffer landscaped with native plant species:

ANALYSIS:

The Port continues to work closely with the stakeholders, particularly the EBRPD's Martin Luther King, Jr. Shoreline Park (MLK), and is committed to constructing and operating the Pardee parking lot in a manner that does not result in significant environmental impacts. The EBRPD expressed a need for additional monitoring of the Arrowhead restoration site (which is located adjacent to the Pardee parking lot) to assess the impact of the Pardee parking lot on the restoration site, and the Port recognizes EBRPD's concerns. In an effort to assist its neighbors and to take the opportunity to contribute to the environmental quality of our community, the Port proposes to provide the EBRPD \$75,000. The funds will be used to assist the EBRPD with their on-going monitoring of the restoration area.

Environmental

The Board of Port Commissioners approved the Pardee Parking Lot Project on December 18, 2001. All requirements for environmental clearance under the California Environmental Quality Act (CEQA) were met prior to Board approval. The project has been determined to be statutorily exempt from CEQA pursuant to Public Resources Code, Section 21080 (b)(4) and CEQA Guidelines, Article 18, Statutory Exemptions, Section 15269(c) for emergency projects. Two Notices of Exemption (NOE) for the approved project were filed with the County Clerk on December 21, 2001. One of the NOEs applies to Port Ordinance 2832, which revised the Airport Business Park Standards to allow the Swan-Pardee site to be used for a parking lot. The second NOE is applicable to the construction of the Pardee Parking Lot Project.

General Plan

Pursuant to Section 727 of the City Charter, the project (Resolution #3670 dated December 18, 2001 and Ordinance #01467 dated December 18, 2001) has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

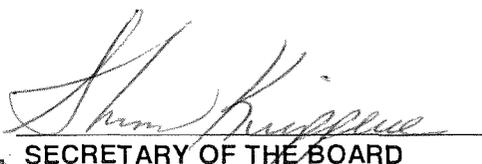
Funding is budgeted under CIP No. A2.00805.01, and the source is Port Cash.

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Approved by Resolution No. 02167

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Assistant


SECRETARY OF THE BOARD

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Stability

N/A

Project Labor Agreement

N/A

OPTIONS:

1. Take no action, leaving EBRPD with insufficient funds to monitor the work, which may result on a negative impact on the proper coordination of the restoration work.
2. Take no action, directing staff to change the sum the Port contributes to EBRPD's monitoring efforts. This action may reduce, to the extent that funds may be available, the potential impact on the coordination effort.
3. Pass a resolution approving the payment of \$75,000 to the EBRPD to assist them in their on-going monitoring of the restoration area.

RECOMMENDATION:

It is recommended that the Board approve providing the EBRPD with additional funds in the amount of \$75,000 for on-going monitoring at the Arrowhead Marsh restoration site.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 16

SUBJECT: First Reading of an Ordinance Authorizing the Execution of a Ground Lease with Gray and Reynolds Properties, Inc. for the 1.1 Acre Site Located at 1211 Embarcadero Road

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

In February 2001, the Board authorized an Exclusive Negotiating Agreement (ENA) between the Port and Gray & Reynolds, a local development team consisting of Dan Gray and Peter Reynolds. The ENA covered a 4.4 acre parcel located at Embarcadero Cove south of the 9th Avenue Terminal and adjacent to the Homewood Suites hotel. After extensive negotiations, the ENA was fully executed on July 31 2001. There have been a number of extensions to the ENA, with the most recent extension expiring on April 27, 2002. During the extensions, the developer was required to file a request for CEQA review with the City of Oakland, and to complete negotiations on the master lease. The CEQA review has been completed, and negotiations on the ground lease covering one of the three sites covered under the ENA, the 1.1-acre site that formerly housed the Hungry Hunter restaurant, have been completed.

CURRENT PROJECT:

The proposed project entails the demolition of an existing structure and construction of a three or four story, 23,000 square foot commercial building on a 1.1 acre site located at 1221 Embarcadero. The building will include 7,056 square feet of commercial uses on the ground floor, including a boat sales showroom and an area dedicated to general food sales with outdoor seating along the waterfront. Total project costs are estimated to be \$4,500,000. The developer has met with the San Francisco Bay Conservation and Development Commission (BCDC) on a number of occasions, and the project currently includes a small pocket park on the water, and landscape and hardscape improvements including public access areas between the estuary and the building.

GROUND LEASE PROPOSAL:

The following is a summary of the terms and conditions of the proposed land lease:

- 1. The premises would consist of approximately 49,672 square feet of land located on Embarcadero south of 10th Avenue, adjacent to the newly constructed Homewood Suites hotel. The premises would also include the dock currently used by Integra Marine, consisting of 10,200 square feet of submerged land and water area. Lessee would be responsible for demolishing the building improvements (the former Hungry Hunter location) currently on the site during the pre-term of the lease. The lessee would be reimbursed for the demolition costs through a rental credit not to exceed \$50,000.
2. The lease term would be for a period of 66 years, not including pre-term.
3. There would be a pre-term period in the lease, which would commence on the effective date of the lease, and expire on the 356th day following the date that the condition to obtain Closure Letters from the regulatory agencies (Alameda County Health Care Services Agency-Department of Environmental Health and the California Regional Water Quality Control Board-San Francisco Region) is satisfied or waived by the Lessee. During the pre-term, the lessee would have the option of demolishing the building, and would work to obtain entitlement and approvals from the City of Oakland, BCDC, and any other approvals required for the project. Construction rent commences upon expiration of the pre-term. The lessee has a one-time option to extend the pre-term for an additional 120 days. During that extension period, the lessee would pay construction rent.
4. The Port shall use commercially reasonable efforts to obtain the Closure Letters and a site feasibility letter (the "letters") from the regulatory agencies by December 31, 2002. If the Port is unable to obtain the letters, then the Lessee has the option to terminate the lease on the earlier of (i) January 10, 2003 or (ii) 10 days following the receipt by Lessee of the Closure Letters and/or site development feasibility letter. If the Lessee fails to terminate at that time, the election to terminate is of no further effect.

- MOTION
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BOARD ACTION TAKEN Assistant

Signature of Secretary of the Board
SECRETARY OF THE BOARD

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5. The lessee would construct an office building on the site containing approximately 23,000 rentable square feet, in accordance with plans and specification to be approved by the Port and the City of Oakland. All signs would also be subject to Port and City approval.
6. The initial minimum rent would be \$5,333 per month (based on a 10% return on \$16 per square foot of the usable area outside the BCDC public areas) against 15% of net (the subtenants are under triple net leases). The minimum rent commences at the first to occur of:
 - a) 18 months following the commencement date of the construction term
 - b) When the building is 75% leased and occupied
7. The minimum rent would be adjusted at five-year intervals to either 75% of the average monthly rental paid to the Port during the 36-month period immediately preceding the rental adjustment, or the percentage change in the Consumer Price Index, whichever is greater. There will be a ceiling of 10% on the adjustment. In no case would the minimum rental be adjusted to less than the existing minimum rental.
8. The construction rent would be 50% of the minimum monthly rent or \$2,667 per month. The costs of demolition of the building will be credited against the construction rent, in an amount not to exceed \$50,000.
9. Lessee has deposited \$50,000, which will be credited as a security deposit. Provided that no default has occurred, from the date that 75% of the office building is leased, the Port shall apply the security deposit towards the minimum rent.
10. The Port will be responsible for remediation costs up to \$250,000 (costs incurred commencing on February 1, 2002). This includes the removal of no more than 1,866 cubic yards of soil located under the old Hungry Hunter building and in utility trenches needed to service the new building. If at any time the Port determines that the Port's remediation costs shall exceed \$250,000, the parties shall have 30 days (after the lessee is notified and provided with evidence of the Port's costs) to attempt to agree which party will pay for such excess costs. If the parties are unable to reach an agreement with 30 days, the Lease shall terminate.
11. The lessee will be responsible for all maintenance and repair of the improvements. The Port shall reimburse the lessee for costs expended to maintain the public access area. The annual reimbursement, which shall be based on costs expended by the lessee, shall not exceed \$5,000 per year. This amount shall be increased annually by the CPI index, and the funds expended shall be deducted from the minimum monthly rent after being approved by the Port.
12. The lessee would pay prevailing wages during construction of the improvements in accordance with the Port's current policy on prevailing wages during construction.
13. The lessee would pay all taxes, assessments and utilities.
14. The lessee would be responsible for the cost of any public access improvements required by BCDC.
15. The lease could not be assigned or subleased without prior Port approval, which would be not unreasonably withheld.
16. The lease will contain a provision allowing the lessee a right of first offer if the Port elects to lease or sell all or part of the adjoining 3.3 acre site to the south of the leased premises.

LAND USE AND ENVIRONMENTAL DETERMINATION:

At its October 3, 2001 meeting, the City of Oakland Planning Commission approved the design and a Conditional Use Permit for the proposed project. They noted that the proposed project is an appropriate land use at this location and an appropriate and well designed commercial project that will further the overall objectives of the Estuary Policy Plan, particularly those related to the development of commercial-recreational and water oriented activities, recreational and open space, and enhanced waterfront public access. They also determined that the proposed project is categorically exempt from the California Environmental Quality Act; pursuant to Section 15332, Infill Development Projects, of the State CEQA guidelines. The Port is relying on the City's analysis in proceeding with this ordinance.

SUSTAINABILITY

The proposed project will take an underutilized site and convert it to a better economic use. The lessee will develop the property consistent with Port of Oakland sustainability policies, as applicable.

**First Reading of an Ordinance Authorizing the Execution
of a Ground Lease with Gray and Reynolds Properties, Inc. for the
1.1 Acre Site Located at 1211 Embarcadero Road**

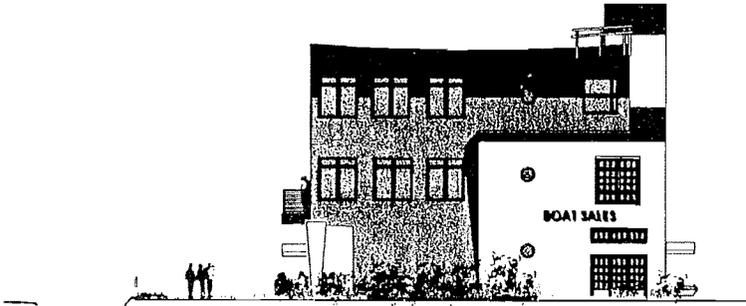
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1. Approve the ground lease as outlined.
2. Put the parcel back on the market. The other proposals received for the site proposed re-use of the Hungry Hunter building, which is economically obsolete. The lessee's proposal will result in improved public access, and a newer facility on the site.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance authorizing the terms of the ground lease with Gray and Reynolds as outlined.

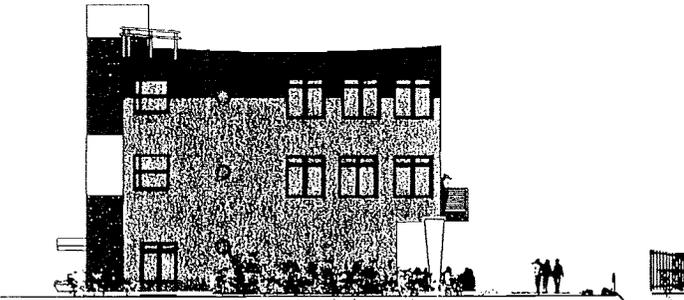
exterior elevations



WEST ELEVATION



FREEWAY VIEW ELEVATION



WEST ELEVATION



WATER VIEW ELEVATION

ESTUARY COVE PROJECT
OAKLAND

FLYNN
CRAIG
GRANT

ARCHITECTS
211 HAYES AVENUE
SUITE 212
DANFORTH, CALIFORNIA

925-822-7123
925-822-7124 FAX

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 21

SUBJECT: Recommendation to Pass a Resolution Approving and Authorizing the Executive Director to Execute a Covenant to Restrict Use of Property, Charles P. Howard Terminal Site

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry Bridges

Handwritten signature of Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The property commonly known as The Charles P. Howard Terminal ("Howard Terminal") was constructed in 1980 and currently is used for containerized cargo operations. The site consists of approximately 50 acres of land located in the area of Embarcadero West and Market Street along the Oakland Inner Harbor Channel.

On October 17, 2000, the California Environmental Protection Agency, Department of Toxic Substances Control ("DTSC") issued the Port an Imminent or Substantial Endangerment Determination and Order and Remedial Action Order ("DTSC Order").

In September 2001, the Port submitted a Draft RAW to DTSC for review and approval. The proposed RAW identified the following removal action goals for the site:

- 1) to perform remediation of soil, groundwater, and free product, if needed, to protect human health and the environment;
2) to ensure that the health and safety of on-site occupants and future construction and utility workers are protected from exposure to subsurface contaminants;
3) to eliminate potential continuing sources of contaminants, if present, and potential conduits for contaminant migration; and
4) to conduct all removal actions in a manner that does not prevent the terminal from operating, and that minimizes disruption of normal terminal activities.

The proposed RAW identified the following four remediation areas: soil contamination, groundwater contamination, free product, and potential presence of historic features. The proposed RAW identified and evaluated removal action alternatives for the four areas in terms of effectiveness, implementation, and cost.

- 1) Soil Contamination: Implementation of a Risk Management Plan to Protect Human Health and Ecological Receptors;
2) Groundwater Contamination: Groundwater Monitoring to Ensure Protection of Potential Ecological Receptors and Beneficial Uses of the Bay;
3) Free Product: Groundwater Monitoring to Ensure Protection of Potential Ecological Receptors and Beneficial Uses of the Bay; and
4) Potential Presence of Historic Features: Geophysical Survey and Removal/Abandonment (if present).

In order to implement the above recommended alternatives, the Port will need to, among other things: a) prepare a Site-Specific Health and Safety Plan to protect future construction/utility workers; b) perform annual groundwater monitoring of selected wells for 5 years; c) perform a geophysical survey in the location of a possible underground storage tank, pipelines, and water supply

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No. 02173

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BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

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DATE

wells; e) destroy or abandon the historic structures identified in four above; f) conduct yearly cap inspections; and g) record a deed restriction (e.g., a "Covenant to Restrict Use of Property").

A Fact Sheet describing Howard Terminal and the proposed RAW was circulated to certain members of the public pursuant to a Public Participation Plan approved by DTSC. In addition, a Notice of Public Comment Period on the Draft RAW and proposed Negative Declaration (CEQA document supporting the RAW) was placed in the January 3, 2002, edition of The Oakland Tribune. No members of the public provided comments to DTSC. Accordingly, on February 22, 2002, DTSC approved the RAW.

ANALYSIS:

Port staff, with input from the Environmental Health & Safety Compliance Department, Maritime Division and Port Attorney's Office, negotiated a draft Covenant to Restrict Use of Property ("Covenant"). The proposed Covenant (which was an attachment to the proposed RAW) prohibits the future use of Howard Terminal as a residence, hospital (for humans), school for persons under 21 years of age, day care center for children, and un-capped park or un-capped open space that exposes contaminated soil. In addition, the proposed Covenant provides that: 1) except as provided below, the site shall not be used in such a way that will disturb or interfere with the integrity of the existing cap; 2) the site shall be used and developed in a way that preserves the integrity of the cap and that capped soil shall not be disturbed without a Risk Management Plan ("RMP") and Health Safety Plan submitted to DTSC for review and approval; 3) the Port shall provide DTSC written notice at least thirty (30) days prior to any activities which will disturb the cap and underlying soils; 4) the Port shall inspect and maintain improvements constructed on the site as provided in the RMP; 5) the Port shall notify DTSC of a) the type, cause, location and date of any damage to the cap, and b) the type and date of repair of such damage; and 6) the Port shall not extract groundwater for purposes other than site remediation or construction dewatering. Once executed, the Covenant will be filed with the Alameda County Recorder's Office and the Covenant will bind the Port and any successors in interest in perpetuity. The Port or its successor in interest may apply for a variance to or termination of the Covenant under certain conditions.

OPTIONS:

1) Execute the Covenant: this is the recommended option.

2) Refuse to Execute the Covenant: The Port could decline to execute the Covenant. The pursuit of this option would likely result in enforcement action being taken against the Port by DTSC pursuant to the existing DTSC Order. Section 8 of the DTSC Order provides that the Port may be liable for penalties of up to \$25,000 for each day out of compliance with any term of the Order and for punitive damages up to three times the amount of any costs incurred by DTSC as a result of the Port's failure to comply. This is not a recommended option.

3) Clean up To Background Levels: The Port could clean up Howard Terminal to background levels of contaminants, thereby negating the need for a deed restriction. This option would involve a massive soil excavation program. Cleaning up Howard Terminal to background levels would be prohibitively expensive (estimated to be in excess of \$100 million) and would result in a long-term disruption or closure of the current container operation at the site during the remediation phase. This is not a feasible option.

BUDGET:

The direct cost of executing the Covenant is negligible.

RECOMMENDATION:

Staff recommends that the Board pass a resolution approving and authorizing the Executive Director to execute a Covenant to Restrict Use of Property, Environmental Restriction, concerning the Charles P. Howard Terminal.

Agenda Sheet

DATE: June 4, 2002

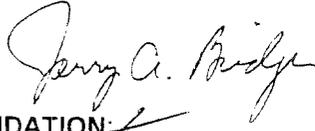
ITEM NO: 22

SUBJECT: Authorization to solicit for bids to provide security service for Port View Park and the Train Building

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In November 1986, the Board of Port Commissioners certified the Final Environmental Impact Report (FEIR) for the Redevelopment of the Carnation Terminal Area (the project). In March 1991, the Board certified the Final Supplemental Environmental Impact Report (FSEIR) for the project, which included the relocation of the Oakland Pier Train Tower (Tower) to Port View Park. The relocation was agreed to during the environmental assessment process to reduce the possibility of lengthy negotiations due to the potential historical significance of the building. In an October 1991, letter to the State Historic Preservation Officer (SHPO), the Port stipulated that the two-story structure (known in the railroad industry as a "tower") would be used as a museum with photographs representing the historical railroad era and as a viewing platform for marine terminal operations. Reinforcing this commitment, a condition of construction permit 12-91 approved by the San Francisco Bay Conservation and Development Commission (BCDC) in January, 1991, specifies that the historic railroad building will be moved to Port View Park to function as a concession stand and restroom facility with a second floor observation area, which will include interpretive exhibits depicting Port operations and allow an overview of port activities. The permit further specifies that the approximately 5.01-acre Port View Park area shall be made available exclusively to the public for unrestricted public access but allows the Port to impose reasonable rules (such as restricted hours) on the use of the public access areas. Such rules must first be approved by or on behalf of BCDC and should not significantly affect the public nature of the area or unreasonably burden public use.

Options for management of public access to Oakland Pier Train Tower & Port View Park:

- Security
 - Port provision of a security guard for at least six hours per day (10-4 or 11-5, the proposed hours of operation for *Room with a View*). Security guard would open and close the building and provide safe and secure public access to the exhibit and Port View Park while a policy on vendor procurement is developed and pursued by maritime staff.

Pursuit of this option is recommended. However, we feel that having the building open for six hours per day will meet the BCDC requirement for baseline public access to Port View Park and *Room with a View* while the Port develops a policy on vendor procurement and a long-term plan for maintaining public access. At a minimum, the Security option will enable to port to provide baseline public access.

ENVIRONMENTAL OPPORTUNITIES FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

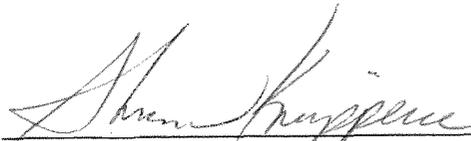
Approval of the proposed solicitation for bids to provide security for Port View Park and the train building.

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Approved by Resolution No.

02174

BOARD ACTION TAKEN Assistant



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JUN - 4 2002

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Agenda Sheet

DATE: June 4, 2002

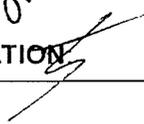
ITEM NO: 23

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TP}
SUBJECT: Approval of List of Consultants to Provide As-Needed Marine Terminal Yard and Gate Planning and Design at the Port of Oakland

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

In order for the Port to provide timely project turn-around to its tenants and to supplement the Port's expertise and present resources, the Port solicited proposals from engineering consultant firms for **As-Needed Marine Terminal Yard and Gate Planning and Design**. The intention is to create a certified list of consultants to provide planning and/or design services for upcoming yard improvement projects over the next three years.

Currently, the Capital Improvement Program (CIP) includes two major yard improvement projects over this three-year period, Reconstruction of Berths 32/33 Yard and APL Terminal Improvements. Furthermore, there is the possibility that additional yard improvement projects within Berths 22/23 area may also be scheduled within this three-year period. The exact timing of when these projects will be designed is unknown at this time. Consequently, it is desirable to have a list of prequalified engineering consultant firms that are capable of performing this type of engineering design work as and when it is needed, as well as an additional firm, or two, that can perform other container yard improvement design work that may surface over the three year period.

BASIS OF SELECTION:

On February 20, 2002, the Port mailed Requests for Proposals to 232 firms listed in the Port's Social Responsibility Division (SRD) database. On March 13, 2002, the Port conducted a pre-proposal meeting to answer questions concerning submission of proposals, types of projects anticipated, the Port's Non-Discrimination and Small Local Business Utilization Policy, and insurance requirements.

Proposals were received from 11 design teams on March 29, 2002.

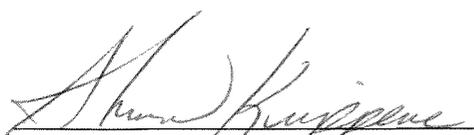
A panel made up of Port staff, including a representative from SRD, reviewed the 11 proposals and determined that 9 design teams were qualified to be interviewed. The 9 design teams that were invited to make oral presentations and be interviewed were as follows:

No.	COMPANY NAME	ADDRESS
1	A-N West, Inc.	4123 Lakeside Drive Richmond, CA 94806
2	Cash & Associates	155 Filbert Street, Suite 254 Oakland, CA 94607
3	CH2M HILL, Inc.	155 Grand Avenue, Suite 1000 Oakland, CA 94612
4	Concept Marine Associates, Inc.	1853 Embarcadero Oakland, CA 94606
5	DMJM+HARRIS, Inc.	1330 Broadway, Suite 1001 Oakland, CA 94612
6	Han-Padron Associates, LLP	1939 Harrison Street, Suite 730 Oakland, CA 94612

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- INFORMATION ONLY

Approved by Resolution
No. 02175

BOARD ACTION TAKEN Assistant


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No.	COMPANY NAME	ADDRESS
7	Moffatt & Nichol Engineers	160 Franklin Street, Suite 300 Oakland, CA 94607
8	Parsons Brinckerhoff Quade & Douglas, Inc.	1000 Broadway, Suite 250 Oakland, CA 94607
9	TranSystems Corporation	2100 Reston Parkway, Suite 202 Reston, VA 20191

The panel interviewed the 9 design teams and prepared a ranking based on each design team's oral presentations, qualifications, relevant experience of the firms, key project personnel, design team's technical and project management abilities, and answers to interview questions, as well as SRD scores.

As a result of the evaluations and based on the above factors, staff recommends that Cash & Associates, CH2M HILL, Inc., DMJM+HARRIS, Inc., Han-Padron Associates, LLP and Moffatt & Nichol Engineers be prequalified for the Port's upcoming yard projects. This list of certified engineering consultant firms will be valid for a period of three years.

RECOMMENDATION:

It is recommended that the Board certify Cash & Associates, CH2M HILL, Inc., DMJM+HARRIS, Inc., Han-Padron Associates, LLP, and Moffatt & Nichol Engineers, for consideration to provide engineering planning and/or design services for yard improvement projects at the Port of Oakland for a period not to exceed three years.

Agenda Sheet

SUBJECT: Approval of Change Order to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Park - CDSM Modification

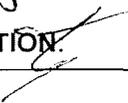
DATE: June 4, 2002

ITEM NO: 24

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with Berths 57/58 Constructors, a Joint Venture, for the **CONSTRUCTION OF BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS**, which became effective on June 20, 2000, at lump sum and unit prices totaling \$61,701,177. The project consists of site demolitions; mass excavation and dredging; placement of fill on land and in the water; shoreline stabilization; construction of a concrete-pile supported wharf; grading areas for the Middle Harbor Shoreline Park and a portion of the Berths 57/58 container yard.

ANALYSIS:

The project plans included Cement Deep Soil Mixing (CDSM) in the wharf embankment. The payment for the CDSM construction was separated into four bid items: two lump sum items for installing CDSM test sections, one lump sum item for installing the CDSM production wall, and one unit price item for supplying and installing CDSM cement. The Port estimated that the total amount of cement would be 10,300 tons. This estimate was based on a cement dosage of 12 pounds per cubic foot of soil mixed, with an allowance of approximately 5% for exceeding the design mix. The cement dosage was based on the production quantities used with Berths 55/56 project area.

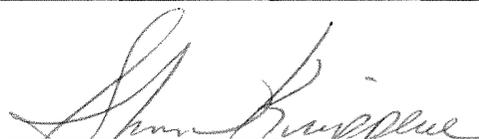
During the construction of the CDSM, the cement actually used exceeded the original estimate. The sources of exceeding the design estimate include: 1.) The Contractor submitted a target design mix of 16 pounds per cubic foot to meet the variations in site conditions, required strengths, and construction ease. The Contractor later scaled back this target design to 13.5 pounds for an overall average of 14 pounds per cubic foot as field conditions met design-expected conditions; 2.) The actual field conditions required portions of the walls to be deeper than the designed wall depth; 3.) The Contractor had to re-drill 35 of approximately 3,000 penetrations; 4.) The Contractor used cement, at a lower dosage (5 pounds per cubic foot), to penetrate soils from the ground surface to the top of the wall when no such use was anticipated in the bid quantity; 5.) The Contractor, at the beginning of the project, used mixing equipment that far exceeded the target dosages without providing proper mixing. The Port accepted only part of this work, and the Contractor brought in other equipment and crews that produced satisfactory work; 6.) The wall was made longer to accommodate environmental site conditions.

The Contractor claims to have used a total of 18,899 tons of cement, or 8,599 tons (83.5%) more than the estimate. Additionally, the Contractor documented that his actual material costs exceeded the bid amount by \$25.93 per ton. By section 01200 of the specifications, the Contractor can claim for the difference between the actual cost and the bid unit cost for the quantity of work greater than 25% above the bid estimated quantity. The Port concurs with some but not all of the reasons for the excess cement. Staff is in negotiations with the Contractor regarding the total amount owed to the Contractor above the contract amount.

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Approved by Resolution No.

02176
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUN - 4 2002
DATE

Staff requests authorization to negotiate and settle these claims with the Contractor for an amount not to exceed \$801,300.

Budget

This work is budgeted under CIP Item No. M6.00585.01. The funding source is Port bonds.

Including this change order, there will be 89 approved and pending change orders estimated at \$15,809,400 or 25.7% of the original contract work. This includes \$1,900,000 spent addressing unforeseen contaminated soil problems on the Union Pacific property, \$2,100,000 for berth and interconnecting channel dredging related to the -50' program, \$368,500 for emergency repairs to the Berth 24 Wharf, and \$7,223,700 for the addition of the Berth 59 wharf. Not including these change orders, this project has incurred \$4,217,200 in change orders (6.8% of the original contract amount).

OPTIONS:

Port staff will pursue negotiations with the Contractor to resolve disputed cement costs.

RECOMMENDATION:

It is recommended that the Board authorize up to \$801,300 for staff to negotiate a change order to cover the extra CDSM cement costs.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

May 3, 2002

PROJECT TITLE: Construction of Berths 57/58/59 Wharf, Vision 2000, Oakland, California

RE: Approval of Change Orders to Contract for Construction of Berth 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Additional CDSM Cement Claims

CIP NO: M6.00585.01

W.O. #'s: 103527

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The approval of change orders to contract for Construction of Berth 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Additional CDSM Cement Claims is being tracked under work order # 103527.

Budget: This project is included in the CIP Element # M6.00585.01 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.01

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.01	1056	1682	49429	7927						60094
Total =	1056	1682	49429	7927						60094

Remarks:

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

^{TD}
SUBJECT: Approval of Second Supplemental Agreement with Liftech Consultants, Inc. for the Design Of Berth 59 Wharf -The Cell C Excavation Plan and Other Miscellaneous Extra Work

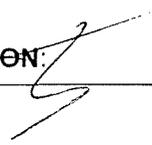
DATE: June 4, 2002

ITEM NO: 25

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland (Port) has a current professional services agreement with Liftech Consultants, Inc. (Liftech), which was approved by the Board on April 6, 1999. Liftech was hired to provide design services for the wharf at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program. The Board authorized a maximum compensation of \$2,300,000, with the provision for an additional amount of up to \$450,000 to be spent with the approval of the Executive Director for additional, unforeseen work.

On August 1, 2000, the Board authorized an additional \$236,600, with the provision for up to an additional \$75,000 to be spent with the approval of the Executive Director for additional, unforeseen work. That brought the total authorized amount to \$3,061,600.

ANALYSIS:

During the entire construction period, Port Staff requires construction and design support from the Consultant. Delays and changes to the project have added an additional four months to the construction schedule. Consequently extra funds are required for consulting fees for Liftech to ensure that the construction of the Berths 57/59 wharf meets the current schedule. The extra consulting work will not result in a modification of the current contract. In order to pay for this additional work, staff recommends approval of the second supplemental agreement in the amount of \$75,000 and authorization of an additional \$25,000 for the Executive Directors approval. This will bring the total authorized amount to \$3,161,600.

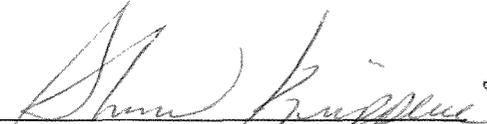
Budget

This work is budgeted under CIP No. M6.00585.01. The funding source is revenue bonds.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02177

 BOARD ACTION TAKEN Assistant



 SECRETARY OF THE BOARD
 JUN - 4 2002

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summary of the proposed compensation changes is provided below:

	DESCRIPTION	DATE	AUTHORIZED	PENDING
1	Original Board Authorization Maximum Allowable Compensation	4/6/99	\$2,750,000	
2	Second Board Authorization Additional Compensation Approved by the Board Total Maximum Allowable Compensation	8/1/00	\$311,600 \$3,061,600	
3	Proposed Board Authorization			\$ 100,000
4	Proposed Maximum Possible Allowable Compensation			\$3,161,600

RECOMMENDATION:

is recommended that the Board authorize the preparation and execution of a Second Supplemental Agreement with Liftech Consultants, Inc. for design services as described above, increasing the maximum compensation under the agreement by \$75,000. It is further recommended that the Board authorize an additional \$25,000 for Change-In-Scope funds, subject to the approval of the Executive Director, thereby setting the maximum possible allowable compensation for this work at \$3,161,600.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 2, 2002**

PROJECT TITLE: Construction of Berths 57/58/59 Wharf, Vision 2000, Oakland, California

RE: Approval of Second Supplemental Agreement with Liftech Consultants, Inc. for the Design of Berth 59 Wharf – The Cell C Excavation Plan and other miscellaneous extra work

CIP NO: M6.00585.01

W.O. #'s: 103527

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The second supplemental agreement with Liftech Consultants, Inc. for the design of Berth 59 – The Cell C excavation is being tracked under work order # 103527.

Budget: This project is included in the CIP Element # M6.00585.01 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.01

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.01	1056	1682	49429	7927						60094
Total =	1056	1682	49429	7927						60094

Remarks:

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

JHO
SUBJECT: Approval of Consultant Agreements for Engineering Design Services for the Wharf at Berths 57 and 58 Inner Harbor Channel, Vision 2000 Program

Date: April 6, 1999
Item No. 24

PROGRAM AREA

SUBMITTED BY: Joseph K. Wong *JKW*
EXECUTIVE OFFICE RECOMMENDATION:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

The Port's Vision 2000 Program consists of Container Terminals (Berths 55, 56, 57, 58 and 59), the Realignment of 7th Street and Construction of "New Road", the Joint Intermodal Terminal (JIT) and the Middle Harbor Shoreline Park (MHSP), all along the north side of the Inner Harbor Channel. Currently, the Container Terminals at 55 and 56, the Roadways, the JIT and MHSP are in design. We are now ready to commence the design efforts for the Container Terminals at Berths 57 and 58. The Container Terminal is comprised of wharves, container yard and gate facilities and terminal buildings. We propose to have a number of design consultants assist the Port in this effort. This proposed consultant is to provide engineering design services for construction of the wharf at Berths 57 and 58.

BASIS OF SELECTION:

One hundred eighteen Requests for Proposals (RFP's) were sent out on January 22, 1999. The RFP's were sent to engineering firms with offices in the Local Impact Area (LIA) Cities of Oakland, Alameda and Emeryville. Proposals were received from five teams.

The Port Review Panel reviewed the proposals and determined that all five teams were qualified to be interviewed. All were invited for interviews. Listed in alphabetical order, they were: A-N West, Inc., Entranco, Gerwick/VZM Joint Venture, Liftech Consultants, Inc., and Port Associates 2000.

The teams were judged on the project teams' oral presentations, qualifications, and relevant experience of the firms as well as key project personnel, project teams' technical abilities, project management abilities and evidence of compliance with the Port of Oakland's Non-Discrimination and small Local Business Utilization policy.

The interview panel determined that the three best qualified firms for the work were Gerwick/VZM Joint Venture, Liftech Consultants, Inc. and Port Associates 2000. Liftech Consultants is the unanimous recommendation of the panel.

This proposed selection was presented to the Maritime Committee at its March 11, 1999 meeting. The Committee approved the recommended selection for forwarding to the full Board for consideration.

BOARD ACTION REQUIRED

- MOTION
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- RECOMMENDATION

BOARD ACTION TAKEN DATE

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The following table shows the design team members, their roles and their planned shares of the work.

TEAM MEMBER		ROLE	PLANNED SHARE OF WORK
Liftech Consultants (Prime)	LIA	Project Management Structural Engineering (Mentor)	45%
Ean C Gerwick		Structural Engineering (Mentor)	21%
ANSE	LIA/MBE	Structural Engineering (Protégé)	5%
Moffat & Nichol	LIA	Marine, Civil Engineering (Mentor)	8.3%
Manna Consultants	LIA/MBE	Marine, Civil Engineering (Protégé)	10.8%
YEI Engineers, Inc.	LIA/MBE	Mechanical & Electrical Engineering	8.7%
PLS Surveyors	LIA/WBE	Surveying	0.6%

The Port's Office of Equal Opportunity (OEO) participated in all phases of evaluating the consultants and their proposals. OEO has determined that the recommended team is responsive to the Port's Non Discrimination and Local Business Policy. Seventy-nine percent (79%) of the team's members are within the LIA; Seventy-nine percent (79%) within the LBA; Twenty-five percent (25%) are certified as MBEs or WBEs. The Office of Equal Opportunity concurs with the recommendation.

Two of the subcontractors for ANSE (5% of the work) and Manna Consultants (10.8% of the work), both from Oakland, are being mentored on ports-related work as part of this project.

The EEO-1 Work Force Reports/Professional Services Questionnaires are on file.

It is anticipated that the amount of the agreement will not exceed \$2,300,000, and it is requested that the Executive Director be authorized to approve up to an additional \$450,000 for potential changes in scope. It is necessary to begin design work immediately after the final scope and terms are agreed upon in order to make the project schedules. Therefore, it is proposed that the Executive Director be authorized to prepare and execute professional service agreements based on these negotiations.

The work is budgeted in CIP Element No. M6.00585.01. The funding source will be Port bonds.

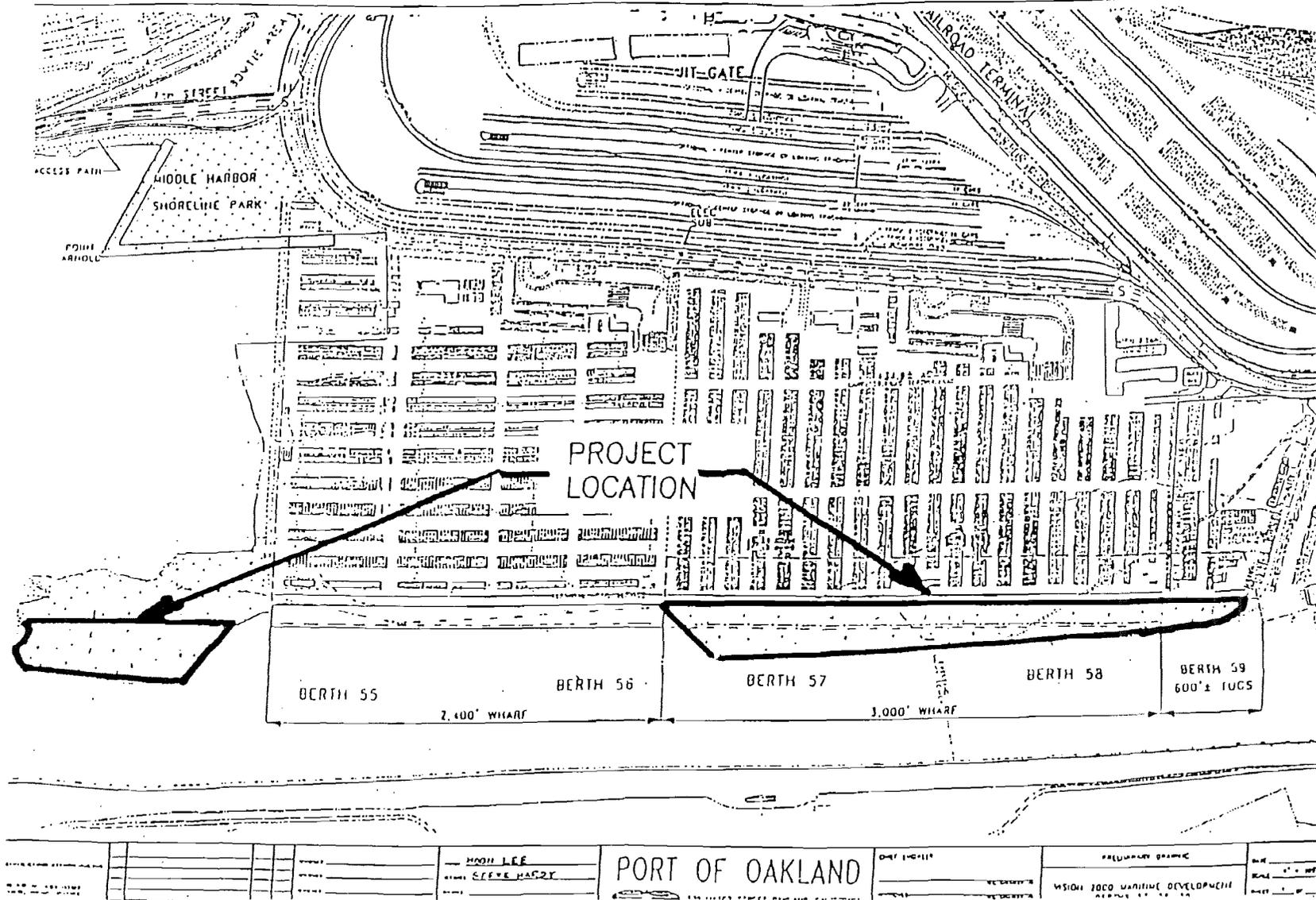
RECOMMENDATION:

It is recommended that the Board:

1. Determine that the engineering services as described above are professional services, and
2. Authorize negotiations and the preparation and execution of agreement with Liftech Consultants, Inc.

Approval of Consultant Agreements for Engineering Design Services for the Wharf at Berths 57 and 58 Inner Harbor Channel, Vision 2000 Program

April 6, 1999



MOON LEE
STEVE HARRY

PORT OF OAKLAND

DATE: 1-10-11

VISION 2000 MARITIME DEVELOPMENT

SCALE: 1" = 100'

Agenda Sheet

DATE: August 1, 2000

ITEM NO: 26

^{TD}
SUBJECT: Approval Of First Supplemental Agreement With Liftech Consultants, Inc. For The Design Of Berth 59 Wharf

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

ACTUAL BACKGROUND:

The Port of Oakland (Port) has a current professional services agreement with Liftech Consultants, Inc. (Liftech), which was approved by the Board on April 6, 1999. Liftech was hired to provide design services for the wharf at Berths 57 and 58, Inner Harbor Channel, Vision 2000 program. The Board authorized a maximum compensation of \$2,300,000 with the provision for an additional amount of up to \$450,000 to be spent with the approval of the Executive Director for additional, unforeseen work.

The original plan called for designing 3,000' of wharf to be constructed adjacent to the Berths 55/56 wharf, which is currently under construction. During the final selection of and negotiations with the tenant at Berths 57/58, it was agreed that the Port would provide 3,600' of wharf to the tenant at the time the terminal is opened. The location of the 600' of additional wharf ("Berth 59") was to have been occupied by a future tugboat facility. An alternative location east of APL ("Berth 64") has been identified for the tugboat facility, thereby making available the necessary space to build the entire 3,600' of wharf required by the Berths 57/58 tenant.

The contract documents for the Berths 57/58 wharf construction contract, which was awarded on June 20, 2000, include the excavation of the shoreline and construction of a stable rock dike embankment at Berth 59, but no structure there. The subsurface conditions prevented the installation of the Cement Deep Soil Mix wall, which is being used to stabilize the embankment under Berths 57/58. Therefore, the wharf structure being built for Berths 57/58 cannot simply be extended into Berth 59. Conceptual design work done by Liftech for the Berths 57/58 wharf can, however, be used to guide preparation of plans for a container wharf at Berth 59.

ANALYSIS:

In order to meet the very tight deadline to deliver the 3,600' of wharf, a means must be found to quickly and efficiently prepare plans and specifications for the additional 600' of container wharf. The options considered to accomplish this included: selecting a consultant to design the Berth 59 wharf, utilizing a formal Request For Proposal (RFP) process typically used for professional services; selecting a consultant from a pre-qualified shortlist of qualified consultants, based on an informal proposal process; preparing the design utilizing in-house resources; and supplementing the design contract for the Berth 57/58 wharf to include Berth 59.

The formal RFP process can take several months to make a selection and enter into an agreement. Depending on the consultant selected, a 2-3 month learning curve then ensues as the consultant organizes the project and prepares the research necessary to support final design. This would not meet the required schedule. Selecting from a shortlist only shortens this process by a month and this also would not meet the required deadline.

At this time the Port does not have the resources to prepare this design in-house.

By supplementing the agreement with the Berths 57/58 wharf designer, time for the selection process is eliminated and the time to reach agreement on the contract language is reduced from weeks (and sometimes months) to days. Having already done the research necessary for the Berths 57/58 wharf, and with conceptual plans already

- MOTION
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BOARD ACTION TAKEN

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DATE

developed for the conditions expected at the Berth 59 area, the Berths 57/58 designer is prepared to move directly into final design for that structure. This would save months of time when compared with the other available options and would also save significant money on the preparation of the final plans and specifications. The design effort will also include a study to transition the crane rail from Berth 59 to Berth 60 through the angle between the two facilities. At the request of the Port, Liftech has presented a proposal to do this work for a total cost of \$434,800. On a per-square-foot basis, this is the least expensive design cost the Port has experienced utilizing a consultant and is the least expensive option available to the Port for this project.

BUDGET ANALYSIS:

Since the design for the Berths 57/58 wharf has been completed under budget, there is \$198,200 remaining in that contract that could be used for the design of the Berth 59 wharf, upon approval by the Executive Director. Therefore, this supplement will only need \$236,600 in additional funds to complete the design of the Berth 59 container wharf. As we will have expended all of the Change-In-Scope funds available to the Executive Director, it is recommended that an additional \$75,000 be approved for his authorization.

This work is budgeted under CIP No. M6.00585.01. The funding source is revenue bonds.

A summary of the proposed compensation changes is provided below:

	DESCRIPTION	AUTHORIZED	PROPOSED
1	Original Agreement	\$2,300,000	
2	Additional Compensation Approved by the Executive Director	\$450,000	
3	Current Maximum Allowable Compensation	\$2,750,000	
4	Additional Amount for First Supplemental Agreement		\$236,600
5	Proposed Additional Compensation Which May Be Approved by the Executive Director		\$75,000
6	Proposed Maximum Possible Allowable Compensation		\$3,061,600

RECOMMENDATION:

It is recommended that the Board authorize the preparation and execution of a First Supplemental Agreement with Liftech Consultants, Inc. for design services as described above, increasing the maximum compensation under the agreement by \$236,600. It is further recommended that the Board authorize an additional \$75,000 for Change-In-Scope funds, subject to the approval of the Executive Director, thereby setting the maximum possible allowable compensation for this work at \$3,061,600.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Recommended Approval of California Unified Certification Program.

DATE: June 4, 2002

ITEM NO: 31

SUBMITTED BY: Bernida Reagan

BR

EXECUTIVE OFFICE RECOMMENDATION:

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- x Overall Operations

FACTUAL BACKGROUND:

The Port of Oakland is a recipient of federal funds from the Department of Transportation for both construction and consulting projects. These funds are administered by the Port on behalf of the Federal Highway Administration/Caltrans and the Federal Aviation Administration. On August 7, 2001, the Board approved the Port's Disadvantage Business Enterprise Program based on 49 Code of Federal Regulations Part 26. The revised regulations contained in Part 26 included a requirement that every state create and implement a one-stop Disadvantage Business Enterprise certification process by March of 2002, to which all DOT fund recipients must adhere. The Social Responsibility Division has participated in the creation and implementation phases of the California Unified Certification Program ("UCP") since April of 2000. On March 13, 2002, the lead agency, Caltrans, received a letter from Norman Y. Mineta, the Secretary of Transportation, approving California's UCP Memorandum of Agreement. Incidentally, California was the first state to receive approval of its UCP.

As a member of the California Unified Certification Program, the Port of Oakland is required to accept the Disadvantage Business Enterprise (DBE) certifications of any certifying member of the UCP. The regulations stipulate that there may only be one database for the state of California for DBEs, which is currently housed on the Caltrans website. As California encompasses a large geographic area, the UCP consists of four geographically aligned clusters which approve the actual DBEs certification. The Port of Oakland is a member of the Bay Area/Central Valley Cluster and also has a member that sits on the on-going UCP Executive Committee in charge of training. While the Port continues to play an active role in the California UCP, the Social Responsibility Division is recommending that it do so as a non-certifying agency.

RECOMMENDATION:

It is recommended that the Board approve the Port's participation as a non-certifying member of the California Unified Certification Program as delineated in the UCP Memorandum of Agreement.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02178

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

[Signature]

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 32

SUBJECT: Request for Authorization to Negotiate with Information Assets Management System Consultants

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND

The number of documents the Port generates has steadily increased over the past few years and is expected to increase exponentially as the Port expands. The Terminal Expansion project alone is expected to generate 5 million to 10 million documents over its lifetime. As more documents are created, the difficulties in managing these documents increase. Although some departments have developed small-scale document management systems, they are disjointed. The systems vary in age and completeness, and searching for and accessing the documents are often difficult and time consuming. Moreover security, document retention policies, tracking, interdivision access, and accessibility issues are not addressed by these small-scale systems.

To address these issues the staff believes the Port needs to implement an Information Asset Management System (IAMS) that can provide a comprehensive Port-wide system for indexing, storing, and retrieving any and all essential Port documents, correspondence, and engineering drawing files. The system would address the individual needs of Aviation, Maritime, CRE, Engineering, Finance, Central File Service, and Port Attorney's Office while maintaining security and confidentiality where necessary. The System would be directly accessible from all networked sites. Provisions would also be made for documents to be accessed via the Internet in a secure method. The system could also facilitate the publication of public documents including board letters via the Port's website. The system needs to be implemented in the near future as the need is pressing.

ANALYSIS

A RFP was issued in 2001 to find consulting firms to assist in the development and implementation of an IAMS based on industry best practices yet custom tailored to the specific needs and culture of the Port. An IAMS Selection Committee composed of representatives from each division was created to evaluate the proposals. The Port received responses from eight companies to implement the IAMS. After several rounds of evaluations, two finalists were chosen: CGR/GNC and Imtrek.

The software systems proposed by CGR/GNC and Imtrek are superior since they are highly flexible, industry standard solutions, and both software systems would have little difficulties in meeting the Port's information asset management needs. On-site visits and reference checks were performed for both companies, and both companies proved to be adequate. Both companies were professional and experienced.

In March 2002, the IAMS Selection Committee voted with a point-based scoring system to recommend CGR/GNC as the provider of the IAMS software and consulting services. The scoring system took into account criteria including software appropriateness, project understanding, responsiveness, expertise, track record, cost effectiveness, and Social Responsibility rating. CGR/GNC's proposed system showed superior ease of storage, indexing, retrieval, and profiling which result in Port staff being able to easily use the system to meet the challenges of managing an ever increasing number of documents. Moreover, their proposed system integrates better with current systems at the Port - especially the e-mail system. CGR/GNC's references with current users of the system (the Port of San Diego & the California Public Utilities Commission) were superior. Additionally, CGR/GNC's experience and professionalism were substantially higher compared with Imtrek's abilities. While voting CGR/GNC as their first choice, the Selection Committee also recommended the inclusion of Imtrek as a viable vendor to provide a contingency alternative based on that system's own merits.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02179 BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

JUN - 4 2002 DATE

Budget

The IAMS application software license proposed by CGR/GNC is approximately \$240,000. The consulting services cost for systems implementation, integration and user training in the CGR/GNC consultancy agreement is estimated at \$313,000. An additional \$108,000 will be required to purchase the network software and hardware required to support the IAMS. In addition, it is requested that the Executive Director be authorized to approve an additional \$75,000 for potential changes in scope. These cost elements total to an estimated amount of \$736,000 for the initial phase of this project. It is also recommended that the Board authorize an annual software maintenance contract of \$22,500 with a provision for a 4% increase per year after the warranty period. The project total of \$1,450,000 is budgeted under CIP element SQ.00007.07. The funding source for this first phase expenditure of \$736,000 will be Port cash.

SUSTAINABLE OPPORTUNITY

This project will reduce paper waste because documents will be stored and distributed electronically. Costs of storing certain documents will be reduced.

RECOMMENDATION

It is recommended that the Board:

1. Authorize a total expenditure of \$736,000 for the initiation and implementation phase of this project.
2. Authorize the commencement of negotiations with CGR/GNC for an amount not to exceed \$553,000 for the IAMS software & service, an annual software maintenance contract for \$22,500 with a provision for a 4% maximum increase per year after the warranty period, and the preparation/execution of the agreement by the Executive Director.
3. Should negotiations with CGR/GNC prove unsatisfactory, authorize commencement of negotiations with Imtrek and the preparation/execution of the agreement by the Executive Director. Costs including not-to-exceed figures would be equal to or less than CGR/GNC.

Agenda Sheet

DATE: JUNE 4, 2002

ITEM NO: 33

SUBJECT: Publication of Notice of a Public Hearing Pursuant to the Requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Regarding the Port of Oakland's Financing Program in Connection With Its Capital Improvement Program

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

The Port is continuing to develop facilities consistent with its strategic Capital Improvement Plan. During the last several years, the Port has developed over \$600 million of Maritime and Airport related projects. While most of this activity relates to Maritime Vision 2000 development projects, the Port is now preparing for a approximately \$600 500 million revenue bond issue to finance needed Airport expansion and completion of selected Maritime projects.

Prior to issuing the proposed bonds, the Board will need to authorize the publication of a notice of public hearing and the holding of a public hearing in order to comply with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). The notice of hearing must describe (1) the projects and their locations and (2) the maximum amount of bonds to be issued. The purpose of a public hearing is to allow interested parties to comment regarding the advisability of the proposed issuance of bonds. The Port will have the notice printed in the Oakland Tribune no later than 15 calendar days prior to the public hearing, which would most likely be held about June ~~4~~21, 2002. Following the public hearing, the bonds must be approved by the highest elected official of the City of Oakland. Such approval will apply generally to bonds up to, and not exceeding, the maximum amount of the TEFRA approval. The City of Oakland, however, is not responsible for the debt service requirements related to such bonds.

The airport and dock and wharf facilities which are approved pursuant to the TEFRA process and which may be financed must constitute, respectively, airport or dock and wharf facilities within the meaning of certain Treasury regulations or constitute facilities that are functionally related or subordinate to the airport or dock and wharf facilities. All of such facilities generally must be located at or adjacent to the airport or marine terminals, respectively, and must be generally no bigger in size or scope than needed to serve day-to-day the anticipated passenger and cargo traffic.

The Port would be authorized to issue the proposed bonds and future obligations in an amount not to exceed ~~\$600~~900 million to provide proceeds to pay or reimburse the Port for all or a portion of the costs of various projects, as detailed in the above referenced public notice (attached as Exhibit A).

RECOMMENDATION:

It is recommended that the Board of Port Commissioners authorize publication of this notice and the holding of a public hearing during or about June ~~4~~21, 2002 for the proposed Port of Oakland's financing program for its Capital Improvement Program in order to comply with the TEFRA. It is also recommended that the Board authorize the Chief Financial Officer, Fred W. Rickert, or the Deputy Executive Director, John Glover, to hold the public hearing when scheduled and duly noticed.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02180

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Exhibit A

**NOTICE OF PUBLIC HEARING
FOR THE
PORT OF OAKLAND**

The Port of Oakland (the "Port") will hold a public hearing on June 21, 2002 at 9:00 a.m. in the Board Room at 530 Water Street, Oakland, California 94607, in connection with the issuance of certain Tax-Exempt Commercial Paper Notes and Bonds (the "Obligations") pursuant to a plan of financing.

PROJECTS, INITIAL OPERATORS AND PROJECT LOCATIONS:

The Obligations will be issued in order to finance the cost of the renovation, acquisition and construction of certain of the following port facilities (the "Projects") pursuant to a plan of financing:

AIRPORT PROJECTS

Metropolitan Oakland International Airport, One Airport Drive: (i) Capital improvements for the improvement and rehabilitation and repair of existing airport buildings, roads, runways, taxiways, aprons, parking lots, hangars and infrastructure, including utilities and dike enhancements; (ii) Airport development project which includes the demolition of existing structures, expansion, development and redevelopment of the terminal complex, construction of roadways, parking structures and rental car facilities, new aircraft parking areas, gates, aprons, air cargo facilities, a provisioning building, a hangar, planning, design and construction of BART connector, land preservation, and environmental mitigation; (iii) construction of water rescue facilities, safety and security related facilities, and sound insulation program improvements. The Port will own all of the Airport Projects. Certain portions of the Airport Projects will be operated by airlines such as Alaska Airlines, Aloha Airlines, Allegro, America West, American Airlines, Continental Airlines, Delta, Jet Blue, Mexicana, Ryan International, Skywest, Southwest Airlines, Spirit Airlines, and United Airlines; freight carriers such as Burlington Air Express, FedEx, United Parcel Service, and the United States Postal Service; rental car agencies such as Avis, Budget Dollar, Enterprise, Hertz, National and Thrifty and by concessionaire CA One.

Off-site parking facility owned and operated by the Port serving airport patrons on a 34 acre parcel, bounded to the east by Swan Way and the United Parcel Service distribution facility, to the North by Pardee Road and the San Leandro Channel; to the west by Arrowhead Marsh and to the South by the Martin Luther King Regional Shoreline Park.

MARITIME PROJECTS

The Port will own all of the Maritime Projects. A description of the Maritime Projects, the initial users and operators of certain of the Maritime Projects and the addresses of the Maritime Projects used or operated by each of them are set forth below.

Rehabilitation of and capital improvements to existing terminals including the repair, renovation and expansion of existing infrastructure, cranes, wharves, berths, yards and roads: American President Lines Terminal, 1395 Middle Harbor Road (operator: Eagle Marine Services); Charles P. Howard Terminal, One Market Street (operator: Stevedoring Services of America); Hanjin Terminal, Berths 55 & 56, 2505 Middle Harbor Road (operator: Total Terminals International, LLC); SSA Terminals, LLC, Berths 57-59, 1999 Maritime Street (Operator SSA Terminals, LLC); Maersk-Sealand Terminal, Berths 24, 909 Ferry Street (operator: Maersk Pacific Ltd); Maersk-Sealand Terminal, Berths 20, 21, 22, 1425 Maritime Street (operator: Maersk Pacific Ltd); Matson Container Terminal, 3050 7th Street (operator: Matson Terminals); Ninth Avenue Terminal, Foot of Ninth Avenue; Ben E. Nutter Container Terminal, 5190 7th Street (operator: Marine Terminals Corporation); TransBay Container Terminal, 2500 7th Street (operator: TransBay Container Terminal); TraPac Terminal, 2800 7th Street (operator: Transpacific Container Service Corporation); Yusen Terminal, 1195 Maritime Street (operator: Yusen Terminals, Inc.); Bay Bridge Terminal, Oakland Army Base (West), in area bounded by I-80 toll plaza to the north, West Grand Avenue to the northeast, Maritime Street to the southeast and the Oakland Outer Harbor to the west.

Oakland International Gateway, 333 Maritime Street (operator: Burlington Northern and Santa Fe Railway Company).

Rehabilitation, expansion, development and construction of approximately 90 acres of container transload and distribution facilities and other maritime support infrastructure consisting of rail tracks for the loading and unloading of railcars and trucks and container and trailer parking areas to facilitate the movement of shipping containers: Maritime Support Area to be bounded by Middle Harbor Road to the northeast, 7th Street to the northwest, and Middle Harbor Road to the south; The Knight Yard, Oakland Army Base (East), bounded by the Union Pacific Railroad main line to the southeast, the Oakland Army Base to the to the south and southwest, and West Grand Avenue to the north.

Development and construction of public access, wetlands, and wildlife habitat areas: Public Access and Habitat, to be bounded by the Oakland Inner Harbor Channel to the south, the Vision 2000 Marine Terminals to the east, and 7th Street to the north and west.

Dredging the channels, turning basins and new berths, including the planning and design of the project, disposal of dredged material and alterations to existing wharves, berths and habitats affected by the dredging: Oakland Inner and Outer Harbor Channels and Turning Basins in San Francisco Bay; ~~the Hamilton Restoration Site comprising of approximately 950 acres of~~

~~subsidized diked baylands at the former Hamilton Army Air Field, adjacent Navy ballfields and decommissioned Hamilton Army antenna field located in the City of Novato, County of Marin, and is bound on the east by San Pablo Bay, on the west by U.S. Highway 101, on the north by the Bel Marin Keys Unit V property, on the south by the St. Vincent's Catholic Youth Organization Property, and the Montezuma Wetlands Project covering approximately 1,822 acres of the 2,394 acre site situated next Collinsville, bounded by Birds Landing Road to the north, Collinsville Road to the east, the Sacramento River to the south and the Montezuma Slough to the west, in the Suisun Marsh in Solano County.~~

COMMERCIAL REAL ESTATE PROJECTS

~~Renovation and improvements to existing buildings, certain marinas, parking lots and infrastructure, parking mitigation, public access improvements, construction of valet booths, and enhancements to ferry terminal, historic ships cove and piers; and property acquisition for redevelopment: Jack London Square, area bounded by Embarcadero Street to the north, the Oakland Harbor Channel to the south, Clay Street to the west and Harrison Street to the east.~~

~~Remediation, property acquisitions, infrastructure and open space for development of Oak to Ninth District, Union Point Park and various vacant parcel: Embarcadero Cove, to be bound by Oak Street to the West, Embarcadero Road to the north, Kennedy Street to the east and the Estuary to the south.~~

~~Site preparation for business park including landscaping and capital improvements: Business Park, 455 Hegenberger Road.~~

SUPPORT PROJECTS

~~Upgrade capital equipment, telecommunication infrastructure, computers, and software: Port of Oakland Offices, 530 Water Street.~~

INITIAL OWNER AND OPERATOR:

The Projects will be owned by the Port and, unless otherwise indicated, initially operated and managed by the Port.

AMOUNT:

The total principal amount of the Obligations will not exceed \$ 900,000,000.

The Obligations will be issued by the Port to finance the costs of the Projects and will be limited obligations of the Port. Neither the faith and credit nor the taxing power of the City of Oakland, the State of California or any political subdivision thereof will be pledged to the payment of the principal of or interest on the Obligations or other related costs.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

Those wishing to comment on the proposed nature or location of the Projects or the financing may either appear in person at the public hearing or submit written comments. Written comments must be received at the following address at least 24 hours prior to the hearing:

Fred Rickert
Chief Financial Officer
Port of Oakland
530 Water Street
Oakland, California 94607
(510) 627-1100.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

ITEM NO: 34

SUBJECT: Approval of Seventh Supplemental Agreement with PricewaterhouseCoopers Dated June 9, 1996-1997 to Perform Audit Services for FY Ending June 2002 Relating to Passenger Facility Charges (PFC's)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred Rickert

EXECUTIVE OFFICE RECOMMENDATION

BACKGROUND:

The Port as authorized by the Federal Aviation Administration (FAA) pursuant to the Aviation Safety and Capacity Expansion Act of 1990, imposes a Passenger Facility Charge (PFC) of up to \$3 per enplaning passenger at the Oakland International Airport. PFC revenues, including any interest earned thereon, are restricted for use solely to finance allowable costs of new airport planning and development projects as defined and authorized by the FAA. PFC revenues may be used to pay debt service and related expenditures associated with these projects.

On May 29, 1991, the FAA issued 14 CFR Part 58 outlining policies and procedures for the PFC program. 14 Code of Federal Regulations, Section 158.67© requires that a public agency obtain an auditor's report on the fairness and reasonableness of its procedures for receiving, holding and using PFC revenue. The provisions of 14 CFR Part 158 state that the audit can be performed separately for the PFC program or as part of an annual audit conducted under the Single Audit Act. Inclusion of PFC revenue as part of the Single Audit Act audit is an allowable option.

The FAA has determined, however, that the use of the Audit Guide procedures will provide sufficient assurance that the public agency has met the requirements of 14 CFR Part 158 such that the FAA would not normally require additional reports, undertake an audit of the public agency, or request DOT Office of the Inspector General intervention on FAA's behalf. If the Audit Guide procedures are followed, the FAA will not normally initiate further monitoring efforts unless an air carrier or other source substantiates a subsequent alleged gross violation of Part 158.

The Port receives substantial revenue from PFC's. During fiscal year 2001 and 2000, the Port collected \$18.8 million and \$14.1 million, respectively, from PFC's. The fee to perform a separate PFC audit under the audit guide requirements from the FAA will not exceed \$46,000. Conducting an audit under the Audit Guidelines established by the FAA will provide a "safe harbor" to the Port on the use of PFC revenues. Following an audit, the public agency has a responsibility to create a corrective action plan and to maintain a summary schedule of prior audit findings. A separate PFC audit will disclose areas that may be a potential problem and require corrective action. In addition, since PFC's may support future bond issues, an unqualified opinion and review of internal controls surrounding PFC's would be beneficial.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into a contract on behalf of the Board with PricewaterhouseCoopers, LLP and Yano Accountancy Corporation to audit the Port's Passenger Facility Charges; to provide a letter to the Board of Port Commissioners with their comments as to any matters they deem desirable to bring to the Board's attention. It is also recommended that the Board approve an additional \$5,000 to cover specific projects outside the audit scope of work for the one year period.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02181

BOARD ACTION TAKEN

Assistant

Shane Kuppel
SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Approval for First Supplemental Agreement to Fitzgerald, Abbott, & Beardsley, LLP for Training in the Prevention of Sexual Harassment for FY 01-02

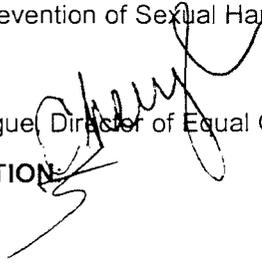
ITEM NO: 36

SUBMITTED BY: Cheryl Perry League, Director of Equal Opportunity

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

EXECUTIVE OFFICE RECOMMENDATION:



FACTUAL BACKGROUND:

Fitzgerald, Abbott, & Beardsley LLP is a management consulting firm providing services such as training in Prevention of Sexual Harassment for Port staff. Fitzgerald, Abbott, & Beardsley LLP is one of the oldest law firms in continuous existence in California. Fitzgerald, Abbott, & Beardsley LLP is a Local Impact Area Business in the City of Oakland. Fitzgerald, Abbott, & Beardsley LLP provides assistance for private and public employers in development and implementation of programs in the areas of prevention of sexual harassment training. Fitzgerald, Abbott, & Beardsley LLP has worked with the Office of Equal Opportunity in the past assisting the Director of Equal Opportunity in providing prevention of sexual harassment training, under Purchase Order PS1216 for \$15,000 and Contract No. 01479 for \$15,000.

RECOMMENDATION:

Staff recommends that a First Supplemental Agreement be negotiated with Fitzgerald, Abbott, & Beardsley LLP to complete the Prevention of Sexual Harassment Training. The fee for service will not exceed \$5,500. ~~which is covered by the Office of Equal Opportunity's budget for FY 02/03.~~

BOARD ACTION REQUIRED:

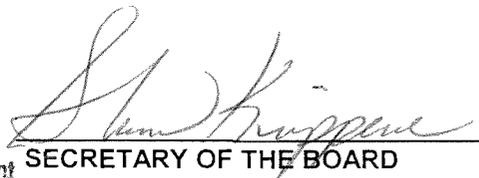
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02183

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Approval for First Supplemental Agreement to Century Corporate Counsel, P.C. for Investigations of Discrimination Complaints for FY 01-02

ITEM NO: 37

SUBMITTED BY: Cheryl Perry League, Director of Equal Opportunity

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Century Corporate Counsel, P.C. is a management consulting firm providing services such as discrimination complaint investigation and mediation. Century Corporate Counsel, P.C. has over twenty years of experience in labor and employment law. Century Corporate Counsel, P.C. Provides assistance for private and public employers in development and implementation of programs in the areas of mediation, alternative dispute resolution, equal employment opportunity, and sexual harassment prevention. Century Corporate Counsel, P.C. has worked with the Office of Equal Opportunity in the past assisting the Director of Equal Opportunity under Purchase Order PS1223 for \$15,000 and Contract No. 480 for \$35,000, investigation complaints.

The Office of Equal Opportunity wishes to continue the services of Century Corporate Counsel to investigate discrimination complaints.

RECOMMENDATION:

Staff recommends that a First Supplemental Agreement be negotiated with Century Corporate Counsel to complete the outstanding discrimination complaints. The fee for service will not exceed \$50,000. ,which is covered by the Office of Equal Opportunity's budget for FY 02/03.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02184

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JUN - 4 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Approval for Contract for Amistad & Associates in Team Building Training

ITEM NO: 38

SUBMITTED BY: Cheryl Perry League, Director of Equal Opportunity

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Amistad and Associates is a management consulting firm, which offers executive briefings, seminars, training and consulting services in the area of "Valuing Diversity". It specializes in facilitating individual programs including large scale strategic planning to address changing employee/client demographics. Amistad and Associates also provides training for shifts in the organizational culture for women and minorities moving into supervision and management. The company has approximately twenty years of experience in this area and focuses on customizing programs to meet specific organizational needs. Amistad and Associates has provided diversity and customer service training to the Aviation Division's Harbor Facilities to improve employee relations.

The Office of Equal Opportunity issued a Purchase Order No. PS1218 for \$15,000 for Amistad and Associates to provide Team Building Training to improve employee relations as well as service to internal and external customers.

RECOMMENDATION:

Staff recommends approval for a contract to provide Team Building Training to the staff in the Office of Equal Opportunity not to exceed \$15,700. , which is covered in the budget for FY 02/03.

BOARD ACTION REQUIRED:

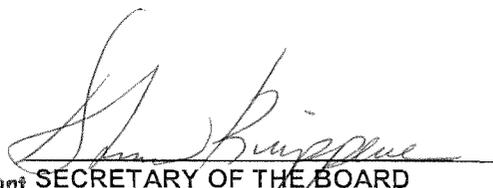
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02185

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

JUN - 4 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

C A L E N D A R

The President of the Board of Port Commissioners, Phil Tagami has called a Special Meeting of the Board of Port Commissioners for Tuesday, June 25, 2002 – 5:30 PM.

The purpose of the Special Meeting is to consider the Proposed 2002-2003 Budget.

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Scates, Uribe and President Tagami

OPERATIONS

31 Proposed 2002-2003 Budget. (Resolution)

Vote on the following resolution:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Uribe and Vice President Kiang - 6

Noes: None

Absent: President Tagami - 1

RESOLUTION:

02202 APPROVING ANNUAL OPERATING BUDGET AND AUTHORIZING THE EXPENDITURE OF CERTAIN MONEYS OF THE PORT OF OAKLAND FOR THE FISCAL YEAR 2002-2003. (Operations - 31)

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next regular meeting will be held on Tuesday, July 2, 2002 at 3:00 P.M.**

SUMMARY OF CONSOLIDATED REVENUES AND EXPENSES
FISCAL YEARS 2000-01 THROUGH 2004-05
(\$Thousands)

CRAFT

	ACTUAL 2000-01	ANTICIPATED 2001-02	ADOPTED 2002-03	PROPOSED 2003-04	PROPOSED 2004-05
OPERATING REVENUE					
Aviation	96,443	97,887	107,205	109,736	121,652
Mantime	77,072	83,388	100,826	117,707	128,515
Commercial Real Estate	16,123	14,775	12,695	13,025	13,197
Utilities	7,532	9,376	8,130	8,536	8,963
Audit Services	-	-	-	-	-
Total Operating Revenue	197,170	205,426	228,856	249,004	272,327
OPERATING EXPENSES					
Board of Port Commissioners	226	186	235	242	247
Executive Office	1,458	1,669	1,611	1,692	1,750
Port Attorney	4,307	6,225	7,454	7,770	7,997
Office of Strategic & Policy Planning	824	704	893	943	980
Office of Audit Services	961	1,207	1,348	1,423	1,478
Aviation	43,640	47,135	56,972	59,498	61,312
Mantime	6,395	6,124	7,140	7,470	7,709
Commercial Real Estate	9,702	9,990	9,453	9,805	10,075
Social Responsibility	-	954	1,996	2,105	2,184
Communications	2,457	3,212	3,388	3,539	3,648
Equal Opportunity	1,060	898	539	568	589
Financial Services	9,799	13,601	16,501	16,746	17,033
Corporate Admin Svcs	8,320	9,090	10,291	10,771	11,117
Engineering	29,131	35,866	36,023	38,254	39,755
Utilities Cost of Sales	6,342	8,184	5,489	5,763	6,051
Additional Reductions	-	-	(4,104)	(3,999)	(4,065)
AB 616 @ 8.309% of Salaries	-	-	5,352	6,929	9,176
Operating Expenses before CIP Dept'l Credits	124,622	145,045	160,581	169,519	177,036
CIP Departmental Credits	(20,380)	(24,456)	(26,447)	(28,166)	(29,433)
Total Operating Expenses	104,242	120,589	134,134	141,353	147,608
DEPRECIATION AND AMORTIZATION	36,834	49,110	62,196	68,295	74,648
OPERATING INCOME	56,094	35,727	32,526	39,356	50,076
NON-OPERATING ITEMS					
Interest Income	5,763	4,978	4,637	4,665	4,694
Interest Expense	(32,086)	(42,416)	(51,379)	(57,862)	(64,119)
Lake Merritt	(699)	(1,000)	(1,030)	(1,061)	(1,093)
General Services	(907)	(730)	(770)	(793)	(816)
Loss on Abandoned and Demolished Assets	(2,610)	(496)	(500)	(500)	(500)
Gain/Loss on Sale of Assets	3,031	3,981	21,121	-	-
Miscellaneous Income (Expenses)	5,144	894	-	-	-
Non-Operating Items	(22,364)	(34,789)	(27,921)	(55,551)	(61,834)
Net Income from Operations	33,730	938	4,604	(16,195)	(11,758)
Restricted Non-Operating Income	50,922	44,975	48,000	34,540	35,091
NET INCOME FROM OPERATIONS	33,730	938	4,604	(16,195)	(11,758)
NET INCOME	84,652	45,913	52,604	18,345	23,333
<i>Oper Income before Depr and Amort</i>					
<i>(net of CIP Dept Cr)</i>	92,928	84,837	94,722	107,651	124,724
<i>Oper Income before CIP Dept Cr</i>	72,548	60,381	68,275	79,485	95,291
<i>Operating Ratio</i>	63.2%	70.6%	70.2%	68.1%	65.0%

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

COMMISSIONERS

FRANK KIANG
President

JOHN PROTOPAPPAS
First Vice President

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DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, July 16, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. to Review Items 45 - 49
(See, Closed Session)**

OPEN SESSION: 4:00 P.M.

READING OF THE MINUTES:

Special meeting of June 25, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Audit, Budget & Finance
Aviation
Commercial Real Estate

READING OF SUMMARY ITEMS: (Marked "s")

11 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Approval to Produce the Oakland International Airport 75th Anniversary Air Show. (Resolution)
- 2** Authorization to Extend Passenger and Cargo Advertising Agreement with MCA Net, Inc., for FY2002-03 Budget Period. (Resolution)
- 3** Authorization to Extend Local Advertising Agreement with Carol H. Williams Advertising for FY2002-03 Budget Period. (Resolution)
- 4** Ratification of Addendum and Award of Contract for Realignment of Langley Street and Widening of Doolittle Drive, North Field, OIA. (Resolution)
- 5** Award of Contract for Overlay and Extension of Taxiway C, North Field, OIA. (Resolution)
- 6** Ratify Addendum, Reject all Bids and Receive New Bids for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-010-26 and Phases 3, 4 & 5, Bay Farm Island, Alameda, California. (Resolution)
- 7** Authorization to Include Construction of the Electrical Substation for South Airport Tenants in the Port's Small Business Program, OIA. (Resolution)
- 8 PULLED** ~~Approval of Plans and Project Manual for Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA. (Resolution)~~

REGULAR MEETING
July 16, 2002

- 9** Ratification of Change Order to Contract for Improvement of Runway and Taxiway Lighting, Marking and Control System, South Field, OIA – Add Control Cables and Repeaters; and Re-phasing of Contract Work. (Resolution)
- 10** Approval of Consultant Agreement with VBN for Professional Architectural and Engineering Services for the Terminal 2 Extension Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Extension Project. (Resolution)
- 11** Approval of the Consultant Agreement with Carter Burgess for Professional Architectural and Engineering Services for the Terminal 2 Renovation Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Renovation Project. (Resolution)
- 12** Approval of the Delivery Method; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Qualifications for the Master Builder Contract for the Oakland Airport Terminal Expansion Program. (Resolution)
- 13 PULLED** ~~Approval to Dispense with Standard Lowest Sealed Bid Procedures for the Parking Garage Design-Build Contract for the Oakland Airport Terminal Expansion Program. (Resolution)~~
- 14** Approval and Authorization for Execution of an Amendment to the Relocation Agreement with the East Bay Municipal Utility District for Airport Roadway Project, OIA. (Resolution)
- 15s** Authorization to Sign Agreement with the Federal Aviation Administration (FAA) to Install Noise Monitoring System Equipment at their Northern California TRACON Facility. (Resolution)
- 16s** First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport). (Ordinance)

COMMERCIAL REAL ESTATE

- 19** Recommended Approval of Fiscal Year 02-03 Annual Target Rental Rates for License and Concession Agreements. (Resolution)
- 20** New License and Concession Agreement with East Bay Regional Park District for Parcel Located at Oakport Street Near 66th Avenue. (Resolution)
- 21s** Hilton Hotels Corporation Lease Amendment – Revised Legal Description. (Resolution)
- 22s** Approval for Executive Director to Enter into a Memorandum of Understanding with BCDC to Process the Port’s Application for a Seaport Plan Amendment and a Bay Plan Amendment. (Resolution)

OPERATIONS

- 31** Approval of the Capital Improvement Award Program and Financing Plan for Fiscal Year Ending June 30, 2003. (Resolution)
- 32** Approval of Issuance of Port of Oakland Revenue Bonds, 2002 Series L and M and Certain Related Actions. (Resolution)
- 33** Extension of Letter of Credit with Bank of America, N.A. and Morgan Guaranty Trust Company of New York Supporting Up to \$150,000,000 of the Port of Oakland’s Commercial Paper Notes, Series D, E and F. (Resolution)
- 34** Approval to Extend Port of Oakland Surety Bond and Financing Program. (Resolution)
- 35 PULLED** ~~Approval of Charitable Contributions Policy for the Port of Oakland. (Resolution)~~
- 36** Authorization to Execute a Supplemental Agreement with 2Plus2 Partners for Continuation of Website Management and Consulting Services. (Resolution)
- 37** Pan Pacific Conference 2002. (Information Only)
- 38 PULLED** ~~Approval of an Agreement with SPACE for Construction Audit Consulting Services. (Resolution)~~

- 39s** Authorization to Execute a Supplemental Agreement with O'Rorke Public Relations for Event Planning Services. (Resolution)
- 40s** Authorization to Execute a Supplemental Agreement with Osaki Design for Design Services Related to PortFest 2002. (Resolution)
- 41s** Approval of Adding Regulatory Compliance Statement to Public Works Project Manuals. (Resolution)
- 42s** Personnel Item: Termination. (Resolution)
- 43s** Ratifying Election of Officers. (Resolution)
- 44s** Personnel Item: Salary Adjustments. (Ordinances)

CLOSED SESSION

- 45** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 6 matters
- 46** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of cases:
- Port of Oakland v. Mardeco, Inc. et al, United States District Court, Northern District of California Court Case No. C 02 0702 EDL
- Building and Construction Trades Council of Alameda Co. (Union) and Davillier-Sloan, Inc./Parsons Construction, Inc. (Employer) (Dollar Rent-a-Car), a Matter in Arbitration, McKay Case No. 02-008
- 47** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.
- 48** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:
- | | |
|----------------------|---|
| Property: | Oakland Army Base |
| Negotiating Parties: | Port, Oakland Base Reuse Authority,
City of Oakland, Oakland
Redevelopment Agency |
| Under Negotiation: | Price and Terms of Payment |

Property: 34 Acres on Pardee Drive & Swan Way
Negotiating Parties: Port of Oakland and Commercial Real Estate/Aviation
Under Negotiation: Price and Terms of Payment

Property: Selected Locations
Negotiating Parties: Port of Oakland and Various Tenants
Under Negotiation: Price and Terms of Payment

49 CONFERENCE WITH LABOR NEGOTIATOR, as provided under Government Code Section 54957.6.

Agency Negotiator: John Glover
Employee Organization: Unrepresented and Management Employees

Vote on the following Resolutions except Numbers 27 & 28:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

Vote on Number 27:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Tagami, Uribe and President Kiang – 6

Noes: None

Absent: Commissioner Protopappas – 1

Vote on Number 28:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Tagami, Uribe and President Kiang – 6

Noes: None

Absent: Commissioner Scates - 1

RESOLUTIONS:

02216 1

APPROVING AND AUTHORIZING AN AIR SHOW AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT (NORTH FIELD), AND FINDING AND DETERMINING THAT A PROPOSED CONSULTANT CONTRACT WITH GORDON BOWMAN-JONES FOR PRODUCTION AND OPERATIONAL AIR SHOW SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AN AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 1)

- 02217 2** FINDING AND DETERMINING THAT A PROPOSED FOURTH SUPPLEMENTAL AGREEMENT WITH CAROL H. WILLIAMS ADVERTISING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 3)
- 02218 3** RATIFYING AND APPROVING ADDENDUM TO PLANS AND SPECIFICATIONS FOR REALIGNMENT OF LANGLEY STREET AND WIDENING DOOLITTLE DRIVE, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; EXTENDING DATE SET FOR RECEIVING BIDS THEREFOR; AND AWARDING CONTRACT TO O.C. JONES & SONS, INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BONDS TO BIDDERS. (Airport - 4)
- 02219 4** AWARDING CONTRACT TO GALLAGHER & BURK, INC. FOR OVERLAY AND EXTENSION OF TAXIWAY C, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport - 5)
- 02220 5** REJECTING ALL BIDS FOR AIRCRAFT SOUND INSULATION PROGRAM PHASE 2, A.I.P. 3-06-0170-26 AND PHASES 3, 4 & 5, BAY FARM ISLAND, ALAMEDA, CALIFORNIA, DIRECTING RETURN OF BID BONDS TO BIDDERS; AND AUTHORIZING A CONTRACT IN THE OPEN MARKET WITHOUT COMPETITIVE BIDDING. (Airport - 6)
- 02221 6** GRANTING AUTHORIZATION TO INCLUDE CONSTRUCTION OF THE ELECTRICAL SUBSTATION FOR SOUTH AIRPORT TENANTS, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, IN THE SMALL BUSINESS PROGRAM, FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR SUCH WORK WITHOUT COMPETITIVE BIDDING; AND AUTHORIZING EXECUTION OF A CONTACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport - 7)

- 02222 7** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH ROSENDIN ELECTRIC, INC., FOR IMPROVEMENT OF RUNWAY AND TAXIWAY LIGHTING, MARKING, AND CONTROL SYSTEM, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, A.I.P. 3-06-0170-21, OAKLAND, CALIFORNIA. (Airport - 9)
- 02223 8** APPROVING AWARD OF CONSULTANT AGREEMENT FOR PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES FOR THE TERMINAL 2 EXTENSION PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH CARTER & BURGESS, INCORPORATED; AND GRANTING ADDITIONAL AUTHORITY. (Airport - 10)
- 02224 9** APPROVING AWARD OF CONSULTANT AGREEMENT FOR PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES FOR THE TERMINAL 2 RENOVATION PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH MWM/YHLA, A JOINT VENTURE; AND GRANTING ADDITIONAL AUTHORITY. (Airport - 11)
- 02225 10** APPROVING DELIVERY METHOD, APPROVING DISPENSING WITH STANDARD BIDDING PROCEDURES, AND APPROVING ISSUANCE OF REQUEST FOR QUALIFICATIONS FOR THE MASTER BUILDER CONTRACT FOR THE OAKLAND AIRPORT TERMINAL EXPANSION PROGRAM. (Airport - 12)
- 02226 11** APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO THE RELOCATION AGREEMENT WITH THE EAST BAY MUNICIPAL UTILITY DISTRICT FOR THE AIRPORT ROADWAY PROJECT. (Airport - 14)
- 02227 12** APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH FEDERAL AVIATION ADMINISTRATION ("FAA") FOR INSTALLATION OF EQUIPMENT AT THE FAA'S NORTHERN CALIFORNIA TRACON FACILITY. (Airport - 15s)

- 02228 13** INSTRUCTING PORT STAFF REGARDING RENTAL RATES AND TERMS TO BE NEGOTIATED WITH EXISTING OR PROSPECTIVE LICENSEES OF CERTAIN COMMERCIAL REAL ESTATE PROPERTIES. (Commercial Real Estate - 19)
- 02229 14** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH THE EAST BAY REGIONAL PARK DISTRICT.
(Commercial Real Estate - 20)
- 02230 15** APPROVING AND AUTHORIZING EXECUTION OF A THIRD SUPPLEMENTAL AGREEMENT TO LEASE WITH HILTON HOTELS CORPORATION. (Commercial Real Estate - 21s)
- 02231 16** APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION TO PROCESS THE PORT'S APPLICATION FOR A SEAPORT PLAN AMENDMENT AND A BAY PLAN AMENDMENT. (Commercial Real Estate - 22s)
- 02232 17** APPROVING THE CAPITAL IMPROVEMENT AWARD PROGRAM FOR FISCAL YEAR 2002-2003 AND ENDORSING A SEVEN-YEAR CAPITAL IMPROVEMENT PROGRAM. (Operations - 31)
- 02233 18** AUTHORIZING THE ISSUANCE OF PORT OF OAKLAND REVENUE BONDS 2002 SERIES L (AMT) AND 2002 SERIES M (NON-AMT) IN THE COMBINED AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$700 MILLION; AND AUTHORIZING AND APPROVING A TWELFTH SUPPLEMENTAL INDENTURE AND CERTAIN OTHER RELATED ACTIONS AND DOCUMENTS. (Operations - 32)
- 02234 19** AUTHORIZING THE EXTENSION OF LETTER OF CREDIT WITH BANK OF AMERICA, N.A. AND JPMORGAN CHASE BANK (FORMERLY MORGAN GUARANTY TRUST COMPANY OF NEW YORK) IN CONNECTION WITH THE PORT OF OAKLAND'S COMMERCIAL PAPER NOTES, SERIES D, SERIES E AND SERIES F; APPROVING THE TERMS OF SUCH EXTENSION; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF THE DOCUMENTS PURSUANT TO WHICH SUCH EXTENSION IS TO BE EFFECTED; AND AUTHORIZING CERTAIN OTHER ACTIONS. (Operations - 33)

- 02235 20** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MERRIWETHER & WILLIAMS INSURANCE SERVICES CORPORATION, FOR A SURETY BOND GUARANTEE PROGRAM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT. (Operations – 34)
- 02236 21** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH 2PLUS2 PARTNERS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 36)
- 02237 22** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH O’RORKE PUBLIC RELATIONS AND ADVERTISING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 39s)
- 02238 23** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH OSAKI DESIGN FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 40s)
- 02239 24** APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A PILOT PROGRAM TO INCLUDE A REGULATORY COMPLIANCE STATEMENT TO PUBLIC WORKS PROJECT MANUALS. (Operations – 41s)
- 02240 25** TERMINATING CERTAIN APPOINTMENT. (Operations – 42s)
- 02241 26** DECLARING ELECTION OF OFFICERS OF THE BOARD OF PORT COMMISSIONERS. (Operations – 43s)

02242 27 FINDING AND DETERMINING THAT A PROPOSED FIFTH SUPPLEMENTAL AGREEMENT WITH MCA NET, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 2)

02243 28 APPROVING AND AUTHORIZING THE PORT ATTORNEY TO AMEND THE COMPLAINT IN CITY OF OAKLAND V. MARDECO, INC., UNITED STATES DISTRICT COURT CASE NO. C020702EDL, TO ADD CLYDE R. GIBB AS A DEFENDANT. (Closed Session)

Vote on the following Ordinances:

Ayes: Ayers-Johnson, Kramer, Protopappas, Scates, Uribe, Tagami and President Kiang.

Noes: None

Absent: None

ORDINANCES:

1 ("S") Port Ordinance No. 3708 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1606 FORMULATING AND ESTABLISHING CONDITIONS AND PROCEDURES FOR BIDDING, CONTRACTING, AND PURCHASING."

Final.

2 Port Ordinance No. ____ being, "AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Airport - 16s to print.

3 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING SECTIONS 2.03 AND 2.05 AND ADDING SECTION 1.293 TO PORT ORDINANCE NO. 867 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Operations - 44s to print.

- 4** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.07 AND ADDING SECTION 1.292 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Operations – 44s to print.

- 5** Port Ordinance No. _____ being, "AN ORDINANCE AMENDING SECTION 1.191 OF PORT ORDINANCE NO. 867 PROVIDING PROFESSIONAL DEVELOPMENT BENEFITS FOR CERTAIN OFFICERS AND EMPLOYEES."

Operations – 44s to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next regular meeting will be held on Tuesday, August 6, 2002 at 3:00 P.M.**

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: Jul 16, 2002

ITEM NO: 1

SUBJECT: Approval to produce the Oakland International Airport 75th Anniversary Air Show

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

Handwritten signature of Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND

The Oakland International Airport proposes to hold a 75th Anniversary Air Show and Celebration for the Oakland International Airport (OAK), on its actual anniversary, September 27-29, 2002. It is intended that anticipated revenues, based on admission fees charged, will generally offset any expenses. The Air Show will be held at North Field and should not have a negative impact on tenant or Airport operations.

Separately, a proposal has been solicited from a noted aviation entertainment consultant, Gordon Bowman Jones, to produce and execute the show. It is intended that Mr. Bowman Jones will be responsible for the pre-planning of the event, act as narrator, and will book all flying events. He will provide an assistant who will liaison with the Port. Mr. Bowman-Jones will be given a management fee not to exceed \$15,000. The Port and Mr. Bowman-Jones will administer additional production and operational funds not to exceed \$125,000, for a total program cost of \$140,000.

ANALYSIS

The Air Show's main theme will highlight OAK's history from the early days of aviation to the present. Each decade will be represented by dynamic and static displays of historical aircraft. It will serve to raise awareness in the community about the airport's pre-eminent place in the Bay Area's aviation history. The Air Show's secondary objective will be to create goodwill and generate positive publicity about OAK in the 21st Century, its airlines, schedules, facilities, and services.

notable guests are planned to include Erik Lindberg, grandson of Charles Lindberg, who dedicated OAK in 1927, and Robert Arnold, who is the grandson of Gen. H.H. "Hap" Arnold, the military commander of OAK during the war years. There will be historical flight recreations, such as Amelia Earhart's departure from Oakland for her "round the world" flight aboard a Lockheed Electra. Substantial military participation is planned, with static and flyby displays.

Gordon Bowman-Jones will plan and implement the event in coordination with officials from the Port of Oakland. He is a pre-eminent aviation entertainment producer, announcer, media personality and correspondent with such organizations and Disney, ESPN and the Discovery Channel. His expertise spans all aspects of military and civilian aviation with particular depth in international operations. He has been announcing and narrating air shows globally since 1970, including the Oshkosh, Paris and Farnborough air shows. Mr. Bowman-Jones has twenty-five years of logistics experience as producer and director of major domestic and international aviation events such as the San Francisco "Fleet Week" Air Show, the Australian International Air Show, and the Atsugi "Wings" series of air shows in Tokyo, Japan. He has received professional accreditation as an International Council of Air Shows (I.C.A.S.) certified Air and Ground Operations Director and received an honorary appointment by the F.A.A. in 1999 as an Inspector for their Aviation Safety Program. He is internationally acclaimed as an aviation historian and was recently recognized for his contributions to aviation, in the company of two past U.S. presidents and a U.S. astronaut, in being named an honorary lifetime member of the Delaware Valley Historical Aircraft Society.

His direct duties will include:

- Provision and direct supervision of production assistant for June through September;
Production Assistant to work at the North Airport administrative office one day per week and to be on call for the balance of the normal workweek;
Negotiation and procurement of all static, flying, military and civilian aircraft;
Negotiation, procurement and program preparation for "celebrity guests";
Filing of waivers and documentation with FAA and U.S. military;

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

Handwritten number 02216

BOARD ACTION TAKEN

Assistant

Handwritten signature of Adam Kruppel

SECRETARY OF THE BOARD

JUL 16 2002

DATE

- Planning and choreography of a visually stimulating and educational event;
- Coordination with Oakland ATC personnel;
- Procurement of Audio equipment and engineers;
- Preparation and performance of a theme audio program;
- Coordination of insurance requirements for participants.

BUDGET

The work will be budgeted under AT00-3072. The air show is expected to cost \$140,000. It is intended that admission fees will cover most of this cost.

It is intended that the event planning be started under a purchase order professional services contract for Gordon Bowman-Jones for up to \$15,000 for FY2002-03 as administrative fees for the implementation of the 75th Anniversary Air Show.

The Port and or Mr. Bowman-Jones will disburse the remaining funds per invoice through a combination of purchase orders or consultant contracts, not to exceed \$125,000, for a total cost not to exceed \$140,000. These costs will include flying participant fees, accommodations, fuel and oil, exhibitor, way-finding and informational signage, parking lot shuttle bus service, parade fencing, portable sanitation facilities, security services, media, advertising and promotion. An EEO-1 Workforce Report/Professional Services Questionnaire for Mr. Bowman-Jones is on file.

SUSTAINABILITY

This program will showcase Oakland International Airport to the community-at-large and give back through goodwill. It will allow neighbors and aviation enthusiasts alike to visit the airport in a format that would not otherwise be allowed. It will highlight the viability of the airport and encourage expanded use of the airport by our regional community. It will encourage business retention. It will further develop the image of Oakland International Airport as a leader in aviation. Awareness will be raised and visitors will be encouraged to use public transportation. Shuttle buses will operate from BART and off-site parking. Providing recycling bins for vendors and visitors will encourage recycling.

RECOMMENDATION

First, it is recommended that the board give the authorization to the aviation division to put on the air show. Secondly, it is recommended that the board allow the Aviation Division to contract with Gordon Bowman-Jones for additional production and operational air show services for up to \$125,000, for a total cost not to exceed \$140,000 for FY2002-03. The Port and Mr. Bowman Jones will administer this sum.

Attachment "A"

**Oakland International Airport
75th Anniversary Air Show**

Estimated Costs to be Off-set by General Admission

<u>Estimated Fees and Services</u>	<u>Cost</u>
Contract Administrator (Gordon Bowman Jones)	\$ 15,000
Event Production Assistant	\$ 12,000
"Not to Exceed" fees to Participating Fliers	\$ 29,700
Estimated Fuel/Oil	\$ 4,600
Estimated Hotel Accommodations	\$ 12,300
Estimated Rental Vehicles	\$ 3,100
Exhibitor Signage and Miscellaneous	\$ 2,900
Parking Lot Shuttle Buses @ \$10,000 P. Day x 2 Days @	\$ 20,000
Parade Fencing @ 1 Mile (4' high x 8' wide) @	\$ 5,000
Port-a-Lets Sanitary Facilities	
Rental @	\$ 3,000
Cleaning @	\$ 1,100
Police Services @ \$49 per hour	
Six (6) Sheriff's Deputies (2 @ Parking, 4 @ Site)	\$ 4,700
Way-finding and Informational Signage	
(30 signs @ \$25 Each plus Armature)	\$ 2,750
Advertising & Program (Newspaper Pull-Out) @ 15,000	\$ 15,000
Other contingency fees and services	\$ 8,850

Cost estimates provided by the following companies: Merrill Sign, AC Transit, National Sanitation (for fencing and Port-a-Lets), Alameda Newspaper Group, and Alameda County Sheriff's Department.

Total Estimated Expenses **\$140,000**

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 2

SUBJECT: Authorization to Extend Passenger and Cargo Advertising Agreement with MCA Net, Inc., for FY2002-03 Budget Period

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Oakland International Airport (OAK) competes with two other major airports for passenger and cargo traffic within the Bay Area. As a part of its Strategic Business Plan, Aviation Marketing has been tasked with increasing its Bay Area market share by five percentage points between FY1999 and FY2004, or approximately 600,000 new passengers each year, to support additional domestic and international passenger service at OAK. This requires adequate resources be expended both within and outside the Bay Area to develop and promote OAK as a good airport choice to existing and potential new airline passengers. This is done through targeted advertising in various media forms including print media, including newspaper, magazine, billboards, taxi tops, public transportation banners as well as radio and Internet advertising.

Our advertising program utilizes two local-based advertising agencies, Carol H. Williams Advertising (CHWA) and MCA Net, Inc. (MCA), for various agency services based on expertise and associated costs. The decision to utilize two local agencies is based on the strengths of both agencies. CHWA is a nationally-recognized agency with a large creative and research staff which we utilize for the bulk of our media placement. MCA has both marketing and public relations expertise, which we utilize for specialized and quick turnaround marketing needs (special event, air cargo, sports, etc.) as well as assistance with media and public relations projects and needs. This division of effort thus ensures that OAK receives the agency expertise it needs in the most timely and cost effective manner possible.

In 1999, pursuant to Board Resolutions 99073 and 99148, OAK entered into a \$299,600 agreement with Oakland-based MCA to perform local and regional advertising and promotion for OAK. This included passenger and air cargo advertising as well as radio, print and sports advertising venues. It also included media and public relations services. In September 1999, the Board authorized expenditure of an additional \$298,100 for an expanded advertising program for MCA for FY1999-2000 (Board Resolution 99379). The Board has authorized additional expenditures for advertising and promotion of \$418,000 for FY2000-01 (Board Resolutions 20209 and 01231) and another \$418,000 for FY2001-02 (Board Resolution 01281). Due to reduced budgets for this fiscal year, subsequent to 9/11 and the lagging economy, we have temporarily reduced our advertising program with MCA by about \$50,000.

ANALYSIS:

The advertising program that was successfully implemented by both MCA & CHWA agencies in 1999 helped contribute to dramatic passenger increases at OAK in subsequent years, with record breaking numbers in the past three years despite the shock and adverse impact of September 11. These increasing passenger numbers have also been translated into OAK growth in market share:

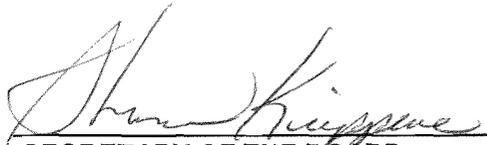
<u>Year</u>	<u>Passengers</u>	<u>Passenger Increase</u>	<u>Percent Increase</u>	<u>Market Share</u>
1997	9,144,806		-----	15.4%
1998	9,231,280	86,474	0.9%	15.6%
1999	9,879,556	648,276	7.0%	16.2%
2000	10,620,798	741,242	7.5%	16.6%
2001	11,416,579	795,781	7.5%	19.5%

Approved by Resolution No. 02242

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

Assistant

 SECRETARY OF THE BOARD

DATE

JUL 16 2002

Our Airport Expansion Program anticipates demand at OAK to increase to nearly 14 million passengers over the next several years and contemplates spending nearly \$1.4 billion to build new roadways and facilities, including a new parking garage, new terminal facilities and additional aircraft gates and parking positions. We believe that our advertising program with MCA as well as others, in conjunction with our air service development program which has resulted in significantly expanded air service at OAK, has been instrumental in encouraging more passengers to choose OAK as their airport of choice. Indeed, OAK is the only Bay Area airport that has shown only negligible passenger traffic loss since 9/11, and is one of only a few US airports that is poised for significant growth for the remainder of the year. Passengers have a choice of airports in the Bay Area and we want them to choose OAK. We believe that our aggressive local advertising and promotion program, of which MCA is an integral part, is making a difference.

Therefore we recommend continuing this program for the next fiscal year. We recommend that the Board authorize an additional \$368,000 in advertising program expenditures for MCA for FY2002-03. A contingency fund of \$50,000 is also recommended to deal with unforeseen circumstances.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

1. Continue with current advertising program with MCA Agency adjusted for reduced expenditures;
2. Solicit other local or national advertising agencies to develop new advertising program at reduced expenditure level;
3. Reduce or eliminate all advertising until air travel rebounds.

RECOMMENDATION:

It is recommended that the contract with MCA be extended through fiscal year 02-03 at a cost of \$368,000 with an additional \$50,000 in Executive Director authority to meet unforeseen needs.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 3

SUBJECT: Authorization to Extend Local Advertising Agreement with Carol H. Williams Advertising for FY2002-03 Budget Period

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Oakland International Airport (OAK) competes with two other major airports for passenger and cargo traffic within the Bay Area. As a part of its Strategic Business Plan, Aviation Marketing has been tasked with increasing its Bay Area market share by five percentage points between FY1999 and FY2004, or approximately 600,000 new passengers each year, to support additional domestic and international passenger service at OAK. This requires adequate resources be expended both within and outside the Bay Area to develop and promote OAK as a good airport choice to existing and potential new airline passengers. This is done through targeted advertising in various media forms including newspaper, magazine, billboards, taxi tops, public transportation banners, as well as radio and Internet advertising.

Our advertising program utilizes two local-based advertising agencies, Carol H. Williams Advertising (CHWA) and MCA Net, Inc. (MCA), for various agency services based on expertise and associated costs. The decision to utilize two local agencies is based on the strengths of both agencies. CHWA is a nationally-recognized agency with a large creative and research staff which we utilize for the bulk of our media placement. MCA has both marketing and public relations expertise, which we utilize for specialized and quick turnaround marketing needs (special event, air cargo, sports, etc.) as well as assistance with media and public relations projects and needs. This division of effort thus ensures that OAK receives the agency expertise it needs in the most timely and cost effective manner possible.

In March 1999, pursuant to Board Resolution 99072, OAK entered into a \$177,000 agreement with Oakland-based CHWA to conduct market research to identify the airport's target market as well as develop a strategic advertising message and plan to effectively reach that target market. In September 1999, as a result of the agency's findings and recommendations, the Board authorized expenditure of an additional \$597,300 for creation, execution and placement of a new advertising program for FY1999-2000 (Board Resolution 99379). The Board has authorized additional expenditures for advertising and promotion of \$850,000 for FY2000-01 (Board Resolution 20184) and another \$850,000 for FY2001-02 (Board Resolution 01282). Due to reduced budgets for this fiscal year, subsequent to 9/11 and the lagging economy, we have temporarily reduced our advertising program with CHWA by about \$150,000.

ANALYSIS:

The advertising program that was successfully implemented by CHWA & MCA agencies in 1999 helped contribute to dramatic passenger increases at OAK in subsequent years, with record breaking numbers in the past three years despite the shock and adverse impact of September 11. These increasing passenger numbers have also been translated into OAK growth in market share:

<u>Year</u>	<u>Passengers</u>	<u>Passenger Increase</u>	<u>Percent Increase</u>	<u>Market Share</u>
1997	9,144,806		-----	15.4%
1998	9,231,280	86,474	0.9%	15.6%
1999	9,879,556	648,276	7.0%	16.2%
2000	10,620,798	741,242	7.5%	16.6%
2001	11,416,579	795,781	7.5%	19.5%

Approved by Resolution No. 02217

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JUL 16 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

The Airport Expansion Program anticipates demand at OAK to increase to nearly 14 million passengers over the next several years and contemplates spending nearly \$1.4 billion to build new roadways and facilities, including a new parking garage, new terminal facilities and additional aircraft gates and parking positions. Staff believes that our advertising program with CHWA as well as others, in conjunction with our air service development program, that has led to significantly expanded air service at OAK, has been instrumental in encouraging more passengers to choose OAK as their airport of choice. Indeed, OAK is the only Bay Area airport that has shown only negligible passenger traffic loss since 9/11, and is one of only a few US airports that is poised for significant growth for the remainder of the year. Passengers have a choice of airports in the Bay Area. The Port's aggressive local advertising and promotion program, of which CHWA is an integral part, is making a difference.

Therefore it is recommended that this program continue for the next fiscal year. It is recommended that the Board authorize an additional \$700,000 in advertising program expenditures for CHWA for FY2002-03. This represents a reduction in contemplated program advertising expenditures of \$150,000 from last year's authorization to reflect the current budget realities.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

1. Continue with current advertising program with CHWA Agency adjusted for reduced expenditures;
2. Solicit other local or national advertising agencies to develop new advertising program at reduced expenditure level;
3. Reduce or eliminate all advertising until air travel rebounds.

RECOMMENDATION:

It is recommended that the contract with CHWA be extended through fiscal year 02-03 at a cost of \$700,000.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE July 16, 2002

ITEM NO: 4

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Ratification of Addendum and Award of Contract for Realignment of Langley Street and Widening of Doolittle Drive, North Field, OIA

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

Four bids were received and opened on June 5, 2002, for **Realignment of Langley Street and Widening of Doolittle Drive, North Field, Oakland International Airport, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	DBE*	TOTAL BID PRICE
O. C. Jones & Sons, Inc.	Oakland, CA		\$1,713,898.00
Gallagher & Burk, Inc.	Oakland, CA		\$1,768,840.00
McGuire and Hester	Oakland, CA		\$2,022,022.00
Bay Cities Paving & Grading, Inc.	Concord, CA		\$2,429,853.00

* DBE = Disadvantaged Business Enterprise

.. copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On November 20, 2001, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids pending securing an Encroachment Permit from Caltrans and receipt of an additional \$1,000,000 in federal highway funds. In April 2002, the Caltrans Encroachment Permit and the additional funding were secured and this project was advertised for bids to be received on May 29, 2002.

Addendum

Addendum No. 1 was issued by the Chief Engineer to make minor revisions to the Project Manual, including separating a bid item into two items to more precisely capture associated cost, and clarifying lane closure restrictions and reclaimed material requirements. The addendum also extended the bid opening date to June 5, 2002. The addendum did not significantly change the physical work of the contract.

ANALYSIS:

Disadvantaged Business Enterprise Goal

The use of federal funds requires compliance with Disadvantaged Business Enterprise (DBE) goals established in accordance with the Federal Disadvantaged Business Enterprise Program (49 CFR 26). This project has a goal of 12 percent DBE participation.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02218

BOARD ACTION TAKEN

Frank King
 SECRETARY OF THE BOARD

JUL 16 2002

DATE

The Port's Social Responsibility Division (SRD) analyzed the bids for compliance with federal DBE requirements and verified that O. C. Jones & Sons, Inc., has met the DBE participation goal. Accordingly, SRD concurs with the recommendation to award the contract to O. C. Jones & Sons, Inc.

The Port of Oakland's Non-Discrimination and Small/Local Business Utilization Policy (Policy), including preference points allocation for local business, does not apply to projects with federal funding.

Subcontractor Listing:

O. C. Jones & Sons, Inc., listed the following subcontractors:

SUBCONTRACTORS SUBCONTRACTING AREA	LOCATION	DBE*	“\$” AND “%” OF EACH SUBCONTRACTOR’S BID TO PRIME CONTRACTOR
<u>AJW Construction</u> Minor Concrete	Oakland, CA	X	\$65,520.00/ 3.82%
<u>Rosendin Electric, Inc.</u> Electrical	San Jose, CA		\$171,000.00/ 9.98%
<u>TDW Construction, Inc.</u> Underground	Livermore, CA		\$52,125.00/ 3.04%
<u>Riley’s Striping</u> Striping	Bencia, CA		\$26,000.00/ 1.52%
<u>RMT Landscape</u> Irrigation	San Leandro, CA	X	\$9,200.00/ 0.54%
<u>Golden Bay Fence</u> Fencing	San Lorenzo, CA	X	\$15,800.00/ 0.92%

* DBE = Disadvantaged Business Enterprise

Budget

The work is budgeted under CIP Element No. A1.00816.05. The funding source is Port cash and/or bonds and federal highway funds. The Project Budget Summary is attached.

Sustainability

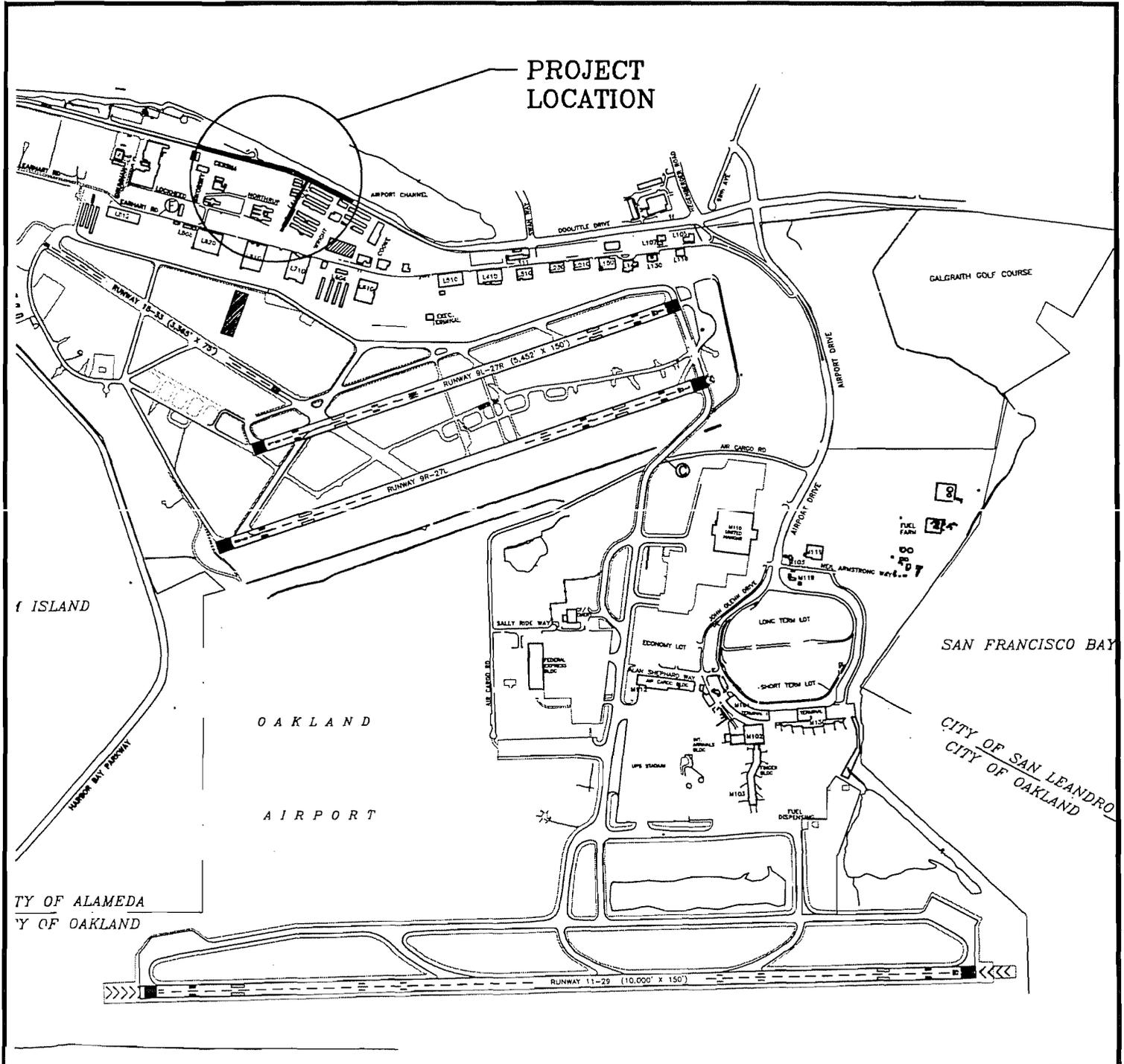
The excavated materials generated during demolition will be re-used, provided they meet specifications for use in roadway base construction. In addition, existing signs will be salvaged and reused for the project.

Project Labor Agreement

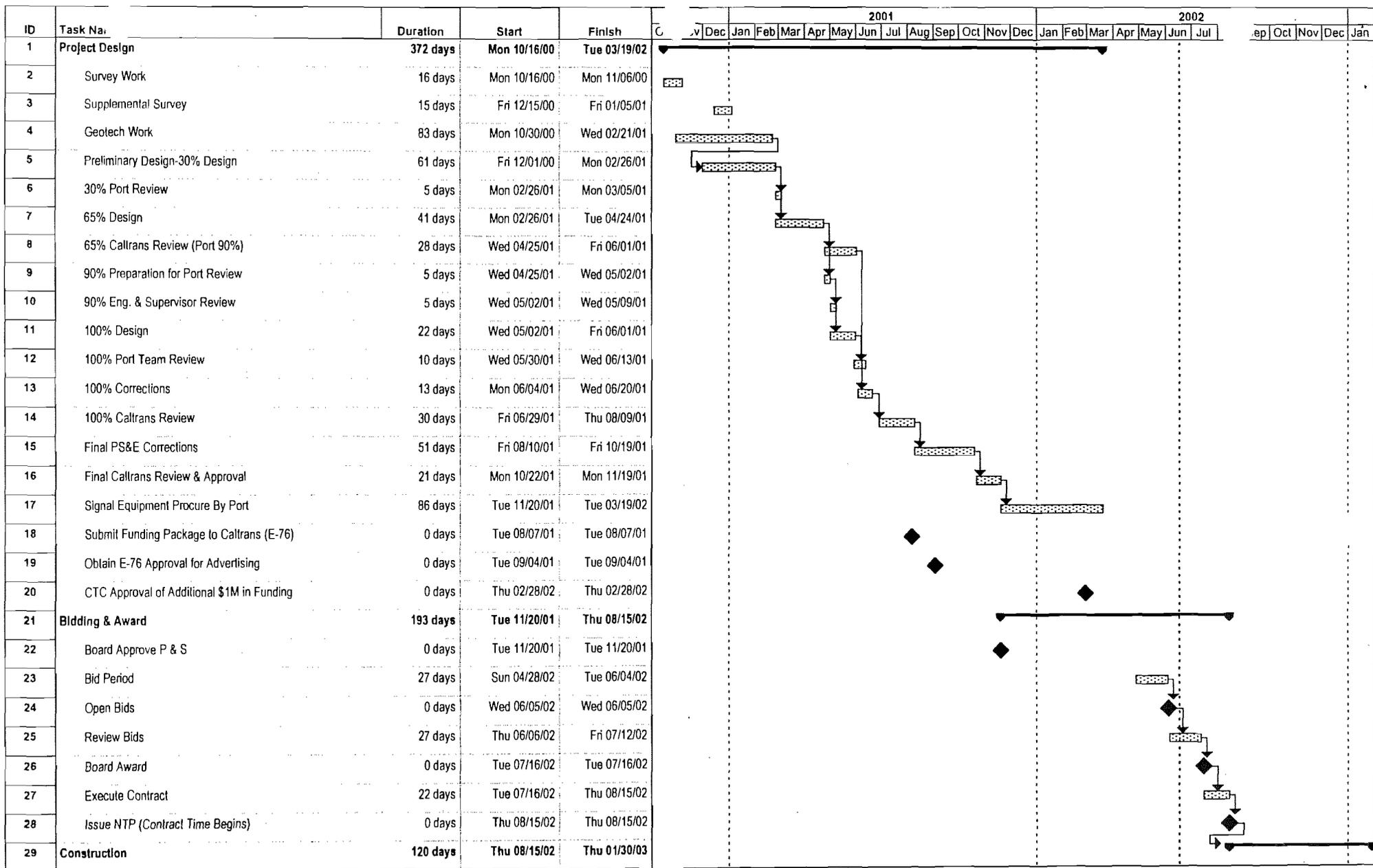
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

RECOMMENDATION:

It is recommended that O. C. Jones & Sons, Inc., be found to be the lowest responsible responsive bidder, that Addendum 1 be ratified, that the contract for the above project be awarded to O. C. Jones & Sons, Inc., for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND



Project: Langley & Doolittle Date: Mon 06/17/02
 cc: Yas T, Trina C., S. Won, Frank L, Francis L, Anna W.
 langley-doolittle-R1 (Duration=Workdays),

Task		Summary		Rolled Up Progress		Split	
Progress		Rolled Up Task		External Tasks		Rolled Up Split	
Milestone		Rolled Up Milestone		Project Summary			

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET SUMMARY
June 10, 2002**

PROJECT TITLE: Realignment of Langley Street and Widening of Doolittle Drive, North Field, OIA

CIP NO: A1.00816.05

W.O. #: 106502, 106503

PROPOSED FUNDING SOURCES: Port Cash and/or Bonds & Federal Highway Funds

Narrative: Design and construction of Langley Street Realignment and Intersection Improvement at Doolittle Drive.

Budget: This project is accounted for under CIP Element # A1.00816.05 as one of the projects for the North Field Rental Car Facility Development Program. The project budget totals \$3,312,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A1.00816.05

	Const. Cost	Consult & CM	Port Labor & Fringes	Port OH	Misc.	Outside Legal	LERRS	Allow.	Tenant Costs	Totals
Design & Construction of Langley Street Realignment (W.O.106502)	2,115	269	305	516	50	---	---	---	---	3,255
Permitting Langley Street Realignment (106503)		17	14	25	1	----				57
Total	2,115	286	319	541	51	---				3,312

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE July 16, 2002

ITEM NO: 5

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TO}
SUBJECT: Award of Contract for Overlay and Extension of Taxiway C, North Field, OIA

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Four (4) bids were received and opened on June 26, 2002, for **Overlay and Extension of Taxiway C, North Field, Oakland International Airport, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BASE BID PRICE	ADDITIVE ALTERNATES BID PRICE	TOTAL BID PRICE
Gallagher & Burk, Inc.	Oakland, CA	X		\$3,492,450.00	\$288,000.00	\$3,780,450.00
McGuire and Hester	Oakland, CA	X		\$3,610,190.00	\$288,000.00	\$3,898,190.00
O.C. Jones & Sons, Inc.	Oakland, CA		X**	\$3,629,640.00	\$288,000.00	\$3,917,640.00
Granite Rock Company, d.b.a. Pavex Construction Division	Redwood City, CA			\$3,981,290.00	\$262,600.00	\$4,243,890.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

** Oakland address on bid, but Port certification is for LBABE

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On May 21, 2002, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on June 26, 2002.

ANALYSIS:

The project consists, generally, of constructing asphalt concrete overlay; constructing a taxiway extension; raising, replacing and installing taxiway light fixtures; raising existing utility and FAA boxes, manholes, and catch basins; installing electrical duct banks; drainage system work and pavement striping and marking.

The additive alternate bid, for conduit installation, was not chosen to be added to the contract.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Base Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. The modified bid amount for Gallagher & Burk, Inc., is \$3,194,167; the modified bid amount for McGuire and Hester is \$3,310,451, and the modified bid amount for O.C. Jones & Sons, Inc., is \$3,390,602. Based on the comparison of the modified bid amounts, Gallagher & Burk, Inc., remains the low bidder.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02219

BOARD ACTION TAKEN Assistant

Shen Kingflaw
SECRETARY OF THE BOARD

JUL 16 2002

DATE

Port's Social Responsibility Division (SRD) analyzed the bids for compliance with the Policy and concurs with this recommendation. LIABE/LBABE participation is 85 % for Gallagher & Burk, Inc.

Accordingly, it is recommended that Gallagher & Burk, Inc., be considered to be the lowest responsible bidder for the purpose of this contract.

Subcontractor Listing:

Gallagher & Burk, Inc., listed the following subcontractors. The remainder of the work will be performed by Gallagher & Burk, Inc.

SUBCONTRACTORS SUBCONTRACTING AREA	LOCATION	LIABE	LBABE	“\$” AND “%” OF EACH SUBCONTRACTOR’S BID TO PRIME CONTRACTOR
<u>Williams Trucking</u> trucking	Oakland, CA	X		\$150,000.00/4.3%
<u>TDW Construction</u> storm drain	Livermore, CA		X	\$353,746.00/10.1%
<u>Striping Express</u> striping	Oakland, CA	X		\$ 85,000.00/2.4%
<u>Rosendin Electric</u> electrical	San Jose, CA			\$504,369.00/14.4%

Environmental

The project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section: 15301, class: 1 (a,c,d,e and f) and 15302, Class 2 (b and c).

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The work is budgeted under CIP Element No. A1.00626.04. The funding source is Port cash and/or bonds and Passenger Facility Charges (PFC). The Project Budget Summary is attached.

Sustainability

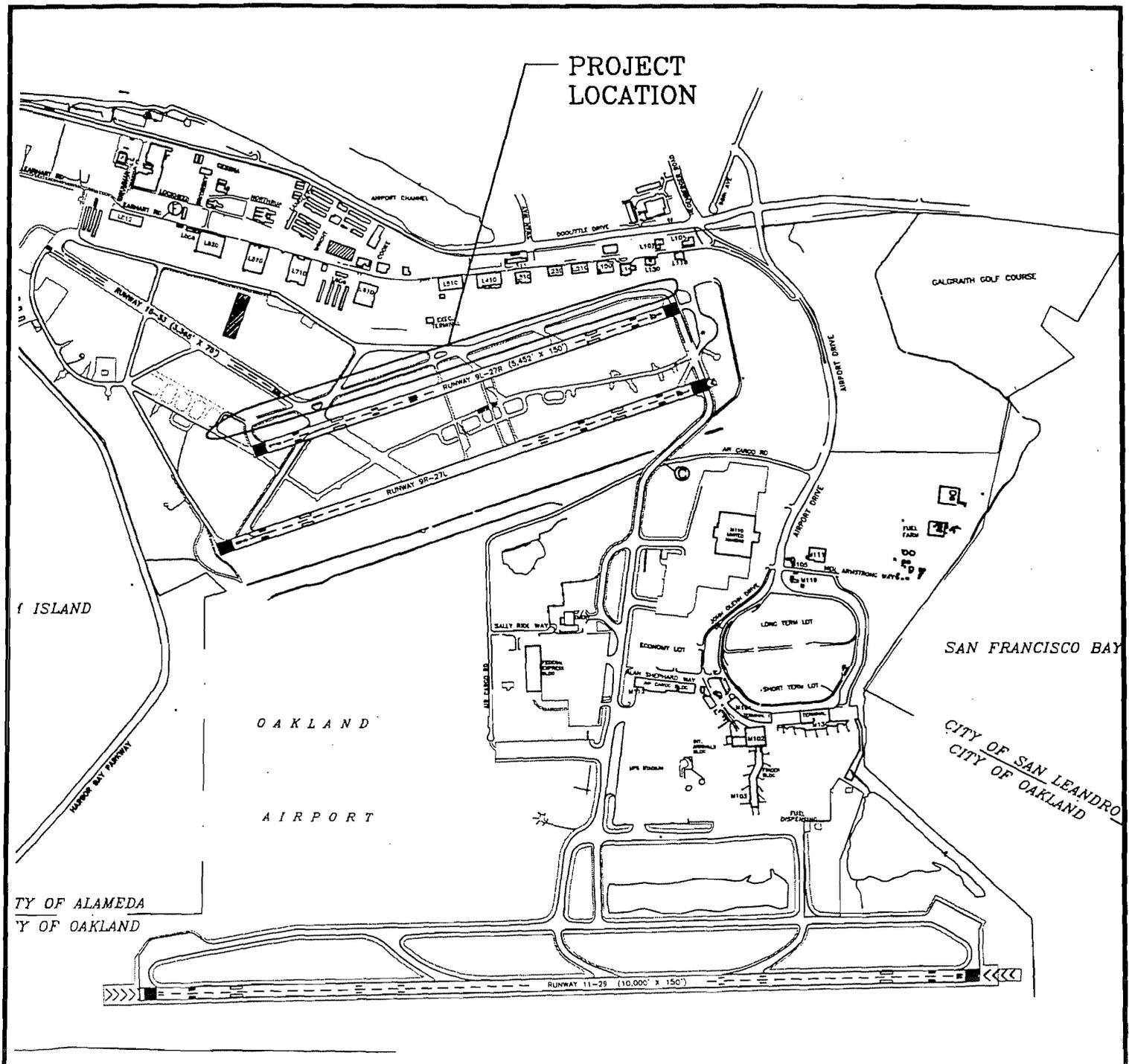
Suitable excavated material, trench spoils and material resulting from the grinding of asphalt concrete and portland cement concrete pavements will be used as fill on the project, as allowable.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

RECOMMENDATION:

It is recommended that Gallagher & Burk, Inc., be found to be the lowest responsible responsive bidder, that the contract for the above project be awarded to Gallagher & Burk, Inc., for the amount of its Total Base Bid Price, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND

**PROJECT SCHEDULE
OVERLAY OF TAXIWAY C
North Field, Oakland International Airport**

ID	Task Name	Duration	Start	Finish	4th Quarter			1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			1st Quarter			2nd Quar			
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		
1	Project Design	105 days	Wed 12/12/01	Fri 5/10/02																						
13	BOARD APPROVAL	7 days	Mon 5/13/02	Tue 5/21/02																						
14	Plans & Specs to Legal	7 days	Mon 5/13/02	Tue 5/21/02																						
15	Board Approval	0 days	Tue 5/21/02	Tue 5/21/02																						
16	BID / AWARD / EXECUTE	60 days	Wed 5/22/02	Tue 8/13/02																						
17	Bid Period	26 days	Wed 5/22/02	Wed 6/26/02																						
18	Open Bids	0 days	Wed 6/26/02	Wed 6/26/02																						
19	Review of Bids	14 days	Thu 6/27/02	Tue 7/16/02																						
20	Board Award of Contract	0 days	Tue 7/16/02	Tue 7/16/02																						
21	Contract Prep & Execution	20 days	Wed 7/17/02	Tue 8/13/02																						
22	CONSTRUCTION	188 days	Wed 8/14/02	Fri 5/2/03																						
23	Construction Period	188 days	Wed 8/14/02	Fri 5/2/03																						
24	Project Finish	0 days	Fri 5/2/03	Fri 5/2/03																						

Date: Mon 6/24/02
CC: Y. Toda, F. Lobedan, Ana Ward
Work Order No. 106596

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

PORT OF OAKLAND

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

July 2, 2002

PROJECT TITLE: Overlay and Extension of Taxiway C

CIP NO: A1.00626.04

W.O. Nos: 106474, 106582, and 106596

PROPOSED FUNDING SOURCES: Port Cash and/or Bonds and Passenger Facility Charges (PFC)

Narrative- This project is one of three to study and renovate Taxiways B and C, which were originally constructed during the 1960s, have outlived their original design lives, and have shown signs of deterioration. Two of the projects, a renovation plan and the overlay of Taxiway B, have been completed. Taxiway C has pavement deterioration, and the taxiway lighting system needs improvement. An extension of Taxiway C westward to Taxiway Q, approximately 300 feet, will enhance safety by eliminating two quick 90-degree aircraft turns through a previous aircraft parking position. The project is part of the North Airport Reconstruction Program to enhance safety, maintain FAA standards, and extend the life of existing facilities.

Budget- The three projects included in CIP Element # A1.00626.04 are being revised to reflect the current scope of work. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element A1.00626.04

Project Components	Port Labor & Fringe	Port OH	Consult	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Total
Develop Plan to Renovate South End of Taxiway C and Taxiway B Between Runways (W.O. 106474)	87	147	329	4		18		(-1)			\$585
Overlay of Taxiway B (W.O. 106582)	34	57	33	861	0	1	0	0	0	0	985
Overlay of Taxiway C (W.O. 106596)	252	432	358	4,844	0	1	0	0	0	0	5,887
Total=	373	636	720	5,709		20	0	(-1)	0	0	7,457

Remarks-

1. Assumes in-house CM
2. Both labor and consultant costs for Overlay of Taxiway B reflect work performed on planning/design of Overlay of Taxiway C
3. Consultant costs for Taxiway C have been increased by \$40,000 for outside survey.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 6

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

TD
 SUBJECT: Ratify Addendum, Reject All Bids and Authorize New Bids for Aircraft Sound Insulation Program Phase 2, A.I.P. 3-06-0170-26 and Phases 3, 4 & 5, Bay Farm Island, Alameda, California

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Two (2) bids were received and opened on June 17, 2002, for Aircraft Sound Insulation Program Phase 2, A.I.P. 3-06-0170-26 and Phases 3, 4 & 5, Bay Farm Island, Alameda, California.

The following bids were received:

BIDDERS	LOCATION	TOTAL BID PRICE
West Coast Contractors, Inc.	Fairfield, CA	\$10,863,329.00
M.A. Lindquist Co. Inc.	Oakland, CA	\$11,206,894.00

A copy of the bid canvass is on file. The location of the work is shown on the attached map.

Board of Port Commissioners, on April 2, 2002, approved the Plans and Project Manual for this project to advertise for bids following the FAA review process. The FAA completed their review on May 3, 2002 and bids were requested to be received on June 12, 2002.

ANALYSIS:

Addendum No. 1 made minor changes to bid item descriptions. The changes did not affect the physical work of the project. The bid due date was changed to June 17, 2002.

Rejection of Bids

Both bidders failed to properly address the Non-Collusion Affidavit as required by the bid documents. In addition, M.A. Lindquist Inc.'s Bid Bond did not comply with Document 00200, Instructions to Bidders. A Notice of Apparent Non-Responsive Bid, with an opportunity to respond, was sent to both bidders on June 24, 2002. To date, neither bidder has objected to the proposed rejection of its bid.

OPTIONS:

The following are options considered by Staff:

- Assuming bidder response to the Notice of Apparent Non-Responsive Bid is not acceptable, reject both bids, re-bid the project and attempt to include new bidders. Since there are qualification requirements that must be met to bid on this contract, including a minimum amount of experience interfacing with homeowners on similar projects within the last five years, the pool of bidders is very small for this work.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. *02220*

BOARD ACTION TAKEN Assistant

[Signature]
 SECRETARY OF THE BOARD

JUL 16 2002

DATE

Prior to receiving bids, Port Staff contacted "B" licensed Contractors who have worked with the Port, and Contractors who have done aircraft sound insulation work for other Bay Area airports. None of the Contractors contacted submitted bids for this project. There were five prime Contractors at the Pre-Bid meeting, and only the two above contractors submitted a bid. Therefore, it is unlikely any new bidders would submit bids by re-advertising.

2. Assuming bidder response to the Notice of Apparent Non-Responsive Bid is not acceptable, reject both bids and re-bid the project to include only the bidders who submitted bids originally. The bid period can thereby be shortened to two weeks, and a new Pre-Bid meeting and jobsite tour of representative homes on Bay Farm Island would not be required. In order to utilize this method, the Board must find that it is in the best interests of the Port to waive standard bidding procedures pursuant to Port Ordinance No. 1606, Section 5. Here, it is in the best interests of the Port because extensive past experience and outreach efforts have established that very few contractors are interested in bidding on this project. Therefore, the standard bidding procedures will be impractical and unavailing and will needlessly consume time and effort without any corresponding benefit.

The Port will receive some funding for this contract from the FAA; therefore, the manner in which the Port awards the contract must be approved by the FAA. The FAA has given verbal approval of this method of obtaining re-bids for the project.

Environmental

The proposed project is exempt from requirements of California Environmental Quality Act in accordance with State CEQA Guidelines Section 15301, Class 1. (a and f).

General Plan

The work is located in the City of Alameda; consequently, the City of Oakland General Plan does not apply.

Budget

This project is budgeted under CIP Item No. AA.03291.02. The Project Budget Detail is attached. Phase 2 will be funded by A.I.P. 3-06-0170-26. Phases 3, 4 & 5 will be funded either under the A.I.P. program (applications pending) or from Passenger Facility Charges (PFC's). The Notice to Proceed for Phases 3, 4 & 5 will be dependent upon receipt of funding. The use of Federal funds will require compliance with Disadvantaged Business Enterprise (DBE) goals established in accordance with the Federal Disadvantaged Business Enterprise Program (49 CFR 26). The DBE goal recommended for this project is 8%.

Sustainable Opportunities

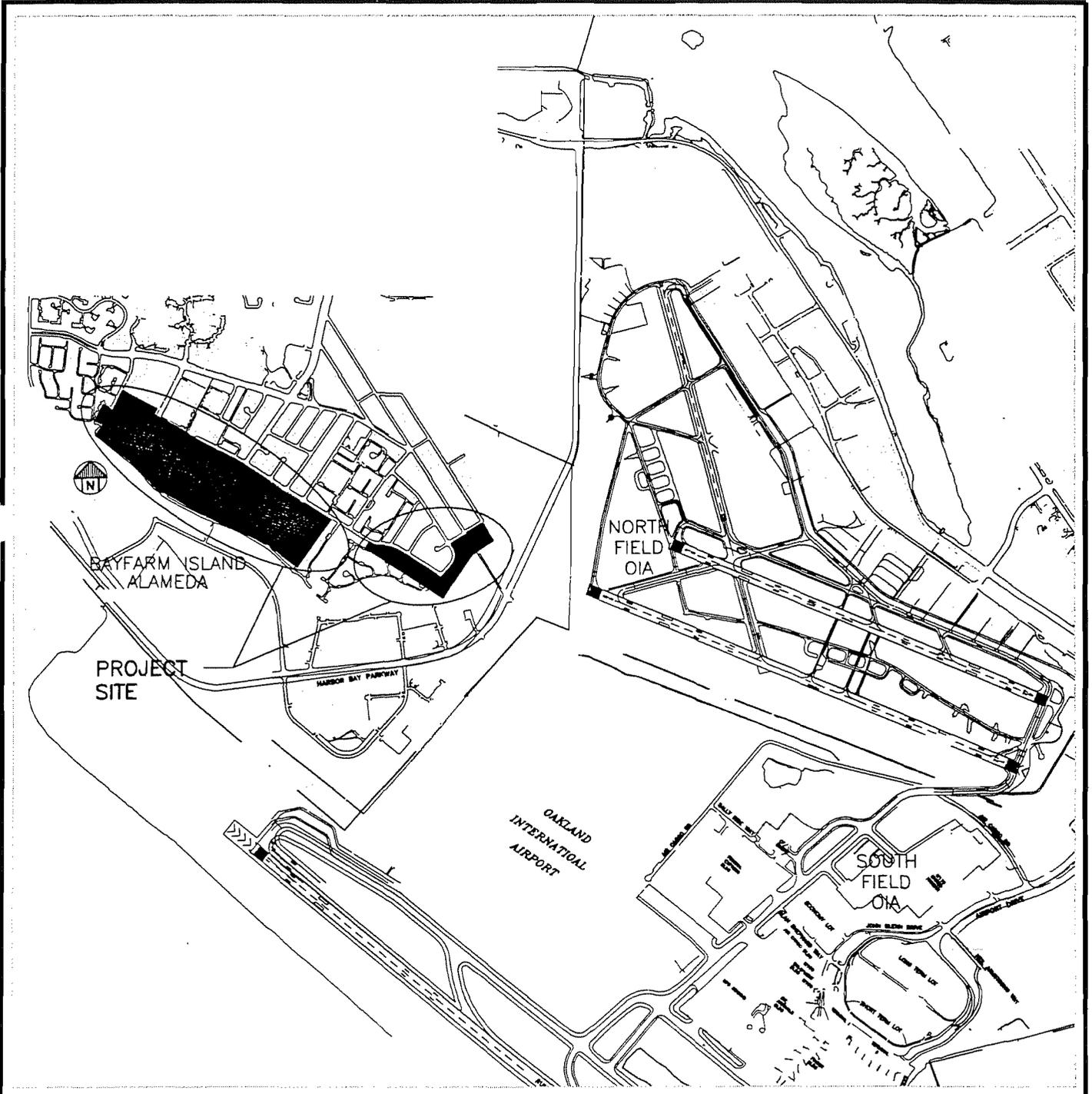
The sound insulation materials, in addition to reducing interior noise, will also serve to reduce the homeowner's year-round energy use.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

RECOMMENDATION:

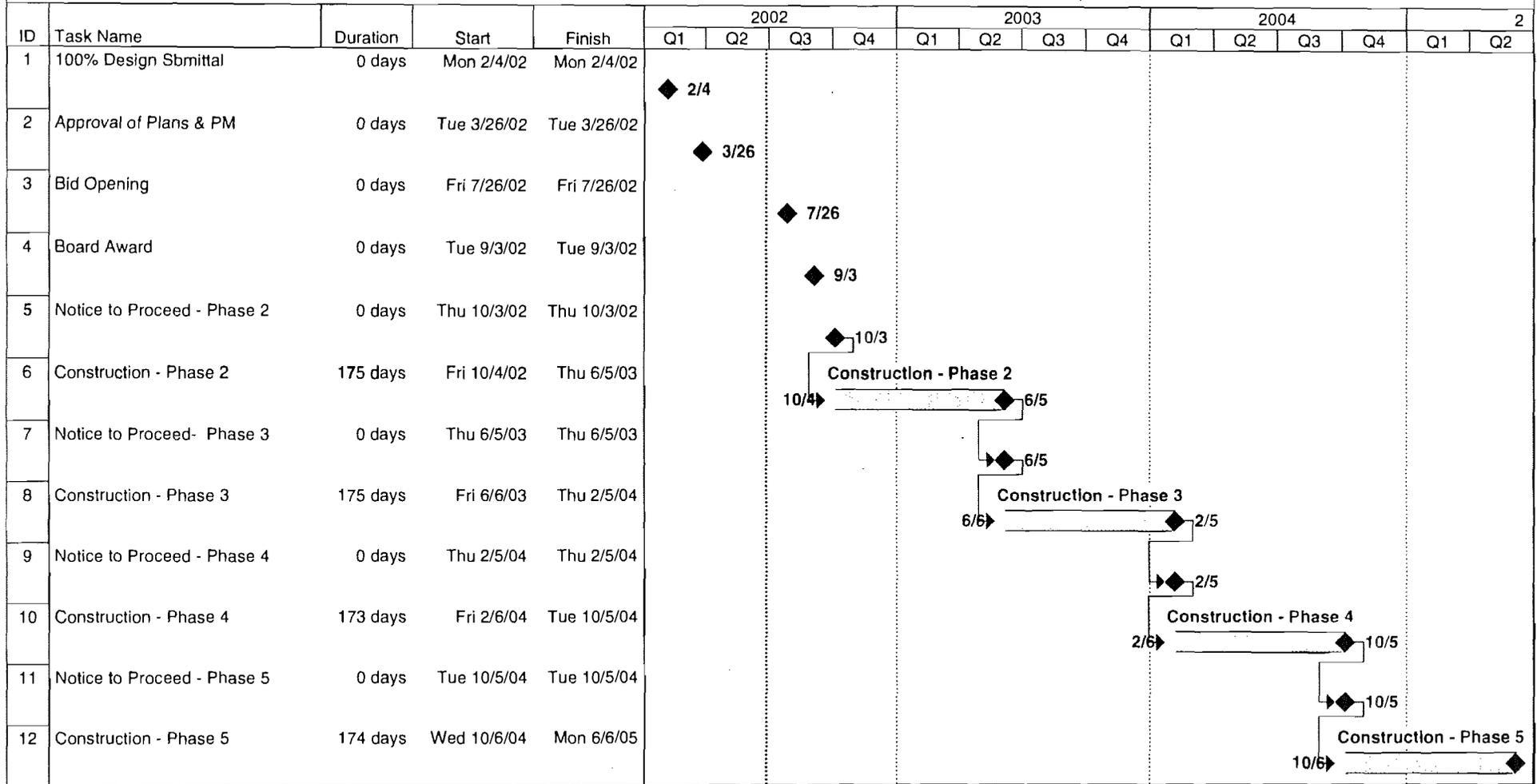
It is recommended that Addendum No. 1 be ratified, that both bids be rejected, that bid securities be returned to the bidders, that standard bidding procedures be waived, and that authorization be granted for new bids to be received from the original bidders only. Port staff will return to the Board for approval of the award of the contract.



PORT OF OAKLAND

Schedule for Aircraft Sound Insulation Program

CIP Element: AA.03291.02
WO# 106405, 106399, 106605



Project: Aircraft Sound Insulation
Project Engineer: George Berge
EPM: Tony Y. Cho
Date: 6/26/02

Task		Summary	
Split		Rolled Up Task	
Progress		Rolled Up Split	
Milestone	◆	Rolled Up Milestone	◇
		Rolled Up Progress	
		External Tasks	
		Project Summary	

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

June 26, 2002

PROJECT TITLE: Aircraft Sound Insulation Program, Phase 2, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California

CIP NO: AA.03291.02

W.O. #'s: 106399, 106405 and 106605

PROPOSED FUNDING SOURCES: FAA Fund, PFC

Narrative: The Engineering Support for Aircraft Sound Insulation Program was tracked under work order 106405. The Phase 1 of the Aircraft Sound Insulation Program is being tracked under work order #106399. The Phases 2, 3, 4 & 5 of the Aircraft Sound Insulation Program are being tracked under work order #106605.

Budget: The Aircraft Sound Insulation Program is included in the CIP Element No. AA.03291.02. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Engineering Support for Aircraft Sound Insulation Program W.O.#106405	280	475	2,686								3,441
Aircraft Sound Insulation Program, Phase 1 W.O.#106399				2,083		150					2,233
Aircraft Sound Insulation Program, Phase 2, W.O.#106605				2,122		100					2,222
Aircraft Sound Insulation Program, Phases 3,4&5 W.O.#106605				6,919		352					7,271
Total =	280	475	2,686	11,124	0	602	0	0	0	0	15,167

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 7

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

TD
 SUBJECT: Authorization to Include Construction of the Electrical Substation for South Airport Tenants in the Port's Small Business Program, OIA

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On June 19, 2001, the Board of Port Commissioners approved Resolution No. 01232. The resolution approved a rental credit agreement with United Airlines, Incorporated (UAL). The agreement was to reimburse UAL, through rental credits, for construction of a new electrical power substation to provide additional electrical power for UAL as well as to upgrade the Port's utilities' infrastructure. The electrical substation, which would have been constructed at UAL's Oakland Maintenance Center, would have provided power to Centralized Ground Air Source (GAS) equipment. Utilizing the GAS would have enabled UAL to test its aircraft engines without removing the aircraft from the hangar, thereby saving UAL money and time, and also reducing noise associated with its wide-body aircraft rehabilitation work.

After the recent downturn of the air travel business, UAL withdrew from the original rental credit agreement. Therefore, the Port has determined that it is in the best interests of the Port to construct the substation rather than have UAL construct the substation.

Meanwhile, the Southwest Airline Provisioning Building will be relocated into the same proximity as the substation. Therefore, the building's electrical feeder circuit will need to be located into the same electrical substation.

This project is critical because it will provide a redundant electrical service to the South Airport's Primary Electrical System. The Plans and Project Manual are currently being prepared for this project for the South Airport tenants.

ANALYSIS:

It is believed to be in the best interests of the Port to include this project in the Port's Small Business Program. This program allows small local contractors to attain experience in public sector work. To encourage small local contractor participation in this work, it is recommended that the Port dispense with standard bidding procedures and engage in an outreach program to initially solicit proposals from only small local contractors.

The contractors will be informed that the Port will initially only consider bids from small local contractors. If no responsive bids are received, the project will be readvertised to all contractors for bids to be submitted on a new bid submission date.

Environmental

The Board of Port Commissioners approved the project through Resolution No. 01232 on June 19, 2001. The Board action included approval of a categorical exemption for the project pursuant to Section 15301(p) of the Port's Guidelines of the California Environmental Quality Act (CEQA). The Statute of Limitations to challenge the project has run. No further environmental action is required.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for this site in the Oakland General Plan.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02221

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

[Signature]

JUL 16 2002

DATE

Budget

This work is budgeted under CIP Element No. A2.00428.03 and will be funded by Port cash and/or bonds. The Project Budget Summary is attached. The Project Schedule is also attached.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

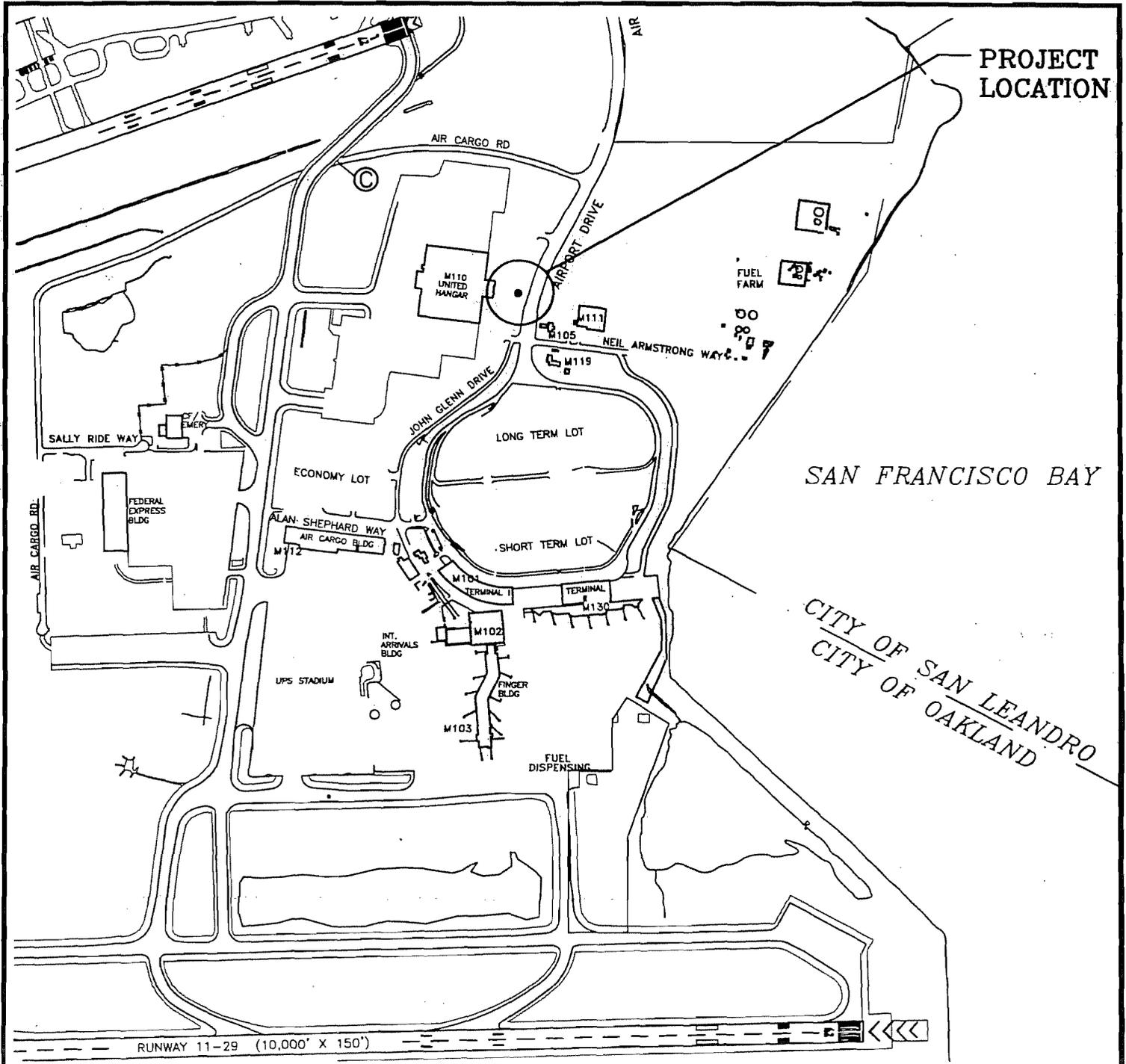
Sustainability

This project is necessary to provide additional power for the increased electricity loads. The project is designed to reuse as much of the existing equipment and underground conduits as possible to eliminate the need to procure new equipment and conduit.

RECOMMENDATION:

It is recommended that the project, Construction of the Electrical Substation for South Airport Tenants, be included in the Port's Small Business Program, and that it be found to be in the best interests of the Port to dispense with standard bidding procedures. It is also recommended that the Executive Director be authorized to execute a contract for this work with a small local contractor who submits an acceptable bid.

It is further recommended that the Executive Director be authorized to execute a contract for this work with any qualified contractor, based on informal bids, if the attempt to secure an acceptable bid from a small local contractor is not successful.

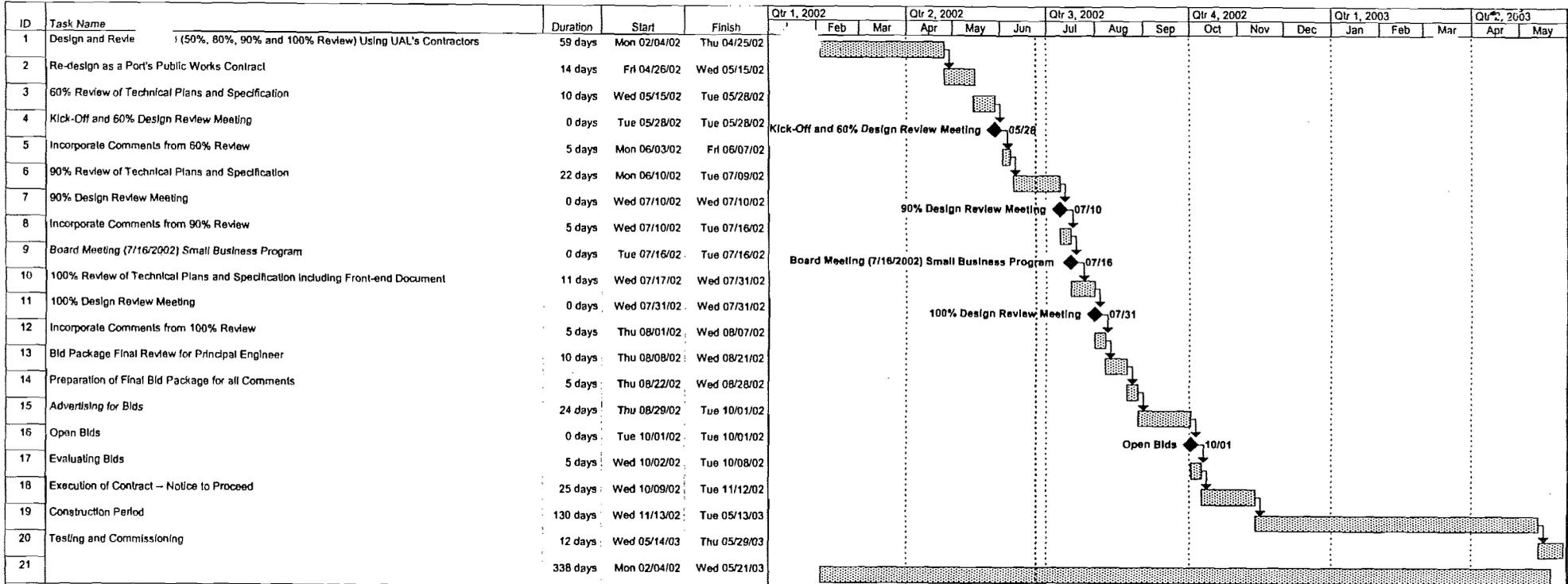


PROJECT
LOCATION

SAN FRANCISCO BAY

CITY OF SAN LEANDRO
CITY OF OAKLAND

PORT OF OAKLAND



Project: Construction of SS-15
 Date: Mon 06/24/02

Task		Milestone	◆	Rolled Up Task		Rolled Up Progress		External Tasks	
Progress		Summary		Rolled Up Milestone	◇	Split		Project Summary	

PORT OF OAKLAND

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

June 26, 2002

PROJECT TITLE: CONSTRUCTION OF NEW 15 KV SUBSTATION TO PROVIDE 4.3 MVA TO SOUTH AIRPORT TENANTS AT OAKLAND INTERNATIONAL AIRPORT (OIA)

CIP NO: A2.00428.03

W.O. #'s: 106601 and 106322

PROPOSED FUNDING SOURCES: Port Cash and/or Bonds

Narrative- A new 15 KV electrical substation is required to provide 4.3 MVA power to the United Airlines (UAL) Hangar, Building M-110, to support the UAL Oakland Maintenance Center, including consolidated Ground Air Source (GAS) equipment. The project was originally programmed for UAL accomplishment with Port approval, oversight, and reimbursement of UAL through Airport rental credits. After a downturn in air travel and UAL revenues following September 11, 2001, the delivery method was changed to Port design and accomplishment. The project has been expanded to provide a new 15 KV electrical feeder circuit to support a Southwest Provisioning Building that has recently been established in the project vicinity.

Budget The current CIP budget for this project is included in the CIP in Element A2.00428.03. The revised total budget is summarized in Table 1 below:

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00428.03

Project Components	Port Labor & Fringes	Portwide OH	Consultant	Const. Cost	Misc. & Other	Totals
Work Order No. 106322, Study for UAL Electric Power Increase	\$8	\$10				\$18
Work Order No. 106601, Construction of New 15 KV Substation to Provide 4.3 MVA to United Hangar	\$62	\$109	\$31	\$557	\$10	\$769
Totals	\$70	\$119	\$31	\$557	\$10	\$787

Remarks-

1. Assumes in-house CM

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 9

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SU^{TD} CT: Ratification of Change Order to Contract for Improvement of Runway and Taxiway Lighting, Marking and Control System, South Field, OIA – Add Control Cables and Repeaters / Re-phasing of Contract Work

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a Contract with Rosendin Electric Inc., for **Improvement of Runway and Taxiway Lighting, Marking, and Control System, South Field, Oakland International Airport A.I.P. 3-06-0170-21**, which became effective on February 7, 2001, at lump sum and unit prices totaling \$2,967,667.50. The work includes furnishing and installing a new taxiway centerline lighting system and its associated control equipment and devices consisting of addressable light control cables, pavement loop sensors, current regulators, smart switches and programmable logic controllers. The work also includes taxiway striping and re-circuiting of existing taxiway edge lights.

ANALYSIS:

1. Additional Control Cables and New Repeaters

The Surface Movement Guidance Control System (SMGCS) is a series of computer-controlled taxiway centerline lights that are turned on and off sequentially to create a taxiing route for aircraft to follow during low visibility conditions. SMGCS is required by the Federal Aviation Administration (FAA) to maintain aircraft operations during foggy conditions.

The project plans include five light control circuits that utilize about 35,750 feet of addressable light control cables (ALCC) to transmit signals to approximately 900 Smart Switches (SMS) used to control and monitor the status of each individual taxiway centerline light.

After the award of the construction contract, Rosendin Electric, Inc., (prime contractor) and ALSTOM (control system supplier) contacted the Port and wanted to discuss their recommendations for enhancing the performance of the proposed lighting system. ALSTOM strongly recommended that the Port's lighting control design be modified to meet their specifications. Their recommendations include:

- a) adding four control circuits or 53,000 feet of ALCCs; and
- b) providing a repeater (total of 24) on each circuit to boost signal strength.

Staff believes that these enhancements to the lighting control system will increase the required system reliability and aircraft routing flexibility desired by the Air Traffic Controllers at the Oakland Airport. Staff concurred with the above recommendations and subsequently directed the Contractor to install additional ALCCs and new repeaters. The total estimated cost for this work item is \$227, 600.

2. Additional Control Vaults and Conduit / Power Cable System for Dual-light Control Devices

The taxiway centerline lighting system consists of single lights on the straight and hi-speed (curved) sections of the taxiways and dual lights at taxiway sections (run-up areas) that merge onto the main runway. The contract plans require a set of control devices (transformer and SMS) for each light and installing them in the same light can or enclosure as the lights. During construction, it was determined that the dual-light cans were too small to accommodate two sets of control devices, so Staff directed the Contractor to provide separate vaults and a conduit / power cable system for the control devices. The estimated cost for this work item is \$146,800.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02222
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUL 16 2002
DATE

3. Re-phase Contract Work

The contract documents require the Contractor to complete certain portions of the contract work in phases. Within the taxiway safety zone work areas, the Contractor is permitted to work only in closed sections of the taxiways and may request closures of designated sections to perform work during the day or any time within the specified work duration in such sections. Several requests by the Contractor to work in the safety zone areas were repeatedly rejected by the Port because the taxiways must remain open to accommodate increased aircraft traffic. There were also times when the Contractor was idled to accommodate some higher priority work being done concurrently under the Taxiway Whiskey Conversion project. For these reasons, the Port re-scheduled the Contractor's work several times and required that it be performed only during the 6-hour taxiway closure period between midnight and 6:00 on Monday mornings. The Contractor incurred additional costs in paying premium rates (overtime rate less straight-time rate) to its workers and miscellaneous expenses attributed to night work. To date, the Port has approved time vouchers totaling \$103,000. It is estimated that an additional \$30,000 will be approved when Staff has completed its review of all the vouchers submitted. The total estimated cost for this work item is \$133,000.

The total estimated change order amount for the above Items 1, 2 and 3 is \$507,400.

Budget

The project is budgeted under CIP Element No. A2.00525.01. The funding source is AIP Grant Funding and Passenger Facility Charges (PFCs). Item No. 3 is budgeted under CIP Element No. A2.00641.04. The funding source is also AIP Grant Funding and PFCs.

To date, the Board has approved 18 change orders for this project, totaling \$213,000 or 7.2% of the total original award amount. Of this amount \$67,000 (2.2%) was for electrical modifications made to suit field conditions and to add certain work omitted from the contract; and \$146,000 (5%) was for work performed for other projects outside the scope of this contract. The total change order amount including this change order is \$720,400 or 24.3% of the total original award amount. This total amount will be covered under the project contingency, and it will be within the project budget.

Sustainability

Not applicable.

OPTIONS:

1. Install the lighting control system as designed.

The contractor could have been directed to install only five control circuits, as designed, and forego the increased reliability and flexibility of the contractor-suggested changes. Staff decided against this option in order to best meet the FAA's intent.

2. Install one set only of control devices to control the dual lights.

One set of control devices would have fit into the light cans, but it would not have been possible to provide selective control of individual lights to comply with FAA's operational requirements.

3. Hire another contractor to do the work on Monday mornings.

This option would have cost the Port twice as much and taken longer to complete the work because of the new contractor's unfamiliarity with the project.

RECOMMENDATION:

It is recommended that the Board ratify this change order for a total estimated amount of \$507,400 to Rosendin Electric, Inc., as described above.

PROJECT BUDGET SUMMARY
July 1, 2002

CIP NO: A2.00525.01
W.O. #'s: 105913, 106074, 106088, and 106335
PROPOSED FUNDING SOURCES: AIP-19 and PFC-7

Narrative: Enhancement of Airfield Lighting and Marking System and equipment is required to meet FAA requirements on visibility conditions of runways for aircraft take-off and landing operations.

Budget: The work is included in Element No. A2.00525.01, which includes the four work orders identified above. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary for CIP Element A2.00525.01 (1000's)

Project Components	Port Labor & Fringes	Portwide OH	Consult.	Const. Cost	Misc. & Other	Totals
Surface Movement Guidance Control System (Work Order No. 105913)	\$8	\$12				\$20
Make SMGCS Markings to Meet Current FAA Requirements (Work Order No. 106074)	\$3	\$4				\$7
Prepare Plans and Specifications to Implement and Construct SMGCS (Work Order No. 106088)	\$389	\$633	\$500	\$4,768		\$6,290
Install Runway Guide Lights for SMGCS (Work Order No. 106335)	\$18	\$27		\$32	\$1	\$78
Total	\$418	\$676	\$500	\$4,800	\$1	\$6,395

Remark-
1. Assumes in-house CM.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Terminal 2 Extension - Approval of Consultant Agreement with VBN for Professional Architectural and Engineering Services for the Terminal 2 Extension Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Extension Project

DATE: July 16, 2002

ITEM NO: 10

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: [Signature]

SUMMARY AND RECOMMENDATION:

In this report, we recommend that the Board take the following actions:

- 1) Authorize the competitive selection process for the Terminal 2 Extension for the consultant agreement for architectural and engineering services;
2) Authorize the Executive Director to execute a contract with VBN for architectural/engineering services;
3) Authorize staff to request proposals from interested Construction Manager at Risk (CMr) contractors for delivery of the Terminal 2 Extension Project; and
4) Dispense with the Port's standard lowest-sealed-bid procedures for selection of the CMr.

The Board previously approved the project on May 7, 2002, as the Terminal 2 Gates Project.

FACTUAL BACKGROUND:

The increased security requirements due to the September 11th terrorist attacks have resulted in increased passenger and aircraft processing time which makes the existing gates less efficient. Consequently, Terminal 2 and the airport roadway system now suffer from severe congestion. (Attachment A, Letter of Steven Grossman). Southwest Airlines has requested more gates and terminal facilities (baggage handling, ticket counters and security screening area). They need these facilities to be operational within two years. In response, Staff has developed a two-part project. The first project will provide a new concourse coming off the end of the existing concourse at Terminal 2 and the second will expand the existing Terminal 2 building to provide expanded terminal functions. Because they are on different time tracks, each of the two parts will be designed and constructed separately. In several years, if the new TEx terminal is constructed with its additional gates, this project's seven domestic gates can be converted into a three-gate International Concourse.

To complete these projects within two years requires a delivery method that is tailored to the project requirements and speed in delivery. To save 10-12 months of schedule, Staff recommends that for each part of the Terminal 2 program, a separate A/E contract be awarded for the design and followed by a CMr contract for the construction.

On May 7, 2002, the Board of Port Commissioners approved the construction of a two-story, 800 linear-foot concourse and gates as part of the improvements to the Terminal 2 Building (Attachment B). The project was designated as the Terminal 2 Gates Project. The new concourse will result in the closure of two existing gates at Terminal 2, which will be replaced with two gates in the new concourse. In addition, the new concourse will accommodate five new gates. Previously, on March 26, 2002, Staff submitted to the Board a report summarizing the status of its planning and development of the project and alternatives for delivery of the Terminal 2 improvement projects using the CMr method. In discussion at subsequent Board meetings, the Commissioners expressed no opposition to the Terminal 2 projects being delivered as explained in the March 26 letter and using the currently existing LBU regulations. Therefore, Staff now seeks formal approval of the delivery methods and selection process for these projects, as explained here.

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02223

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

JUL 16 2002

DATE

Terminal 2 Extension – Approval of Consultant Agreement with VBN for Professional Architectural and Engineering Services for the Terminal 2 Extension Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Extension Project

Project Description:

This project consists of a two-level concourse building (approximately 108,000 square feet) initially serving seven domestic narrow body aircraft and connected to the existing Terminal 2. At the appropriate time in the future, the new domestic concourse will be remodeled as a late TEx project into an International Concourse serving three wide body aircraft.

The upper level of the building will include passenger hold rooms, restrooms, concession and circulation areas, and connections to passenger loading bridges. The lower level will include airline ramp operations required to serve a fully functional passenger concourse. The scope of the project also includes all building utilities, aircraft paving, related fueling systems and moveable passenger loading bridges. Timely and cost-effective completion of the Project is of vital necessity to relieve congestion and delays at the Airport.

ANALYSIS:

Procurement of Architectural/Engineering Consultant

From the outset, the Terminal 2 projects have been planned to minimize the time necessary to open these important transportation facilities by shortening the duration of each phase of the development. One of the techniques the Port has employed to reduce the development time is to produce the Schematic Design Phase drawings using the MAJV. A follow-on architectural/engineering consultant will carry on the design of the project to completion and provide services through construction and project closeout. Thus, on this project, the follow-on architectural/engineering consultant will not start with a blank sheet of paper, but with a well-defined scheme.

It is of critical importance to the success of the project that the A/E firm be mobilized immediately. A delay in the mobilization of the A/E will not only delay production of the design, but will also complicate coordination between the A/E and CMr firms. That is because the recommended delivery method requires close coordination between the A/E, the CMr, the Port, and the airlines, as well as the Transportation Security Administration. In order to save time in retaining and mobilizing the A/E, the Port utilized an innovative solicitation method that is fair, efficient and competitive. Under the Port's traditional selection process, the process of ranking and then negotiation, with the possibility of restarting negotiations with another consultant, may significantly delay the completion of the project. For the Terminal 2 Extension Project, the Port requested that the responses to the Port's RFP provide price information, as well as qualifications, experience and local business utilization information. Port staff developed this process to reduce the time necessary to execute a final A/E agreement so that design completion work can commence without undue delay.

Also, the Port included in the RFP a draft contract form to be used on the project. The purpose of including the draft contract form was to identify any contract terms which might pose an obstacle to rapid execution of a contract and mobilization of the designer. Of the eight proposals received for this contract, five identified no concerns with respect to the Port's contract terms. We estimate the use of this innovative solicitation method will save 60 days from the schedule, while not sacrificing the quality or competitiveness of the proposals received.

Basis of Selection of Architectural/Engineering Consultant

A request for Proposals (RFP) for Architectural and Engineering Services to design the Terminal 2 Extension Project was issued by the Port on April 15, 2002. On May 29th, eight proposals were received on time. Because the A/E will provide professional services which require the exercise of judgment and deliberation, award of the contract based solely on the lowest bid as required under Port Ordinance 1606, Section 5, would not be in the Port's best interest. A monitored selection process was used with PricewaterhouseCoopers (PwC) as the independent monitor. PwC received and checked all proposals to

determine whether they complied with the submittal requirements of the RFP. PwC also conducted a conflict of interest determination of the panel members to ascertain whether the panel members had any conflict that could raise questions on their objectivity. There were none. Finally, PwC distributed the appropriate materials from each proposal to the members of the three independent panels: Qualifications, Price, and Local Business Utilization. The three separate panels provided independent evaluations of the price, technical qualification and local business utilization portions of the proposals, which helped preserve the integrity of the selection process. The recommendation of the TEx Program Director, including PricewaterhouseCoopers' Independent Monitor's Report, are attached as Attachment C.

The proposals were evaluated on a best-value basis, with independent scoring of the technical proposal, price proposal, and local business content of the proposals. The weight given to each factor was as follows:

- | | |
|---------------------------------|------------------|
| ▪ Experience and qualifications | 45 points |
| ▪ Price Proposal | 40 points |
| ▪ Local Business Utilization | <u>15 points</u> |
| Total | 100 points |

Staff will discuss its recommendation of VBN Architects at the July 8th meeting of the Aviation Committee and, subject to the recommendation from the Committee, will bring this matter to the full Board.

Approval to Dispense with Standard Lowest-Sealed-Bid Procedures for the Construction Manager at Risk

For the delivery of the Terminal 2 Extension Project, Staff recommends the Construction Manager at Risk (CMr) method, where the CMr firm would be a licensed General Contractor. The firm would be selected through a competitive process which considers qualifications, experience and approach to the work, project management plan, costs for pre-construction activities, local business participation, General Conditions and fee. Because the CMr will provide professional services which require the exercise of judgment and deliberation, award of the contract based solely on the lowest bid as required under Port Ordinance No. 1606, Section 5, would not be in the Port's best interest. The existing Port LBU policy for professional services will be used in the selection.

Once the Contract is awarded, the CMr will work with the Port and the architect to develop drawings that will be coordinated and complete, thus minimizing the final construction costs. During design, the CMr will work with the A/E and perform pre-construction services such as value engineering and constructability reviews. To facilitate the timely construction of the project, the design will be prepared and delivered to the CMr for construction in a phased sequence. As the phased design packages are completed, the CMr will competitively bid the work to trade subcontractors. This is to be done in an "open book" process with the Port being present for the opening and recording of each bid. The Port will apply its existing LBU Policy for construction contracts to each bid to determine the adjusted bid price. The work will generally be awarded to the lowest (adjusted) qualified, responsive bidder. The contracts with each of these subcontractors will be held directly by the CMr.

The total cost of the project to the Port will be the sum of the CMr's fee and general conditions plus the total of the trade subcontractors and contingency amounts that the Port and the CMr negotiate and agree to. This total will be the progressive Guaranteed Maximum Price (GMP) to be paid to the CMr for delivery of the project in the specified time.

Terminal 2 Extension – Approval of Consultant Agreement with VBN for Professional Architectural and Engineering Services for the Terminal 2 Extension Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Extension Project

Basis of Selection of Construction Manager at Risk

The selection of the CMr will be based on the Port's current process for the selection of professional services contracts. The Request for Proposal (RFP) for these services will contain the schematic design drawings, the project master schedule, the construction budget for the work and the Port's current LBU Policy for professional services. This information will allow the respondents to the RFP to provide their approach to the project, their proposed CMr project team, estimates for the general conditions costs and their proposed fee. The evaluation criteria of the proposals will be based on a "best value" approach taking into consideration, qualifications, experience, approach to the project, proposed structure of the team, utilization of local businesses and the cost of pre-construction services, general conditions and fee.

Environmental

The Airport Development Program (ADP) is comprised of several project components, which include terminal expansion (addition of gates and other terminal support facilities), landside access projects (including a six-story parking garage); airline and airfield support (including airline maintenance facility expansion); air cargo relocation and facility development; and airfield improvements. The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the ADP in 1997 and 1999. The Terminal 2 Gates project is within the scope of the Airport Development Program that was approved by the Board of Port Commissioners in December 1997 and June 1999, and was evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeals ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. All parties to the litigation have agreed that the Port can proceed with construction of the 80 foot concourse at Terminal 2 (Terminal 2 Gates project) while the Port conducts the additional environmental analysis required by the Court's decision. The ADP EIR is sufficient for purposes of evaluation of the Terminal 2 Gates project, which will not result in any new or substantially more severe environmental impacts than those identified in the ADP EIR. The Terminal 2 Gates component of the ADP was presented to and approved by the Board of Port Commissioners in May 2002. A Notice of Determination applicable to the Terminal 2 Gates project was filed in June 2002. The Terminal 2 Gates project referenced in the environmental documents is now designated as the Terminal 2 Extension Project.

Budget

This project has been analyzed in the Port Feasibility Studies and determined to be feasible. The project is included in CIP Item No. A2.00840.02. The funding source will be a combination of Port funds, Passenger Facility Charges, and Southwest Airlines Financial Participation Fees. The project budget is attached in Attachment D.

Because this project will be completed using fast-track techniques, any unanticipated extra design services must be approved with minimum delay. Delegating contingency expenditure authority to the Executive Director would enable the Port to respond quickly and proactively during the project. The contingency could be used only at the discretion of Port Staff.

Business Consideration

The Port and Southwest Airlines intend to enter into a Memorandum of Understanding (MOU) that will memorialize Southwest's willing participation in the Terminal 2 projects, including covenants regarding Southwest's efforts in financing, coordination, planning and management of the project. This MOU will be brought to the Board for its review and consideration as a separate action.

General Plan

Terminal 2 Extension – Approval of Consultant Agreement with VBN for Professional Architectural and Engineering Services for the Terminal 2 Extension Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Extension Project

Pursuant to Section 727 of the City Charter, the project has been determined to conform with the Policies of the City of Oakland General Plan.

Sustainability

Sustainable opportunities will be considered and incorporated, to the extent feasible, in the execution of this project.

Project Labor Agreement

Project Construction by the CMr will be subject to the Oakland Maritime and Aviation Project Labor Agreement (MAPLA). MAPLA does not apply to the architectural and engineering services work.

Owner Controlled Insurance Program (OCIP)

The project is subject to the Port's OCIP program.

OPTIONS:

1. Authorize the competitive selection process for selection of professional architectural and engineering services, and authorize the Executive Director to execute a contract with VBN for an amount not to exceed \$2,416,923. In the event that VBN declines to enter a contract, the Executive Director should be authorized to select another firm from the list of proposers and enter a contract. Any contract entered shall be on terms approved by the Port Attorney. In addition, it is recommended that the Executive Director be authorized to approve up to an additional \$480,000 for potential changes to scope and;

and

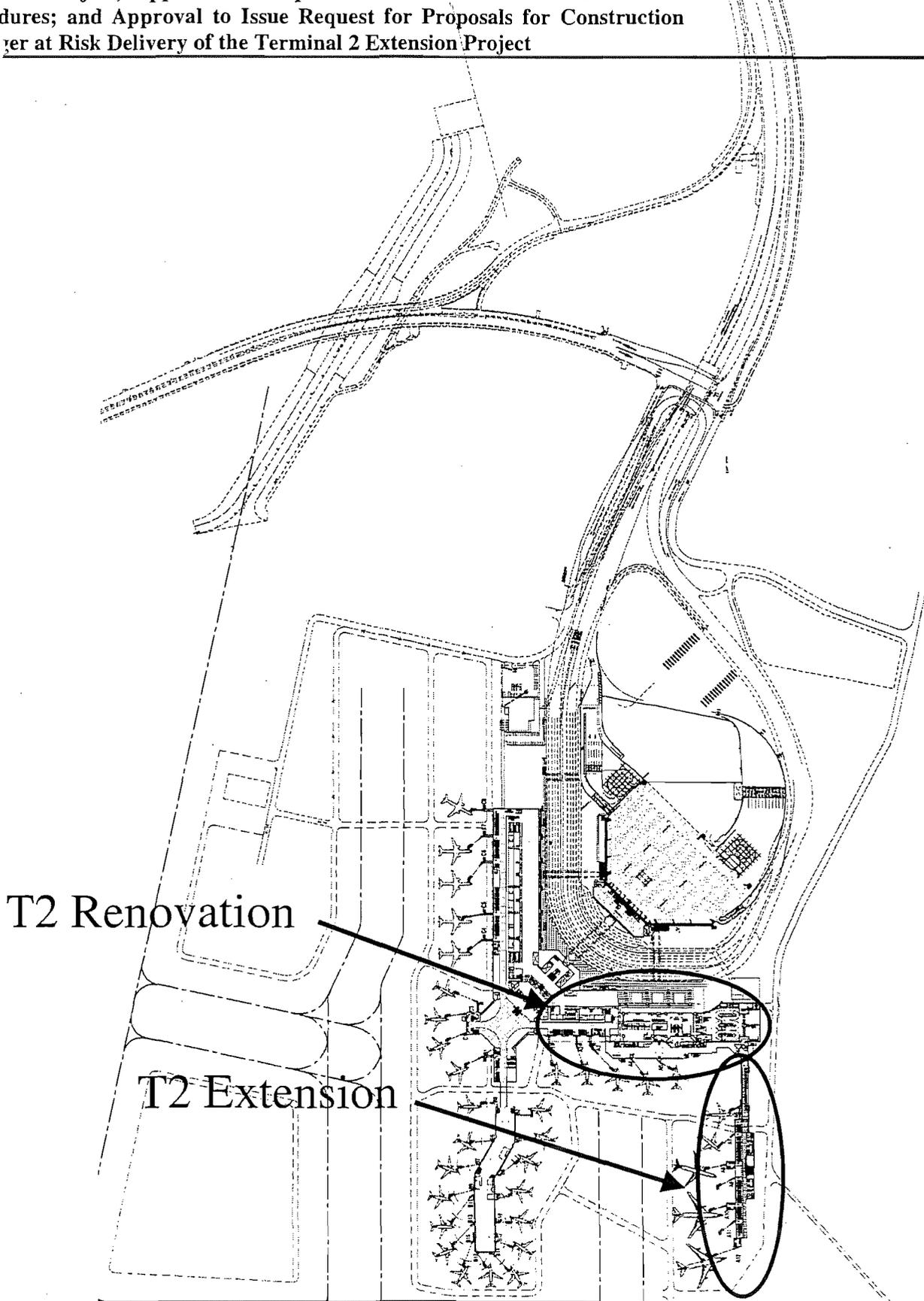
Dispense with standard lowest-sealed-bid procedures for construction, authorize delivery of the project by the Construction Manager at Risk delivery method, and authorize staff to request proposals from interested CMr contractors for delivery of the Terminal 2 Renovation project.

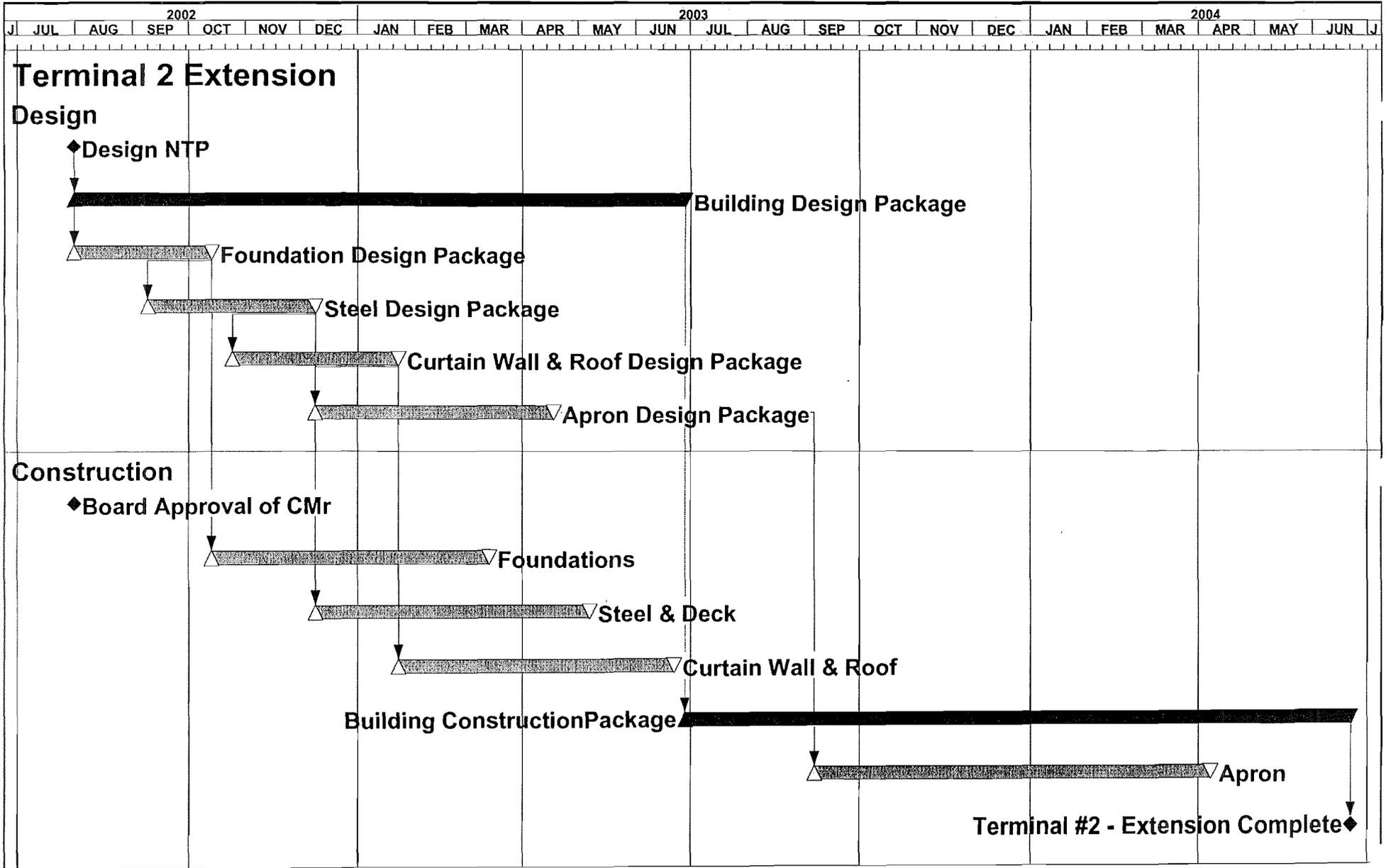
2. Only Authorize the alternative competitive selection process for selection of professional architectural and engineering services as described in Option 1, but not for construction management services.
3. Take no action. Direct staff to procure delivery of the project using standard lowest-sealed-bid procedures for design and construction. The project would be delayed substantially. The quality of services would be compromised. Increasing passenger demand would not be met. Passenger queuing at ticket counters, outbound baggage, and security checkpoints would continue to be congested, resulting in continuing passenger inconvenience. Southwest's demands for additional gates would not be satisfied.

RECOMMENDATION:

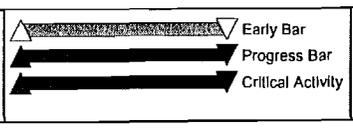
It is recommended that the Board, pursuant to Port Ordinance 1606, Section 5, approve a resolution to:

1. Determine that the services described above are professional services;
2. Dispense with Port's lowest-sealed-bid selection process for selection of professional architectural and engineering services, and authorize the Executive Director to execute a contract with VBN for an amount not to exceed \$2,416,923. In the event



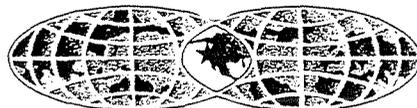


Start Date 01APR02
 Finish Date 21JUN04
 Data Date 10JUN02
 Run Date 27JUN02 11:03
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T262
 Oakland Terminal Expansion Program
 Terminal 2 Project Summary
 T2 Extension w/o AE- 8-1/2 x 11
 Sheet 1 of 1

Date	Revision	Checked	Approved



PORT OF OAKLAND

STEVEN J. GROSSMAN
Director of Aviation

Phone (510) 627-1133
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July 3, 2002

BOARD OF PORT COMMISSIONERS
OF THE CITY OF OAKLAND

Frank Kiang, President
John Protopappas, First Vice President
Patricia Scates, Second Vice President
Darlene Ayers-Johnson, Commissioner
David Kramer, Commissioner
Phillip Tagami, Commissioner
Peter Uribe, Commissioner

Dear Members of the Board:

Award of Contractor for Architecture/Engineering Services on Terminal 2 Renovation and Terminal 2 Extension Projects

The purpose of this letter is to provide you with additional information regarding the above-referenced contracts.

As you know, Oakland International Airport's Terminal 2 has been operating far in excess of its design capacity for many years. However, new security procedures imposed in the wake of the September 11th terrorist attacks have greatly exacerbated the congestion in Terminal 2. As a result, passengers using Terminal 2 have been subjected to significant delays at every point in the departure process, including, the ticketing function, security screening, and enplanement. For example, during peak periods passenger wait time at the security checkpoint increased to 60 minutes or more. While recent improvements have reduced these waits, as passenger traffic increases congestion will also increase. Another unanticipated feature of post-9/11 air travel is that passengers spend much longer periods of time waiting for their departures. This results in increased demand for support facilities, such as seating, restrooms, and food services. During many peak periods, passengers are forced to sit on the floor, as hold rooms cannot accommodate the increased number of passengers.

Additionally, the aircraft throughput rate per gate has declined because the "turn around" time for aircraft has increased from 15-20 minutes to 30 minutes or more. The delay effect of this increased turn around time ripples through the entire operating day at the airport. Finally, restrictions on curbside baggage check-in have slowed the passenger drop off process leading to increased traffic congestion on Airport Drive.

As a result of these problems, the Aviation Division conceived the Terminal 2 Concourse Renovation and Extension project. These projects will greatly alleviate the problems of crowding and congestion in Terminal 2. Delays in curbside check in will be reduced by the addition of space for skycap services. In addition to addressing these problems, the Terminal 2

Award of Contractor for Architecture/Engineering Services on Terminal 2
Renovation and Terminal 2 Extension Projects

July 3, 2002

Page 2 of 2

Renovation will provide space for the installation of Explosive Detection Systems mandated by federal law.

As peak passenger travel through the airport continues to increase these problems will be further exacerbated. Therefore, it is of vital importance to the traveling public that the Port employ every available method to accelerate the completion of the Terminal 2 projects.

Sincerely,



Steven Grossman
Director of Aviation

cc: Tay Yoshitani
John Glover
Joe Wong
Dave Peixotto

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE May 7, 2002

ITEM NO: 1

SUBJECT: Approval Of Terminal Two Building Improvements For Baggage And Security Checkpoint Areas And Terminal Two Gates Projects Authorizing Relocation Of The Southwest Provisioning Building, Considering The Need For PFC Applications, Design Contract Awards, Construction Contract Awards, And Related Agreements With Southwest Airlines And Making California Environmental Quality Act Determinations

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman *SG*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The Port proposes that the Board approve the following projects to improve the passenger facilities at Terminal 2 of the Oakland International Airport (1) the Terminal 2 gates project; (2) relocation of the Southwest Airlines provisioning building; and (3) improvements to the Terminal 2 baggage and security checkpoint areas. As explained in more detail, below, the Terminal 2 projects are needed to address security requirements and procedures. In addition to deciding whether to carry out these projects, the Board will be considering future project related actions such as design and construction awards, future PFC applications, and tenant agreements.

ANALYSIS:

The Terminal 2 projects are as follows:

Terminal 2 Gates Project: The Port will construct a two-story, 800 linear foot concourse in the location shown on the attached Diagram 1. The new concourse will result in the closure of two existing gates at Terminal 2, which will be replaced by two gates in the new concourse. In addition, the new concourse will accommodate five new gates. The concourse also will provide space for concessions, passenger holdroom, public circulation, building operations, retail support, storage, and offices. Hydrant fueling pits will be provided at the new gates, and the existing service road will be improved and extended in order to provide fire access.

Ultimately, if the rest of the terminal expansion component of the ADP is approved and constructed, the Port may convert the new concourse to an international concourse. If this occurs, the five new gates could be converted to three wide-body international gates.

Relocation of Provisioning Building: Currently, the provisioning building for Southwest Airlines is located in the footprint of the new concourse described above. In order to construct the new concourse, the provisioning building must be relocated. In addition, Port staff has determined that the provisioning building should be relocated in order to enhance airport security.

The Port will construct a new 10,000 square foot provisioning building adjacent to Taxiway B at the South Field. The area is currently a paved surface that serves both aircraft parking and vehicular parking. The Port also will create a 50,000 square foot paved area for ground access and loading in an area that is currently paved. The construction will include the installation of underground utilities to serve the provisioning building, and construction of a road on a previously paved area (a parking lot) to provide access to the site from Airport Drive.

The new provisioning building will benefit from being located at the interface between the publicly accessible area of the airport and the secure area. As a result, delivery trucks traveling to the provisioning building will not pass onto the secure area of the airport, and vehicles traveling from the provisioning building to the aircraft will remain on the secure area of the airport, enhancing overall airport security.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Approval Of Terminal Two Building Improvements For Baggage And Security Checkpoint Areas And Terminal Two Gates Projects Authorizing Relocation Of The Southwest Provisioning Building, Considering The Need For PFC Applications, Design Contract Awards, Construction Contract Awards, And Related Agreements With Southwest Airlines And Making California Environmental Quality Act Determinations

April 16, 2002
Page 2 of 4

Terminal 2 Building Improvements: In November 2001 Congress enacted legislation requiring the screen checking of all outbound baggage. In order to comply with these requirements, Port staff has determined that the Port must expand its outbound baggage processing area by 22,300 square feet. The expanded baggage processing area will be constructed on the current area known as the VIP parking lot adjacent to Terminal 2. In addition, the Port will provide 2,000 additional square feet of baggage screening area within Terminal 2 in the area now used for airline ticket offices. The existing airline ticket offices displaced by the 2,000 square foot baggage screening area will be replaced in the area of Terminal 2 currently used for security checkpoint positions.

Changes in security requirements and passenger behavior since September 11 have resulted in substantial queuing at the airport ticket counters during peak periods. For example, in December 2001, queuing at the Southwest Airlines ticket counters extended onto the curbside and into the adjacent parking lot. In order to alleviate this queuing and to enhance airport security by reducing congestion in the passenger check-in area, Port staff has determined that additional ticket counters and check-in stations should be constructed in Terminal 2. The Port will construct 12 new ticket counters, 2,200 square feet of new airline ticket office space, and 12 new curbside check-in stations outside of Terminal 2. The new ticket counters and associated ticket office space will be located in the area of Terminal 2 currently used for security checkpoint positions and queuing. The new curbside check-in stations will be located outside of the new outbound baggage processing area.

Heightened security requirements and procedures also have resulted in substantial queuing at the airport's passenger security checkpoints. Port staff has concluded that a total of 5 new security checkpoint positions are needed in Terminal 2, for a total of 10 security checkpoint positions. The Port will locate the 10 security checkpoint positions and 3,200 square feet of security queuing space in the area of Terminal 2 currently used as the Terminal 2 passenger baggage claim area.

In November 2001 Congress also created a new federal agency called the Transportation Security Agency. The TSA now supervises and carries out the inspection of passengers and baggage at the Airport. The Port may provide office space for use by the TSA within the area of Terminal 2 currently used as the baggage claim area. If this area is not used by the TSA, this office space will be used for other security-related purposes.

Because the security checkpoint positions and office space will be constructed in the footprint of the current passenger baggage claim area, the Port will need to replace the existing passenger baggage claim area in an area adjacent to Terminal 2. The Port will construct a 25,000 square foot passenger baggage claim area on the footprint of the parking/shuttle area immediately to the west of Terminal 2.

A seismic upgrade of Terminal 2 and Terminal 2 concourse will be included in the overall project, along with upgraded electrical and plumbing systems. In addition, inbound and outbound baggage systems will be replaced with newer systems.

Design & Construction Awards: The project will be built in phases, thus there will be several design and construction contracts. Future Board action to award design and construction contracts for the various project components will be required.

Future PFC Applications: The project funding sources will consist of Port funds, Passenger Facility Charges, and financial participation revenue from Southwest Airlines. Future Board action to secure Passenger Facility Charge and federal grant funding (if made available) will be required.

Tenant Agreements: Memorandum of Understanding - Terminal 2 Improvements: The Port and Southwest intend to enter into a MOU that will memorialize Southwest's willing participation in the Terminal 2 project, including covenants regarding Southwest's efforts in financing, coordination, planning and management of the project. This MOU will be brought to the Board for its review and consideration as a separate action.

Provisioning Facility Lease: For its present provisioning facilities, Southwest rents building space and land from the Port under a License and Concession Agreement amended in 1998, the term of which now month-to-month.. The Port intends to enter into a new ground lease with Southwest for its new provisioning facilities.

ENVIRONMENTAL:

Terminal 2 Gates: The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The Terminal 2 Gates project is within the scope of the Airport Development Program approved by the Board of Port Commissioners in December 1997 and June 1999, and was evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeal ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. All parties to the litigation have agreed that the Port can proceed with construction of the Terminal 2 gates project while the Port conducts the additional environmental analysis required by the court's decision. The ADP EIR is sufficient for purposes of evaluation of the Terminal 2 gates project, and the project will not result in any new or substantially more severe environmental impacts than were identified in the ADP EIR.

Provisioning Building: Relocation of the Southwest Airlines provisioning building is within the scope of the Airport Development Program approved by the Board in 1997 and 1999, and was evaluated in the Final EIR for the ADP. However, the new provisioning building will not be located in the area of the Airport described in the EIR; instead, as described above, Port staff has determined that the building should be placed in an existing paved area that would enhance airport security. The relocated project will not result in any new or substantially more severe environmental impacts than were identified in the Final EIR for the ADP. Further, the project has no bearing on the analysis of air quality impacts and nighttime noise, nor is it located in an area that has been or could be inhabited by the burrowing owl. Therefore, the project has been sufficiently analyzed in the Final EIR for the ADP and no additional environmental analysis is required.

As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to Public Resources Code section 21080 (b)(4) because the project is necessary to mitigate an emergency. The President of the United States issued "Proclamation 7463" on September 14, 2001, by which he declared a national emergency. The President's declaration of emergency was made necessary because of certain terrorist attacks involving the use of airplanes. The President declared war on terrorist activities, created an office of Homeland Security, and the FAA continues to issue heightened alerts at the nation's airports. The FAA, in response to the national emergency, began implementing new regulations and policies at airports to prevent and mitigate future terrorist attacks and to provide for greater security and safety of the public, employees and local areas. As explained above, relocation of the Southwest Airlines provisioning building will enhance airport security.

As another severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15302 because the project consists of replacement of an existing structure with a structure that will have substantially the same purpose and capacity as the structure replaced. Both the existing structure and the new structure are located on the airport site.

Improvements to the Terminal 2 baggage and security checkpoint areas: The Terminal 2 Building Improvements are not components of the Airport Development Program. As explained above, they are necessitated by airport security requirements and procedures. Pursuant to Public Resources Code section 21080 (b)(4), this project is exempt from CEQA because it is necessary to mitigate an emergency. As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15301 because the project consists of minor alterations to an existing structure and facilities, involving negligible expansion of use beyond that existing today. In particular, the project involves the addition of safety devices in conjunction with use of an existing structure and terminal facilities.

A Notice of Determination and a Notice of Exemption will be filed upon the Board of Port Commissioners approval of the Terminal 2 gates project, the provisioning building project, and the project to improve the Terminal 2 baggage and security checkpoint areas.

BUDGET:

This project has been analyzed in the Port Feasibility Studies and determined to be feasible. The Project budget detail is attached. The funding source will be a combination of Port funds, Passenger Facility Charges, and Southwest Airlines Financial Participation Fee's.

GENERAL PLAN:

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

PROJECT LABOR AGREEMENT:

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

SUSTAINABLE OPPORTUNITIES:

Staff will identify opportunities in incorporating into this project equipment and materials that utilize sustainable resources in construction and operation, as described in the Port's Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board approve the project Terminal Two Building Improvements for Baggage and Security Check-Point Areas and Terminal Two Gates Project, authorizing relocation of the Southwest Provisioning Building, considering the need for PFC Applications, design contract awards, construction contract awards, and related agreements with Southwest Airlines and making California Environmental Quality Act determinations

FOR INFORMATION ONLY

Terminal Expansion
Terminal T2 Extension
Summary of Concourse Option 1 T2 Scheme F

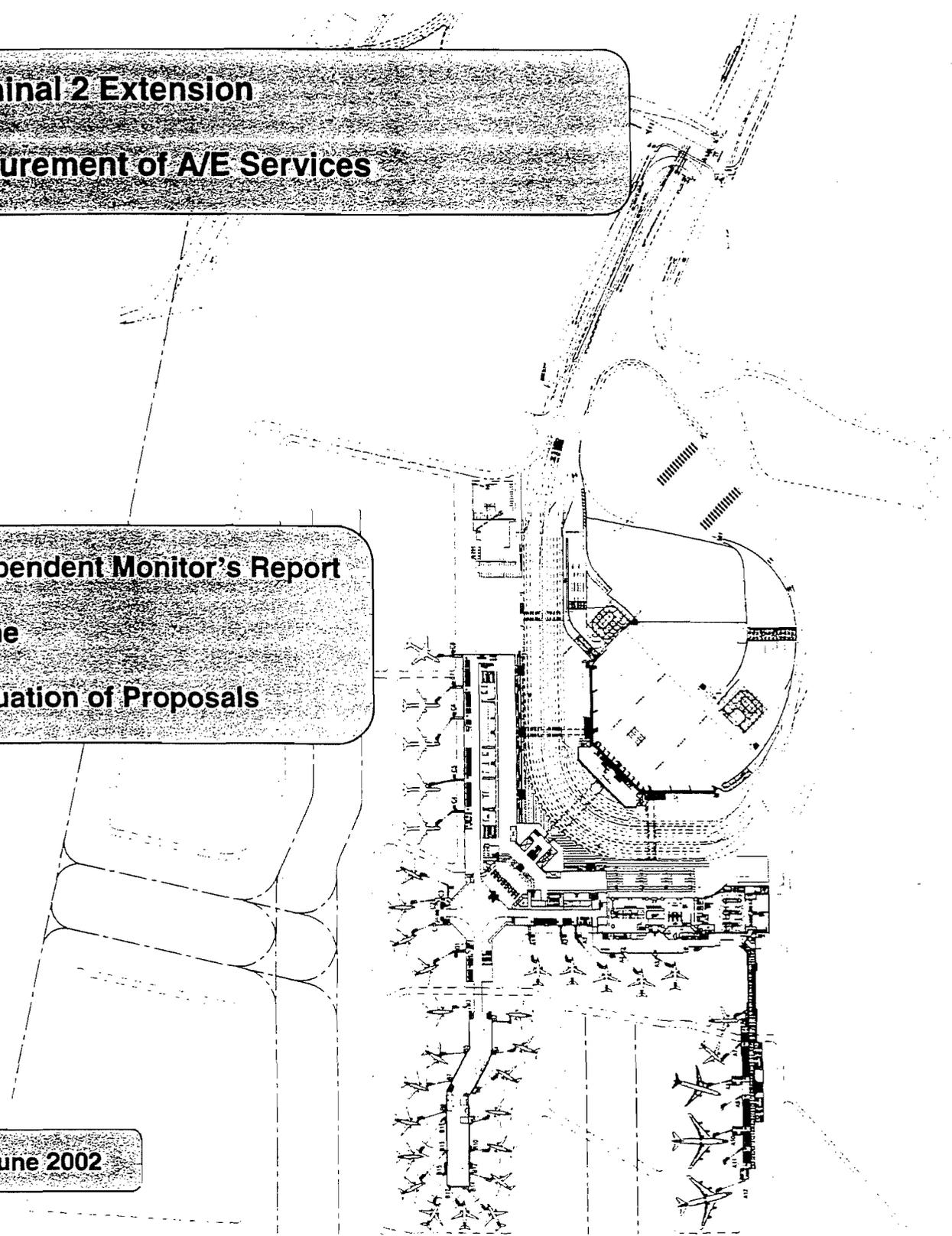
Feb 25, 2002

Amounts in \$000s				
		Construction	Program Implementation	Total Estimate
New Construction at T2				
Domestic Concourse Extension Option 1				
Concourse Extension Ph 1 108,250sf	\$259/SF	\$ 41,128	\$ 13,572	\$ 54,700
T2 Remodel & Expansion		\$ 24,369	\$ 8,042	\$ 32,411
Estimate of Escalation		\$ 2,292	\$ 648	\$ 2,941
Total Escalated Estimate for Domestic Concourse				\$ 90,052
Alternative Building features Under Consideration				
T2 Seismic Retrofit	\$69/SF	\$ 8,317	\$ 2,745	\$ 11,062
Restroom at West T1 Connector	\$720/SF	\$ 2,359	\$ 778	\$ 3,137
Two New Holdrooms	\$540/SF	\$ 5,400	\$ 1,782	\$ 7,182
Two Apron Level Offices	\$180/SF	\$ 1,800	\$ 594	\$ 2,394
Escalation on Alternatives		\$ 878	\$ 248	\$ 1,125
Subtotal Escalated Estimate for Alternatives				\$ 24,900
Total Estimate for Domestic Concourse & Alternatives				\$ 114,952
Total Deductable from TEx Budget				\$ 50,330
Additional Cost of "T2 Extension": Domestic Use				\$ 64,621

**Terminal 2 Extension
Procurement of A/E Services**

**Independent Monitor's Report
on the
Evaluation of Proposals**

28 June 2002



Terminal 2 Extension : Procurement of A/E services

Independent Monitor's Report

Contents

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Appendices

- A. Conflict of Interest questionnaire
- B. Reference checklist
- C. Scoring Panel Membership
- D. PwC independence letter
- E. Evaluation Panel score sheet
- F. Evaluation Panel scores
- G. Comments on Insurance submissions

1. Executive Summary

PricewaterhouseCoopers was appointed in March 2002 by the Port of Oakland to act as Independent Monitor for the procurement of contracts related to the expansion of Oakland airport. This report describes the procurement process and presents the results of the evaluation for the procurement of A/E Services for the Terminal 2 Extension contract. This report does not make a recommendation with respect to the award of the contract but rather the report is intended to assist the Port Staff make their recommendation to the Board of Commissioners.

Eight Proposals for the contract were received and evaluated. Each proposal was scored out of 100 points under three categories as follows:

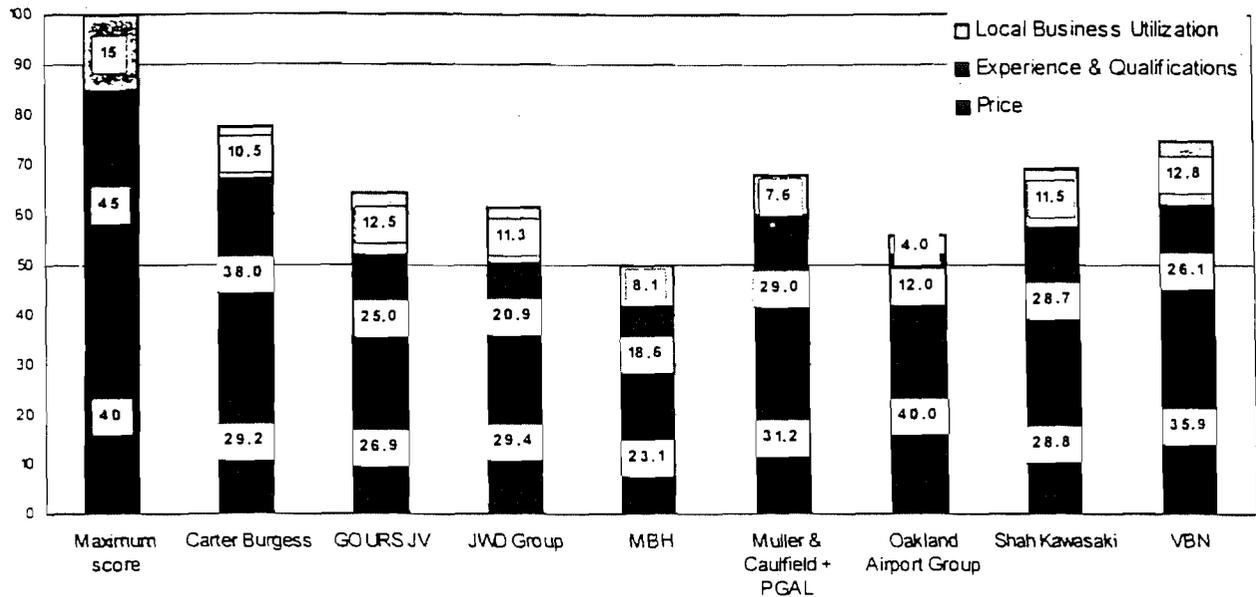
- | | |
|---|-------------------|
| • Price | 40 points |
| • Technical qualifications and experience (including interview) | 45 points |
| • Local business utilization | 15 points |
| TOTAL | 100 points |

The ranking of the eight Proposals, the price and the total points for each Proposer is as follows:

Overall Ranking	Proposer	Price (price rank)	Points
1	Carter Burgess	\$ 2,973,905 (5)	77.6
2	VBN	\$ 2,416,923 (2)	74.9
3	Shah Kawasaki	\$ 3,014,686 (6)	69.0
4	MC & PGAL	\$ 2,780,000 (3)	67.8
5	GO URS	\$ 3,225,250 (7)	64.4
6	JWD Group	\$2,950,120 (4)	61.6
7	Oakland Airport Group	\$ 2,171,750 (1)	56.0
8	MBH	\$ 3764,436 (8)	49.8

The breakdown of the score for each Proposer is shown graphically in Figure 1.

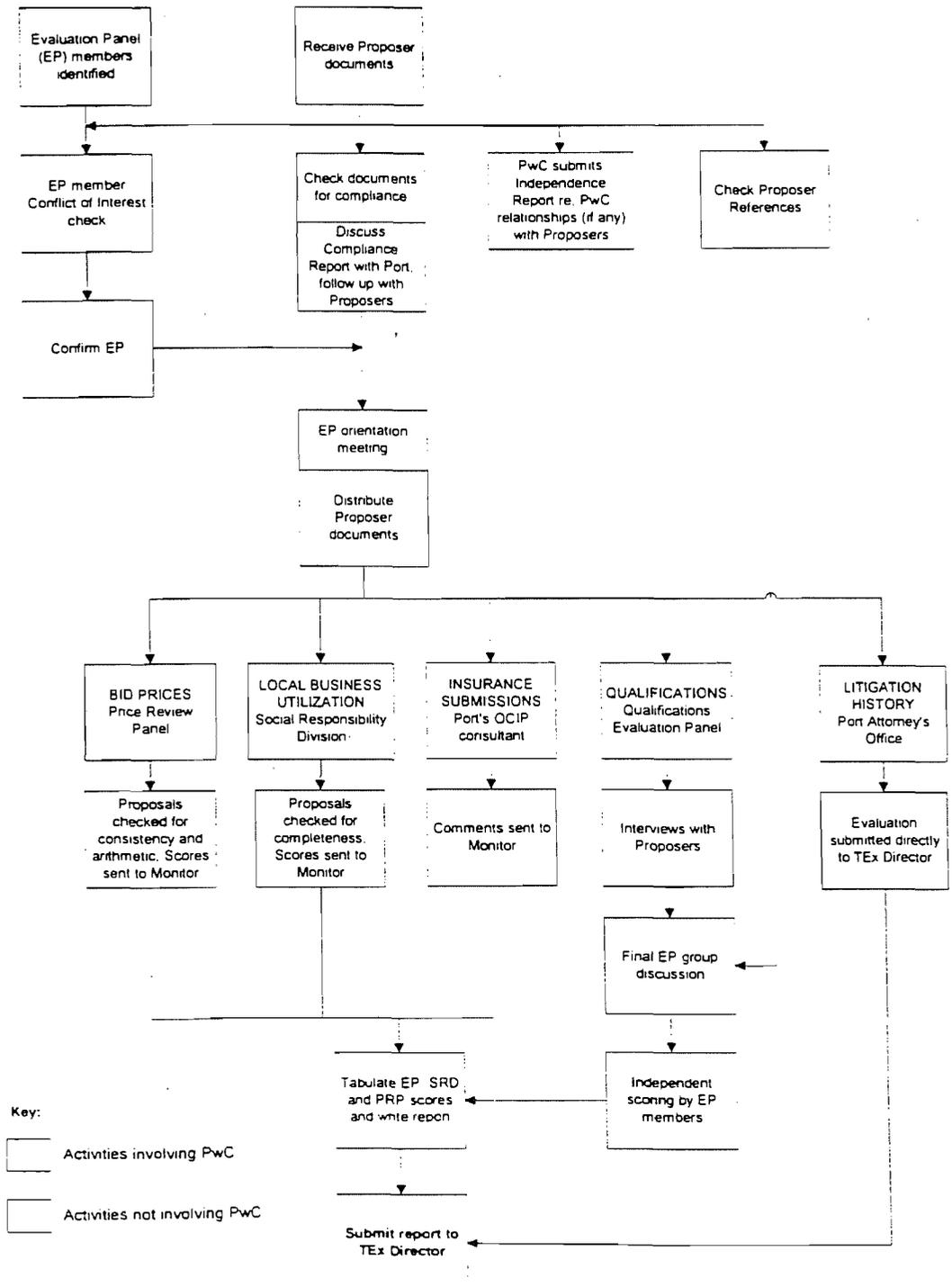
Figure 1. T2 Extension A/E Services Contract - Summary of Scores



PricewaterhouseCoopers is not aware of any irregularities in the evaluation process and has no reason to believe that the process was not conducted in a fair and consistent manner.

2. Process

The evaluation process for the T2 Extension A/E Services contract was as illustrated.



3. Evaluation Activities

This section of the report outlines the progress of the evaluation process together with a commentary.

Item	Date	Comment
Proposals received	29 May	-
Proposals opened	29 May	-
Compliance check	29 – 31 May	The Proposals were checked for compliance against the requirements of the Project Manual as described in Section 4.
Conflict of interest check	31 May	Conflict of interest questionnaires were completed by all members of the scoring panels. No conflicts were identified.
EP orientation meeting	31 May	The members of the scoring panels were introduced to the evaluation process and their roles within that process. The project manager for the contract also presented the Terminal 2 Extension contract and the requirements of the contract.
Distribution of info.	31 May	The various sections of the Proposals were distributed as follows: Bid Prices to the Price Review Panel Local Business Utilization forms to the Port's Social Responsibility Division Insurance submissions to the Port's OCIP consultant Qualifications to the Evaluation Panel Litigation Histories to the Port Attorney's office.
EP / Proposer meetings	13,14,17 & 18 June	-
Reference check	10 – 14 June	A member of the Port's TEx program carried out the reference checks and reported back to the Evaluation Panel.
Insurance review	5 June	The insurance section of the Proposals was reviewed by the Port's OCIP consultant, whose comments are included in Appendix G. No significant issues were identified in the submissions.
Receipt of EP, SRD and PRP scores	16 – 24 June	Scores were emailed to the Independent Monitor directly by the individual members of the scoring panels.
PwC Independence letter	26 June	PricewaterhouseCoopers has declared itself to be an auditor of one of the Proposers in a letter dated 26 June. This is included in Appendix D.
Submission of Monitor's report	26 June	Draft report submitted on 26 June.

4. Compliance and Clarifications

The Proposals were reviewed for compliance against the requirements of the Project Manual. The Port's Owner's Comprehensive Insurance Program (OCIP) consultant, reviewed the Proposals for compliance with the insurance requirements while all others aspects were reviewed by PricewaterhouseCoopers.

The review of the insurance submission by the Port's OCIP consultant is included in Appendix G.

Letters of clarification were sent as follows:

- a. PGAL were requested to confirm their legal status. No response has been received to date.
- b. Oakland Airport Group was requested to confirm the status of the Group, to submit financial statements, and to submit full references and litigation histories for all members of the proposal. A response was received on 25 June. The Evaluation Panel did not have this information when they scored the Proposals and, therefore, the Oakland Airport Group received "zero" for financial capacity. This did not affect their overall ranking – if they had received full marks for financial capacity they would have remained 7th in the ranking order.
- c. JWD Group, MBH and Shah Kawasaki all submitted assumptions and clarifications with respect to the proposed contract. The Independent Monitor wrote to each of these firms informing them that the Port was evaluating their Proposal on the basis that there were no assumptions or clarifications.

5. Results

Overall

Figure 3 summarizes the distribution of points by Proposer and category.

Scoring Element	Max. score	Carter Burgess	GO URS	JWD Group	MBH	Muller & Caulfield + PGAL	Oakland Airport Group	Shah Kawasaki	VBN
Price	40	29.2	26.9	29.4	23.1	31.2	40.0	28.8	35.9
Experience & Qualifications	45	38.0	25.0	20.9	18.6	29.0	12.0	28.7	26.1
Local Business Utilization	15	10.5	12.5	11.3	8.1	7.6	4.0	11.5	12.8
TOTAL	100	77.6	64.4	61.6	49.8	67.8	56.0	69.0	74.9

Evaluation Panel

The Independent Monitor was not involved in the discussions of the Evaluation Panel or in the interviews of the Proposers by the Evaluation Panel.

The panel members scored each Proposal, using the form in Appendix E, independently and separately. These forms were emailed to the Independent Monitor and each file was given a letter from A to E. From this point onwards the letters are used to denote a particular, but anonymous, panel member.

The distribution of the 45 points available for Qualifications, Technical Experience and Interview were divided as illustrated in Appendix E. Scores were apportioned to one decimal place. The individual panel scores are included in Appendix F.

Figure 4 includes the scores of the five members of the Evaluation Panel.

Figure 4. Comparison of Individual EP scores

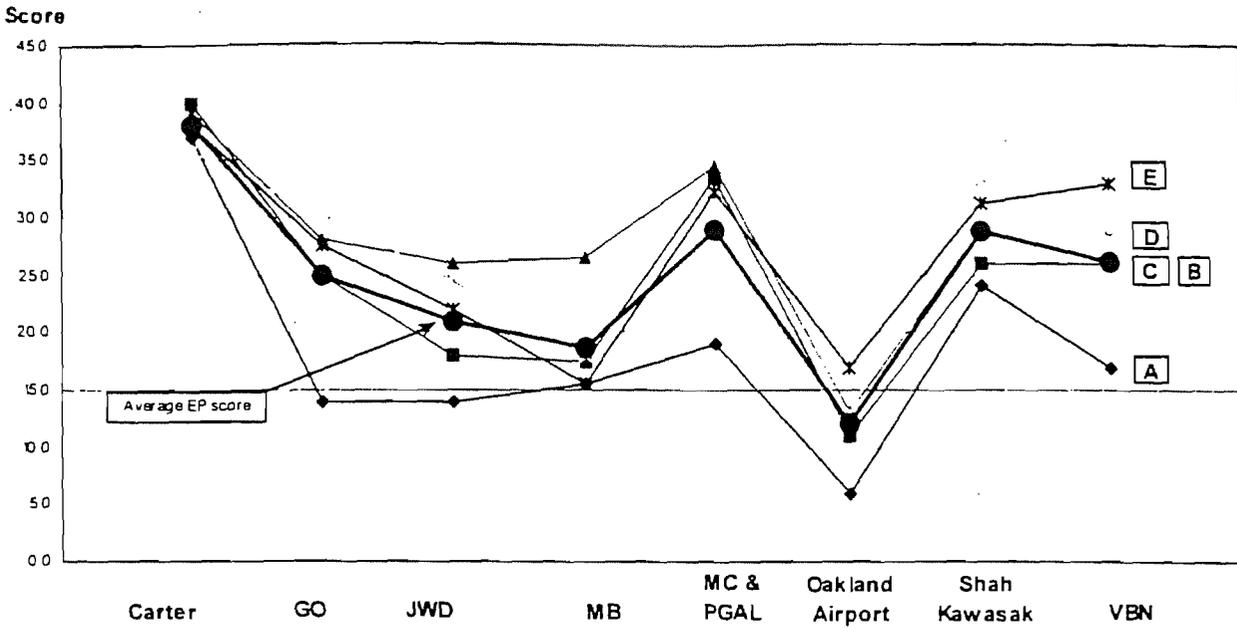


Figure 4 illustrates that the pattern of scoring was similar for all panellists and this is further illustrated by the rankings provided below.

Proposer	Panel member				
	A	B	C	D	E
Carter Burgess	1	1	1	1	1
GO URS JV	6 (tie)	5	4	3	5
JWD Group	6 (tie)	6	6 (tie)	6	6
MBH	5	7	5	7	8
Muller & Caulfield + PGAL	3	2	2	5	3
Oakland Airport Group	8	8	8	8	7
Shah Kawasaki	2	3 (tie)	3	2	4
VBN	4	3 (tie)	6 (tie)	4	2

Agenda Sheet

^{TD}
SUBJECT Terminal 2 Renovation Project - Approval of Consultant Agreement with Carter Burgess for Professional Architectural and Engineering Services for the Terminal 2 Renovation Project; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Proposals for Construction Manager at Risk Delivery of the Terminal 2 Renovation Project

DATE: July 16, 2002
ITEM NO: 11

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JAW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

SUMMARY AND RECOMMENDATION:

In this report, we recommend that the Board take the following actions:

- 1) Authorize the competitive selection process for the Terminal 2 Renovation for the consultant agreement for architectural and engineering services;
- 2) Authorize the Executive Director to execute a contract with Carter Burgess for architectural/engineering services;
- 3) Authorize staff to request proposals from interested Construction Manager at Risk (CMr) contractors for delivery of the Terminal 2 Renovation project; and
- 4) Dispense with lowest-sealed bid procedures for selection of the CMr.

The Board previously approved the project on May 7, 2002, as the Terminal 2 Building Improvements Project.

FACTUAL BACKGROUND:

Terminal 2 Projects

The increased security requirements due to the September 11th terrorist attacks have resulted in increased passenger and aircraft processing time which makes the existing gates less efficient. Southwest Airlines has requested more gates and terminal facilities (baggage handling, ticket counters and security screening area). They need these facilities to be operational within two years. In response, Staff has developed a two-part project. The first project will provide a new concourse coming off the end of the existing concourse at Terminal 2 and the second will expand the existing Terminal 2 building to provide expanded terminal functions. Because they are on different time tracks, each of the two parts will be designed and constructed separately. In several years, if the new TEx terminal is constructed with its additional gates, this project's seven domestic gates can be converted into a three-gate International Concourse.

To complete these projects within two years requires a delivery method that is tailored to the project requirements and speed in delivery. To save 10-12 months of schedule, Staff recommends that for each part of the Terminal 2 project, a separate A/E contract be awarded for the design and followed by a qualifications selected Construction Manager at Risk (CMr) contract for the construction.

On March 26, 2002, Staff submitted an off-calendar letter to the Board with the Staff's evaluation of alternative delivery methods for the Airport Terminal Expansion (TEx) Program, including the preferred alternative for delivery of the Terminal 2 improvement projects using the CMr method. In discussion at subsequent Board meetings, Staff confirmed the recommendation in the March 26 letter for delivery of the projects by the CMr method, and using the currently existing Local Business Utilization (LBU) regulations.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02224

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JUL 16 2002

DATE

Terminal 2 Renovation (Terminal 2 Building Improvements)

In November 2001, Congress enacted legislation requiring the screen checking of all outbound baggage. On May 7, 2002, the Board of Port Commissioners passed Resolution No. 02125 approving the Terminal 2 projects to address changes to the security requirements and procedures. The approved projects include the improvements to the passenger facilities at Terminal 2; improvements to the Terminal 2 baggage and security checkpoint areas; and seismic upgrade of the structure.

The Terminal 2 Renovation project includes new Baggage Claim Addition; Outbound Baggage Addition; Remodeled and Enhanced Security Check-Point; Additional Ticket Counters; Hold Rooms and Public Restrooms. The project also includes the replacement and/or upgrade of the heating and cooling systems. Separate, but related, subsequent elements for this project will include the design and construction of a new mechanical building (T2 Mechanical Building) and the Early Utilities project, needed to provide mechanical and electrical upgrades in support of the Terminal 2 projects; and the relocation of the Southwest Provisioning Building project. Staff will bring these projects to the Board for consideration as separate actions in the near future.

ANALYSIS:

Procurement of Architectural/Engineering Consultant

From the outset, the Terminal 2 projects have been planned to minimize the time necessary to open these important transportation facilities by shortening the duration of each phase of the development. One of the techniques the Port has employed to reduce the development time is to produce the Schematic Design Phase drawings using the MAJV. A follow-on architectural/engineering consultant will carry on the design of the project to completion and provide services through construction and project closeout. Thus, on this project, the follow-on architectural/engineering consultant will not start with a blank sheet of paper, but with a well-defined scheme.

In order to save time in retaining and mobilizing the A/E, the Port utilized an innovative solicitation method that is efficient, fair and competitive. Under the Port's traditional selection process, the process of ranking and then negotiation, with the possibility of restarting negotiations with another consultant, may significantly delay the completion of this project. For the Terminal 2 Renovation architect/engineer procurement, the Port requested that the responses to the Port's Request for Proposals (RFP) provide price information, in addition to qualifications, experience and commitment to use local businesses. Port staff utilized this method in order to reduce the time necessary to execute a final Architectural/Engineering (A/E) agreement so that design work can continue without undue delay.

Also, the Port included in the RFP a draft contract form to be used on the project. The purpose of including the draft contract form was to identify any contract terms which might pose an obstacle to rapid execution of a contract and mobilization of the designer. The responses to the RFP, however, revealed no such obstacle. Of the seven proposals received for this contract, four identified no concerns with respect to the Port's contract terms. In the event that Carter Burgess is unwilling to sign the agreement, staff will recommend award of the contract to the second ranked firm. We estimate the use of this innovative solicitation method will save 60 days from the schedule, while not sacrificing the quality or competitiveness of the Proposals.

Basis of Selection of Architectural/Engineering Consultant

A RFP for Architectural and Engineering Services to design the Terminal 2 renovation project was issued by the Port on April 1, 2002. On May 16, seven proposals were received on time. A monitored selection process was used with PricewaterhouseCoopers (PwC) as the independent monitor. PwC received and checked all proposals to determine whether they complied with the submittal requirements of the RFP. PwC also conducted a conflict of interest determination of the panel

members to ascertain whether the panel members had any conflict that could raise questions on their objectivity. There were none. Finally, PwC distributed the appropriate materials from each proposal to the members of the three independent panels: Qualifications, Price, and Local Business Utilization. The three separate panels provided independent evaluations of the price, technical qualification, and local business utilization portions of the proposals, which helped preserve the integrity of the selection process. The recommendation of the TEx Programm Director, which includes PwC's Independent Monitor's Report, is attached as Exhibit A.

The proposals were evaluated on a best-value basis, with independent scoring of the technical proposal, price proposal and local business content of the proposals. The weight given to each factor was as follows:

▪ Experience and qualifications	45 points
▪ Price Proposal	40 points
▪ Local Business Utilization	<u>15 points</u>
Total	100 points

Staff will discuss its recommendation of Carter Burgess at the July 8th meeting of the Aviation Committee and, subject to the recommendation from the Committee, will bring this matter to the full Board.

Approval to Dispense with Lowest-Sealed Bid Procedures for the Construction Manager at Risk

For the delivery of the Terminal 2 Renovation Project, staff recommends the Construction Manager at Risk (CMr) method, where the CMr firm would be a licensed General Contractor. The firm would be selected based on qualifications, experience and approach to the work, project management plan, costs for pre-construction activities, local business participation, General Conditions and fee. The existing Port LBU policy for professional services will be used in the selection.

Once the Contract is awarded, the CMr will work with the Port and the architect to develop drawings that will be coordinated and complete, thus minimizing the final construction costs. During design, the CMr will work with the A/E and perform pre-construction services such as value engineering and constructability reviews. To facilitate the timely construction of the project, the design will be prepared and delivered to the CMr for construction in a phased sequence. As the phased design packages are completed, the CMr will competitively bid the work to trade subcontractors. This is to be done in an "open book" process with the Port being present for the opening and recording of each bid. The Port will apply its existing LBU Policy for construction contracts to each bid to determine the adjusted bid price. The work will generally be awarded to the lowest (adjusted) qualified, responsive bidder. The contracts with each of these subcontractors will be held directly by the CMr.

The total cost of the project to the Port will be the sum of the CMr's fee and general conditions plus the total of the trade subcontractors and a contingency amount that the Port and the CMr negotiate and agree to. This total will be the progressive Guaranteed Maximum Price (GMP) to be paid to the CMr for delivery of the project in the specified time.

Basis of Selection of Construction Manager at Risk

The selection of the CMr will be based on the Port's current process for the selection of professional services contracts. The Request for Proposal (RFP) for these services will contain the schematic design drawings, the project master schedule, the construction budget for the work and the Port's current LBU Policy for professional services. This information will allow the respondents to the RFP to provide their approach to the project, their proposed CMr project team, estimates for the general conditions costs and their proposed fee. The evaluation criteria of the proposals will be based on a "best value" approach

taking into consideration, qualifications, experience, approach to the project, proposed structure of the team, utilization of local businesses, and the cost of pre-construction services, general conditions, and fee.

Environmental

The California Environmental Quality Act, Public Resources Code, Section 21000, *et seq.* (CEQA) states that an activity that can potentially result in a direct physical change or a reasonably foreseeable indirect physical change in the environment, and involves discretionary approval and requires the exercise of judgment or deliberation is defined as a “project.” CEQA recognizes the need to exempt projects during emergencies in order to protect public safety. The Terminal 2 Building Improvements for Baggage and Security Checkpoint Areas is exempt pursuant to Public Resources Code, Section 21080 (b)(4) and CEQA Guidelines, Article 18, Statutory Exemptions, Section 15269(c) for emergency projects. The Terminal 2 Building Improvements project was presented to and approved by the Board of Port Commissioners in May 2002. A Notice of Exemption applicable to the building improvements for Terminal 2 was filed in June 2002.

Budget

This project has been analyzed in the Port Feasibility Studies and determined to be feasible. The project is included in the Port’s CIP under Element No. A2.00842.00. The funding source will be a combination of Port Cash, Passenger Facility Charges, and Southwest Airlines Financial Participation Fees. The project budget is attached.

Because this project will be completed using fast-track techniques, any unanticipated extra design services must be approved with minimum delay. Delegating contingency expenditure authority to the Executive Director would enable the Port to respond quickly and proactively during the project. The contingency could be used only at the discretion of Port Staff.

Business Consideration

The Port and Southwest Airlines intend to enter into a Memorandum of Understanding (MOU) that will memorialize Southwest’s willing participation in the Terminal 2 projects, including covenants regarding Southwest’s efforts in financing, coordination, planning and management of the project. This MOU will be brought to the Board for its review and consideration as a separate action.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform with the Policies of the City of Oakland General Plan.

Sustainability

Sustainable opportunities will be considered and incorporated, to the extent feasible, in the execution of this project.

Project Labor Agreement

Project construction by the CMr will be subject to the Oakland Maritime and Aviation Project Labor Agreement (MAPLA). MAPLA does not apply to the architectural and engineering services work.

Owner Controlled Insurance Program (OCIP)

The project is subject to the Port’s OCIP program.

OPTIONS:

1. Authorize the alternative competitive selection process for selection of professional architectural and engineering services, and authorize the Executive Director to execute a contract with Carter Burgess for an amount not to exceed \$3,896,315 subject to the Port attorney's review and approval of the documents.

and

Dispense with standard lowest-sealed-bid procedures for construction, authorize delivery of the project by the Construction Manager at Risk delivery method, and authorize staff to request proposals from interested CMr contractors for delivery of the Terminal 2 Renovation project.

2. Only authorize the alternative selection process for selection of professional architectural and engineering services, and authorize the Executive Director to execute a contract with Carter Burgess for an amount not to exceed \$3,896,315 subject to the Port's attorney's review and approval of the documents.
3. Dispense with standard lowest-sealed-bid procedures for construction, authorize delivery of the project by the Construction Manager at Risk delivery method, and authorize staff to request proposals from interested CMr contractors for delivery of the Terminal 2 Renovation project.
4. Take no action. Direct staff to procure delivery of the project using standard bidding procedures for design and construction. The project would be delayed substantially. The Airport would be unable to comply with the security changes mandated by enacted legislation. Passenger queuing at ticket counters, outbound baggage and security checkpoints would continue to be congested, resulting in continuing passenger inconvenience.

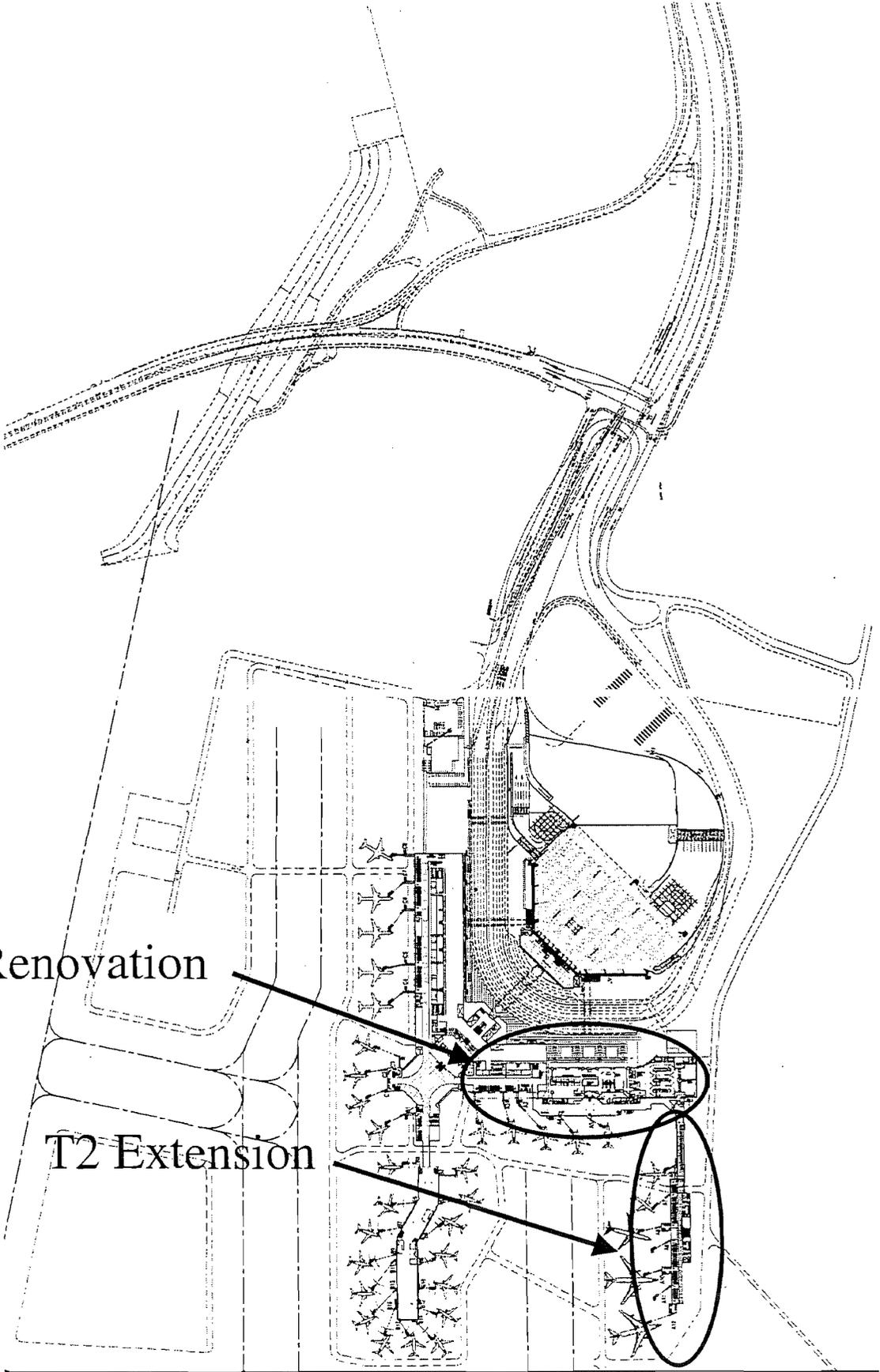
RECOMMENDATION:

It is recommended that the Board, pursuant to Port Ordinance 1606, Section 5, approve a resolution to:

1. Determine that the services described above are professional services;
2. Dispense with the Port's lowest-sealed-bid selection process for selection of professional architectural and engineering services, and authorize the Executive Director to execute a contract with the Carter Burgess for an amount no to exceed \$3,896,315 subject to the Port Attorney's review and approval of the documents. In addition, it is recommended that the Executive Director be authorized to approve up to an additional \$780,000 for potential changes to scope; and,
3. Dispense with standard lowest-sealed-bid procedures for construction, authorize delivery of the project by the CMr delivery method, and authorize staff to request proposals from interested CMr contractors for delivery of the Terminal 2 Renovation project. Staff will return to the Board with a recommendation for award at completion of the CMr selection process.

T2 Renovation

T2 Extension





PORT OF OAKLAND

STEVEN J. GROSSMAN
Director of Aviation

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Fax (510) 835-0178
E-mail: sgrossma@portoakland.com

July 3, 2002

BOARD OF PORT COMMISSIONERS OF THE CITY OF OAKLAND

Frank Kiang, President
John Protopappas, First Vice President
Patricia Scates, Second Vice President
Darlene Ayers-Johnson, Commissioner
David Kramer, Commissioner
Phillip Tagami, Commissioner
Peter Uribe, Commissioner

Dear Members of the Board:

Award of Contractor for Architecture/Engineering Services on Terminal 2 Renovation and Terminal 2 Extension Projects

The purpose of this letter is to provide you with additional information regarding the above-referenced contracts.

As you know, Oakland International Airport's Terminal 2 has been operating far in excess of its design capacity for many years. However, new security procedures imposed in the wake of the September 11th terrorist attacks have greatly exacerbated the congestion in Terminal 2. As a result, passengers using Terminal 2 have been subjected to significant delays at every point in the departure process, including, the ticketing function, security screening, and enplanement. For example, during peak periods passenger wait time at the security checkpoint increased to 60 minutes or more. While recent improvements have reduced these waits, as passenger traffic increases congestion will also increase. Another unanticipated feature of post-9/11 air travel is that passengers spend much longer periods of time waiting for their departures. This results in increased demand for support facilities, such as seating, restrooms, and food services. During many peak periods, passengers are forced to sit on the floor, as hold rooms cannot accommodate the increased number of passengers.

Additionally, the aircraft throughput rate per gate has declined because the "turn around" time for aircraft has increased from 15-20 minutes to 30 minutes or more. The delay effect of this increased turn around time ripples through the entire operating day at the airport. Finally, restrictions on curbside baggage check-in have slowed the passenger drop off process leading to increased traffic congestion on Airport Drive.

As a result of these problems, the Aviation Division conceived the Terminal 2 Concourse Renovation and Extension project. These projects will greatly alleviate the problems of crowding and congestion in Terminal 2. Delays in curbside check in will be reduced by the addition of space for skycap services. In addition to addressing these problems, the Terminal 2

Award of Contractor for Architecture/Engineering Services on Terminal 2
Renovation and Terminal 2 Extension Projects
July 3, 2002
Page 2 of 2

Renovation will provide space for the installation of Explosive Detection Systems mandated by federal law.

As peak passenger travel through the airport continues to increase these problems will be further exacerbated. Therefore, it is of vital importance to the traveling public that the Port employ every available method to accelerate the completion of the Terminal 2 projects.

Sincerely,



Steven Grossman
Director of Aviation

cc: Tay Yoshitani
John Glover
Joe Wong
Dave Peixotto

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE May 7, 2002

ITEM NO: 1

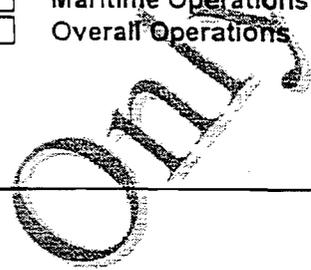
SUBJECT: Approval Of Terminal Two Building Improvements For Baggage And Security Checkpoint Areas And Terminal Two Gates Projects Authorizing Relocation Of The Southwest Provisioning Building, Considering The Need For PFC Applications, Design Contract Awards, Construction Contract Awards, And Related Agreements With Southwest Airlines And Making California Environmental Quality Act Determinations

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman

EXECUTIVE OFFICE RECOMMENDATION:



FACTUAL BACKGROUND:

The Port proposes that the Board approve the following projects to improve the passenger facilities at Terminal 2 of the Oakland International Airport (1) the Terminal 2 gates project; (2) relocation of the Southwest Airlines provisioning building; and (3) improvements to the Terminal 2 baggage and security checkpoint areas. As explained in more detail, below, the Terminal 2 projects are needed to address security requirements and procedures. In addition to deciding whether to carry out these projects, the Board will be considering future project related actions such as design and construction awards, future PFC applications, and tenant agreements.

ANALYSIS:

The Terminal 2 projects are as follows:

Terminal 2 Gates Project: The Port will construct a two-story, 800 linear foot concourse in the location shown on the attached Diagram 1. The new concourse will result in the closure of two existing gates at Terminal 2, which will be replaced by two gates in the new concourse. In addition, the new concourse will accommodate five new gates. The concourse also will provide space for concessions, passenger holdroom, public circulation, building operations, retail support, storage, and offices. Hydrant fueling pits will be provided at the new gates, and the existing service road will be improved and extended in order to provide fire access.

Ultimately, if the rest of the terminal expansion component of the ADP is approved and constructed, the Port may convert the new concourse to an international concourse. If this occurs, the five new gates could be converted to three wide-body international gates.

Relocation of Provisioning Building: Currently, the provisioning building for Southwest Airlines is located in the footprint of the new concourse described above. In order to construct the new concourse, the provisioning building must be relocated. In addition, Port staff has determined that the provisioning building should be relocated in order to enhance airport security.

The Port will construct a new 10,000 square foot provisioning building adjacent to Taxiway B at the South Field. The area is currently a paved surface that serves both aircraft parking and vehicular parking. The Port also will create a 50,000 square foot paved area for ground access and loading in an area that is currently paved. The construction will include the installation of underground utilities to serve the provisioning building, and construction of a road on a previously paved area (a parking lot) to provide access to the site from Airport Drive.

The new provisioning building will benefit from being located at the interface between the publicly accessible area of the airport and the secure area. As a result, delivery trucks traveling to the provisioning building will not pass onto the secure area of the airport, and vehicles traveling from the provisioning building to the aircraft will remain on the secure area of the airport, enhancing overall airport security.

- MOTION
- RESOLUTION
- ORDINANCE

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Terminal 2 Building Improvements: In November 2001 Congress enacted legislation requiring the screen checking of all outbound baggage. In order to comply with these requirements, Port staff has determined that the Port must expand its outbound baggage processing area by 22,300 square feet. The expanded baggage processing area will be constructed on the current area known as the VIP parking lot adjacent to Terminal 2. In addition, the Port will provide 2,000 additional square feet of baggage screening area within Terminal 2 in the area now used for airline ticket offices. The existing airline ticket offices displaced by the 2,000 square foot baggage screening area will be replaced in the area of Terminal 2 currently used for security checkpoint positions.

Changes in security requirements and passenger behavior since September 11 have resulted in substantial queuing at the airport ticket counters during peak periods. For example, in December 2001, queuing at the Southwest Airlines ticket counters extended onto the curbside and into the adjacent parking lot. In order to alleviate this queuing and to enhance airport security by reducing congestion in the passenger check-in area, Port staff has determined that additional ticket counters and check-in stations should be constructed in Terminal 2. The Port will construct 12 new ticket counters, 2,200 square feet of new airline ticket office space, and 12 new curbside check-in stations outside of Terminal 2. The new ticket counters and associated ticket office space will be located in the area of Terminal 2 currently used for security checkpoint positions and queuing. The new curbside check-in stations will be located outside of the new outbound baggage processing area.

Heightened security requirements and procedures also have resulted in substantial queuing at the airport's passenger security checkpoints. Port staff has concluded that a total of 5 new security checkpoint positions are needed in Terminal 2, for a total of 10 security checkpoint positions. The Port will locate the 10 security checkpoint positions and 3,200 square feet of security queuing space in the area of Terminal 2 currently used as the Terminal 2 passenger baggage claim area.

In November 2001 Congress also created a new federal agency called the Transportation Security Agency. The TSA now supervises and carries out the inspection of passengers and baggage at the Airport. The Port may provide office space for use by the TSA within the area of Terminal 2 currently used as the baggage claim area. If this area is not used by the TSA, this office space will be used for other security-related purposes.

Because the security checkpoint positions and office space will be constructed in the footprint of the current passenger baggage claim area, the Port will need to replace the existing passenger baggage claim area in an area adjacent to Terminal 2. The Port will construct a 25,000 square foot passenger baggage claim area on the footprint of the parking/shuttle area immediately to the west of Terminal 2.

A seismic upgrade of Terminal 2 and Terminal 2 concourse will be included in the overall project, along with upgraded electrical and plumbing systems. In addition, inbound and outbound baggage systems will be replaced with newer systems.

Design & Construction Awards: The project will be built in phases, thus there will be several design and construction contracts. Future Board action to award design and construction contracts for the various project components will be required.

Future PFC Applications: The project funding sources will consist of Port funds, Passenger Facility Charges, and financial participation revenue from Southwest Airlines. Future Board action to secure Passenger Facility Charge and federal grant funding (if made available) will be required.

Tenant Agreements: Memorandum of Understanding - Terminal 2 Improvements: The Port and Southwest intend to enter into a MOU that will memorialize Southwest's willing participation in the Terminal 2 project, including covenants regarding Southwest's efforts in financing, coordination, planning and management of the project. This MOU will be brought to the Board for its review and consideration as a separate action.

Provisioning Facility Lease: For its present provisioning facilities, Southwest rents building space and land from the Port under a License and Concession Agreement amended in 1998, the term of which now month-to-month.. The Port intends to enter into a new ground lease with Southwest for its new provisioning facilities.

ENVIRONMENTAL:

Terminal 2 Gates: The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The Terminal 2 Gates project is within the scope of the Airport Development Program approved by the Board of Port Commissioners in December 1997 and June 1999, and was evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeal ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. All parties to the litigation have agreed that the Port can proceed with construction of the Terminal 2 gates project while the Port conducts the additional environmental analysis required by the court's decision. The ADP EIR is sufficient for purposes of evaluation of the Terminal 2 gates project, and the project will not result in any new or substantially more severe environmental impacts than were identified in the ADP EIR.

Provisioning Building: Relocation of the Southwest Airlines provisioning building is within the scope of the Airport Development Program approved by the Board in 1997 and 1999, and was evaluated in the Final EIR for the ADP. However, the new provisioning building will not be located in the area of the Airport described in the EIR; instead, as described above, Port staff has determined that the building should be placed in an existing paved area that would enhance airport security. The relocated project will not result in any new or substantially more severe environmental impacts than were identified in the Final EIR for the ADP. Further, the project has no bearing on the analysis of air quality impacts and nighttime noise, nor is it located in an area that has been or could be inhabited by the burrowing owl. Therefore, the project has been sufficiently analyzed in the Final EIR for the ADP and no additional environmental analysis is required.

As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to Public Resources Code section 21080 (b)(4) because the project is necessary to mitigate an emergency. The President of the United States issued "Proclamation 7463" on September 14, 2001, by which he declared a national emergency. The President's declaration of emergency was made necessary because of certain terrorist attacks involving the use of airplanes. The President declared war on terrorist activities, created an office of Homeland Security, and the FAA continues to issue heightened alerts at the nation's airports. The FAA, in response to the national emergency, began implementing new regulations and policies at airports to prevent and mitigate future terrorist attacks and to provide for greater security and safety of the public, employees and local areas. As explained above, relocation of the Southwest Airlines provisioning building will enhance airport security.

As another severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15302 because the project consists of replacement of an existing structure with a structure that will have substantially the same purpose and capacity as the structure replaced. Both the existing structure and the new structure are located on the airport site.

Improvements to the Terminal 2 baggage and security checkpoint areas: The Terminal 2 Building Improvements are not components of the Airport Development Program. As explained above, they are necessitated by airport security requirements and procedures. Pursuant to Public Resources Code section 21080 (b)(4), this project is exempt from CEQA because it is necessary to mitigate an emergency. As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15301 because the project consists of minor alterations to an existing structure and facilities, involving negligible expansion of use beyond that existing today. In particular, the project involves the addition of safety devices in conjunction with use of an existing structure and terminal facilities.

A Notice of Determination and a Notice of Exemption will be filed upon the Board of Port Commissioners approval of the Terminal 2 gates project, the provisioning building project, and the project to improve the Terminal 2 baggage and security checkpoint areas.

BUDGET:

This project has been analyzed in the Port Feasibility Studies and determined to be feasible. The Project budget detail is attached. The funding source will be a combination of Port funds, Passenger Facility Charges, and Southwest Airlines Financial Participation Fee's.

GENERAL PLAN:

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

PROJECT LABOR AGREEMENT:

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

SUSTAINABLE OPPORTUNITIES:

Staff will identify opportunities in incorporating into this project, equipment and materials that utilize sustainable resources in construction and operation, as described in the Port's Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board approve the project Terminal Two Building Improvements for Baggage and Security Check-Point Areas and Terminal Two Gates Project, authorizing relocation of the Southwest Provisioning Building, considering the need for PFC Applications, design contract awards, construction contract awards, and related agreements with Southwest Airlines and making California Environmental Quality Act determinations

FOR INFORMATION ONLY

Terminal Expansion
Terminal T2 Extension
Summary of Concourse Option 1 T2 Scheme F

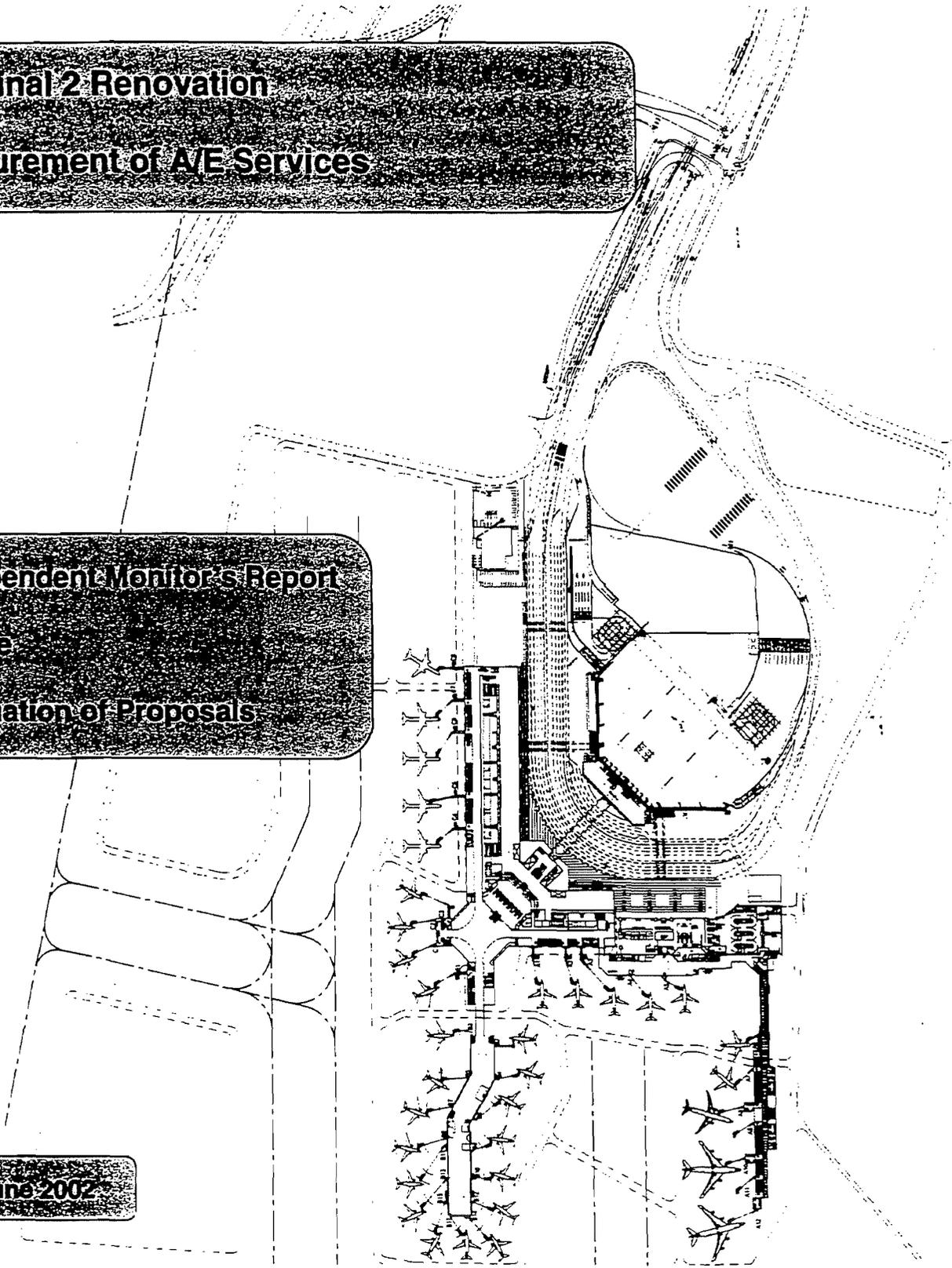
Feb 25, 2002

		Amounts in \$000s		
		Construction	Program Implementation	Total Estimate
New Construction at T2				
Domestic Concourse Extension Option 1				
Concourse Extension Ph 1 108,250sf	\$259/SF	\$ 41,128	\$ 13,572	\$ 54,700
T2 Remodel & Expansion		\$ 24,369	\$ 8,042	\$ 32,411
Estimate of Escalation		\$ 2,292	\$ 648	\$ 2,941
<i>Total Escalated Estimate for Domestic Concourse</i>				\$ 90,052
Alternative Building features Under Consideration				
T2 Seismic Retrofit	\$69/SF	\$ 8,317	\$ 2,745	\$ 11,062
Restroom at West T1 Connector	\$720/SF	\$ 2,359	\$ 778	\$ 3,137
Two New Holdrooms	\$540/SF	\$ 5,400	\$ 1,782	\$ 7,182
Two Apron Level Offices	\$180/SF	\$ 1,800	\$ 594	\$ 2,394
Escalation on Alternatives		\$ 878	\$ 248	\$ 1,125
<i>Subtotal Escalated Estimate for Alternatives</i>		\$ 18,754	\$ 6,147	\$ 24,900
<i>Total Estimate for Domestic Concourse & Alternatives</i>				\$ 114,952
<i>Total Deductable from TEx Budget</i>				\$ 50,330
<i>Additional Cost of "T2 Extension": Domestic Use</i>				\$ 64,621

**Terminal 2 Renovation
Procurement of A/E Services**

**Independent Monitor's Report
on the
Evaluation of Proposals**

21 June 2002



Terminal 2 Renovation : Procurement of A/E services

Independent Monitor's Report

Contents

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2. Process	3
3. Timeline of Evaluation Activities	5
4. Compliance and Clarifications	7
5. Results	8
6. Conclusions	12

Appendices

- A. Conflict of Interest questionnaire
- B. Reference checklist
- C. Scoring Panel Membership
- D. PwC independence letter
- E. Evaluation Panel score sheet
- F. Evaluation Panel scores
- G. Comments on Insurance submissions

1. Executive Summary

PricewaterhouseCoopers was appointed in March 2002 by the Port of Oakland to act as Independent Monitor for the procurement of contracts related to the expansion of Oakland airport. This report describes the procurement process and presents the results of the evaluation for the procurement of A/E Services for the Terminal 2 Renovation contract. This report does not make a recommendation with respect to the award of the contract but rather the report is intended to assist the Port Staff make their recommendation to the Board of Commissioners.

Seven Proposals for the contract were received and evaluated. Each proposal was scored out of 100 points under three categories as follows:

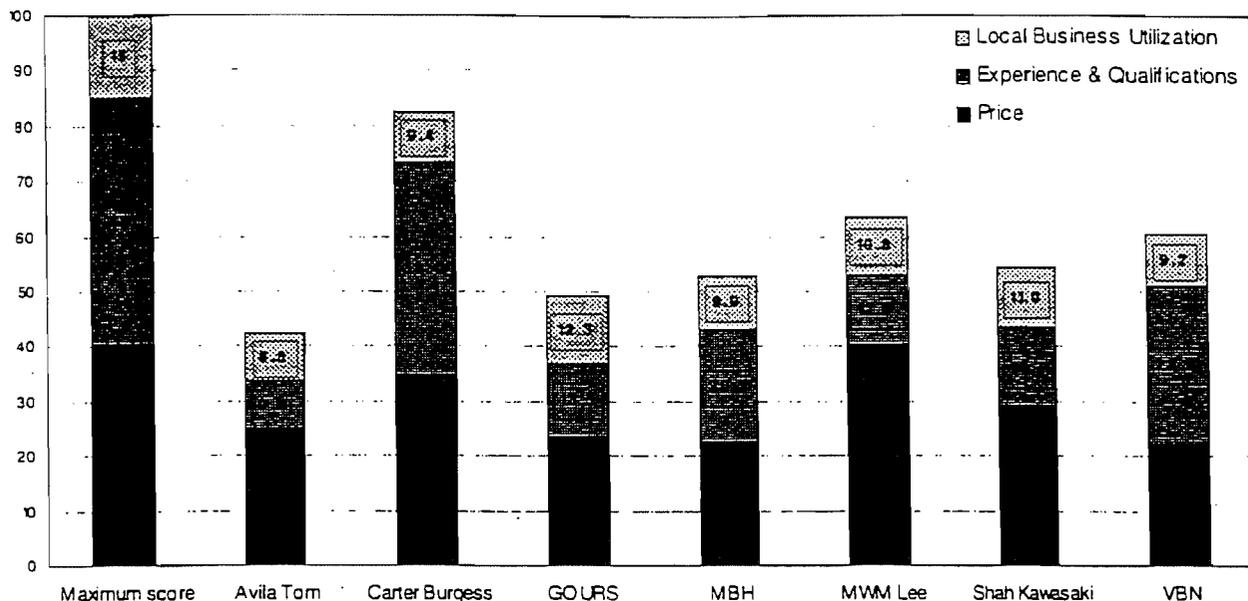
• Price	40 points
• Technical qualifications and experience (including interview)	45 points
• Local business utilization	15 points
TOTAL	100 points

The ranking of the seven Proposals, the price and the total points for each Proposer is as follows:

Overall Ranking	Proposer	Price (price rank)	Points
1	Carter Burgess	\$3,896,315 (2)	82.7
2	MWM Lee	\$3,391,000 (1)	63.6
3	VBN	\$6,068,081 (6)	60.4
4	Shah Kawasaki	\$4,692,242 (3)	54.6
5	MBH	\$5,957,335 (5)	52.8
6	GO URS	\$5,805,000 (7)	49.2
7	Avila Tom	\$5,490,530 (4)	42.5

The breakdown of the score for each Proposer is shown graphically in Figure 1.

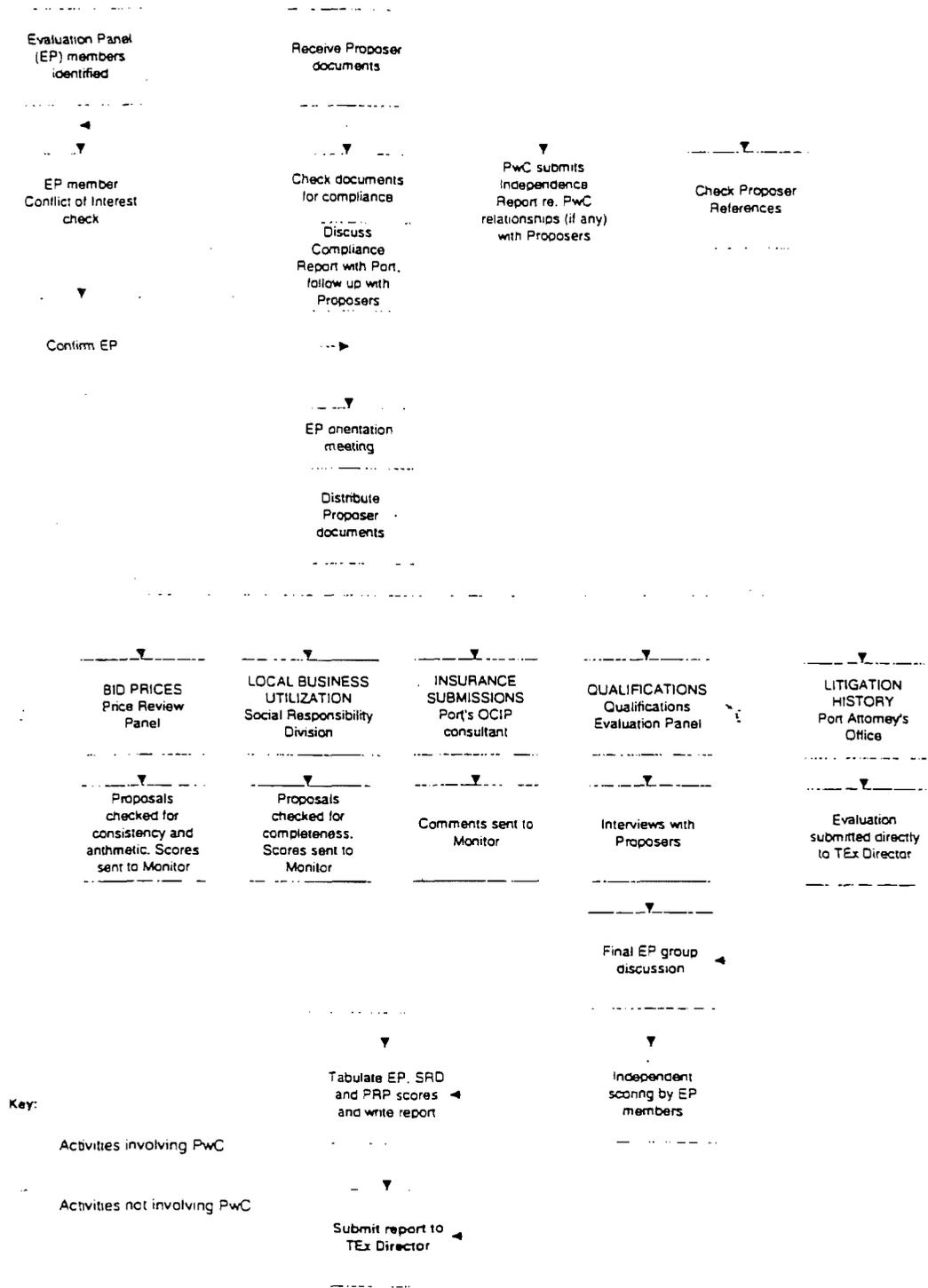
Figure 1. T2 Renovation A/E Services Contract - Summary of Scores



PricewaterhouseCoopers is not aware of any irregularities in the evaluation process and has no reason to believe that the process was not conducted in a fair and consistent manner.

2. Process

The evaluation process for the T2 Renovation A/E Services contract was as illustrated.



3. Evaluation Activities

This section of the report outlines the progress of the evaluation process together with a commentary.

Item	Date	Comment
Proposals received	16 May	-
Proposals opened	20 May	-
Compliance check	20 – 24 May	The Proposals were checked for compliance against the requirements of the Project Manual as described in Section 4.
Conflict of interest check	28 May	Conflict of interest questionnaires were completed by all members of the scoring panels. A conflict was identified between one of the Evaluation Panel members and two of the proposed sub consultants. The Port decided to exclude this member of the panel from continuing in the evaluation process. The Evaluation Panel was thus reduced from five to four members.
EP orientation meeting	28 May	The members of the scoring panels were introduced to the evaluation process and their roles within that process. The project manager for the contract also presented the Terminal 2 Renovation contract and the requirements of the contract.
Distribution of info.	28 May	The various sections of the Proposals were distributed as follows: Bid Prices to the Price Review Panel Local Business Utilization forms to the Port's Social Responsibility Division Insurance submissions to the Port's OCIP consultant Qualifications to the Evaluation Panel Litigation Histories to the Port Attorney's office.
EP / Proposer meetings	5, 6, & 7 June	-
Reference checks	3 – 7 June	A member of the Port's TEx program carried out the reference checks and reported back to the Evaluation Panel.
Insurance review	5 June	The insurance section of the Proposals was reviewed by the Port's OCIP consultant, whose comments are included in Appendix G. No significant issues were identified in the submissions.
Receipt of EP; SRD and PRP scores	7 – 19 June	Scores were emailed to the Independent Monitor directly by the individual members of the scoring panels.
PwC Independence letter	19 June	PricewaterhouseCoopers has declared itself to be an auditor of one of the Proposers in a letter dated 19 June. This is included in Appendix D.
Submission of Monitor's report	19 June	Draft report submitted on 19 June.

4. Compliance and Clarifications

The Proposals were reviewed for compliance against the requirements of the Project Manual. The Port's Owner's Comprehensive Insurance Program (OCIP) consultant, reviewed the Proposals for compliance with the insurance requirements while all others aspects were reviewed by PricewaterhouseCoopers.

The review of the insurance submission by the Port's OCIP consultant is included in Appendix G.

Letters of clarification were sent as follows:

- a. GO URS declined to submit Litigation Histories. Limited histories were supplied following the Independent Monitor's clarification letter.
- b. MBH were requested to confirm that their hand edited financial statement for 2001 was the audited statement. MBH subsequently submitted a formal statement for 2001.
- c. Carter Burgess, MBH, MWM Lee and Shah Kawasaki all submitted assumptions and clarifications with respect to the proposed contract. The Independent Monitor wrote to each of these firms informing them that the Port was evaluating their Proposal on the basis that there were no assumptions or clarifications.

5. Results

Overall

Figure 3 summarizes the distribution of points by Proposer and category.

Scoring Element	Maximum score	Avila Tom	Carter Burgess	GO URS	MBH	MWM Lee	Shah Kawasaki	VBN
Price	40	24.7	34.8	23.4	22.8	40.0	28.9	22.4
Experience & Qualifications	45	9.0	38.4	13.5	20.1	12.8	14.7	28.9
Local Business Utilization	15	8.8	9.4	12.3	9.9	10.8	11.0	9.2
TOTAL	100	42.5	82.7	49.2	52.8	63.6	54.6	60.4

Evaluation Panel

The Independent Monitor was not involved in the discussions of the Evaluation Panel or in the interviews of the Proposers by the Evaluation Panel.

The panel members scored each Proposal, using the form in Appendix E, independently and separately. These forms were emailed to the Independent Monitor and each file was given a letter from A to D. From this point onwards the letters are used to denote a particular, but anonymous, panel member.

The distribution of the 45 points available for Qualifications, Technical Experience and Interview were divided as illustrated in Appendix E. Scores were apportioned to one decimal place. The individual panel scores are included in Appendix F.

Figure 4 includes the scores of the four members of the Evaluation Panel.

Figure 4. Comparison of Individual EP scores

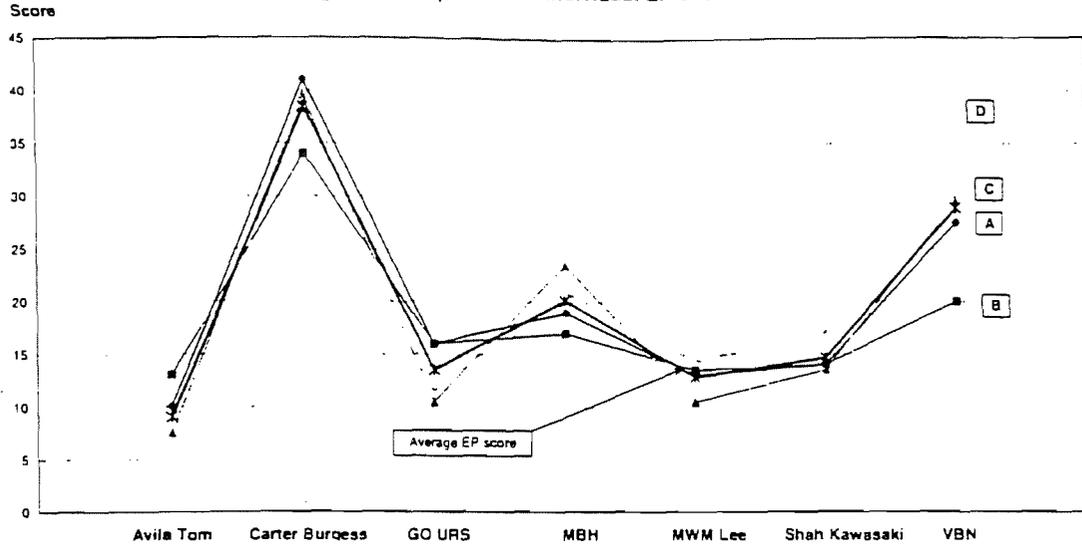


Figure 4 illustrates that the pattern of scoring was similar for all panellists and this is further illustrated by the rankings provided below.

Proposer	Panel member			
	A	B	C	D
Avila Tom	7	7	7	7
Carter Burgess	1	1	1	1
GO URS	4	4	5 (tie)	6
MBH	3	3	3	3
MWM Lee	6	6	5 (tie)	5
Shah Kawasaki	5	5	4	4
VBN	2	2	2	2

Price Review Panel

The Price Review panel checked the price submissions for inconsistencies, omissions and arithmetic errors, and calculated the distribution of the available points as follows. 40 points were awarded to the T2R Report FINAL

lowest of the four Proposals. Points were then allocated to the remaining six Proposals based on the ratio of the lowest Proposal to the proposal in question, as per the following equation:

$$\text{Points for Proposal Y} = \frac{\text{Lowest Proposal Price}}{\text{Proposal Y Price}} \times 40 \text{ Points}$$

The price of each proposal and the result of the arithmetic check are shown in the following table along with the allocated number of points.

Proposer	Initial Bid	Checked Bid	Ranking	Points
Shah Kawaski	4,692,242	4,692,242	3	28.9
Avila Tom	5,490,530	5,490,530	4	24.7
MBH	5,957,335	5,957,335	5	22.8
MWM Lee	3,391,000	3,391,000	1	40.0
Carter Burgess	3,896,315	3,896,315	2	34.8
G/O URS	5,805,000	5,805,000	7	23.4
VBN	6,068,081	6,068,081	6	22.4

An arithmetic error was apparent in the GO URS submission. There was an error in the structural line of the price build up sheet. The line total should have been \$1,190,026 rather than the stated \$595,013. Carrying this forward the amended total would become \$6,400,013. GO URS were informed of the error and were asked to confirm the amended price. GO URS responded that the error was in the individual item and that the line total was correct. On this basis they stated that the total should stay at \$5,805,000.

Social Responsibility Division

The Social Responsibility Division, SRD, scored the Proposers against the four sub-categories as follows:

LOCAL BUSINESS UTILIZATION	Maximum Score	Avila Tom	Carter Burgess	GO URS	MBH	MWM Lee	Shah Kawasaki	VBN
Work done by firms in LIA or LIB	5	3.2	3.9	4.6	3.5	4.35	4.73	3.76
Prime contract work done in LIA or LIB	3	2.2	2.2	2.7	2.8	3.28	2.67	2.85
Length of time located in LIA or LIB	4	0.9	0.8	2.0	1.2	1.65	0.88	1.37
Commitment to values and programs	3	2.6	2.6	2.9	2.4	1.51	2.71	1.26
Totals	15	8.8	9.4	12.3	9.9	10.8	11.0	9.2

6. Conclusions

The evaluation process was impartial and no irregularities were observed. There was no evidence of any undue influence being exerted by any Evaluation Panel member over any other or of external influence over any Panel member.

The result of the evaluation is stated as follows:

Overall Ranking	Proposer	Price (rank)	Points
1	Carter Burgess	\$3,896,315 (2)	82.7
2	MWM Lee	\$3,391,000 (1)	63.6
3	VBN	\$6,068,081 (6)	60.4
4	Shah Kawasaki	\$4,692,242 (3)	54.6
5	MBH	\$5,957,335 (5)	52.8
6	GO URS	\$5,805,000 (7)	49.2
7	Avila Tom	\$5,490,530 (4)	42.5

This report does not make a recommendation with respect to the award of Terminal 2 Renovation A/E Service contract. Rather, this report is submitted by the Independent Monitor to the Director of the Terminal Expansion Program for consideration in his recommendation to senior staff members.

With the submission of this report, the involvement of the Independent Monitor in the evaluation of the Proposals for the Terminal 2 Renovation A/E Services contract comes to an end.

Appendix A: Conflict of Interest questionnaire

Conflict of Interest Declaration for Prospective Panel Members (Page 1 of 2)

Contract:	Terminal 2 Renovation A/E Services
Name of Potential Panellist:	

List of Proposers and key team members:

Ref.	Proposer	Key team members
A	Avila Tom	Sub consultants provided on separate sheets (not included)
B	Carter Burgess	
C	Go URS	
D	MBH	
E	MWM Lee	
F	Shah Kawasaki	
G	VBN	

Conflict of Interest Declaration for Prospective Panel Members (Page 2 of 2)

No.	Question
1	Do you or any of your immediate family members have any investments or any other financial interests with any of the Proposers or their key team members?
	If yes, please provide outline details
2	Have you or your immediate family members received any income from any of the Proposers or their key team members in the last three years?
	If yes, please provide outline details
3	Do you or your immediate family members anticipate receiving any income from any of the Proposers or their key team members in the next two years?
	If yes, please provide outline details
4	Have you or any of your immediate family members received any gifts in excess of \$50 from any of the Proposers or their key team members in the last three years?
	If yes, please provide outline details
5	Do you or your immediate family members anticipate receiving any gifts in excess of \$50 from any of the Proposers or their key team members in the next year?
	If yes, please provide outline details
6	Have you or your immediate family members worked with any of the Proposers or their key team members as a consultant or an employee in the last 10 years?
	If yes, please provide outline details
7	Do you or your immediate family members have any associations and/or relationships with any of the Proposers or their key team members that might impact your fair and objective evaluation of the Proposals?
	If yes, please provide outline details
8	Are you aware of any reasons why you may not be able to fairly evaluate all of the Proposers submissions?
	If yes, please provide outline details

Signed:

Name: Date:

Appendix B: Reference checklist

Contract:	
Bidder:	
Name and details of Reference:	
Interviewed by:	
Date:	

No.	Question	Answer				
		Well below average	Below average	Average	Above average	Well above average
1	Describe your experience with the Proposer? How many projects? Over how many years?					
2	Rank the Proposer in the following areas:					
	Technical competence					
	Ability to control costs					
	Quality of staff					
	Project management skills					
	Ability to stay on schedule					
	Relationships with sub contractors					
3	Describe any specific areas that should be improved					
4	How do they try to differentiate themselves from their competitors					
5	How would you describe their relationship with you, the Client, on a scale of 1 being adversarial and 5 being participatory and consensus seeking?					
6	With respect to claims, would you describe the Proposer as being More Likely to Claim, Less Likely to Claim or Equally likely to Claim as the 'average' company?					
7	Would you employ the Proposer again?					

Appendix C: Scoring Panel Membership

Name	Comment
Evaluation Panel	
Imee Osantowski	Port of Oakland, TEx Program
Douglas Mansell	Port of Oakland, Aviation Administration
John Hatanaka	AvAirPros Services, Inc.
Mike Morley	Port of Oakland, Engineering & Construction
Price Review Panel	
Bill Seaver	Port of Oakland, TEx Program
Emil Vinuya	Port of Oakland, TEx Program
Social Responsibility Division	
Lila Zinn	Port of Oakland, Social Responsibility Division
Sonja Stewart	Port of Oakland, Social Responsibility Division

Appendix D: PwC independence letter

June 19, 2001

David E. Peixotto, PE
Program Director, Airport Terminal Expansion
Port of Oakland
80 Swan Way Suite 340
Oakland, CA 94621

Dear Mr. Peixotto:

**Terminal 2 Renovation A/E Services
PricewaterhouseCoopers Independence**

As part of the evaluation process that we are moderating on behalf of the Port we are writing to you to disclose PricewaterhouseCoopers' business relationships, if any, with each of the Proposers for the Terminal 2 Renovation A/E Services contract.

PricewaterhouseCoopers is the auditor of URS. URS are bidding for this contract as a member of the Gerson Overstreet URS joint venture.

To the best of our knowledge, PricewaterhouseCoopers does not have any agreements or relationships with the remaining Proposers, namely:

Avila Tom Architects
Carter Burgess Inc
Gerson Overstreet
MBH Architects
MWM Architects
Y.H.Lee Associates
Shah Kawasaki Architects
VBN Architects

Please feel free to call me at (646) 598 2979 if you have any questions or comments regarding this letter.

Evandro F. Braz
Partner
Engineering & Construction
PwC Consulting

Appendix E: Evaluation Panel score sheet

This is a sample of the scoring sheet completed by the Evaluation Panel members.

Item No.	Document Description	Max score	Avila Tom	Carter Burgess	GO URS	MBH	MWM	Shah Kawasaki	VBN
4.1.1	Qualifications of Firms	4							
4.1.2	Architectural/Engineering Capabilities	3							
4.1.3	Personnel	5							
4.1.4	Team Organization	5							
4.1.5	Financial Capacity	5							
4.1.6	Project Execution Plan	3							
4.1.7	Expedited Design Method	3							
4.1.8	Scope Growth Changes	4							
4.1.9	Capacity of Firm	2							
4.1.10	Quality Control	3							
4.1.11	References	3							
4.4	Oral Presentation	5							
	TOTAL	45							

Appendix F: Evaluation Panel Scores

Item No.	Document Description	Max score	A	B	C	D	Average	A	B	C	D	Average	A	B	C	D	Average
			Avila Tom	Avila Tom	Avila Tom	Avila Tom		Carter Burgess	Carter Burgess	Carter Burgess	Carter Burgess		GO URS	GO URS	GO URS	GO URS	
4.1.1	Qualifications of Firms	4	1	2	0	0.5	0.9	4	3.5	4	4	3.9	1	2.5	2.5	1	1.8
4.1.2	Architectural/Engineering Capabilities	3	0	1	1	0	0.5	3	2.5	3	3	2.9	1	1.5	1	1	1.1
4.1.3	Personnel	5	1	1.5	1	0.5	1.0	5	3.5	4.5	4	4.3	2	2	0.5	1	1.4
4.1.4	Team Organization	5	1	1	0.5	0.5	0.8	5	5	4.5	4.5	4.8	2	1	0.5	1	1.1
4.1.5	Financial Capacity	5	0	0	0	0	0.0	3	3	3	3	3.0	1	1	1	1	1.0
4.1.6	Project Execution Plan	3	1	1	1	0.5	0.9	3	2.5	3	2.8	2.8	1	1	0	1	0.8
4.1.7	Expedited Design Method	3	1	1	1	0	0.8	3	2	3	3	2.8	1	1	1	1	1.0
4.1.8	Scope Growth Changes	4	1	1	0	0.5	0.6	4	1	3.5	3.9	3.1	2	1	0.5	0.5	1.0
4.1.9	Capacity of Firm	2	0.5	0.5	0	0.5	0.4	2	2	2	2	2.0	2	1	1	1	1.3
4.1.10	Quality Control	3	0.5	1	1	0.5	0.8	3	3	3	3	3.0	1	1	0.5	1	0.9
4.1.11	References	3	1	1	1	1	1.0	1	1	1	1	1.0	1	1	1	1	1.0
4.4	Oral Presentation	5	2	2	1	1	1.5	5	5	5	5	5.0	1	2	1	1	1.3
	TOTAL	46	10	13	7.5	6.5	9.0	41	34	39.5	39.2	38.4	18	18	10.5	11.5	13.5

Appendix F: Evaluation Panel Scores (continued)

Document Description	A	B	C	D	Average	A	B	C	D	Average	A	B	C	D	Average	A	B	C	D	Average
	MBH	MBH	MBH	MBH		MWM Lee	MWM Lee	MWM Lee	MWM Lee		Shah Kawasaki	Shah Kawasaki	Shah Kawasaki	Shah Kawasaki		VBN	VBN	VBN	VBN	
Qualifications of Firms	1	2	2.5	1	1.6	1	2	2	1.3	1.6	1	2.5	2	1.3	1.7	3	2.5	3	4	3.1
Architectural/Engineering Capabilities	0.5	1	2	1	1.1	1	1	1	1	1.0	2	1	1	1	1.3	2	1.5	3	3	2.4
Personnel	2	2	1.5	1	1.6	2	2	0.5	1.3	1.5	1	1.5	1	1.3	1.2	4	3	3.5	5	3.9
Team Organization	2	1	2.5	1	1.6	1	1	0.5	1.5	1.0	1	1	1.5	1.5	1.3	3	2	3	5	3.3
Financial Capacity	1.5	1.5	1.5	1.5	1.5	0	0	0	0	0.0	0	0	0	0	0.0	0.5	0.5	0.5	0.5	0.5
Project Execution Plan	1	1	1	2	1.3	1	1	0	1.5	0.9	1	1	1	2	1.3	2	1.5	2	3	2.1
Expedited Design Method	3	1	2	1.5	1.9	1	1	1	1	1.0	1	1	1	1	1.0	2	1	2.5	2.9	2.1
Scope Growth Changes	1	1	2	2.5	1.6	1	1	0.5	1.7	1.1	2	1	0.5	2.5	1.5	2	1	2.5	4	2.4
Capacity of Firm	1	0.5	1.5	1.5	1.1	1	0.5	1	1	0.9	0	0.5	1	0.5	0.5	2	1	1.5	2	1.6
Quality Control	0	1	1.5	2	1.1	1	1	1	1	1.0	1	1	2	2	1.5	2	1	2	3	2.0
References	1	1	1	1	1.0	1	1	1	1	1.0	1	1	1	1	1.0	1	1	1	1	1.0
Oral Presentation	5	4	4.5	5	4.6	2	2	2	2	2.0	3	2.5	1.5	3	2.5	4	4	5	5	4.5
TOTAL	19	17	23.5	21	20.1	13	13.5	10.5	14.3	12.8	14	14	13.5	17.1	14.7	27.5	20	29.5	38.4	28.9

Appendix G: Comments on Insurance submissions

		General Liability	Business Auto Liability	Workers' Compensation	COMMENTS
Avila & Tom Company,	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES YES (stated on COI - endorsement needed) NO (not stated)	YES YES YES (stated on COI - endorsement needed) NO (not stated)	YES YES N/A NO (not stated)	Professional (E&O) Liability provided, but not required
Carter & Burgess, Inc.	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES YES (stated on COI - endorsement needed) YES (stated on COI - endorsement needed)	YES YES YES (stated on COI - endorsement needed) YES (stated on COI - endorsement needed)	YES YES N/A YES (stated on COI - endorsement needed)	Certificate reflected "SAMPLE". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required
MOII Architects	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES NO (not stated) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to include Port address Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required
MWN Architects, Inc.	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES YES (stated on COI - endorsement needed) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES (except Carrier Rating) N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE - Enrolled in other OCIP Projects & have provided acceptable COI
A0SG Consulting	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES NO (not stated) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland / Wrong address noted Cancellation Clause - Specific words to be stricken
F2 Technologies, Inc.	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES (except Products/Comp Ops) YES YES (stated on COI - endorsement needed) NO (not stated)	YES YES YES (stated on COI - endorsement needed) NO (not stated)	YES YES N/A NO (not stated)	NOTE - Enrolled in other OCIP Projects & have provided acceptable COI
Fentress Bradburn Architects, Ltd.,	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES NO (not stated) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required

Appendix G: Outstanding Insurance Issues (continued)

	General Liability	Business Auto Liability	Workers' Compensation	COMMENTS
F.W. Associates, Inc.	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE: Enrolled in other OCIP Projects & have provided acceptable COI
Henscomb, Inc.	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE: Enrolled in other OCIP Projects & have provided acceptable COI
Schlimer Engineering Corporation	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required
Swanson Bink, Inc.	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate Holder will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required
Wilson, Ihrlig & Associates Inc.	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate reflected "SAMPLE". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE: Enrolled in other OCIP Projects & have provided acceptable COI
YEI Engineers, Inc.	Coverage Limits: YES Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate reflected "SPECIMEN". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE: Enrolled in other OCIP Projects & have provided acceptable COI
Y.H. Lee Associates.	Coverage Limits: YES (except Products/Comp Ops) Carrier Rating: YES Additional Insured Requirements: NO (not stated) Waiver of Subrogation Requirements: NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A YES (stated on COI - endorsement needed)	Professional (E&O) Liability provided, but not required NOTE: Enrolled in other OCIP Projects & have provided acceptable COI

Appendix G: Outstanding Insurance Issues (continued)

		General Liability	Business Auto Liability	Workers' Compensation	COMMENTS
Shoh Kawasaki	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES (expired 5/1/02) YES YES YES	YES YES YES YES	YES (expired 6/1/02) YES N/A YES	NOTE Enrolled in other OCIP Projects & have provided acceptable COI
URS Corporation Americas	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES NO (not stated) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate reflected "SPECIMEN". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required NOTE Enrolled in other OCIP Projects & have provided acceptable COI
Gerson/Overstreet Architects	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES YES NO (not stated) NO (not stated)	YES YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate reflected "SAMPLE". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required
VON Architects	Coverage Limits: Carrier Rating: Additional Insured Requirements: Waiver of Subrogation Requirements:	YES (expired 4/19/02) YES NO (not stated) NO (not stated)	YES (expired 1/14/02) YES NO (not stated) NO (not stated)	YES YES N/A NO (not stated)	Certificate reflected "SAMPLE". Will need to be revised to reflect Port of Oakland Cancellation Clause - Specific words to be stricken Professional (E&O) Liability provided, but not required

Oakland International Airport
Terminal 2 Expansion
Estimate for Project Design Statements

Terminal Two Improvement Projects

I. Terminal 2 Renovation Budget

Cost Category	T2 Renovation	EDS Structure	Total Renovation
Port Labor	\$ 495	\$ 40	\$ 536
Port Overhead	\$ 842	\$ 68	\$ 911
Consultants	\$ 10,923	\$ 897	\$ 11,820
Construction	\$ 47,493	\$ 3,900	\$ 51,393
Contingency	\$ -	\$ -	\$ -
Escalation	\$ 1,900	\$ -	\$ 1,900
Misc/Other	\$ 2,125	\$ 175	\$ 2,300
Legal	\$ 237	\$ 20	\$ 257
Tenant Construction	\$ -	\$ -	\$ -
I. Total T2 Extension	\$ 64,017	\$ 5,100	\$ 69,117

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 12

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of the Delivery Method; Approval to Dispense with Standard Lowest-Sealed-Bid Procedures; and Approval to Issue Request for Qualifications for the Master Builder Contract for the Oakland Airport Terminal Expansion Program

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Purpose: The purpose of this Agenda Item is to obtain the Board's approval of the project delivery methods for the Master Builder contract and issuance of the Request for Qualifications (RFQ) to be proffered by the Port in selecting the Master Builder.

Background: On August 7, 2001 the Board approved: (1) the concept and budget for the airport Terminal Expansion (TE) Program, (2) proceeding with schematic design for the program and, (3) with pursuing a design-build contract for the parking garage complex. This report is based, in part, on the TE program Final Decision Document dated August 3, 2001, copies of which the Board has previously received and reviewed.

The Board also directed the Staff to conduct a further evaluation of alternative program delivery methods to include consideration of a single master builder to implement the design and construction of all or a majority of the expansion program. As described in the off-calendar letters to you on 4 December 2001 and 26 March 2002 the Staff has concluded its evaluation of other delivery options beyond those considered in the Decision Document. The Staff's recommendation is to use a Master Builder to perform a majority of the TE work as described below and to select the Master Builder using a two-step selection with the first step being a qualifications based selection producing a short list of firms that in the second step will be asked to provide complete proposals including prices.

Recognizing that the Port's current financial situation may force a delay in the design and construction of the projects included in the Master Builder's scope, it remains prudent to complete the first step in the Master Builder selection that will take about six months to complete. Then, when the projects resume, the Port will already have a shortlist of qualified firms and can proceed directly to the second step leading to final selection. However, because the Port's needs and priorities may change in response to new circumstances, the RFQ will contain terms reserving the Port's rights to change the delivery method and selection process.

As explained below, the Master Builder contract is unique and will include both design-build projects and construction manager at risk projects. The use of the design-build delivery method is generally acknowledged to save time and reduce capital costs. (Miller, *Principles of Public and Private Infrastructure Delivery*, 300 (Kluwer Academic 2000).) Similarly, the construction manager at risk delivery process can result in substantial time and cost savings, and increased project flexibility. (Loulakis, Wickwire, Berry, Discroll, *Construction Management: Law and Practice*, 21 (Wiley & Sons 1995).) In order to begin selecting a Master Builder, staff will need Board approval of dispensing with standard lowest-sealed-bid procedures.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02225

BOARD ACTION TAKEN

Assistant

Sharon Kuyper

SECRETARY OF THE BOARD

JUL 16 2002

DATE

ANALYSIS:

Delivery Methods for the TEx Program:

The Staff has developed a delivery method to perform the design and construction of the majority of the TEx program in three new major contract packages that are described generally in the table below. Because the Design-Builder will provide professional services which require the exercise of judgment and deliberation, award of the contract based solely on the lowest bid as required under Port Ordinance No. 1606, Section 5, would not be in the Port's best interest.

The first new contract would be the already approved design-build (DB) project concept for the parking garage complex that is currently being prepared for a competitive best-value DB procurement. Port staff will request separate Board approval for the solicitation and award of the Garage Complex contract. The other two contracts require a certified Supplemental EIR before construction can proceed.

The second contract package would be for work such as aprons and taxiways that potentially will have federal Airport Improvement Program (AIP) funds and therefore must incorporate federal contracting requirements. The amount of funds for these projects is not yet known. There will also be several other smaller projects that must be accomplished early for security reasons primarily and will have separate contracts.

The third contract package, comprising all the remaining elements of the TEx program, , would be delivered through a Master Builder process and would be a unique combination of (1) infrastructure projects (roads, utilities, sitework) performed as design-build projects entirely by the Master Builder, and (2) the terminal building designed by the Master Architect Joint Venture (MAJV) under their existing contract and built by the Master Builder as a Construction Manager at Risk (CMr) project with a guaranteed maximum price (GMP). If the negotiations for the GMP are unsuccessful or if the Port is not satisfied with the Master Builder, the Port would seek a different contractor for the terminal building portion of the work. The general outlines of the Master Builder and the selection process are the subjects of this Board letter.

TEx Project Delivery Methods

Contract	Description	Delivery Method	Estimated Const. Cost (\$ millions)
1	Parking Garage Complex	DB	\$ 124
2	Master Builder	DB/CMr	Total \$804
	Utility Relocation	DB	\$ 26
	Central Utility Plant	DB	\$ 33
	Roadways	DB	\$ 176
	Ramps and Airside Utilities	DB	\$ 59
	Terminal	CMr	\$ 440
	Specialty Systems	CMr	\$ 70
3	AIP Funded Projects	TBD	\$ 150

- Legend:**
 DBB Design-Bid-Build
 DB Design-Build
 CMr Construction Manager at Risk

Staff requests the Board approve the project delivery methods described above for the TEx program.

Master Builder Request for Qualifications (RFQ):

Staff recommends that the Master Builder be selected in a two-step competitive process. The first step would be a qualifications based selection to determine which firms have the best qualifications and LBU commitment. The four best firms would be selected to go to the second step that will require a full proposal for the project including firm prices for the design-build features and for the management costs and an LBU goal commitment. This two-step process will assure the Port of getting high quality firms at a competitive price.

Staff is prepared to issue a Request for Qualifications (RFQ) for the Master Builder as the first step in the two-step competitive selection process. A copy of the proposed RFQ will be in the Commissioners Library for review. Several unique features of this RFQ are described below for the Board's easy reference:

1. Short List: Based on an evaluation of the proposals, Staff will recommend a short list of four firms to compete for the contract under the future Request for Proposals (RFP).
2. Independent Monitor: PricewaterhouseCoopers will serve as an independent monitor to assist the Port in administering and monitoring the entire evaluation process, assuring the public and the bidders of the impartiality and efficiency of the process while helping the Port to select the most qualified firm. Respondents will be evaluated and ranked by an Evaluation Panel, based on criteria described in the RFQ. The selection will include evaluations of experience, past performance, approach to the project, LBU participation and financial capacity. The Monitor will schedule, coordinate and administer interviews with the applicant firms; moderate all Evaluation Panel discussions; receive and tabulate Evaluation Panel scores, LBU scores and financial or bid scores and incorporate results into a report on the evaluation process. The final report from the monitor will be considered in the Staff's recommendation to the Board for four firms for the short list. However, Staff and the Board will retain the final authority to submit and approve the recommendation for award of the contract.
3. Affidavit regarding Lobbying: Each responding firm must sign an affidavit certifying that neither the firm(s) nor its agents or representatives will lobby any Port Commissioner, City or Port Official, or the Evaluation Panel during the Master Builder selection process. This lobbying affidavit does not limit the ability of responding firms to lobby and/or advocate their positions at properly noticed public meetings. If the responding firm lobbies in violation of the affidavit, the responding firm may forfeit being considered for this project. The purpose of these restrictions are to further the Port's interest in maintaining the transparency of the procurement process, including avoiding even the appearance of any impropriety in the award of this contract. Transparency is a fundamental element of a sound infrastructure delivery strategy. (Miller, *Principles of Public and Private Infrastructure Delivery*, 179 (Kluwer Academics 2000).)
4. No exclusivity: To provide local firms with the maximum opportunity to be on a winning team, no prime or prime-subcontractor can require that a subcontractor or subconsultant commit exclusively to that team and not be able to be submitted on other teams. Any prime who requires such a commitment may forfeit being considered for this project.
5. Financial Analyst: In addition to the reviews performed by the evaluation panels, the financial information provided by the responding firms will be evaluated and scored by an independent Financial Analyst that Port staff will retain. This financial evaluation will provide the Board with informative and impartial information garnered from the potentially large and complex financial reports that the responding firms will submit.
6. Bonding: The ability to bond the entire Master Builder project will be challenging, given the total dollar amount for the Project, differing delivery methods and the relative instability of the bond market following September 11, 2001

and the Enron investigations. The Master Builder request for qualifications seeks proposed bonding plans from all responding firms to protect the Port at all stages of the Project.

7. LBU Policy: The Master Builder RFQ will implement the newly passed local business utilization policy for this procurement.
8. Subcontractor Listing Law: Per Port Ordinance 1606, Section 5.1, the Port voluntarily complies with the requirements of Public Contract Code, section 4100 *et seq.* However, the improvements to be built under the Master Builder project will be delivered in multiple phases through design-build and construction manager at risk process. Therefore, per Port Ordinance 1606, Section 5.1, subcontractor lists will not be required at this point.

In order to begin the selection process, Staff requests Board approval of the two-step competitive selection process for the Master Builder, the Request for Qualifications, and dispensing with standard lowest-sealed-bid procedures.

Budget

This RFQ selection process will involve administrative expenses only. No design or construction will result from the selection of the four shortlisted firms. The estimated cost of this RFQ selection process is \$250,000 including the cost of the Independent Monitor, legal consultants preparing the RFQ and a financial consultant. The funding source will be Port Funds.

Environmental

The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The terminal and infrastructure projects within the Master Builder's scope are also within the scope of the Airport Development Program approved by the Board of Port Commissioners in December 1997 and June 1999, and evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeal ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. The projects within the Master Builder's scope cannot proceed with construction until the Port completes the additional environmental analysis required by the court's decision. However, the approval of the recommended procurement strategy and the approval of the RFQ process do not commit the Port to construction of the projects and allows full latitude to modify the scope of the Master Builder's projects should changes result from the Supplemental EIR process.

Sustainability:

For the Terminal Project that will be included in the Master Builder contract, the Port is striving to achieve a Green Building Council certification as a sustainable facility. If successful, this may be the first certified "Green" terminal building. Staff will identify opportunities in incorporating into this project, equipment and materials that utilize sustainable resources in construction and operation, as described in the Port's Sustainability Policy.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply on this project.

Overlaid Controlled Insurance Program (OCIP)

The project is covered under the Port's OCIP.

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

OPTIONS:

1. Option 1 – Approve the TEx project delivery method, the RFQ process, dispensing with standard lowest-sealed-bid procedures and authorize Tex to issue the request for qualifications. This will allow the first step in the selection of the Master Builder to proceed.
2. Option 2 – Approve the TEx project delivery method but not the RFQ process and dispensing with standard lowest-sealed-bid procedures. This would settle the matter of the procurement strategy but the first step in the selection of the Master Builder would not begin.
3. Take no action at this time and continue to evaluate the need to procure these services as circumstances develop.

RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to:

1. Approve the project delivery methods described above for the TEx program;
2. Approve the two-step competitive selection process for the Master Builder, and;
3. Approve issuing the Request for Qualifications (RFQ) and dispensing with standard lowest-sealed-bid procedures.

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 14

SUBJECT: Approval and Authorization for Execution of an Amendment to the Relocation Agreement with the East Bay Municipal Utility District for Airport Roadway Project, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*
EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Airport Roadway Project (Project) is one of the capital improvement projects approved by Alameda County Voters with the passage of Measure B in 1986. The Project will build an arterial roadway from the I-880/98th Avenue interchange in the City of Oakland to the Oakland International Airport, and then to Bay Farm Island in the City of Alameda. The roadway will serve as an alternate route for regional traffic generated by the Airport Cargo Center, the Airport, and Bay Farm Island. It will accommodate projected traffic growth at Air Cargo Center, the Airport Passenger Terminals, and the Harbor Bay Business Park. The Port of Oakland is the project sponsor listed in Measure B's 1986 Expenditure plan. The Project is primarily located within the Port Area; however, it is also located within the City of Alameda and within portions of the City of Oakland that are outside the Port Area. Accordingly, the Project partners include the Port, the cities of Oakland and Alameda, and the Alameda County Transportation Authority (ACTA), which is the Measure B administrator.

This project is comprised of three construction contracts as follows:

- Contract A: Improvements to Harbor Bay Parkway, Air Cargo Road, Airport Drive, and Construction of Taxiway B Bridge
- Contract B: Construction of Doolittle Drive and Airport Drive Interchange
- Contract C: Widening of 98th Avenue West of I-880

As a part of Contract A, a concrete bridge will be constructed at Taxiway B with the vehicular traffic on Air Cargo Road to Bay Farm Island being routed under the bridge. The East Bay Municipal Utility District (EBMUD) owns and maintains a 20" potable water line and a 16" reclaimed waste water line along Air Cargo road to serve the Federal Express Building and a golf course at the City of Alameda, respectively. Since the current Air Cargo Road will be routed under the new Taxiway B concrete bridge or overpass, the EBMUD water lines must be relocated during construction. Under the easement agreements between the Port and the EBMUD, the Port is responsible for all relocation costs.

The Port has a Relocation Agreement with the EBMUD to provide for the relocation of the 20" potable water line and the 16" reclaimed waste water line along Air Cargo road. The Board approved the execution of the Relocation Agreement with the EBMUD on November 10, 1998, by resolution No. 98425. This Resolution authorized the Executive Director to enter into a Relocation Agreement with the EBMUD, which includes design review and construction inspection work for an estimated amount of \$175,000.00 plus 25% contingency.

The relocation agreement with the EBMUD has been executed. After thorough review of the conformed drawings and observation of work to date, additional water system items have been revealed which must be completed by the EBMUD within the Contract A area.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02226

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

JUL 16 2002

DATE

ANALYSIS:

According to the relocation agreement, a written amendment is required when the actual cost exceeds 125% of the \$175,000 estimated amount, or \$218,750. The total estimated cost will be \$425,000 when the additional items are included. Thus, a written amendment is required.

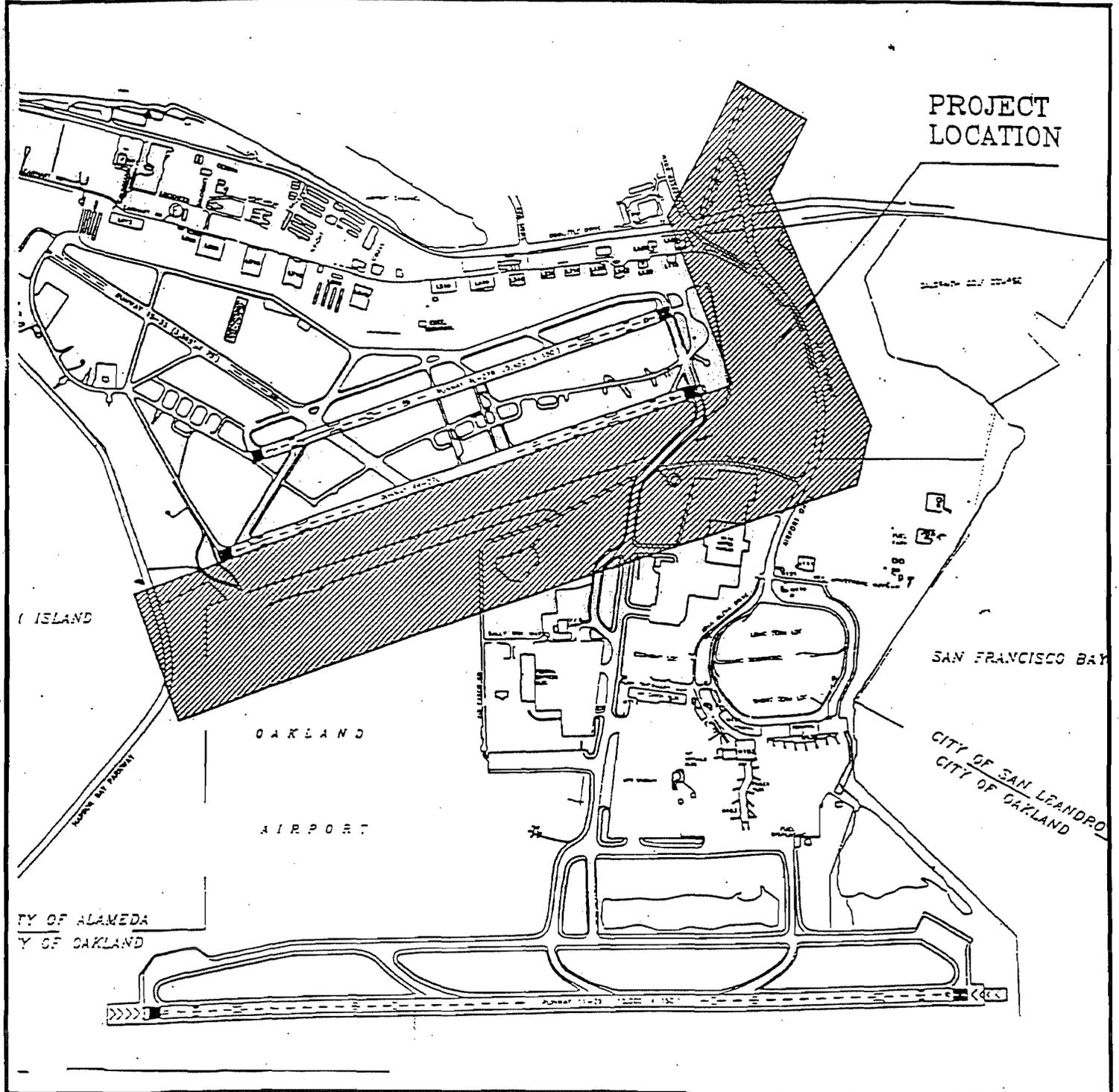
This Amendment to the Relocation Agreement with the EBMUD will provide for the Port-furnished pipe fabrication inspection, the 20" water line relocation on Air Cargo Way Extension and Airport Drive, the fire hydrant setbacks and removals on Air Cargo Road, and miscellaneous valve pot and air valve adjustments. The EBMUD will review the design, provide system inspection during construction, certify the construction work, and provide "as built" drawings for acceptance by the EBMUD.

Budget

The Port will reimburse the EBMUD for these costs. The estimated cost for the additional work described above is \$250,000 (\$425,000 - \$175,000) plus 25% contingency, but the final reimbursement amount will be the actual costs incurred by the EBMUD as agreed to under the original Relocation Agreement. The work is budgeted under CIP Item Number AA.00268.01, and the funding source is the Measure B Program administered by ACTA and the Local matching funds to be provided by the Port, the City of Alameda, and the City of Oakland. The Port's share of local matching funds is a combination of Port cash and the value of the Property contributed by the Port for the Project.

RECOMMENDATION:

It is recommended that the Board approve and authorize the execution of an Amendment to the Relocation Agreement with the EBMUD.



PORT OF OAKLAND

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

SUBJECT: Approval and Authorization for Execution of a
Relocation Agreement with the East Bay
Municipal Utility District for Airport Roadway Project,
MOIA

Date: November 10, 1998
Item No. 10S

PROGRAM AREA

- Airport Operations C.I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Airport Roadway Project is a County Measure B tax-funded project to build an arterial roadway from I-880 at 98th Avenue to the Oakland Airport, and through the Oakland Airport to Bay Farm Island, Alameda. As a part of this project, a concrete bridge will be constructed over Taxiway "Bravo" with the vehicular traffic on Air Cargo Road to Bay Farm Island being routed under the bridge.

The East Bay Municipal Utility District (EBMUD) owns and maintains a 20" potable water line and a 16" reclaimed waste water line along Air Cargo Road to serve the Federal Express Building and a golf course at the City of Alameda, respectively. Since the current Air Cargo Road will be routed under the new Taxiway "Bravo" concrete bridge or overpass, the EBMUD water lines must be relocated during construction. Under the easement agreements between the Port and the EBMUD, the Port is responsible for all relocation costs.

The Relocation Agreement with the EBMUD will provide for the relocation of the two water lines. The EBMUD will review the design, provide system inspection during construction, certify the construction work, and provide "as-built" drawings for acceptance by the EBMUD. The Port will reimburse the EBMUD for these costs. The estimated cost is \$15,000 for design review and \$160,000 for construction inspection, but the final reimbursement amount will be the actual costs incurred by the EBMUD under the Agreement. Since the relocation is necessary to the project, all costs will be charged to the County Measure B tax-funded Airport Roadway Project.

RECOMMENDATION:

It is recommended that the Board approve and authorize the execution of the Relocation Agreement with the EBMUD.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN DATE

SECRETARY OF THE BOARD

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 15s

SUBJECT: Authorization to Sign Agreement with the Federal Aviation Administration (FAA) to Install Noise Monitoring System Equipment at their Northern California TRACON Facility

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND

On May 2, 1995, the Board of Port Commissioners authorized the Port of Oakland Executive Director to enter into a Memorandum of Agreement (MOA) with the Federal Aviation Administration (FAA) to allow the Port to install equipment at the Bay TRACON radar facility for the purpose of transmitting flight information data to the Airport Noise Monitoring System. The FAA is scheduled to close the Bay TRACON facility this fall and move its operations to the new Northern California TRACON facility in Sacramento. Consequently, it is necessary for the Port to enter into an updated MOA with the FAA to allow for connection of new equipment at the new location that will transfer the required flight information data to the Airport's system. The cost of purchasing, installing and maintaining the new equipment was authorized by the Board on June 4, 2002.

The FAA has drafted an updated MOA to be signed by the FAA and the Port to permit installation of the equipment, and the Port agrees with the terms and conditions of the agreement. The FAA will monitor the security of the flight data provided to the Port, and the Port agrees to honor the FAA's requirements relative to the release of sensitive data. The Port may publicly release reports and analyses derived from the flight data as part of its noise management program. The FAA promises to notify the Port in the event there is a problem with the FAA's system, and the Port has agreed to indemnify the FAA for any damages caused by the Port or its agents to FAA equipment.

OPTIONS

There currently are two reliable methods for receiving flight information data for a noise monitoring system. The methods include getting data directly from the FAA, which requires an MOA, or purchasing a Passive Radar Surveillance System (Passur) which intercepts radar signals and provides it via its own system. The Port has used both of these means for acquiring radar data in the past and found that getting the information directly from the FAA is more useful for its noise management program.

ANALYSIS

Port staff has found that radar and flight information data received directly from the FAA, as opposed to indirectly through a Passur system, is more reliable and of higher quality. Of special note is that a Passur system does not provide as much flight identification data for aircraft using "visual flight rules" as does the data received from the FAA. This is very important to the Airport in order to better manage aircraft noise concerns and to be more responsive to the local and aviation communities.

GENERAL PLAN

This MOA with the FAA is not subject to the provisions of the City of Oakland General Plan.

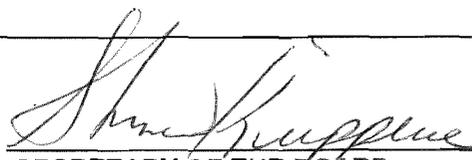
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. OR 227

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

JUL 16 2002

DATE

BUDGET

There are no budget costs associated with this MOA other than the equipment and maintenance costs authorized by the Board on June 4, 2002.

SUSTAINABILITY

There are no environmental issues involved in this project.

RECOMMENDATION

It is recommended that the Executive Director be authorized to execute a Memorandum of Agreement with the FAA to permit installation of equipment at the FAA's Northern California TRACON facility that will transfer flight information data to the Airport Noise Monitoring System. It is also recommended that the Executive Director be authorized to sign periodic renewals to the MOA in the event it is required by the FAA.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 16s

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Checked box: Airport Operations
Unchecked boxes: Commercial Real Estate, Maritime Operations, Overall Operations

SUBMITTED BY: Steven J. Grossman

Handwritten signature of Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service.

1. This action adds the following additional carrier and operator as airlines and other operators authorized by the Board to do business at the Airport.

The additional carrier is: North American Airlines.

The additional operator is: A2Z Aircraft Services.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the of the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities).

- Unchecked boxes: MOTION, RESOLUTION, INFORMATION ONLY
Checked box: ORDINANCE

Approved by Ordinance passed to print

Handwritten signature of Secretary of the Board

JUL 16 2002

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

DATE

**First Reading of Ordinance Approving Additional Signatories
to the Airline Operating Agreement and Space/Use Permit
at Oakland International Airport (#1 Airport Drive, South Airport)**

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

Agency Sheet

DATE: February 2002

ITEM NO: 4S

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations ci
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten mark]*

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport. This action thereby authorizes the Executive Director and/or Director of Aviation to enter into separate agreements with each of the below-listed companies.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service. [A copy of that initial Board letter, which provides an historical and legal context to this action, accompanies this item.] Since that time, additional carriers and operators have started service or are expected to soon. This action adds the following additional carriers and operators as airlines and other operators authorized by the Board to do business at the Airport.

The additional carrier is: American Eagle Airlines.

The additional operators are: Evergreen Aviation Ground Logistics Enterprises and OneSource Building Services.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the Lead Agency's determination. The new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit will use existing facilities at Oakland International Airport. This use will not result in an expansion of use.

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- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

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DATE

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

FOR INFORMATION ONLY

Agenda Sheet

DATE: March 21, 2000

SUBJECT: First Reading of Ordinance Approving Standardized Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

ITEM NO: 1

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman



EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

This proposed action would approve a new standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport's terminal building complex (e.g., terminal buildings, concourses, connector, ramp offices, adjacent apron space, RON aircraft parking, multi-tenant cargo building). In addition, this proposed action would authorize the Executive Director to enter into individual agreements with each of the existing airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport.

Almost all major-hub airports operate with an airline operating agreement or airport/airline lease and use agreement, governing activities that may be conducted by airlines. Such agreements usually encompass the particular range of activities at airports that most affect the airline users, including: rights and privileges granted to the airline tenants, terminal building facility requirements, airline rates and charges, contract surety, indemnification and insurance, environmental and toxic materials issues, default, assignment and sublease, etc.

Most such airports also have a real estate agreement with their tenants governing the particular transactional and property aspects at the airports. The Port's current License and Concession Agreement has served this purpose for many years.

INFORMATION ONLY

A consultant assisted staff in developing a new standardized Airline Operating Agreement and Space/Use Permit for the Airport that conforms to the Airport's particular rate-setting and space/use methodologies. For example, the Port establishes the airlines' rates and charges usually on an annual basis by adopting an ordinance (Port Ordinance #1149). Further, all space used by airlines at the Airport's terminal building complex, including aircraft gate usage, is rented on a month-to-month basis. These two very flexible methodologies enable the Airport to add, remove, or reassign space on an as-needed basis, while increasing or decreasing rates as necessary.

Following several drafts and staff reviews, the proposed Airline Operating Agreement and Space/Use Permit were distributed for comment to the Airport Liaison Officer (ALO) and representatives from each of the airlines. Staff further met with the ALO and the airlines earlier this month to finalize particular terms and conditions within the agreements to the mutual satisfaction of the parties, including the Port Attorney's own requirements.

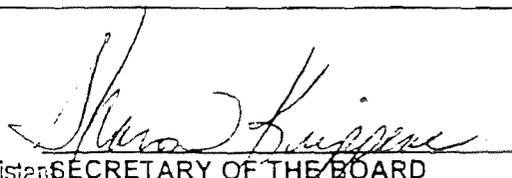
The resulting drafts, now proposed for the Board's approval, retain the Airport's very flexible rate-setting and space/use methodologies, while providing longer-term continuity and greater legal surety for the Port. For example, the proposed Space/Use Permit combines into a single document many of the present Right-of-Entry and Multi-Year License and Concession Agreement provisions contained within the Port's existing agreements. But, it allows through delegation to the Director of Aviation, reassignment or relinquishment of various Airport spaces from time-to-time on a 30-day basis, such as aircraft gate assignments, terminal building space, airline ramp space, etc.

Nonetheless, all new carriers and related users commencing service at the Airport must still secure the Board's or approval before 270 days (9 months) have elapsed (the present practice). The terms of each of these

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

MAR 21 2000

DATE

proposed agreements is for up to ten (10) years (like the multi-year license agreements), but still terminable by the Port with 30-days notice. In addition, the proposed Space/Use Permit also would be used for non-airline Airport tenants such as ground handlers, security checkpoint firms, skycap services, and other non-concessionaires. Finally, the Board still would retain approval authority for establishing or adjusting all Airport rates and charges by amending Ordinance #1149, just as it does now.

ANALYSIS:

As stated above, it is the standard practice at major-hub airports to operate with one or two operating and leasing agreements within the terminal building environment. Since the Airport does not have long-term leases with its airline tenants, instead operating under the more flexible ordinance rate-setting methodology, two agreements are more appropriate than one. Finally, these proposed agreements would not supplant long-term ground leases under which certain airlines operate (e.g., FedEx Metroplex, United Airlines Maintenance Base).

The following scheduled airlines would enter into an Airline Operating Agreement and Space/Use Permit: Airborne, Alaska/Horizon Air, Aloha, America West, American, Ameriflight, City Bird, Corsair, Delta, Emery Worldwide, Evergreen Aviation, Federal Express, Martinair Holland, Mexicana, SATA/Sun Trips, Southwest, United Parcel Service, and United Airlines. The following other tenants would enter into a Space/Use Permit only: Aeronova, FAA, Hallmark Aviation, Hilltop Aviation, ITS, Argenbright, DEA, Air General, Ogden Aviation, Ontario Aircraft, Trans Air, Servicemaster, Pacific Aviation, US-INS, Today's Aircraft, US Customs, Huntleigh, Roberts Janitorial, OFFC/DynAir and Worldwide Flight.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project had been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or licenses and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of the use beyond that previously existing.

OPTIONS:

1. Take no action, leaving the existing agreements in place.
2. Delay approval of new standardized Airline Operating Agreement and Space/Use Permit pending additional review
3. Approve the proposed ordinance adopting a standardized Airline Operating Agreement and Space/Use Permit.

RECOMMENDATION:

It is recommended that the Board pass an ordinance approving standardized language for an Airline Operating Agreement and Space/Use Permit at Oakland International Airport, authorizing the Executive Director to enter into individual agreements with each of the existing and prospective airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport, and authorizing the Executive Director to convert all existing agreements with such tenants operating within the terminal building complex to the standardized agreement and/or permit.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 19

SUBJECT: Recommended Approval of Fiscal Year 02-03 Annual Target Rental Rates for License and Concession Agreements

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In 1989, the Board approved procedures for the renewal of existing License and Concession Agreements. These procedures provide that the Board, at closed session, under instructions to negotiators, consider the recommendations as to the annual renewal rental rate for each tenant and approves a target rent for each tenant.

Under separate letter, the target rents for the Commercial Real Estate Division tenants on the attached renewal list will be presented for consideration by the Board in closed session for implementation of the annual rental approval procedure at the July 16, 2002 Board Meeting. Under the established procedure, License and Concession Agreements are renewed under the same terms and conditions as the expiring License and Concession Agreement, except for changes pursuant to the approved target rent. To avoid having large numbers of expired License and Concession Agreements on holdover, CRE has processed Board approved License and Concession Agreements for each tenant, even though the Board previously approved the target rent for these tenants. It is recommended the Board approve extending the term of each License and Concession Agreement for which the Board approves a target rent and that the Executive Director be authorized to execute renewals to such approved CRE Division License and Concession Agreements. The proposed target rents and renewals for CRE Division tenants were discussed with the Commercial Real Estate Committee on July 3, 2002.

The renewals of existing License and Concession Agreements have been determined to be categorically exempt from the requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1, Section 15301 (p) which exempts renewals, extensions or amendments to Leases or License and Concession Agreements when the premises or licensed activity were previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

OPTIONS:

1. Approve 2.11% increase for all License and Concession Agreement renewals as recommended.
2. Approve a portion of recommended increases and require resubmission of the remainder.
3. Deny approval of 2.11% increase as recommended.

RECOMMENDATION:

It is recommended that the Board adopt a Resolution authorizing staff to negotiate the target rents in accordance with its instructions, that the Board approve renewals of each License and Concession Agreement at the approved target rent for one year at the target rental and otherwise under the same terms and conditions of the existing License and Concession Agreement, and that the Executive Director be authorized to execute such renewals

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02228

BOARD ACTION TAKEN Assistant

Signature of Secretary of the Board

SECRETARY OF THE BOARD

JUL 16 2002

DATE

2002 EXISTING LICENSE AND CONCESSION AGREEMENTS

LESSEE	LOCATION	MAP No.
C.R. Gibb (Waterfront Plaza Hotel)	Vacant Land Former JL Marina West Basin Parking Lot	1
Carol Brookman dba Heinold's First & Last Chance	Port Building F-203 56 Jack London Square	2
AFI Marketing	Fire Exit Lane 3 rd & Webster Streets	3
Van Matre Lumber Co., Inc.	Port Building G-315 251-5 th Avenue	4
Golden State Diesel	Port Building G-309 351 Embarcadero	5
Telemedia Communication Systems	Port Building G-309 351 Embarcadero	5A
Roger & Susan Ferrari dba Jal-Vue East Bay Glass	Port Building H-101 & Vacant Industrial Land 295-6 th Avenue	6
Russ Donovan dba D. Philbrick	Port Building H-103 and Industrial Land 603 Embarcadero	7
KTVU, Inc.	Port Building H-108 295-5 th Avenue	8
Orient Reefer Container Services	Vacant Land 5 th Avenue	9
J.W. & Barbara Silveira	Water Area Foot of 5 th Avenue	10
Thunderbird Properties	Port Building H-110 400-6 th Avenue	11
Anthony A. Travis dba Ship Shape Marine	Port Building H-112 6 th Avenue	12
Bao Yam dba Seabreeze Café	Port Building H-113 6 th Avenue	13
John Baker	Land & Water Area 69-6 th Avenue	14
Oakland Telecards, Inc.	Port Building F-111 & F-601 JLS Common Area	15
National Furniture	Port Building H-232 845 Embarcadero	16
Laura Lee, dba Oyster Reef Restaurant	Port Building H-315, 1000 Embarcadero	17
Athens Bakery, LLC	Vacant Land Adjacent to Port Building J-321 on Embarcadero	18
Oakland Fire Department Historical Society (OFDHS)	Port Building J-321 2400 Embarcadero	19
Park-Tilden	Port Building J-321 2400 Embarcadero	20

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 20

SUBJECT: New License and Concession Agreement with East Bay Regional Park District for Parcel Located at Oakport Street near 66th Avenue

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On April 4, 2000 the Port of Oakland ("Port) and the City of Oakland ("City") entered into a license and concession agreement for two parcels of land containing 68,813 square feet located on Oakport near 66th Avenue in the Business Park. The site is used as a staging and parking area for pedestrian access to the Martin Luther King Shoreline Park. On December 5, 2000 the parties again entered into an agreement adding 5,228 square feet to one of the existing parcels. The Port does not receive any compensation.

The existing agreement terminates on June 30, 2002 and the City has requested that the Port enter into an interim license and concession agreement with the East Bay Regional Park District for a 42,643 square foot portion of these parcels. The parcel will continue to be a parking area for pedestrian access to the Martin Luther King Shoreline Park.

The lease of the property is categorically exempt from CEQA per CEQA Guidelines, Section 15301.

Pursuant to Section 727 of the City Charter, the lease has been determined to conform to the policies of the Oakland General Plan.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

BUDGET ANALYSIS:

No financial impact.

OPTIONS:

1. Approve new license and concession agreement.
2. Deny request for approval of new license and concession agreement.

RECOMMENDATION:

It is recommended the Board approve the above-listed agreement.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

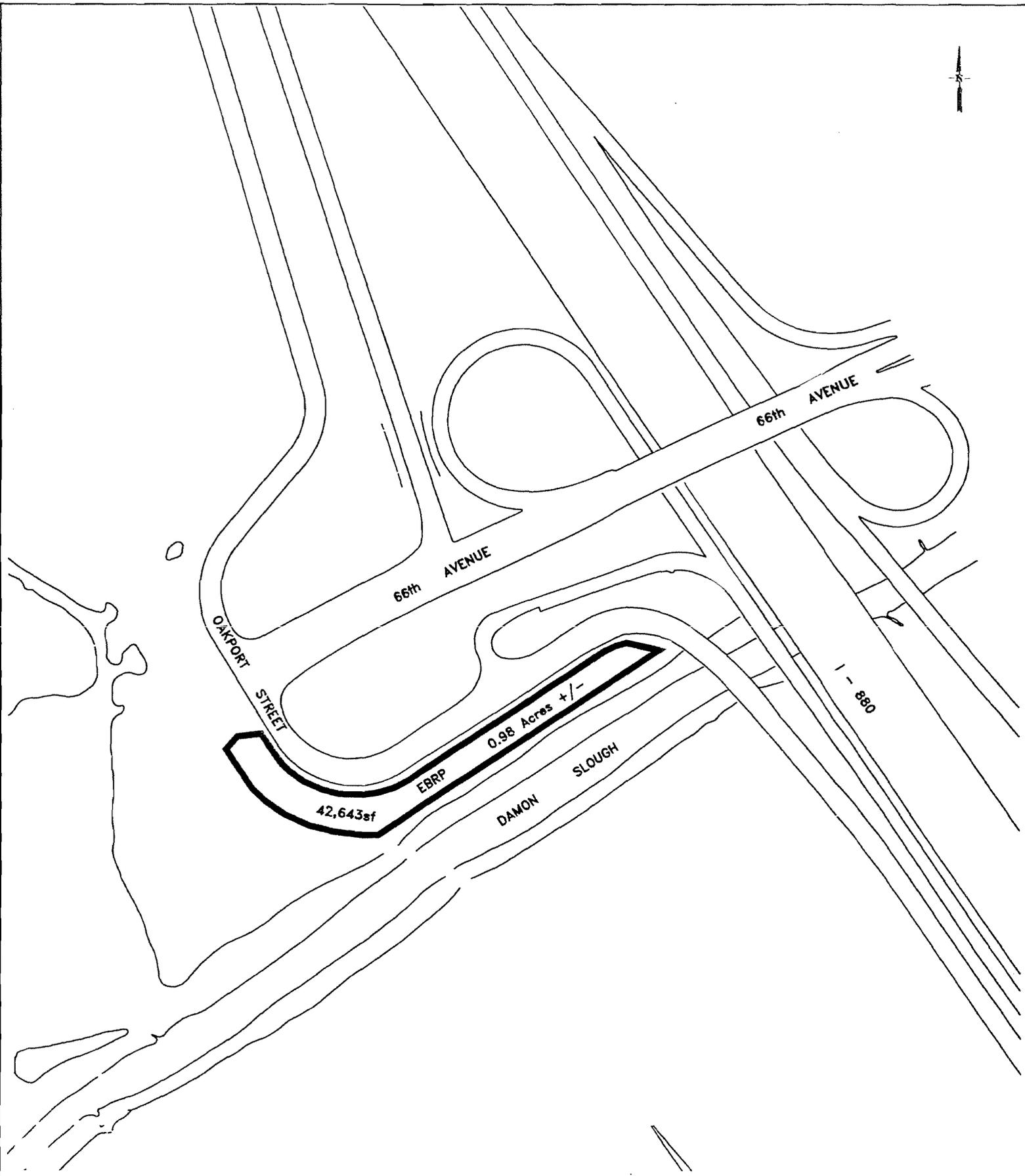
Approved by Resolution No. 02229

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

JUL 16 2002

DATE



New License and Concession Agreement
 with East Bay Regional Parks District for
 Parcel located at Oakport Street near 66th Avenue

LAND RECORDS MANAGEMENT
 for
 Commercial Real Estate
 Board Calendar Use Only

Date: 6/21/2002
 Scale: None
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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 21s

SUBJECT: Hilton Hotels Corporation Lease Amendment – Revised Legal Description

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

On November 13, 1967, the Port of Oakland and Hilton Hotels Corporation entered into a 63.5-year lease for approximately 20.951 acres in the Airport Business Park for the development of a first-class hotel.

As part of the Airport Roadway Project, it was necessary to widen Doolittle Drive. The leased premises of the Hilton Hotel have been modified to accommodate the widening project. This modification results in a loss of approximately 1,733 square feet of the Hilton Hotel's landscaping along Doolittle Drive.

FISCAL IMPACT:

The modification of the leased boundary has no fiscal impact on the Port. The Doolittle widening was part of the Airport Roadway Project and is covered by a funding agreement between the Port, the City of Oakland, ACTA and the City of Alameda. The lease modification does not change the rental paid by Hilton to the Port.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

COMMENTS:

The widening of Doolittle Drive has been completed.

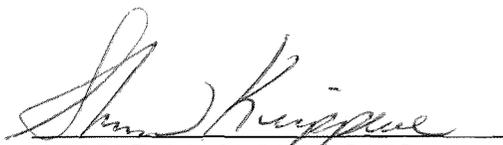
RECOMMENDATION:

It is recommended that the Board approve a resolution authorizing the Executive Director to execute the Third Supplemental Agreement incorporating the revised legal description as indicated above.

Approved by Resolution
No.

02230

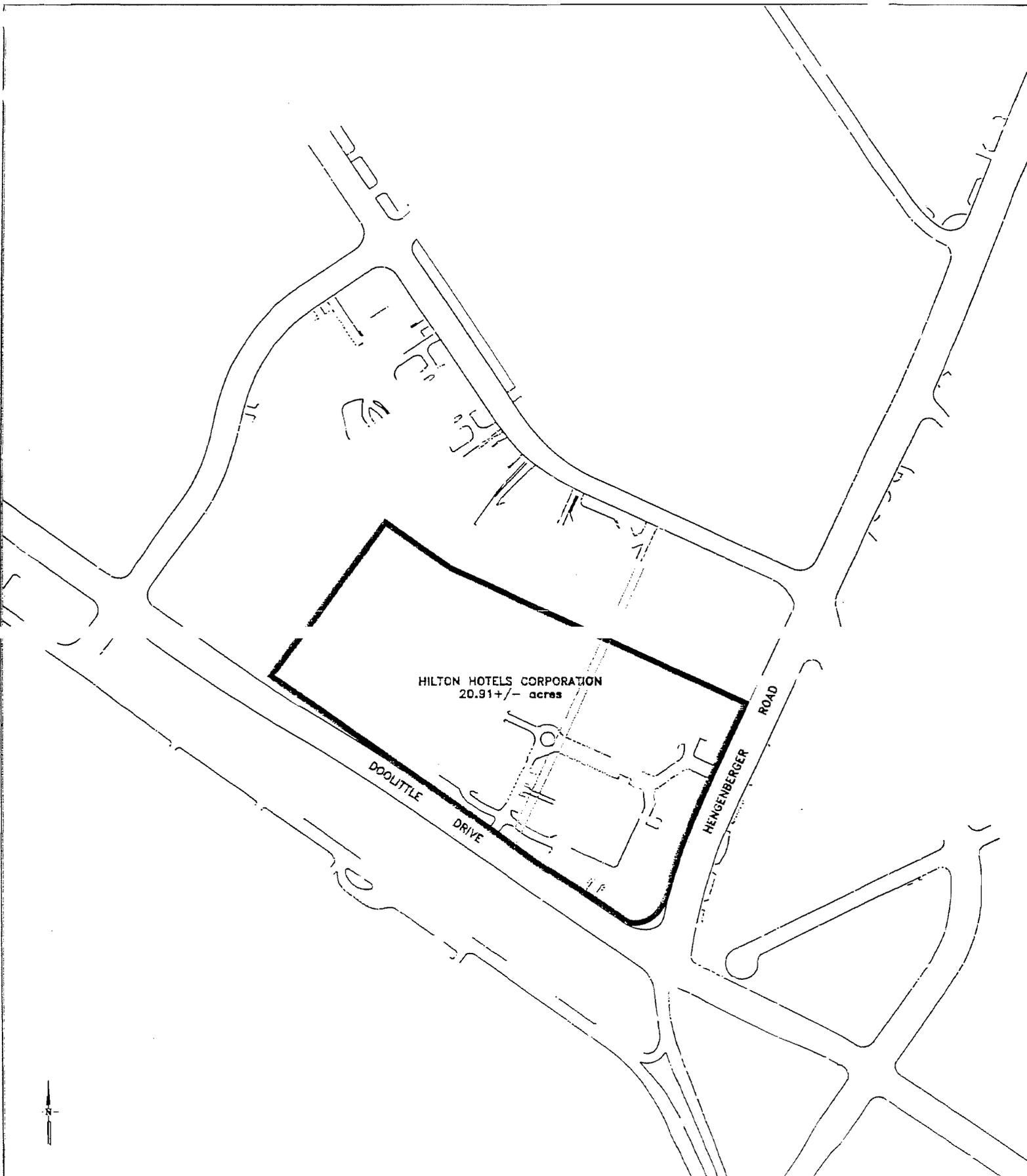
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUL 16 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY



Hilton Hotels Corporation
Lease Amendment –
Revised Legal Description

LAND RECORDS MANAGEMENT
for
Commercial Real Estate
Board Calendar Use Only

Date: 6/21/2002
Scale: None
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**Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet**

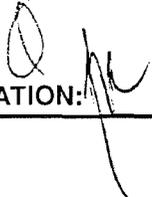
SUBJECT: Approval for Executive Director to Enter into a Memorandum of Understanding with BCDC to Process the Port's Application for a Seaport Plan Amendment and a Bay Plan Amendment

DATE: July 16, 2002

ITEM NO.: 22s

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar Benjamin 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland submitted an application to the San Francisco Bay Conservation and Development Commission (BCDC) on February 19, 2002 for an amendment to the San Francisco Bay Plan and the San Francisco Bay Area Seaport Plan to remove the port priority use designation from the Ninth Avenue Terminal. Board approval is required for the Executive Director to enter into a Memorandum of Understanding (MOU) with BCDC to process the Port's application. The Port's reason for requesting the amendments is to allow redevelopment of the Ninth Avenue Terminal site for non-maritime purposes as part of the Oak-to-Ninth mixed use project.

ANALYSIS:

The Port of Oakland's Ninth Avenue Terminal is a 31-acre, multi-purpose facility originally designed for break bulk cargo. Existing land uses at the Ninth Avenue Terminal are warehousing, storage, and trucking activities, and the Artship has been moored at the terminal's dock since 1999. A cargo ship has not used the facility since 1999. The Port is currently negotiating with a private developer to develop Port-owned parcels (including the Ninth Avenue Terminal) in the Oak-to-Ninth waterfront district.

Since several regional ports are requesting changes in use designations for bulk cargo facilities, BCDC is hiring a consultant (Tioga Group) to prepare a bulk cargo forecast for the Bay Area. The BCDC staff report and recommendations will draw on that forecast to ensure that cargo facility needs will be met by Bay Area ports.

Environmental

The subject activity of approval to enter into a Memorandum of Understanding between the Port and BCDC is covered by the general rule that CEQA applies only to projects, which have the potential to cause a significant effect on the environment (CEQA Guidelines, Section 15061 (b)(3)). The action to amend the Bay Plan and Seaport Plan is subject to CEQA. BCDC is the Lead Agency under CEQA for this action and will prepare a CEQA analysis of the proposed amendments. Under CEQA, the Port as a Responsible Agency shall rely upon BCDC's CEQA analysis.

General Plan

Not applicable for approval of the MOU to process the BCDC application. Planned uses at the Ninth Avenue terminal site will be in compliance with the Estuary Policy Plan, which is an element of the City of Oakland's General Plan.

Budget

The Port is required to pay the actual costs for processing the application, according to BCDC Regulation Section 11008. BCDC anticipates that the total cost to process the Port's application, including the Port's share of the consultant's fee, will be \$52,200. That cost is budgeted in the CRE capital budget for FY2003 under CIP element P4.01001.02. The funding source is Port cash.

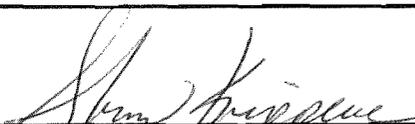
Sustainability Opportunities

By coordinating waterfront land use decisions through BCDC, Bay Area ports promote the efficient use of harbors and seaports while minimizing disruptions to the San Francisco Bay ecology.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02231



BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD DATE

JUL 16 2002

RECOMMENDATION:

It is recommended that the Board:

1. Authorize the Executive Director to enter into a Memorandum of Understanding with BCDC to process the Port's application for a Seaport Plan Amendment and a Bay Plan Amendment to remove the port priority use designation from the Ninth Avenue Terminal; and
2. Authorize the Executive Director to expend up to \$52,200 to support BCDC staff participation in this effort, with an additional \$10,000 to cover unanticipated permit processing costs.

Agenda Sheet

DATE: July 16, 2000

ITEM NO: 31

SUBJECT: Approval of the Capital Improvement Award Program and Financing Plan for Fiscal Year Ending June 30, 2003

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland Capital Improvement Program (CIP) has been undergoing review since the events of September 11, 2001. The Audit, Budget and Finance Committee and Board of Port Commissioners have requested that Port staff phase CIP projects to provide future financial flexibility. This effort, in conjunction with a current revenue bond issue, has resulted in a seven-year CIP totaling \$1.23 billion for all three revenue divisions. This seven-year \$1.23 billion phased program, allows for completion of selected Aviation, Maritime, and Commercial Real Estate projects. Any new projects are subject to the Port's CIP approval procedures, which consider business need, rate of return criteria, and financial feasibility leading to Board of Port Commissioner approval.

The purpose of this agenda sheet is to have the Board approve the Fiscal Year 2002/2003 award schedule, and in concept, the seven-year CIP. The seven-year CIP is feasible and under a separate Board Agenda item dated this date, the Board will be asked to approve the issuance of revenue bonds 2002 series L and M to fund a portion of the CIP.

Overview Of The Capital Improvement Program

The proposed Capital Improvement Award Program for FY 2002-03 is \$383 million. The projected awards for FY 2003-04 through FY 2007-2009 are \$940 million, for a seven-year Capital Improvement Award Program of \$1.23 billion.

The CIP will be funded with a broad array of funding sources. The Port continues to attempt to maximize other funding sources in order to minimize debt; however, revenue bonds will constitute 47%, with commercial paper (short-term variable rate debt) at 13%, internally generated funds at 20%, and other funding at 20%, such as passenger facility charge (PFC's), grants, and customer facility charge (CFC's).

While the Board is approving the overall award amount for FY 2002-03 of \$383 million at this time, individual projects are awarded and approved by the Board during the fiscal year prior to commitment of funds. Therefore, there may be some changes to the individual projects based on many factors including timing, business decisions, environmental and permitting considerations, resources, tenant needs, and financial considerations.

The appropriate Board Committee usually reviews proposed capital improvements at the preliminary design stage, and by the full Board prior to authorizing the execution of any contract. The advertising for bids and award of public work contracts both must be approved by Board Resolution

RECOMMENDATION:

It is recommended that the Board adopt the Capital Improvement Award Program for an amount not to exceed \$383 million for FY 2002-03 and adopt such a Resolution. It is further recommended that the Board endorse the seven-year Capital Improvement Program for an amount not to exceed \$1.23 billion in awards.

- MOTION
- RESOLUTION
- ORDINANCE

Approved by Resolution No.

02232

JUL 16 2002

Board Action Taken Assistant Secretary of the Board Date

Aviation Projects (\$000)

North Airport

Utilities and Roadway Infrastructure	\$ 6,121
Taxiway and Apron Overlays	16,808
Airport Facilities Service Building	8,448
Rental Car Consolidated Interim Facilities	17,069
	\$ 48,446

South Airport

Terminal Improvements (Ticketing, Offices, Restrooms)	\$ 13,401
Terminal Systems Improvements	7,235
Utility Improvements	1,445
Airfield - Aprons and Taxiway Improvements	10,381
Roadway Upgrades	3,689
Environmental and Planning	9,585
	\$ 45,736

Terminal Expansion Program (TEX)

Terminal 2 Reovations and Concourse Extension	\$ 139,335
Parking Garages	205,077
Surface Parking Lots	21,231
	\$ 365,643

Airport - General Areas

Airport Roadway Project	\$ 35,704
BART Connector Project	27,723
Interim Airport Improvements	113,715
Sound Insulation Program	13,370
Mitigation/Wetland Programs	396
Capital Reserves/Equipment	20,504
	\$ 211,412

Total Aviation Projects	\$ 671,237
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Source: Port of Oakland

Maritime Projects (\$000)

Outer Harbor	
Berth 22 - 26	\$ 77,000
Total Outer Harbor	\$ 77,000
7th Street Harbor	
Berth 32-33	\$ 69,000
Total 7th Street Harbor	\$ 69,000
Middle Harbor	
APL Terminal	\$ 77,000
Total Middle Harbor	\$ 77,000
Vision 2000	
Hanjin, Berths 55-56	\$ 6,800
SSAT, Berths 57-59	46,500
JIT, Phase I	6,200
Maritime Support Area (Previously JIT, Phase II)	14,500
New Middle Harbor Park and Other Projects	27,149
Total Vision 2000	\$ 101,149
Other Maritime Areas	
50 Feet Deepening	\$ 147,334
Oakland Army Base	8,366
Total Other Maritime Areas	\$ 155,700
Total Maritime Projects	\$ 479,849

Source: Port of Oakland

Commercial Real Estate Division Projects	
(\$000)	
Jack London Square	\$ 21,278
Embarcadero Cove	983
Business Park	3,462
Oak to 9th District	1,053
Miscellaneous	591
Total	\$ 27,367

Source: Port of Oakland

**CIP Funding Sources
Summary by Division (\$000)**

Sources	Aviation	Maritime	Commercial Real Estate	Support	Total
AIP Entitlement Grants	\$ 27,589	\$ -	\$ -	\$ -	\$ 27,589
AIP Discretionary Grants	\$ 10,608	\$ -	\$ -	\$ -	\$ 10,608
PFC Pay-as-you-go	\$ 150,600	\$ -	\$ -	\$ -	\$ 150,600
Rental Car CFOs	\$ 11,961	\$ -	\$ -	\$ -	\$ 11,961
Other Funds	\$ 20,517	\$ 1,141	\$ 27,367	\$ -	\$ 49,025
Port Cash	\$ 114,538	\$ 134,610	\$ -	\$ -	\$ 249,148
Commercial Paper	\$ 86,939	\$ 72,958	\$ -	\$ 323	\$ 160,220
Series 2000 Revenue Bonds	\$ -	\$ 20,398	\$ -	\$ -	\$ 20,398
Revenue Bond Proceeds	\$ 248,485	\$ 250,742	\$ -	\$ 51,001	\$ 550,228
Total	\$ 671,237	\$ 479,849	\$ 27,367	\$ 51,324	\$ 1,229,777

Source: Port of Oakland, Fullerton & Frier, Inc.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

ITEM NO: 32

SUBJECT: Approval of Issuance of Port of Oakland Revenue Bonds,
2002 Series L and M and Certain Related Actions

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

It is recommended that the Board authorize the issuance of Port of Oakland Revenue Bonds, 2002 Series L (AMT) and 2002 Series M (non-AMT) in an aggregate principal amount not to exceed \$700 million.

The proposed bonds would be issued pursuant to a plan of financing to fund or reimburse the Port for various capital improvements for the maritime and aviation business lines and other Port operations; to finance capitalized interest (\$88.7M); to fund debt service reserve requirements (\$49.3M); and to pay the costs of issuing the bonds (\$12.6M). These latter three potential amounts are expected to be approximately \$ 150.6 million.

As part of the marketing and sales effort for the bonds, the Port's underwriters will circulate a Preliminary Official Statement (POS), including the preliminary Feasibility Study of the Port. The final Official Statement, which will reflect the final size, structure, and interest rates, will be delivered to the actual purchasers of the Bonds. In order for this sales effort to proceed, the Board will need to approve the POS including the preliminary Feasibility Study, and authorize preparation of and delegate authority to approve the final Official Statement including the final Feasibility Study in substantially final form and authorize the distribution of these documents by the underwriters.

In addition to authorizing the Twelfth Supplemental Indenture described below, the Port will enter into a Tax Regulatory Agreement (to comply with the provisions of the Internal Revenue Code), a Continuing Disclosure Certificate (to comply with the Securities and Exchange Commission disclosure laws), a Bond Purchase Agreement with the underwriters (Salomon Smith Barney; Goldman, Sachs & Co.; A.G. Edwards & Sons, Inc.; Henderson Capital Partners, LLC; Loop Capital Markets, LLC; Samuel A. Ramirez & Co., Inc.; and M.R. Beal & Company) setting the terms of the purchase and sale of the bonds and certain other related agreements. Copies of the draft of Twelfth Supplemental Indenture, draft POS, and draft Feasibility Study will be provided to the members of the Board early the week of July 8th.

The current financing schedule anticipates mailing the Preliminary Official Statement to potential investors on July 17, 2002, pricing and selling the Bonds on July 22 and 23, 2002 with the pre-closing and closing currently scheduled for August 7 and 8, 2002.

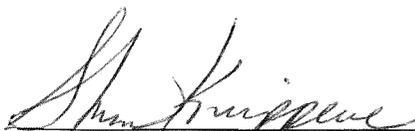
If economic conditions at the time of sale support the purchase of bond insurance or surety premiums (in order to fund the debt service reserve fund with a surety bond rather than bond proceeds), the Port will also enter into a credit agreement with a bond insurer and/or surety provider and the Twelfth Supplemental Indenture will be appropriately revised to incorporate bond insurance and/or surety premium provisions. At this time, it is anticipated that the Port will purchase both bond insurance and a surety bond for the Debt Service Reserve Fund. The Trustee will also request, at the direction of the Port, the bond proceeds deposited in the various funds and accounts under the Twelfth Supplemental Indenture.

Approved by Resolution
No.

02233

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

JUL 16 2002

DATE

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

The Board is asked to authorize the revenue bond financing for a total interest cost (TIC), including all fees and costs, for an amount not to exceed 6.00%. It is anticipated, however, given current market conditions, that the TIC will be lower. However, tax-exempt bond interest rates can fluctuate significantly, and it is prudent to authorize a higher limit given the Port's need for funds for its capital program.

The Trustee for the Bonds will be U.S. Bank. The trustee was appointed by the Board in 1994 to represent the bondholder's interests in enforcing U.S. Bank's predecessors, the requirements under the Trust Indentures. The terms and fees in the existing agreement with the Trustee (as approved by the Board in 1994 for trustee services) are not expected to change significantly, if at all, for this financing.

A copy of the draft Resolution prepared by the Port Attorney's office authorizing the various actions necessary to complete the bond financing is also attached for the information of the Board.

RECOMMENDATION:

It is recommended that the Board adopt a resolution authorizing the issuance and sale of the Port of Oakland Revenue Bonds, 2002 Series L and M in accordance with the parameters set forth above, authorizing the payment of costs of issuance (which will include the underwriters' discount, underwriting fee, feasibility consultants, financial advisory fees, costs of counsel, rating agency fees, insurance and surety provisions (if any) from the Bond proceeds, authorizing entering into any bond insurance and/or surety agreements, any agreements with brokers and investment providers acquire such investments, and all other actions and agreements necessary to complete the sale and issuance of the 2002 Series L and M. It is also recommended that the Board authorize the President and any Vice President of the Board, the Executive Director, Deputy Executive Director, Chief Financial Officer, Secretary, and Port Attorney to execute the bonds, the Preliminary Official Statement, the Official Statement, and enter into the Twelfth Supplemental Indenture, the Bond Purchase Agreement, the Tax Regulatory Agreement, and all other documents necessary to accomplish the issuance of the Bonds, including execution of any certificates and representatives on the part of the Board.

The Port currently expects to issue approximately \$700 million aggregate initial principal amount of bonds. The parameters set forth below are not-to-exceed amounts, and final costs of issuance and underwriting discount should be less, following various negotiations currently underway:

- the principal amount of the Bonds does not exceed \$700 million;
- the true interest cost on each series of bonds does not exceed 6.00% (including costs of issuance, original issue discount (if any), accrued interest, underwriting fee, insurance and surety premiums, if any);
- the costs of issuance do not exceed 2% of the aggregate principal amount of the bonds (including feasibility consultants and financial advisory fees); and
- The underwriting fee and/or discount does not exceed \$7.50 per \$1,000 bond or of the aggregate principal amount of the bonds (which includes the takedown or sales commission per bond, reimbursement of underwriting syndicate expenses, and management fee).

RESOLUTION AUTHORIZING THE ISSUANCE OF PORT OF OAKLAND REVENUE BONDS 2002 SERIES L (AMT) AND 2002 SERIES M (NON-AMT) IN THE COMBINED AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$_____; AND AUTHORIZING AND APPROVING A TWELFTH SUPPLEMENTAL INDENTURE AND CERTAIN OTHER RELATED ACTIONS AND DOCUMENTS

WHEREAS the Board of Port Commissioners of the City of Oakland (the "Board" or the "Port") is authorized by Section 706(24) of the Charter of the City of Oakland to provide for financing of Port facilities through the issuance and sale of debt instruments payable exclusively from revenues, other funds and property of the Port; and

WHEREAS Ordinance No. 2858, adopted by the Board on February 21, 1989 (the "Procedural Ordinance"), provides that the debt instruments shall be issued and sold in such manner and upon such terms and conditions, and contain such provisions and covenants, as the Board shall fix and establish, and

WHEREAS pursuant to Resolution No. 20113 adopted by the Board on March 7, 2000, this Board authorized, *inter alia*, Port of Oakland Revenue Bonds, 2000 Series L (Non-AMT), which series was never issued, and such series authorization is now deemed stale and expired; and

WHEREAS the Board anticipates the need to finance and/or refinance the costs of certain capital improvements (the "Improvements") and has determined that it is in the best interests of the Port to provide funds for the Improvements and for the repayment of a portion of its outstanding commercial paper notes (the "Notes") through the issuance of Port of Oakland Revenue Bonds 2002 Series L (AMT) (the "Series L Bonds") and 2002 Series M (Non-AMT) (the "Series M Bonds") (the Series L Bonds and the Series M Bonds are collectively referred to herein as the "Series 2002 Bonds"); and

WHEREAS there has been presented to this Board a form of a Purchase Contract (the "Purchase Contract"), between the Board and Salomon Smith Barney Inc., for itself and as representative of Goldman, Sachs & Co., A.G. Edwards & Sons, Inc., Loop Capital Markets, LLC, Samuel A. Ramirez & Co., Inc., Henderson Capital Partners, LLC, and M. R. Beale & Company (collectively, the "Underwriters"), with respect to the purchase and sale of the Series 2002 Bonds; and

WHEREAS this Resolution, together with the Trust Indenture dated as of April 1, 1989, (the "Trust Indenture"), between the Board and U.S. Bank, N.A., as successor in interest to Security Pacific National Bank, as Trustee (the "Trustee"), as amended and supplemented from time to time, including as amended and supplemented by the Twelfth Supplement

(as hereinafter defined), together constitute a "Resolution of Issue" within the meaning of the Procedural Ordinance; and

WHEREAS a form of the Twelfth Supplemental Trust Indenture (the "Twelfth Supplement") between the Board and the Trustee has been presented to this Board, which provides, among other things, for the terms and conditions of the issuance and delivery of the Series 2002 Bonds; and

WHEREAS Section 2.11 of the Trust Indenture requires the preparation by the Port's Feasibility Consultants of a certificate indicating expected compliance by the Port with certain debt coverage tests of the Trust Indenture as a condition to the issuance of the Series 2002 Bonds and such a certificate shall be delivered in connection with the delivery of the Series 2002 Bonds; and

WHEREAS there has been presented to this Board a form of Preliminary Official Statement (including, *inter alia*, a Feasibility Report by the Port's Feasibility Consultants) and a Continuing Disclosure Certificate relating to the issuance of the Series 2002 Bonds; and

WHEREAS such documents appear to be in appropriate form and the terms are satisfactory to the Board, and the Board has determined that it is in the best interests of the Port to provide funds to finance and refinance the Improvements and to finance the repayment of a portion of the outstanding Notes through the issuance of the Series 2002 Bonds; and

WHEREAS the Board is authorized to enter into various long-term investments and financial contracts in connection with, or incidental to, the issuance or carrying of bonds, designed to enhance investment return or to offset, hedge or reduce interest rates, payment and other risks and improve net costs, upon such terms and conditions as are determined by the Board; and

WHEREAS the Board desires to authorize certain officers of the Board (the Authorized Board Representatives) to enter into one or more such investments or financial contracts as authorized by applicable law, to be effective on or after the expected date of delivery of such proposed Series 2002 Bonds; now, therefore, be it

RESOLVED by the Board of Port Commissioners of the City of Oakland, as follows:

1. The Board hereby finds and declares that the foregoing recitals are true and correct.

2. Issuance of Series 2002 Bonds. For the purpose of providing funds to finance and/or refinance the Improvements and to repay a portion of the outstanding Notes, the Board hereby authorizes the issuance of its Series L Bonds and Series M Bonds, in the combined aggregate principal amount of not to exceed _____ Dollars (\$_____). In addition to the above uses of the proceeds of the Series 2002 Bonds, a portion of such proceeds may be used to finance capitalized interest, to pay costs of issuance, to fund a debt service reserve fund for the Series 2002 Bonds (and/or to pay the premium costs associated with a debt service reserve surety bond, if a surety bond is

utilized) and to pay the premium costs for a municipal bond insurance policy or other credit or liquidity enhancement (collectively, "Credit Enhancement"), if it is determined that Credit Enhancement results in true interest cost savings to the Board as further described in paragraph 11 of this Resolution.

Execution and delivery of the Twelfth Supplement containing the maturities, the principal amounts and the interest rates, within the parameters set forth in this Resolution, shall constitute conclusive evidence of the Board's approval of such maturities, principal amounts and interest rates.

The Series 2002 Bonds shall bear interest at such rates with respect to the various maturities such that the true interest cost for the Series 2002 Bonds does not exceed _____ percent (___%) per annum, and the final maturity of any of the Series 2002 Bonds shall not be later than November 1, 2032. The true interest cost shall be that rate which, when used in computing the present value of all payments of principal and interest to be paid on the Series 2002 Bonds, produces an amount equal to the purchase price of the Series 2002 Bonds taking into account any original issue discount, underwriters' discount or fee, and any and all costs of issuance of the Series 2002 Bonds.

3. Pledge to Secure the Series 2002 Bonds. The Board hereby approves the pledge of the Pledged Revenues (on a parity with the other bonds issued under the Trust Indenture), as such term is defined in the Trust Indenture, to secure the Series 2002 Bonds as set forth in the Trust Indenture and the Twelfth Supplement.

4. Form of Series 2002 Bonds. The Series 2002 Bonds and the Trustee's Certificate of Authentication to appear thereon shall be in substantially the form or forms set forth in Exhibit A to the Twelfth Supplement with necessary or appropriate variations, omissions and insertions as permitted or required by the Trust Indenture or the Twelfth Supplement or as appropriate to adequately reflect the terms of each series of the Series 2002 Bonds and the obligation represented thereby.

5. Execution of Series 2002 Bonds. The Series 2002 Bonds shall be executed by the President or any Vice President of the Board or any Board Member designated by the President or any Vice President and attested by the Secretary of the Board or his authorized designee. Any of such signatures may be placed manually on the Series 2002 Bonds or may be by facsimile and any facsimile signature shall be of the same force and effect as if such signature were manually placed on such Series 2002 Bonds.

6. Approval of Documents, Authorization for Execution. The form, terms and provisions of the Twelfth Supplement and the Continuing Disclosure Certificate (collectively, the "Documents") are in all respects approved, and any one or more of the President of the Board, any Vice President of the Board, the Executive Director, the Deputy Executive Director or Chief Financial Officer of the Port, or the authorized designee of any such officer (the Executive Director, Deputy Executive Director or Chief Financial Officer of the Port or the authorized designee of any such officer being referred to as an "Authorized Board Representative"), are hereby authorized, empowered and

directed to execute, acknowledge and deliver each of the Documents, including counterparts thereof, in the name and on behalf of the Board, subject to the approval of the Port Attorney or his designee. The Documents, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, with such changes therein (including any changes required by a credit enhancer in order to obtain Credit Enhancement with respect to the Series 2002 Bonds) as shall be approved by the officer or officers of the Port executing the same and the Port Attorney or his designee; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Documents now before this meeting; and from and after the execution and delivery of the Documents, the officers, agents and employees of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents.

7. Preliminary Official Statement. The distribution by the Underwriters of the Preliminary Official Statement (including the Feasibility Report contained therein as Appendix A) in connection with the offering and sale of the Series 2002 Bonds in substantially the form of the draft presented at this meeting, with such changes therein as shall be approved by the President of the Board, any Vice President of the Board, or any Authorized Board Representative, is hereby authorized and approved. The President, any Vice President, and any Authorized Board Representative, or any one of them, are hereby authorized and directed to "deem final" said Preliminary Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended.

8. Official Statement. Prior to the delivery of the Series 2002 Bonds, the Port shall provide for the preparation, publication, execution and delivery of an Official Statement relating to the Series 2002 Bonds in substantially the form of the draft Preliminary Official Statement presented to this meeting. The President, any Vice President, and any Authorized Board Representative, or any one of them, are hereby authorized and directed to execute and deliver the final Official Statement in the name and on behalf of the Board, and to make any changes or revisions thereto necessary in order for the final Official Statement to meet the obligations and requirements of the Board under the Purchase Contract, the Documents and this Resolution. The execution and delivery thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the form of the Preliminary Official Statement now before this meeting. The Underwriters are hereby authorized to distribute the Official Statement in such final form.

9. Sale of Series 2002 Bonds. The Board hereby authorizes the sale of the Series 2002 Bonds through a private, negotiated sale to the Underwriters. The Board hereby finds and declares that such sale is exempt from the competitive bid procedures of Port Ordinance No. 1606 by reason of the exception contained therein (Section 5(i)(1)) for the obtainment of professional or specialized services. The Board further finds and declares pursuant to Section 5(i)(4) of said Ordinance 1606 that, giving due regard for market and competitive considerations and being duly advised in the premises, the proposed sale of the Series 2002 Bonds to the Underwriters on a private, negotiated basis is in the best interests of the Port. Any Authorized Board Representative is hereby

authorized to approve the final terms of the sale of the Series 2002 Bonds subject to the terms, conditions and restrictions set forth in this Resolution. The Series 2002 Bonds, if sold to the Underwriters, shall be sold with an underwriters' discount and/or underwriting fee as set forth in the Purchase Contract, not to exceed _____ percent (0.____%) of the aggregate principal amount of the Series 2002 Bonds, and subject to the terms and conditions set forth in the Purchase Contract. The form, terms and provisions of the Purchase Contract now before this Board are in all respects approved, and the Authorized Board Representatives are hereby authorized and empowered, either alone or in combination, to execute and deliver the Purchase Contract, including counterparts thereof, in the name and on behalf of the Board. The Purchase Contract, as executed and delivered, shall be in substantially the form now before this meeting and hereby approved, with such changes therein as shall be approved by the officer or officers executing the same and by the Port Attorney or his designee; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the form of the Purchase Contract now before this meeting; and from and after the execution and delivery of the Purchase Contract, the officers, agents and employees of the Board or the Port are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Purchase Contract.

10. Trustee. The Board hereby approves and ratifies the appointment of U.S. Bank, N.A., as Trustee under the terms of the Twelfth Supplement.

11. Additional Authorization. The President and any Vice President of the Board, any Authorized Board Representative and all officers, agents and employees of the Board or the Port, for and on behalf of the Board, are hereby authorized and directed to do any and all things necessary to effect the issuance, execution (as appropriate) and delivery of the Series 2002 Bonds, the Documents, a tax regulatory agreement or tax compliance certificate, the Preliminary Official Statement and final Official Statement and the Purchase Contract and to carry out the terms thereof. In addition, said persons are further authorized to take all actions and execute any and all documents necessary or advisable to arrange for Credit Enhancement for some or all of the Series 2002 Bonds (including any debt service reserve surety bond), if such Credit Enhancement will, upon the advice of the Port's financial advisors, result in interest cost savings. Said officers and other persons are further authorized and directed, for and on behalf of the Board, to execute all papers, documents, certificates and other instruments that may be required before or after delivery of the Series 2002 Bonds in order to carry out the authority conferred or contemplated by this Resolution, the Twelfth Supplement and the Trust Indenture.

12. Investments. The Authorized Board Representatives of the Port, and each one of them acting alone or in combination, are hereby authorized, for and in the name and on behalf of the Port, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, whether before or after the issuance of the Series 2002 Bonds, including but not limited to those described in the various documents and instruments herein approved, which they, or any of them, may deem necessary or advisable and in the best interests of the Port for the execution of any short-

term or long-term investment agreements authorized as "Permitted Investments" under the Trust Indenture and the Twelfth Supplement, and for the approval, execution and delivery of documents necessary or appropriate to accomplish any beneficial interest rate hedging arrangements permissible under the Trust Indenture in connection with the Series 2002 Bonds, and otherwise to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution and the transactions contemplated hereby.

13. Severability. The provisions of this Resolution are hereby declared to be severable and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

14. Effective Date. The effective date of this Resolution shall be its date of adoption.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2000

ITEM NO: 33

SUBJECT: Extension of Letter of Credit with Bank of America, N.A. and Morgan Guaranty Trust Company of New York Supporting Up To \$150,000,000 of the Port of Oakland's Commercial Paper Notes Series D, E and F

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port maintains a program of Commercial Paper Notes for up to \$300 million, \$150 million of which is supported by a Letter of Credit from Bank of America, N.A. and Morgan Guaranty Trust Company of New York (the "Letter of Credit"). This Letter of Credit currently expires on September 16, 2002.

The Board has been presented with the documents necessary to extend the Letter of Credit through September 16, 2005 (the "Documents"). The fees payable for such Letter of Credit will be adjusted as described in the Documents.

Once the Board has satisfied itself that the Documents are in appropriate form and that the terms are satisfactory, and that it is in the best interests of the Board to proceed with the extension of the Letter of Credit, the Board will need to adopt a Resolution approving the Documents and authorizing, empowering the Executive Director, Deputy Executive Director and Chief Financial Officer of the Board and the authorized designee of such officer (each an "Authorized Board Representative"), the President of the Board and any, Vice President of the Board (or any one of them) to execute, acknowledge, and deliver each of the Documents in the name and on behalf of the Board, subject to the approval of the Port Attorney, and to take any other actions necessary to effect the extension of the Letter of Credit.

RECOMMENDATION:

It is recommended that the Board of Port Commissioners approve the extension of the Letter of Credit and that the Board authorize the execution and delivery of the Documents by the President of the Board, any Vice President of the Board or any Authorized Board Representative, subject to the approval of the Port Attorney.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02234

Ann Kuysser

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

JUL 16 2002

DATE

BOARD OF PORT COMMISSIONERS

CITY OF OAKLAND

RESOLUTION NO.

RESOLUTION AUTHORIZING THE EXTENSION OF LETTER OF CREDIT WITH BANK OF AMERICA, N.A. AND MORGAN GUARANTY TRUST COMPANY OF NEW YORK IN CONNECTION WITH THE PORT OF OAKLAND'S COMMERCIAL PAPER NOTES, SERIES D, SERIES E AND SERIES F; APPROVING THE TERMS OF SUCH EXTENSION; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF THE DOCUMENTS PURSUANT TO WHICH SUCH EXTENSION IS TO BE EFFECTED; AND AUTHORIZING CERTAIN OTHER ACTIONS

WHEREAS Ordinance No. 2858, adopted by the Board of Port Commissioners of the City of Oakland (the "Board" or the "Port") on February 21, 1989 (the "Procedural Ordinance"), provides that debt instruments shall be issued and sold in such manner and upon such terms and conditions, and contain such provisions and covenants, as the Board shall fix and establish; and

WHEREAS the Board has previously authorized the issuance of an amount outstanding of not to exceed \$300 million (the "Authorized Amount") of Port of Oakland Commercial Paper Notes pursuant to Resolution No. 98375, adopted by the Board on September 15, 1998 (the "1998 Note Resolution"); and

WHEREAS on August 31, 1999 the Board provided for the issuance from time to time of \$150 million of such Authorized Amount designated as "Port of Oakland, California Commercial Paper Notes, Series D" and "Port of Oakland, California Commercial Paper Notes, Series E" and "Port of Oakland, California Commercial Paper Notes, Series F" (collectively, the "Notes") and approved a Letter of Credit and Reimbursement Agreement with Bank of America, N.A. and Morgan Guaranty Trust Company of New York (the "Banks") providing for the issuance by the Banks of a Letter of Credit to support the Notes (the "Letter of Credit"); and

WHEREAS the Letter of Credit currently expires on September 16, 2002; and

WHEREAS there have been presented to this Board the documents necessary to extend the Letter of Credit through September 16, 2005 (the "Documents") and to adjust the fees payable for such Letter of Credit as set forth in the Documents; and

WHEREAS such Documents appear to be in appropriate form and the terms thereof are satisfactory to the Board, and the Board has determined that it is in the best interest of the Port to extend the Letter of Credit in accordance with the terms of the Documents; now, therefore, be it

RESOLVED by the Board of Port Commissioners of the City of Oakland, as follows:

1. Extension of Letter of Credit. The Board hereby authorizes the extension of the Letter of Credit covering up to \$150 million aggregate principal amount of the Notes through September 16, 2005.

2. Approval of Documents, Authorization for Execution. The form, terms and provisions of the Documents are in all respects approved, and the Executive Director, Deputy Executive Director and Chief Financial Officer of the Board and the authorized designee of any such officer (each an "Authorized Board Representative"), the President of the Board and any Vice President of the Board, or any one or more of such officers, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Documents including counterparts thereof, in the name and on behalf of the Board, subject to the approval of the Port Attorney. The Documents, as executed and delivered, shall be in substantially the form now before this meeting and hereby approved, with such changes therein as shall be approved by the officer or officers of the Port executing the same and the Port Attorney; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Documents now before this meeting; and from and after the execution and delivery of the Documents, the officers, agents and employees of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents.

3. Additional Authorization. The President and any Vice President of the Board, any Authorized Board Representative and all officers, agents and employees of the Board or the Port, for and on behalf of the Board, are hereby authorized and directed to do any and all things necessary to effect the extension of the Letter of Credit. Said officers and other persons are further authorized and directed, for and on behalf of the Board, to execute all papers, documents, certificates and other instruments that may be required in order to carry out the authority conferred by this Resolution.

4. Severability. The provisions of this Resolution are hereby declared to be severable and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

5. Effective Date. The effective date of this Resolution shall be its date of adoption.

At meeting held

Passed by the following vote:

Ayes:

Noes:

Absent:

REVISED

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 16, 2002

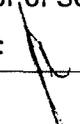
SUBJECT: Approval to Extend Port of Oakland Surety Bond & Financing Program

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Bernida Reagan, Director of Social Responsibility 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

In 1997 Port staff began to review possible Surety Bonding Programs to assist Local/Small Contractors in obtaining public works contracts from the Port. After lengthy analysis, staff recommended that the Board approve the project to establish A Surety Bond and Loan Guarantee Program. The Board granted that authority on February 2, 1999. The intent of the Program was to support the Port's Non-Discrimination Local/Small Business Utilization Policy.

Subsequently the Board approved executing a consultant contract with a Joint Venture headed by Merriwether & Williams Insurance Services, Inc. and included the Oakland firms of Clark, Baquie & Clark and James E. Ingram & Co, Inc. Separate authority was granted for the Execution of a Letter of Credit.

Program Services included:

Bid, performance and payment bond guarantees for surety companies up to 40% of the bond/contract amount or \$750,000, whichever is less.

Loan Guarantees up to 50% of the contract amount or line of credit, whichever is less, (\$1,000,000 maximum), to assist in working capital financing for Port of Oakland contracts.

Accounting -- One-time cost subsidy for financing statement preparation up to \$3,000 with the first \$500 paid by the business owner.

Funds Control -- Payment of funds control fees up to 1% of the bond amount.

Training -- Individual counseling and group workshops on bonding, financing and business management.

The consultant contract with the Joint Venture expired March 8, 2002. Authority to enter into a line of credit with the Bank of America was granted August 1, 2000 for a three year period pursuant to Board Resolution 20308.

MOTION

RESOLUTION

ORDINANCE

INFORMATION ONLY

Approved by Resolution No.

02235



JUL 16 2002

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

DATE

ANALYSIS:

The Board granted authority for fees of \$342,500 a year for consultants, accounting services, and funds control. The program proved far more complicated than anticipated and took approximately eighteen months to establish with the Surety Companies and Banks. Total fees expended during the three-year period was \$466,060.45. The program has had limited success in attracting Local/Small Contractors to bid on Port projects. However, we believe that there is still significant community need for this program, as we have a number of contractors that are in the process of being counseled in anticipation of bidding on upcoming Port projects. In addition, the surety market has restricted the availability of bonds because of a current hard insurance market that was further negatively impacted by the Enron and K-Mart bankruptcies. Some contractors that were able to produce bonds for prior bids will no longer qualify under new more restrictive underwriting guidelines. This program will assist those contractors and permit a greater response to our request for bids.

Making the program an "On Call" service can reduce program costs. Port staff will do the pre-bid orientations currently done by the consultants. A team of Port staff from Enterprise Risk Management, Engineering, and Social Responsibility have formed an Action Team to increase the coordination and outreach to contractors. The Joint Venture has not proved effective. We recommend contracting with only the Head Consultant, Merriwether & Williams. This will also reduce the fees.

We are recommending a one-year contract with reduced fees subject to a quarterly Management / Finance, Budget, Audit Committee review.

OPTIONS:

There are only a few firms in the United States that have successfully managed Surety Programs for small contractors. Merriwether & Williams is the only Northern California firm. If we accept proposals from other firms it will entail an interruption of services and additional administrative set up expenses.

BUDGET:

This program is budgeted under the Social Responsibility Division Operating Budget.

RECOMMENDATION:

It is recommended that the Board authorize a one-year consultant contract with Merriwether & Williams to continue the administration of the Port's Surety Bond & Loan Guarantee Program for fees not to exceed \$50,000 for Consultant Services. CPA Accounting Services will be handled by a separate purchase agreement and Funds Control Services directly to the Capital Projects. An additional amount of up to \$50,000 can be added if the approved by the Executive Director.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 18, 2002

ITEM NO: 36

SUBJECT: Authorization to execute a Supplemental Agreement with 2Plus2 Partners for continuation of website management and consulting services.

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations C.I.

SUBMITTED BY: Harold P. Jones

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In September of 2001 the Board approved a consultant agreement with 2Plus2 Partners for website consulting services, this included design services, website hosting and ongoing maintenance and enhancements to the Port of Oakland's website.

The website serves not only the public-at-large, but also Port employees, the media and the community of businesses that work with the Port. As an online resource, usage of the website has grown dramatically.

Many people throughout the Port have worked hard to produce content for the site, as well as provided valuable feedback for improvements to the site. The site has established itself as an online destination for information on the Port and its major divisions, and will continue to extend its reach as it grows to better serve more and more constituents.

ANALYSIS:

Ongoing maintenance and enhancements will continue throughout the website within the existing divisions' sections. Ongoing maintenance of the Port of Oakland site ensures that information is current and encourages visitors to return to the site.

The Communications Division is seeking to further expand the website with new development projects, including a section for the new Division of Social Responsibility.

The following outlines proposed new development projects:

- Social Responsibility: A new section of the website will be designed and developed to communicate goals, programs and on-going progress information regarding the Port's Social Responsibility initiatives to the media and general public.
Port Website Integration: Initial Strategy for incorporating sister websites and mission of each - Oakland Airport and Jack London Square.
Instant Poll: As a simple and fun way to encourage audience participation, this feature presents topical and Port related opinion polling.

- MOTION
RESOLUTION
ORDINANCE
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Approved by Resolution

No. 02236

BOARD ACTION TAKEN Assistant

Signature of Secretary

SECRETARY OF THE BOARD

JUL 16 2002

DATE

Subject: Authorization to execute a Supplemental Agreement with 2Plus2 Partners for continuation of website management and consulting services.

- RFQ access: This feature will provide a link to the printer's website, allowing users to purchase hardcopies of RFP's/RFQ's online.

2Plus2's diligence and performance in managing these updates and working with staff to enhance the site has been very satisfactory. The company of 2Plus2 Partners, Inc. possesses the knowledge, experience and technical expertise to assist the Port in realizing its vision and requirements for a website which attracts national and international attention. By effectively meeting this demand for information, the Port will maximize its media exposure, community involvement and public awareness.

FISCAL IMPACT:

The costs of new development projects and ongoing maintenance and enhancements for the FY02-03 is estimated at \$125,000.

The following details the costs of ongoing monthly maintenance and each new project:

▪ Monthly maintenance and minor enhancements.....	\$ 8,000/per mo.	\$ 96,000
▪ New section and enhancements for Social Responsibility Division		\$ 10,000
▪ Port Website Integration consulting costs		\$ 4,000
▪ Instant Poll capability		\$ 1,500
▪ RFQ access		\$ 500
	Total :	\$ 112,000

The remaining \$13,000 would be allocated as a contingency for unanticipated enhancement projects within the existing sections of website or other consulting costs associated with new project development.

The website maintenance is a budgeted item in the Communications Division budget. The costs for creating the new section for Social Responsibility and specific program enhancements within the organization will be shared by those respective divisions as appropriate.

LIVING WAGE:

2Plus2 Partners, Inc. is subject to the Port's Living Wage Ordinance No. 3666 requirements, however they are not subject to the City of Oakland's Charter requirements.

RECOMMENDATION:

It is recommended that the Board approve a supplemental agreement with 2Plus2 Partners, Inc. to continue website development and enhancements as outlined above.

Agenda Sheet

DATE: July 16, 2002

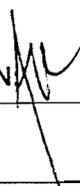
ITEM NO: 37

SUBJECT: Pan Pacific Conference 2002

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Tay Yoshitani

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Created in 1982 by the Ports of Dalian, Melbourne, Shanghai, Yokohama, Vancouver, and Oakland, the Pan Pacific Conference is hosted every two years by one of the six Founding Ports. The Pan Pacific Conference was last held in Melbourne Australia in 2000 and had approximately 200 attendees. The event is held once every ten years in the United States, and was held in Oakland in 1982 and 1992. On October 15 & 16, 2002 the Pan Pacific Conference will again be held in Oakland, at the Marriott City Center, with the Port of Oakland serving as the event host.

The Conference will feature presentations by noted experts in international trade and transportation from around the world, many of whom have never presented before in the Western Hemisphere. In addition to the world-class presentations, there will be opportunities to meet the leaders of the trade and transportation industry to individually exchange views and concepts. Opportunities to network with the presenters and other delegates are scheduled both at the Conference and during site tours of Oakland's *Vision 2000* projects.

The Conference objectives are to provide a premier venue for information exchange while at the same time highlighting the progress achieved by the Port of Oakland's Maritime construction and operations. Targeted attendance is 300 Delegates.

At this time, the Conference is being entirely organized by Port staff in order to maximize individual involvement to provide professional growth opportunities and to minimize expenses.

ANALYSIS:

To conduct the event, it will be necessary for staff to enter into a variety of contracts for services including:

- Site reservation and preparation
- Delegate meals
- Translation
- Audio visual equipment
- Networking events
- SSA Terminal Grand Opening Ceremony
- Publicity
- Printing

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

SUSTAINABILITY OPPORTUNITIES:

All activities will be conducted in accordance with the Port's Sustainability Policies to minimize environmental impacts and maximize recycling opportunities.

BUDGET:

Because of the significant benefits achieved from hosting the Pan Pacific Conference, the Executive Office has budgeted \$60,000 to initiate preparations. However, because anticipated expenses for the event could total \$250,000, we are charging Delegates for attendance. Our objective is to make the event revenue neutral to the Port. While the initial cash outlay for the Pan Pacific Conference is \$60,000, additional funds will be generated from Delegate Registration. At the targeted attendance of 300 Delegates the event would be revenue neutral to the Port.

Agenda Sheet

DATE: July 18, 2002

ITEM NO: 39s

SUBJECT: Authorization to execute a Supplemental Agreement with O'Rorke Public Relations for event planning services.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland hosted a Trade and Transportation Summit on May 20, 2002. The Summit focused on efficient movement of goods and how the Port of Oakland is positioned to enhance California's economy. Attendees and panelists included leaders and decision makers from the cargo movement industry.

The Summit was designed as a forum to address key issues and to hear the voices of stakeholders within in the industry. Key findings from the Summit will be used to better focus the Port's activities and priorities, and help bring additional business to the Port of Oakland in the short and long term.

ANALYSIS:

Given the number of concurrent event planning and management demands on the Port of Oakland Communications Division staff, a decision was made to solicit outside professional assistance to successfully carry out the May 20th Trade and Transportation Summit.

The services of O'Rorke Public Relations and Advertising were employed to collaborate with the Communications division in achieving the goals of the project. O'Rorke PR provided overall event management and strategic planning for the Summit.

Due to unforeseen circumstances, a change in venue had to be made less than three weeks before the May 20th event. The change required that invitations be reprinted and a second mailing done. Additionally, there were minor costs that require reimbursement to the consultant. These costs were paid by O'Rorke and are reimbursable.

FISCAL IMPACT:

The additional reimbursable costs incurred as a result of the venue change are less than \$14,000, but require Board action to augment the initial contract agreement.

RECOMMENDATION:

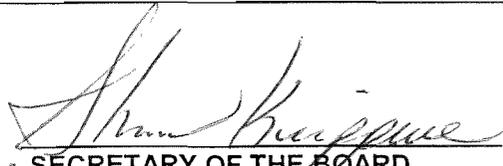
It is recommended that the Board approve a supplemental agreement with O'Rorke Public Relations for consulting services provided for the May 20th Trade and Transportation Summit in an amount not to exceed \$14,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02237

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

JUL 16 2002

DATE

Agenda Sheet

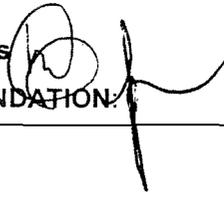
DATE: July 18, 2002

ITEM NO: 40s

SUBJECT: Authorization to execute a Supplemental Agreement with Osaki Design for design services related to PortFest 2002.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On December 18, 2001 the Board approved a request by the Communications Division to enter into a contract with Osaki Design for professional services related to PortFest 2002. The agreement with Osaki Design was for \$30,000 and was to include the design and branding of the event, design and preparation of banners, posters, and marketing collaterals, as well as advertising and promotions. These services were all satisfactorily provided as agreed.

An earlier agreement with Osaki Design was for the firm to do an analysis of the prior year's PortFest event, develop and provide a Master Plan that outlined the structure of the event, a compilation and documentation of all event participants, activities, and vendors, as well as assistance in developing the strategy for PortFest 2002 and subsequent years with a view toward growing the event and its impact.

This was arranged under a separate Purchase Order agreement in August of 2001, in the amount of \$15,000.

The Board's adopted agreement for \$30,000 on December 18, 2001, inadvertently included the \$15,000 Purchase Order and separate scope of work for services completed earlier. This situation now requires that the Division request authorization to enter into a Supplemental Agreement with Osaki for \$15,000 to pay the remaining balance on current \$30,000 contract.

FISCAL IMPACT:

The following details payments made to Osaki Design from August 2001 – May 2002:

- Strategic Planning & Development of Master Plan \$15,000 - Purchase Order # PS1212, paid in full.
- Design and branding of event, design, preparation of banners, posters, and marketing collaterals, advertising and promotions. \$30,000 - Contract, partially paid (\$15,000 currently outstanding pending approval of supplemental agreement).

If approved, a final supplemental agreement for services provided for PortFest 2002 shall not exceed \$15,000.

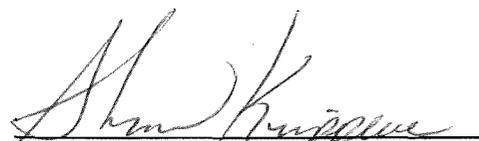
RECOMMENDATION:

It is recommended that the Board approve a supplemental agreement with Osaki Design for professional services related to PortFest 2002.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02238

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUL 16 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 18, 2002

ITEM NO: 41s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{JD}
SUBJECT: Approval of Adding Regulatory Compliance Statement
to Public Works Project Manuals

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Port is in the midst of major expansion programs in the Aviation and Maritime areas. It is currently expected that the planned series of public works projects will continue over the next seven to ten years. The scope of the planned construction work and the greater use by the Port of alternate Project Delivery Methods has increased the need to assure that contracts are awarded to contractors whose history indicates an ability to comply with the various laws and regulations that govern public works contracting. Accordingly, staff is recommending that the Board approve a pilot program to provide for the inclusion of a "Regulatory Compliance Statement" (Statement) in the Project Manual for public works contracts.

The intent is to protect the Port from contractors who have a demonstrated history of regulatory compliance problems. The public interest will be served by identifying those bidders that fail to comply with applicable regulations for four reasons. First, violation of such regulations may be indicative of incompetence or lack of attention to details which may be associated with poor contract performance. Second, a contractor with a history of violating labor and safety regulations may be more likely to experience labor strife during project construction, which in turn causes delays and cost increases. Third, a bidder with a history of violating environmental regulations may be less likely to adhere to the Port's high standards for environmental compliance, resulting in greater Port costs for monitoring/management and possible Port liability for any non-compliance. Finally, a bidder with a history of criminal convictions related to public contracting may be more likely to perform poorly, increasing costs and causing delays.

Program Development Process

Port staff began the process of developing the Statement by examining the State of California's model pre-qualification questionnaire and ratings. In 2000, The State of California Department of Industrial Relations (DIR) developed a program entitled "Pre-qualification of Contractors Seeking to Bid on Public Works Contracts." The DIR worked with the construction trades unions and various contractor associations in developing the program. Port staff used the State program as a model to develop a program, which better fit the needs of the Port of Oakland.

After development of the draft program, staff met with contractor associations and the construction trades unions to review it. Since both had had a hand in the development of the State program we used as a model, they had no serious problems with the proposed Port program although contractor representatives expressed concern regarding the application of the Statement requirement to joint ventures. If the Board approves of the concept embodied in the attached draft document (Attachment A), Port staff would continue to work with affected stakeholders to refine and clarify the application of the Statement.

If approved by the Board, the Statement to be included in future Project Manuals would instruct the bidders to submit a complete and fully executed copy of the Statement with the bid. Failure to submit the Statement could be grounds for rejecting the bid as non-responsive. The questions the contractor would be required to respond to would address issues of compliance with labor codes, safety codes, environmental regulations, and workers compensation insurance requirements, as well as criminal matters and related civil suits. The bidder would be required to declare under penalty of perjury that the answers given are correct.

As a part of the evaluation of bids submitted, staff would score each bidder's Regulatory Compliance Statement in accordance with the guidelines included in the attached draft document. A bidder whose score yields a score equal to or less than 65% of

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02239

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

JUL 16 2002

DATE

maximum available points would be deemed non-responsible. For those bidders whose score indicates a lack of responsibility, the Port would provide notice and an opportunity to respond to the extent required by law. It must be emphasized, however, that the Statement does not measure all aspects of a bidder's "responsibility". Thus, a bidder which submits an acceptable Statement may still be found non-responsible on other grounds, such as lack of necessary experience or inability to satisfy the technical specifications.

OPTIONS:

The Board may decline to approve the inclusion of the Statement in the Project Manuals. The Port's evaluation of bidder responsibility would continue to be based on such information as is voluntarily provided by other bidders and third parties.

RECOMMENDATION:

It is recommended that the Board approve the pilot program to add the proposed Regulatory Compliance Statement to public works Project Manuals for all future public works contracts.

Agenda Sheet

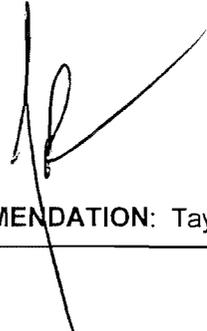
DATE: July 16, 2002

ITEM NO: 42s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Personnel Items
- Termination



SUBMITTED BY: John Glover

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND:

I. TERMINATION—Resolution (1 Reading)

A) It is requested that the Board approve the termination of Employee No. 387654, from the position of Assistant Port Environmental Planner, in the Engineering Environmental Planning Department, for cause, effective the close of the workday of July 17, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding termination.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02240

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUL 16 2002
DATE

DRAFT

OPERATIONS - 43s

RESOLUTION DECLARING ELECTION OF OFFICERS
OF THE BOARD OF PORT COMMISSIONERS.

RESOLVED that after an election of officers of this Board held pursuant to its By-Laws, the following officers, to wit:

Frank Kiang	President
John Protopappas	First Vice President
Patricia A. Scates	Second Vice President

hereby are declared to have been and are duly elected to serve in the capacities indicated, effective July 2, 2002, and until their successors are elected by the Board.

Approved by Resolution
No.

02241 _____ JUL 16 2002
Board Action Taken Assistant Secretary of the Board Date



PORT OF OAKLAND

June 17, 2002

Board of Port Commissioners
Of the City of Oakland
Oakland, California 94607

Phillip Tagami, President
Frank Kiang, First Vice President
Darlene Ayers-Johnson, Second Vice President
David Kramer
John Protopappas
Patricia Scates
Peter Uribe

Re: Approval of Salary Increase for Certain Unrepresented and
Management Employees, Effective July 1, 2002

Dear Members of the Board:

Board approval is requested to grant a 5% salary increase for the unrepresented and management employees in Units D, E & H, effective July 1, 2002 through and including June 30, 2003.

The last time the Board fixed compensation for employees in Rep Units D, E & H was in July 2001 (Ordinance # 3646, approved in July 10, 2001), at which time these employees were given a 5% COLA. The recommended increase for Units D, E & H, is consistent with COLAs recently approved during contract negotiations with the International Brotherhood of Electrical Workers, IBEW, Local 1245, and the Western Council of Engineers. Both unions were granted a 5% increase for the first six months of their contracts, with an additional 1% cost of living adjustment granted in the last six months of their respective contracts.

Your approval is also requested to fix the professional development allowance for the aforementioned employees at \$900.00, the same amount as last year, for the period beginning July 1, 2002 through and including June 30, 2003.

Approved by Ordinances
passed to print

Board Action Taken *Assistant Secretary of the Board* Date *JUL 16 2002*

Page -2-
D, E&H COLA

Recommendation:

It is recommended that the Board approve such resolutions and give first reading to such ordinances as necessary to implement the 5% salary increase for the Port's unrepresented and management employees, in Units D, E&H, and to fix the professional development allowance for FY 2002-3 at \$900.00 for these same employees. The appropriate resolution and ordinance has been prepared for your approval at the July 2, 2002, Board meeting.

Sincerely,



John Glover
Deputy Executive Director

cc: Tay Yoshitani
Fred Rickert
Marsha Peterson
John Betterton
Joan Strawder Webster

DRAFT

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO.

ORDINANCE AMENDING SECTIONS 2.03 AND 2.05 AND ADDING SECTION 1.293 TO PORT ORDINANCE NO. 867 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT.

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. The salary schedules set forth in Sections 2.03 and 2.05 of Port Ordinance No. 867 shall be and the same are hereby amended by increasing the rates of compensation set forth on said salary schedules by an additional five percent (5%) effective July 1, 2002.

Section 2. Section 1.293 is hereby added to Port Ordinance No. 867 to read as follows:

Sec. 1.293. In addition to the compensation otherwise provided herein each person employed in a regular full time position belonging to Employee Representation Unit D on the effective dates hereof, at the rates indicated below, except any of such employee who receives a "below expectations" or "unacceptable" overall rating on his/her most recent probationary or annual performance appraisal prior to June 23, 2002, and any employee whose 2002 annual performance appraisal is not due until December 1, 2002, shall be entitled to an additional five percent (5%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective July 1, 2002.

In addition to the compensation otherwise provided herein each person employed in a regular full time position belonging to Employee Representation Unit E on the effective dates hereof, at the rates indicated below, except any of such employee who receives a "below expectations" or "unacceptable" overall rating on his/her most recent probationary or annual performance appraisal prior to June 23, 2002, and any employee whose 2002 annual performance appraisal is not due until December 1, 2002, shall be entitled to an additional five percent (5%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective July 1, 2002.

In addition to the compensation otherwise provided herein each person belonging to Employee Representation Unit H employed on the effective dates hereof, at the rates indicated below, shall be entitled to an additional five percent (5%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective July 1, 2002.

Section 3. The Board hereby ratifies, confirms and approves all payments from and after July 1, 2002, to the effective date of this ordinance.

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

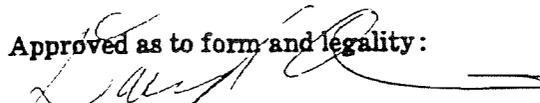
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

Port Attorney

DRAFT

BOARD OF PORT COMMISSIONERS CITY OF OAKLAND

PORT ORDINANCE NO.

AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.07 AND ADDING SECTION 1.292 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT.

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. The salary schedules set forth in Section 2.07, of Port Ordinance No. 867 shall be and the same are hereby amended by increasing the rates of compensation set forth on said salary schedules by an additional five percent (5%) effective July 1, 2001 and by an additional one percent (1%) effective January 1, 2002.

Section 2. The salary schedules set forth in Section 2.07, of Port Ordinance No. 867 shall be and the same are hereby amended by increasing the rates of compensation set forth on said salary schedules by a CPI formula with minimum of three percent (3%) to five percent (5%), with a contract re-opener if two percent (2%) or under or six percent (6%) or over effective July 1, 2003 and July 1, 2004.

Section 3. Section 1.292 is hereby added to Port Ordinance No. 867 to read as follows:

"Sec. 1.292. In addition to the compensation otherwise provided herein each person employed in a regular position belonging to Employee Representation Unit C on the effective dates hereof, at the rates indicated below, shall be entitled to an additional five percent (5%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective July 1, 2001.

In addition to the compensation otherwise provided herein each person employed in a regular position belonging to Employee Representation Unit C on the effective dates hereof, at the rates indicated below, shall be entitled to an additional one percent (1%) of the compensation fixed for his or her services, calculated to the nearest dollar, effective January 1, 2002.

In addition to the compensation otherwise provided herein each person employed in a regular position belonging to Employee Representation Unit C on the effective dates hereof, at the rates indicated below, shall be entitled to

an additional increase determined by a CPI formula with minimum of three percent (3%) to five percent (5%), with a contract re-opener if two percent (2%) or under or six percent (6%) or over effective July 1, 2003 and July 1, 2004."

Section 4. This ordinance shall be effective as of the date stated therein, in accordance with the provisions of the Memorandum of Understanding between Western Council of Engineers and the Port of Oakland dated July 1, 2001.

Adopted at a _____ meeting held

By the following Vote:

Ayes:

Noes:

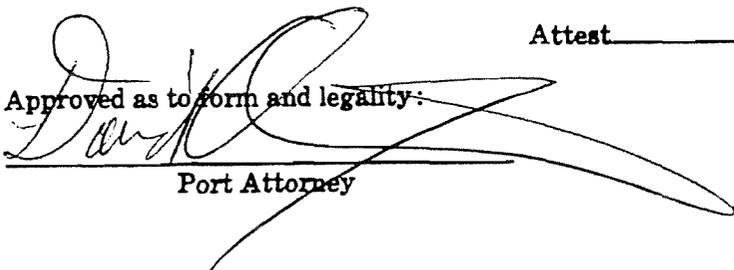
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney

DRAFT

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO.

**ORDINANCE AMENDING SECTION 1.191 OF PORT ORDINANCE
NO. 867 PROVIDING PROFESSIONAL DEVELOPMENT BENEFITS
FOR CERTAIN OFFICERS AND EMPLOYEES.**

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Subsection 2 of Section 1.191 of Port Ordinance No. 867 shall be amended to read as follows:

"2. With respect to permanent employees in Employee Representation Units D, E, and H an employee shall be eligible for reimbursement for expenses incurred for professional development, subject to budget approval for same by the Board, not to exceed \$500.00 for the fiscal year period 1997-98; \$600.00 for the fiscal year period 1998-99; \$700.00 for the fiscal year period 1999-2000; \$800.00 for the fiscal year period 2000-2001; \$900.00 for the fiscal year period 2001-2002; and \$900.00 for the fiscal year period 2002-2003 and each fiscal year period thereafter, subject to the exceptions and provisions set forth at Section 3 below:".

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

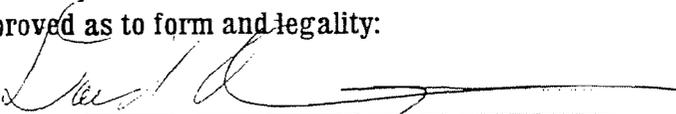
Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:



Port Attorney



BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

COMMISSIONERS

PHILLIP H. TAGAMI
President

FRANK KIANG
First Vice President

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Second Vice President

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JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, July 2, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas,
Scates, Uribe and President Tagami

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. to Review Items 40 -
(See, Closed Session)**

OPEN SESSION: 4:00 P.M.

PRESENTATION:

County Supervisor Keith Carson will present a
Resolution honoring the 75th Anniversary of the
Port of Oakland.

READING OF THE MINUTES:

Regular meeting of June 18, 2002.

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Administration
City/Port Liaison
Maritime

READING OF SUMMARY ITEMS: (Marked "s")

2 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1** Approval of the 2002 Addendum and Re-Approval of the 1999 Mitigated Negative Declaration for the BAYAIR Corporate Hangar and Fixed Base Operation. (Resolution)

MARITIME

- 21** Ratification of Addenda and Award of Contract for Construction of Berths 55/56 Container Yard, Phase 3 and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000. (Resolution)
- 22** Approval of Change Orders to Contract for Modification of Building D-851 at Berths 57-59, Vision 2000 – Modifications to Fire Protection System and Yard Communication Conduits. (Resolution)
- 23** Approval of Change Order to Contract for Construction and Installation of Container Cranes – Remove Container Cranes X441 and X442 from the APL Terminal. (Resolution)
- 24** Authorization to Ratify a Professional Services Agreement with Harris & Associates to Provide Construction Management Services for the Closure of Landfill at the Former Lew F. Galbraith Golf Course. (Resolution)

OPERATIONS

- 31** Establishing Port of Oakland Exterior Lighting Policy. (Resolution)

- 32** Request for Authorization to Negotiate with Information Assets Management System Consultants. (Resolution)
- 33** Appointment of Director of Administration. (Resolution)
- 34s** Testing and Acceptance of Neighborhood Electric Vehicles (NEVs). (Resolution)

CLOSED SESSION

- 40** CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 3 matters.
- 41** CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of case:
Port of Oakland v. GKO Messinger & Associates, Alameda County Superior Court Case No. 824540-7.
- 42** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:
- | | |
|----------------------|---|
| Property: | Oakland Army Base |
| Negotiating Parties: | Port, Oakland Base Reuse Authority;
City of Oakland, Oakland
Redevelopment Agency |
| Under Negotiation: | Price and Terms of Payment |
| Property: | 34 Acres on Pardee Drive & Swan Way |
| Negotiating Parties: | Port of Oakland and Commercial Real
Estate/Aviation |
| Under Negotiation: | Price and Terms of Payment |
- 43** CONFERENCE WITH LABOR NEGOTIATOR, as provided under Government Code Section 54957.6.
- | | |
|------------------------|---|
| Agency Negotiator: | John Glover |
| Employee Organization: | Unrepresented and Management
Employees |

LEGAL

- 50** Ratifying Write-off of Uncollectible Accounts. (Resolution)
- 51** Bid Protest Procedure. (Ordinance)

BUILDING PERMIT APPLICATION: ("s")

Sprint PCS Inc., construction of telecommunications equipment to improve cell phone service within Terminals 1 and 2.

Vote on the following resolutions except numbers 6 - 11:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami – 6

Noes: None

Absent: Commissioner Scates – 1

Vote on numbers 6 – 11:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas and Uribe – 5

Noes: None

Absent: Commissioner Scates and President Tagami – 2

Vote on numbers 12 and 13:

Ayes: Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami – 6

Noes: None

Absent: Commissioner Scates – 1

RESOLUTIONS:

02203 1 APPROVING THE 2002 ADDENDUM TO THE 1999 MITIGATED NEGATIVE DECLARATION AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM FOR THE BAYAIR CORPORATE HANGAR AND FIXED BASE OPERATOR PROJECT. (Airport – 1)

02204 2 CONCERNING CERTAIN APPOINTMENT. (Operations – 33)

02205 3 FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PARTICIPATE IN NEIGHBORHOOD ELECTRIC VEHICLE PROGRAMS UNDER THE TERMS OF PROPOSED VEHICLE LOAN AGREEMENT(S) WITH PROVIDERS AND AUTHORIZING EXECUTION OF SAME. (Operations – 34s)

02206 4 FINDING CERTAIN ACCOUNTS RECEIVABLE TO BE UNCOLLECTIBLE AND RATIFYING THE CHIEF FINANCIAL OFFICER TO WRITE OFF SAME FROM THE BOOKS OF THE PORT. (Legal – 50)

- 02207 5** GRANTING SPRINT PCS INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02208 6** RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF BERTHS 55/56 CONTAINER YARD, PHASE 3 AND SITE IMPROVEMENTS AT MIDDLE HARBOR SHORELINE PARK, STAGE 2, VISION 2000, OAKLAND, CALIFORNIA; EXTENDING DATE SET FOR RECEIVING BIDS THEREFORE; AND AWARDING CONTRACT TO GALLAGHER & BURK, INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Maritime - 21)
- 02209 7** APPROVING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH BBI, CONSTRUCTION, FOR THE MODIFICATION OF BUILDING D-851 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA. (Maritime - 22)
- 02210 8** APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH SHANGHAI ZHENJIA PORT MACHINERY CO. LTD (ZPMC), FOR CONSTRUCTION AND INSTALLATION OF CONTAINER CRANES AT PORT OF OAKLAND, OPTION FOR TWO ADDITIONAL CRANES, OAKLAND, CALIFORNIA. (Maritime - 23)
- 02211 9** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HARRIS & ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 24)
- 02212 10** APPROVING AND ESTABLISHING A PORT OF OAKLAND EXTERIOR LIGHTING POLICY. (Operations - 31)
- 02213 11** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CGR/GNC OR IMTREK FOR THE IMPLEMENTATION OF AN INFORMATION ASSET MANAGEMENT SYSTEM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 32)

02214 12 APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH NEW HAMPSHIRE INSURANCE COMPANY, CONCERNING PORT V. GKO & ASSOCIATES, ET AL., AND DOES 1 THROUGH 50, INCLUSIVE, SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF ALAMEDA, CASE NO. 824540-7 ("GKO LITIGATION"); RESOLUTION APPROVING APPOINTMENT OF SPECIAL COUNSEL. (Closed Session)

02215 13 APPROVING APPOINTMENT OF SPECIAL COUNSEL AND NECESSARY EXPERTS. (Closed Session)

Vote on the following ordinances:

Ayes: **Commissioners Ayers-Johnson, Kiang, Kramer, Protopappas, Uribe and President Tagami – 6**

Noes: **None**

Absent: **Commissioner Scates – 1**

ORDINANCES:

1 Port Ordinance No. being "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1606 FORMULATING AND ESTABLISHING CONDITIONS AND PROCEDURES FOR BIDDING, CONTRACTING, AND PURCHASING."

Legal – 51 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next regular meeting will be held on Tuesday, July 16, 2002 at 3:00 P.M.**

Board of Port Commissioners - PORT OF OAKLAND

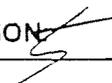
Agenda Sheet

DATE: July 2, 2002
 ITEM NO: 1

SUBJECT: Approval of the 2002 Addendum and re-approval of the 1999 Mitigated Negative Declaration for the BAYAIR Corporate Hangar and Fixed Base Operation

- PROGRAM AREA:
- Airport Operations
 - Commercial Real Estate
 - Maritime Operations
 - Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

On October 5, 1999, the Board of Port Commissioners enacted Port Ordinance No. 3543 authorizing execution of a ground lease with MEDIACOPY and John Roth for construction of a corporate hangar. After 1999 John Roth sold MEDIACOPY and formed BAYAIR. BAYAIR is a corporation designed and created to lease the land, construct and operate the proposed hangar facility. Consistent with Ordinance Number 3543, on September 19, 2000, the Board of Port Commissioners adopted Resolution Number 20355 granting BAYAIR, Incorporated permission to construct a corporate hangar at North Field, Oakland International Airport. Resolution Number 20355 and Ordinance 3543 are provided under separate cover. BAYAIR has not yet constructed the corporate aircraft hangar authorized by the cited Board actions. BAYAIR now proposes to construct and operate a modified corporate hangar project. BAYAIR seeks consideration by the Board of a 2002 Addendum to the 1999 Mitigated Negative Declaration. Port staff recommends that the Board consider the 2002 Addendum along with the 1999 Mitigated Negative Declaration at this time. At a future date, Port staff anticipates submitting to the Board proposals for a lease and a building permit for BAYAIR.

ANALYSIS:

For clarity, the project evaluated in 1999 will be called "the 1999 hangar project." The currently proposed modified hangar project will be called "the current proposal." The site in the North Field at Oakland International Airport is near active taxiways and runways. Refer to the attached map. A comparison of the 1999 and 2002 proposed facilities is described below:

<u>Facilities</u>	<u>1999 Hangar Project**</u>	<u>Current 2002 Proposal**</u>
Use	Corporate Hangar	Corporate Hangar / Fixed Base Operator
Lease Area	1.83 acres	Up to 3 acres
Hangar Space	30,820 square	21,000 square feet
Apron	44,290 square feet	71,000 square-feet
Other Facilities Space	9,500 square-feet	12,000 square-feet
Building Height	35 feet	35 feet
Parking	9 spaces	30 spaces
Aircraft Operations	20 per month	230 per month

(**approximate numbers)

Under the lease agreement approved in 1999, the hangar facility would be used for BAYAIR'S (MEDIACOPY's) corporate aircraft or for aircraft belonging to its tenants, including the overhaul and maintenance of aircraft and for uses incidental and reasonably related thereto, including fueling. No commercial operations or air cargo activities would be permitted under the 1999 project. The current proposal seeks authorization to use the facility

Approved by Resolution
 No. 02203

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JUL 2 - 2002
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for BAYAIR, Inc.'s corporate aircraft or those belonging to its tenants. Activities may include the overhaul, maintenance and incidental and reasonably related uses of aircraft, including fueling. Under the current proposal BAYAIR would also act as a Fixed Base Operator, providing fuel and aviation services for itinerant aircraft. No air cargo activities would be permitted. Development of the facility is subject to Federal Aviation Administration (FAA) regulations including those for objects affecting navigable airspace.

The 1999 hangar project would provide air transportation, initially via one corporate jet aircraft, and subsequently up to three jet aircraft at full occupancy. The current proposal would provide air transportation, initially via BAYAIR's two corporate jet aircraft, and subsequently up to 11 jet aircraft at full occupancy. In addition, as stated above, the current proposal would allow BAYAIR to provide fuel and aviation services for itinerant aircraft. The aircraft operations would occur on an intermittent basis. Under both projects, aircraft operations would be expected to conform to the Oakland Airport Noise Abatement Program.

Environmental

Use of the site as proposed by BAYAIR, Inc. is consistent with: the 1984 North Airport Master Plan approved by the Port of Oakland; and, the Airport Layout Plans of 1995 and 2000 approved by the Federal Aviation Administration (FAA). The North Airport Master Plan designates Area B for "ramp front aviation" land uses. The BAYAIR corporate hangar site is located within "Area B" and is a ramp front aviation land use. Prior to approving the North Airport Master Plan, the Board of Port Commissioners certified a Supplement to the Port's 1978 Master Plan EIR (1984 SEIR). The 1984 SEIR evaluated the incremental environmental impacts associated with increases in operational activity at the North Field. The 1984 SEIR analyzed development impacts based on a projection of 604,000 annual operations (take-offs and landings) at North Field in the year 2000. Current North Field operations are approximately half of the number of operations projected for the year 2000. Accordingly, even though this project is being proposed after the year 2000, the overall operational impacts from the current proposal are well within the scope of the North Field operations analyzed in the 1984 SEIR.

The 1999 Port Ordinance No. 3543, referenced above, also adopted a Mitigated Negative Declaration for the construction of the 1999 hangar project for BAYAIR. (Prior to that Board action the Port circulated an Initial Study for public comment.) The 1999 Mitigated Negative Declaration/ Initial Study demonstrated that, with mitigation, the 1999 hangar project would not result in any significant environmental impacts. The adopted mitigation measures cover hazardous materials, air quality, security, noise, safety, geology and soils, construction traffic, water quality, light and glare, fire hazard and police protection. The Port has now prepared an Addendum to the 1999 Mitigated Negative Declaration. The 2002 Addendum evaluates the potential environmental impacts associated with construction and operation of the current proposal.

The analysis of footprint impacts associated with the project is unchanged from 1999 to today. Recent biological surveys confirm that no special status species occur on the project site. Operational impacts associated with the project will be somewhat greater than those associated with the 1999 hangar project because the current proposal anticipates more aircraft operations and more ground vehicle trips than the prior proposal. The increase in operations would not, however, result in any new or substantially more severe environmental impacts. Aircraft operations associated with this project would represent less than 1% of North Field operations. Most aircraft operations associated with this facility are expected to occur during daytime hours. No air cargo activities will be permitted. Given the relatively small number of aircraft that will use this facility, the 2002 Addendum concludes that the project will not result in discernible changes in aircraft noise levels. Similarly, emissions associated with aircraft and ground vehicles using this facility will be negligible. Aircraft and vehicle emissions would be far below the Bay Area Air Quality Management District's thresholds of significance and federal requirements for a conformity analysis.

The 2002 Addendum demonstrates that, with the mitigation measures previously approved in the 1999 Mitigated Negative Declaration, the current proposal would not result in any significant environmental effects. The Addendum provides further details to the conclusion that no subsequent negative declaration or environmental impact report is required to be prepared prior to the Board of Port Commissioners' action in the future regarding applications by BAYAIR for a lease or building permit for the modified corporate hangar project.

Preparation of the Addendum is in accordance with the California Environmental Quality Act (CEQA), Title 14 of the California Administrative Code, and the Port of Oakland CEQA Guidelines. Copies of the 1978 Master Plan EIR, the 1984 SEIR, the 1999 Mitigated Negative Declaration and 2002 Addendum are provided under separate cover. The Port of Oakland, Port Attorney and the Secretary to the Board of Port Commissioners are the custodians of the documents and all other material that constitute the record of proceedings upon which the Board's decision is based. The record is located at 530 Water Street, Oakland, California 94607.

Monitoring and Reporting Program. The Port of Oakland Engineering Department will have overall responsibility for monitoring the implementation of the mitigation measures included in the project.

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Sustainability

Staff will include sustainability opportunities when the Board considers this proposal in the future for lease and building permit submittals.

Budget

A proposed lease and building permit application will be submitted to the Board in the future and will present information on the project costs.

OPTIONS:

1. Approve the 2002 Addendum to the 1999 Mitigated Negative Declaration.
2. Do not approve the item listed in one above.
3. Approve the item listed in one above with modifications.

RECOMMENDATION:

It is recommended that the Board adopt a resolution that the Board:

- a. Considered the 2002 Addendum and the 1999 Mitigated Negative Declaration and the comments received during the public review process;
- b. Adopts the mitigation measures identified above, and further defined in the 1999 Mitigated Negative Declaration, as conditions of future project approval in order to avoid significant effects on the environment;
- c. On the basis of the whole record before the Board, including the 2002 Addendum and the 1999 Mitigated Negative Declaration and the comments received and responses to the comments, considers that there is no substantial evidence that the project will have a significant effect on the environment;
- d. Considered whether the project will result in a safety hazard or noise problem for persons using Oakland International Airport or for persons residing or working in the project area;

- e. Adopts and approves the 2002 Addendum and re-approves the 1999 Mitigated Negative Declaration;
- f. Acknowledges that the 2002 Addendum and the 1999 Mitigated Negative Declaration reflects the independent judgment and analysis of the Board; and,
- g. Adopts the mitigation monitoring and reporting program as conditions of future project approval;
- h. Require that future proposals by BAYAIR for lease and building permit submittals incorporate and be subject to: a) the mitigation measures adopted in the 1999 Mitigated Negative Declaration, Port Ordinance No. 3543, of October 5, 1999; and, b) conformance to Federal Aviation Administration requirements.

Agenda Sheet

DATE: July 2, 2002

ITEM NO: 21

^{TD}
 SUBJECT: Ratification of Addenda and Award of Contract for Construction of Berths 55/56 Container Yard, Phase 3 and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Four (4) bids were received and opened on May 15, 2002 for the **Construction of Berths 55/56 Container Yard, Phase 3 and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
West Bay Builders, Inc.	San Rafael			\$6,762,890.00
O.C. Jones & Sons, Inc.	Berkeley		X	\$7,193,561.00
Gallagher & Burk, Inc.	Oakland	X		\$7,323,745.00
McGuire and Hester	Oakland	X		\$8,177,574.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On April 2, 2002, the Board of Port Commissioners approved the Plans and Project Manual to advertise for bids to be received on May 8, 2002.

Addenda

Addenda Nos. 1, 2 and 3 were issued by the Chief Engineer to make minor changes to the Plans and Project Manual. The Addenda extended the bid due date to May 15, 2002 and did not significantly change the physical work of the contract.

ANALYSIS:

Subcontractor Listing Issue and Bid Protest

On May 16, 2002, the Port received a letter from West Bay Builders, Inc. (West Bay) requesting replacement of the listed subcontractor, Beci Electric (Beci), with St. Francis Electric (St. Francis). West Bay stated that St. Francis submitted a lower electrical price than Beci, but West Bay failed to change their subcontractor listing to St. Francis. The Port received a letter on May 17, 2002 and supplemental information on May 20, 2002 from Beci, stating that West Bay intended to list Beci and not St. Francis as a subcontractor.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02208
 BOARD ACTION TAKEN

Assistant

[Signature]
 SECRETARY OF THE BOARD

JUL 2 - 2002

DATE

On May 20, 2002, before staff could verify the claims of either party, West Bay submitted a letter requesting that they be allowed to withdraw their bid due to a clerical error in filling out the bid documents. Port staff reviewed their documentation and determined that a Subcontractor's handwritten \$960,000 for bid item #3 was misinterpreted and recorded on the actual bid documents as \$460,000. Therefore, the subcontractor listing claim becomes a non-issue.

A bid protest letter dated May 22, 2002, was received from Gallagher & Burk, Inc. (G&B), who protested the bid of West Bay. G&B claimed that West Bay's bid was non-responsive due to their failure to adequately complete Documents 00435 and 00436 (Subcontractor Listing Forms) and due to the fact that West Bay's bid documents had material errors. G&B also claimed that their Modified Bid Amount was lower than O.C. Jones' Modified Bid Amount; and therefore, they are the lowest responsible and responsive Bidder. SRD analysis has determined that G&B's modified bid amount is the lowest bid. G&B's claim as to West Bay's failure to adequately complete the Documents is not an issue here because of West Bay's request to withdraw their bid.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. The modified bid amount for Gallagher & Burk, Inc. is \$6,697,412.88 and the modified bid amount for O.C. Jones is \$6,855,247.34. Therefore, it is recommended that Gallagher & Burk, Inc. be considered to be the lowest responsible bidder for the purposes of this contract.

The Port's Social Responsibility Division analyzed the bids for compliance, and concurs with the recommendation.

Subcontractor Listing

Gallagher & Burk, Inc. listed the following subcontractors:

SUBCONTRACTORS SUBCONTRACTING AREA (including Trucking)	LOCATION	LIABE*	LBABE**	“\$” AND “%” OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
Gallagher & Burk, Inc. Prime	Oakland, CA	X		\$4,089,453.00/55.83%
Griffin Soil Cement Treated Soil	Sunol, CA		**	\$ 58,000.00/0.79%
M.F. Maher, Inc. Minor Concrete	Vallejo, CA			\$ 441,617.00/6.03%
Oliveira Fence, Inc. Fence	Santa Clara, CA			\$ 52,700.00/0.72%
St. Francis Electric Electrical	Hayward, CA		X	\$ 686,938.00/9.38%
Striping Graphics Striping	Petaluma, CA			\$ 79,381.00/1.08%
TDW Construction, Inc. Underground	Livermore, CA		**	\$ 323,343.00/4.41%

<u>W.E. Lyons Construction Co.</u> Observation Tower	Oakland, CA	X		\$1,183,400.00/16.2%
<u>RMT Landscape Contractors</u> Landscape	San Leandro, CA	X		\$ 80,000.00/1.09%

** Not certified with the Port of Oakland at time of analysis

Budget

The work is budgeted in CIP Element Nos. M6.00546.08 and M6.00583.04. The Project Budget Detail is attached. The funding sources will be Port cash and bonds. The low bid, while acceptable, exceeds the construction budget. Sufficient funds to cover the variance will be transferred from CIP Element No. M6.00599.01, which was created to cover such variances.

Sustainability

This project is consistent with the Port's sustainable development strategy. The Port's Vision 2000 Maritime Development Program's EIR addresses the general work practices: facilities; streets, landscaping and natural areas; transportation; and business, inter-agency and community linkages.

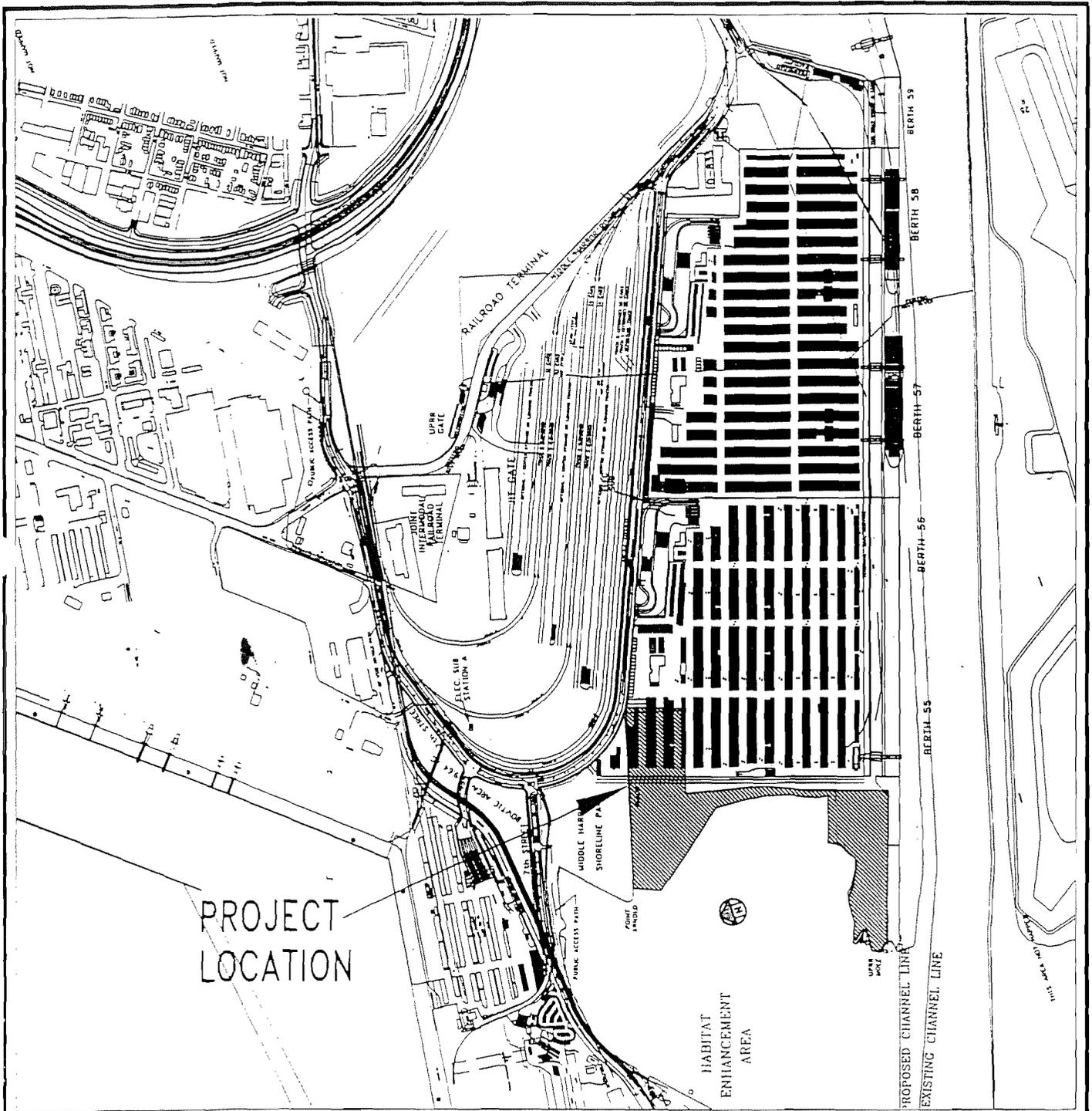
The project incorporates the Port's ongoing program to divert construction and demolition debris from landfill disposal.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that West Bay Builders, Inc., be relieved of its bid due to a clerical error and that their bid bond be returned, that Gallagher & Burk, Inc. be found to be the lowest responsible responsive bidder, that the Addenda be ratified, that the Contract for the above project be awarded to Gallagher & Burk, Inc. for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND

VISION 2000



PORT OF OAKLAND

Vision 2000 Program

Activity Description	Early Start	Early Finish	2000												2002												2003												2004											
			F	M	A	M	J	J	A	S	O	N	D	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	F	M	A	M	J	J	A	S	O	N	D			
Vision 2000																																																		
Middle Harbor Shoreline Park																																																		
Yard Phase 3, Promenade, Mole, Berth 40																																																		
Design:																																																		
100% design submittal		19MAR01A	◆ 100% design submittal																																															
Approval P&S (board meeting)		02APR02A													◆ Approval P&S (board meeting)																																			
Bid																																																		
bid opening		15MAY02A													◆ bid opening																																			
board award contract	02JUL02	02JUL02																									◆ board award contract																							
Construction Milestone																																																		
Notice to Proceed (Yard Phase 3)	01AUG02																										◆ Notice to Proceed (Yard Phase 3)																							
MS1: Prep Concession site		29DEC02																									◆ MS1: Prep Concession site																							
MS2: St. 1 Promenade Rd.		27JAN03																									◆ MS2: St. 1 Promenade Rd.																							
MS3: Mole Site Improvements		16FEB03																									◆ MS3: Mole Site Improvements																							
MS4: B55/56 Ph.3		26FEB03																									◆ MS4: B55/56 Ph.3																							
MS5: Promenade Improvements		28MAR03																									◆ MS5: Promenade Improvements																							
MS6: Observation Tower		27MAY03																									◆ MS6: Observation Tower																							
MHSP Final Completion		26JUL03																									◆ MHSP Final Completion																							

Start Date	09OCT97		Early Bar
Finish Date	11OCT06		Progress Bar
Data Date	01JUN02		Critical Activity
Run Date	14JUN02 08:57		

MPTG Sheet 1 of 1
 Berths 55/56 Container Yard
 Phase 3, and site
 improvements to MHSP
 Stage 2



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET DETAIL
May 30, 2002**

PROJECT TITLE: Construction of Berths 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000, Oakland, California

RE: Ratification of Addenda and Award of Contract for Construction of Berth 55/56 Container Yard, Phase 3 and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000

CIP NO: M6.00546.08, M6.00583.04

W.O. #'s: 103203, 103984

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of Berth 55/56 Container Yard, Phase 3, and Site Improvements at Middle Harbor Shoreline Park, Stage 2, Vision 2000 is tracked under work order # 103203 and #103984.

Budget: This project is funded by the CIP Element # M6.00546.08 and M6.00583.04 budget which is summarized in Table 1 below with the project estimates shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00546.08 and M6.00583.04

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00546.08 (MHSP)	523 (105)	388 (179)	8301 (4215)	2235 (1100)						11447 (5599)
M6.00583.04 (B55/56 Ph3)	135 (67)	230 (114)	2500 (2685)							2865 (2866)
Total =	658	618	10801	2235						14312

Remarks:

1. The site improvements at MHSP project is one of several park projects funded by element M6.00546.08.

Agenda Sheet

SUBJECT: Approval of Change Orders to Contract for Modification of Building D-851 at Berths 57/59, Vision 2000 – Modifications to Fire Protection System and Yard Communication Conduits

DATE: July 2, 2002

ITEM NO: 22

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a contract with BBI Construction for the **MODIFICATION OF BUILDING D-851 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA**, that became effective January 17, 2002, at a lump sum price of \$412,963. The work consists of furnishing and installing a new HVAC system; modifying the existing electrical and plumbing systems; upgrading the roof; and installing new walls and partitions.

ANALYSIS:

The Port's current Change Order Ordinance allows the Executive Director to approve and execute change orders provided that the aggregate value of all change orders does not exceed 10% of the original contract amount, or \$50,000 on contracts valued at less than \$500,000. When the aggregate value of executed change orders on any single contract exceeds the 10% limit, the Board may delegate to the Executive Director prospective authority to approve and execute any additional change orders. The amount of additional change order authority granted shall not exceed \$100,000 in any single meeting of the Board and shall be based on a finding that the Port's best interest is served thereby.

The limit for change orders for this contract is \$50,000. As of this date, change orders totaling \$37,747.83 have been written and approved under the Executive Director's authority. Three change orders totaling approximately \$140,000 have been written but not executed, pending an increase in change order authority. Also, it is anticipated that approximately \$90,000 in additional change orders may need to be written in order to complete the improvements needed for planned occupancy.

At this time, it is requested that the Board approve three change orders: one in the amount of \$28,430.17 for upgrades to the building fire protection and sprinkler system and one for approximately \$62,000 for modifications to the building lighting system to meet new requirements from the City of Oakland with respect to Title 24. The modifications covered by these two change orders reflect a change in the requirements from the City of Oakland and must be done in order to obtain an occupancy permit. The third change order in the amount of \$48,988 is for the installation of four additional communication conduits between the guard booth and Building D-851. It is also requested at this time that the change order authority for this contract be increased by \$100,000.

Budget

This work is budgeted under CIP Item No. M6.00599.01, Budget/Awards Variance, the element in the Vision 2000 Program Budget established to fund such project changes. The funding source will be Port bonds.

Including these change orders, there will be 9 change orders totaling \$171,494.47 or 41.5% of the original contract work. Of this amount, approximately \$27,238.00, or 7%, relates to unforeseen conditions; \$4,838, or 1%, relates to design changes, \$90,430, or 22%, is for unforeseen code changes; and \$48,988, or 12%, is for enhancements requested by the tenant.

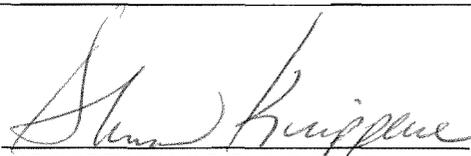
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02209

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

JUL 2 - 2002

DATE

The costs of these change orders have been accounted for and are expected to be fully recovered through the compensation terms for the Berths 57-59 SSAT agreement.

Project Labor Agreement

This work is covered by the terms of the Maritime and Aviation Project Labor Agreement (MAPLA).

OPTIONS:

In lieu of doing the work by change order, the options explored were: 1) continuing discussions with the City to avoid the code changes; or 2) preparing new plans and specifications to bid the work. Both of these options would delay the work beyond the specified terminal occupancy date.

RECOMMENDATION:

It is recommended that the Board approve the three change orders described above in the approximate amount of \$140,000, and increase the Executive Director's authority by \$100,000 for the above-described project.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY
June 18, 2002

PROJECT TITLE: Modification of Building D-851 at Berths 57/59, Vision 2000, Oakland, California

RE: Approval of Change Orders to contract for Modification of Building D-851 at Berth 57/59, Vision 2000 – Modifications to Fire Protection System and Yard Communication Conduits

CIP NO: M6.00585.03

W.O. #'s: 103812

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The approval of change orders to Contract for Modification of Building D-851 at Berth 57/59, Vision 2000 – Modifications to Fire Protection System and Yard Communication Conduits is being tracked under work order # 103812.

Budget: This project is included in the CIP Element # M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.03	216	368	8073	500						9157
Total =	215	368	8073	500						9157

Remarks:

- Multiple buildings being constructed for the 57/58/59 Terminal are funded by project element M6.00585.03. Funding from the budget/awards variance M6.00599.02 will be used for the change order work.

Agenda Sheet

DATE: July 2, 2002

ITEM NO: 23

TD
SUBJECT: Approval of Change Order to Contract for Construction and Installation of Container Cranes - Remove Container Cranes X441 and X442 from the APL Terminal

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On October 2000, the Board determined that cranes X441 and X442 were obsolete and authorized their sale to KAM Harbor Works for \$50,000 each. The cranes were to be removed by June 2001. However, the sale of the cranes did not materialize, and these obsolete cranes are currently causing disruptions in terminal operations. Further attempts to sell them have been unsuccessful. A new container crane will be delivered to the APL Terminal in October 2002.

Solicitation for crane removal proposals has proved unsuccessful. The Port has a contract with Shanghai Zhenhua Port Machinery Co. Ltd (ZPMC) to construct and install container cranes at various Port terminals. ZPMC has offered to load the surplus cranes onto their crane delivery ship and remove them from the APL Terminal for a cost of \$600,000. It is proposed that the Port issue a change order to ZPMC's contract for the removal of the cranes. A new container crane is scheduled for delivery at the APL Terminal in October 2002.

ANALYSIS:

There have been several attempts to sell these cranes or give them away without success. Staff has looked into dismantling the cranes in place or transporting them to the Schnitzer's Yard nearby for dismantling. The cost in either scenario is more than \$600,000. The presence of the obsolete cranes causes disruptions in terminal operations.

Budget

The funding source for this change order work is Port cash.

OPTIONS:

The sale, donation and dismantling of the cranes have all been explored. There were no buyers when staff put the cranes up for sale and there were no takers when they were offered for a token donation because of the huge cost to remove and transport them to their final destination.

The estimated cost to dismantle or demolish the cranes was over \$300,000 each. The time required for demolition and the resulting disruption in terminal operations weighed heavily against this option.

The most viable option open to the Port now is to contract with ZPMC to remove the cranes and haul them away for their own use.

RECOMMENDATION:

It is recommended that the Board approve this change order for a total estimated amount of \$600,000 to Shanghai Zhenhua Port Machinery Co. Ltd., as described above.

Agenda Cranes Remove X441 X442 7202

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02210

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

JUL 2 - 2002

DATE

Agenda Sheet

DATE: July 2, 2002

ITEM NO: 24

SUBJECT: Authorization to Ratify a Professional Services Agreement
With Harris & Associates to Provide Construction Management
Services for the Closure of Landfill at the Former Lew F. Galbraith
Golf Course

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

On March 21, 2000, the Port entered into a contract with Harding Lawson Associates (HLA) for Closure of Landfill at the Former Lew F. Galbraith Golf Course, Oakland, California. The work included in the contract consisted of moisture conditioning dredged material, constructing a cap over the existing landfill areas, and providing rough grading and drainage for the future golf course. After this past winter, the Port directed HLA to return to complete all its work. HLA made a commitment to return to work, but later reneged on its commitment. The Port needed to have all the work completed so that the site could be turned over to Oakland Golf, the City of Oakland's contractor, to complete the construction of the golf course. After HLA refused to resume work, the Port directed its on-call fiscal year contractor, O. C. Jones, to start work at the site and complete all the required work. Harris and Associates was hired to assist the Port in administering the contract with O.C. Jones during completion of the construction at the site.

ANALYSIS:

Due to the complexities of the project and availability of staff, Harris & Associates was selected to provide construction management services for this project. Harris is working on one of the Vision 2000 projects and was selected based on their excellent performance, knowledge of Port's procedures, and their ability to respond immediately to meet the Port's need.

General Plan

Not Applicable

Sustainability

Not Applicable

Budget

The estimated value of the agreement, including authority of the Executive Director to authorize potential changes in scope, is \$ 220,000. The Port issued a purchase order contract to Harris & Associates in the amount of \$15,000 to compensate for its work while proper approvals were obtained. This amount is included in the above estimated amount. The project is budgeted under CIP No. MA.02870.19. The funding source is Port Bonds.

RECOMMENDATION:

It is recommended that the Board determine that the services to be provided by Harris & Associates are professional services, and authorize the preparation and execution of agreement with Harris & Associates in accordance with the provisions above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02211

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD



DATE

JUL 2 - 2002

Agenda Sheet

SUBJECT: Establishing Port of Oakland Exterior Lighting Policy

DATE: July 2, 2002

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *RP*

FACTUAL BACKGROUND:

The State of California, through the California Energy Commission, is in the process of amending the energy code that will require energy conservation and decrease lighting pollution from exterior lighting systems. It is anticipated that the new State Building Code amendment will be adopted next year. Port staff plans to lead the effort to conserve energy and decrease lighting pollution by implementing a lighting policy for the Port of Oakland. Staff has developed such an administrative policy relating to exterior lighting for Port facilities.

ANALYSIS:

The Port has been working with representatives of the Chabot Observatory and Councilmember Spees' office to explore lighting glare mitigation measures that can be instituted on Port projects to reduce impact on the viewing experience at the observatory. Through this effort, staff has developed an administrative policy relating to exterior lighting design on Port facilities that can be incorporated into the Port's recently adopted Sustainability Policy (adopted by the Board on November 21, 2000). The policy's technical provisions are based on the recommendations of the Illuminating Engineering Society of North America (IESNA) International Dark Sky Association. The policy also incorporates effective glare mitigation measures that were instituted on several recent Port projects. Many of our tenants and their engineers have been informed of the draft policy and have generally been very supportive of its implementation. Compliance with this Policy will be administered through the Port's building permit approval process.

Budget

Adoption of this policy and compliance with it would require minimal financial obligation for the Port and the Port's tenants. Both will benefit from a decrease in energy consumption and lower maintenance costs.

OPTIONS:

Staff at the City of Oakland is preparing a lighting policy that will be similar to the Port's. It is anticipated that the City Council will be adopting an ordinance to require developers in the City to comply with such a lighting policy. Since the Port's lighting needs at the container terminals and the airfields are unique, a specific Port policy that addresses maritime and airport facilities would be more appropriate.

RECOMMENDATION:

It is recommended that the Board pass a resolution that adopts the Port of Oakland Exterior Lighting Policy. A copy of the proposed policy is attached.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02212

BOARD ACTION TAKEN *Assistant*

Shirley King
SECRETARY OF THE BOARD

JUL 2 - 2002
DATE



Port of Oakland Exterior Lighting Policy

Port of Oakland Sustainability Opportunities Program

Purpose:

The Port of Oakland through its *Sustainability Opportunities Program* seeks to mitigate the impact of exterior lighting on the surrounding community and to conserve energy. Under the Port of Oakland's Lighting Policy, the Port and Port of Oakland tenants shall comply with the prescribed lighting measures to prevent potential lighting pollution that may be generated by development and operations and to conserve energy in all areas under the jurisdiction of the Port of Oakland.

Area and Lighting Systems Covered by Policy:

Policy shall apply to all new development or modification that includes the construction of exterior lighting systems at the Oakland International Airport, harbor facilities, and commercial, retail, and industrial mixed-use areas which include the Airport Business Park, Jack London Square and Embarcadero Cove Areas.

Exterior lighting systems proposed for the following development shall be covered by the Policy: automobile and aircraft parking areas, roadways, medians, sidewalks, container yards, rail and joint intermodal facilities, biking and walking pathways, architectural and landscape ornamental lighting fixture installations, building exterior walls and roof mounted lighting fixtures, storefront and marketing areas, and billboards and signs.

Port Staff and Port and Tenant Engineering and Architectural Design Consultants:

Port of Oakland Engineering staff, Port contracted Engineering and Architectural Consultants and technical representatives responsible for design of tenants' facilities shall comply with the mitigation measures presented herein.

Tenants:

Exterior lighting plans shall comply with the mitigation measures specified in the *Port of Oakland Exterior Lighting Policy* for glare control and energy conservation stated herein, prior to issuance of Port of Oakland Building Permit.

General Mitigation Measures and Practices:

Design of exterior lighting shall generally follow Illuminating Engineering Society of North America (IESNA)- *Recommended Lighting Levels for Exterior Lighting*. The *Dark-Sky Association* further recommends that lighting designers minimize illumination levels, pole height and spacing, glare, lighting system depreciation and life-cycle cost, (see *Lighting Criterion Schedule*). Additionally, lighting pollution mitigation measures include specifying full cutoff light fixtures, horizontally oriented lamps (bulb), and low-reflectivity architectural surfaces.

Lighting Plan Submission Requirements:

Plans submitted by Port Engineering Staff, tenants and consultants for a Port of Oakland Building Permit or project review and approval, which propose the installation of exterior lighting for a new development or a modification to existing area shall clearly indicate the following:

- 1) Location and quantity of lighting fixtures
- 2) Proposed lux or footcandle levels
- 3) Specified type(s) and manufacturer(s) fixture(s), manufacturer's photometric data sheet, lamp wattage, top shield and side guard cut sheets
- 4) Pole height and spacing
- 5) Bi-level illumination plan operated by automatic shutoff controllers, photocells and/or astronomical timer system (high/full for high activity operation level; and low, approx. 50% or less of full illumination for security/low night activity level).
- 6) Calculation on plan sheet indicating the lamp wattage in full activity operation mode and power usage in security/low night activity mode (if applicable)
- 7) Calculation of lighting watts/ft² for all exterior lighting systems (Total watts of all light fixtures / ft² of the lighted area that at least receive the min. fc)
- 8) Building exterior type and color of architectural finishes
- 9) Written request for any exemption from the lighting policy accompanied by all supporting documentation of reasons for consideration.

Lighting Policy Technical Liaison:

Contact Britt Johnson at (510) 627-1130, if you need additional information on Policy compliance requirement.

ASHRAE and State Legislation Development:

The State of California Energy Commission (CEC) has contracted a team of engineering firms in response to a Senate bill to develop standards for energy conservation and lighting pollution mitigation requirements for outdoor lighting. The proposed legislation is entitled: ***Senate Bill 5X Outdoor Lighting Standards***. The draft bill is scheduled for completion in July 2003. The enforcement of the standard may be facilitated through an amendment to the California Energy Code-Title 24 or adoption into the Title 24 of the existing Federal ASHRAE/IESNA 90.1-1999, which mandates standards for energy conservation of outdoor lighting systems. The Port of Oakland Lighting Policy will be evaluated and the Executive Director will make appropriate revisions to the Policy as necessary to be consistent with the CEC Standards.

Lighting Criterion Schedule:

Illumination Subject Area	Recommended IESNA, Dark-Sky Assoc. Lighting Level (fc)	Required Uniformity Avg./Min. (fc/ft)	Port Policy Glare Mitigation Requirements	Energy Conservation Requirements
Auto Parking lots Retail Centers, Airport	2.4 Avg.	4/1	Full cut-off fixtures	Photocells, timers optional
Aircraft Parking Areas	2 Avg.	4/1	Provide Pole height less than 80 feet, full cut-off fixtures, install side shields and visors, review of AOA lighting by local Air Traffic Control Rep.	Photocells, timers, bi-level, push button hi level energizing with auto shut-off of hi level after specified period
Roadways and Streets (Maintained by Port or Tenants)	0.6 Avg.	6/1	Full cut-off fixtures, install side shields and visors	Photocells
Driveway Entrances	0.6 Min.	NA	Illumination level to match fc/lx level of street or parking area	Photocells
Rail/Intermodal Facilities	5 Avg.	3/1	Full cut-off fixtures, fully equipped with shields, guards	Bi-level lighting plan, Photocells, and timers
Container/Shipping Yards	5 Avg.	3/1	Full cut-off fixtures, fully equipped with shields, guards	Bi-level lighting plan, Photocells and timers, shutoff plan for fixtures illuminating estuary (berth position)
Biking/Walking Pathways	See tables 5,6,7,and 8 in IESNA RP-8-00	4/1	Full cut-off fixtures, max. height less than 28 feet	Photocells
Sidewalks/medians	See tables 5,6,7,and 8 in IESNA RP-8-00	4/1	Full cut-off fixtures, max. height less than 35 feet	Photocells
Architectural/Landscaping	1 Avg.	4/1	Minimize use of up-lights, less than 100W, Aim on specific subject (i.e. tree, sign, monument)	Photocell, timer optional
Storefronts/Marketing Areas	10 Avg.	NA	Direct light downward, minimize spill into adjoining areas, minimize light level contrast between pedestrian and vehicle travel areas	Timer control system
Building Exterior –Light Colored Surfaces	5 Avg.	NA	Aim downward	Photocell, timer
Building Exterior –Dark Colored Surfaces	20 Avg.	NA	Illumination aimed downward	Photocell, timer
Billboards	15 Avg.	NA	Light from the top down	Photocell
Sports Fields near residential park areas	30-50 (infield) Avg. 20-30 (outfield) Avg.	4/1	Plant trees on perimeter of field, full cut-off fixtures, top shields, minimize height of poles	Photocell and timer controls, bi-level for non use periods

Glossary of Terms:

AOA: Aircraft Operations Area, secure area for aircraft movement

Footcandle: Unit of measure of illumination lumen/ft² (fc).

Full Cutoff Light Fixtures: A light fixture with a light distribution with no illumination (lumens) above the horizontal.

Fully Shielded: Top shields and side guards constructed in such a manner that all light emitted by the fixture, either directly from the lens or diffusing element, or by the lens or reflective surfaces is projected below the horizontal plane of the fixture.

Glare: The sensation that illumination is greater than the luminance to which the eyes are adapted and may cause annoyance, discomfort, and loss of visibility.

IES: Illuminating Engineering Society, body that establishes recommended illumination practices, IESNA - Illuminating Engineering Society of North America is the originator of International Dark Sky Association recommendations.

Lumens: SI (System International) unit of measure of luminous used to measure light emitted by lamps (bulbs).

Lux: Metric measurement of illumination 1 lux= 1 lumen/square meter (10.76 lx = 1 fc).

Photometrics: Fixture/lamp performance characteristics.

Shield: An opaque baffle placed along the top edge of a lighting fixture to control light distribution in the vertical direction.;

Side Guards: Opaque baffles placed on the side or sides of a lighting fixture to control light distribution in the horizontal direction.

Uniformity: The measure of the consistency or evenness of illumination: Uniformity ratio is calculated as the Maximum (fc, lx) to minimum (fc, lx) or Average (fc, lx) to minimum (fc/lx).

Agenda Sheet

DATE: July 2, 2002

SUBJECT: Request for Authorization to Negotiate with Information Assets Management System Consultants

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND

The number of documents the Port generates has steadily increased over the past few years and is expected to increase exponentially as the Port expands. The Terminal Expansion project alone is expected to generate 5 million to 10 million documents over its lifetime. As more documents are created, the difficulties in managing these documents increase. Although some departments have developed small-scale document management systems, they are disjointed. The systems vary in age and completeness, and searching for and accessing the documents are often difficult and time consuming. Moreover security, document retention policies, tracking, interdivision access, and accessibility issues are not addressed by these small-scale systems.

To address these issues the staff believes the Port needs to implement an Information Asset Management System (IAMS) that can provide a comprehensive Port-wide system for indexing, storing, and retrieving any and all essential Port documents, correspondence, and engineering drawing files. The system would address the individual needs of Aviation, Maritime, CRE, Engineering, Finance, Central File Service, and Port Attorney's Office while maintaining security and confidentiality where necessary. The System would be directly accessible from all networked sites. Provisions would also be made for documents to be accessed via the Internet in a secure method. The system could also facilitate the publication of public documents including board letters via the Port's website. The system needs to be implemented in the near future as the need is pressing.

ANALYSIS

A RFP was issued in 2001 to find consulting firms to assist in the development and implementation of an IAMS based on industry best practices yet custom tailored to the specific needs and culture of the Port. An IAMS Selection Committee composed of representatives from each division was created to evaluate the proposals. The Port received responses from eight companies to implement the IAMS. After several rounds of evaluations, two finalists were chosen: CGR/GNC and Imtrek.

The software systems proposed by CGR/GNC and Imtrek are superior since they are highly flexible, industry standard solutions, and both software systems would have little difficulties in meeting the Port's information asset management needs. On-site visits and reference checks were performed for both companies, and both companies proved to be adequate. Both companies were professional and experienced.

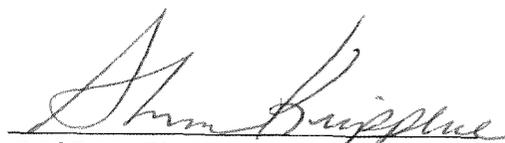
In March 2002, the IAMS Selection Committee voted with a point-based scoring system to recommend CGR/GNC as the provider of the IAMS software and consulting services. The scoring system took into account criteria including software appropriateness, project understanding, responsiveness, expertise, track record, cost effectiveness, and Social Responsibility rating. CGR/GNC's proposed system showed superior ease of storage, indexing, retrieval, and profiling which result in Port staff being able to easily use the system to meet the challenges of managing an ever increasing number of documents. Moreover, their proposed system integrates better with current systems at the Port - especially the e-mail system. CGR/GNC's references with current users of the system (the Port of San Diego & the California Public Utilities Commission) were superior. Additionally, CGR/GNC's experience and professionalism were substantially higher compared with Imtrek's abilities. While voting CGR/GNC as their first choice, the Selection Committee also recommended the inclusion of Imtrek as a viable vendor to provide a contingency alternative based on that system's own merits.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02213

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

JUL 2 - 2002

DATE

Budget

The IAMS application software license proposed by CGR/GNC is approximately \$240,000. The consulting services cost for systems implementation, integration and user training in the CGR/GNC consultancy agreement is estimated at \$313,000. An additional \$108,000 will be required to purchase the network software and hardware required to support the IAMS. In addition, it is requested that the Executive Director be authorized to approve an additional \$75,000 for potential changes in scope. These cost elements total to an estimated amount of \$736,000 for the initial phase of this project. It is also recommended that the Board authorize an annual software maintenance contract of \$22,500 with a provision for a 4% increase per year after the warranty period. The project total of \$1,450,000 is budgeted under CIP element SQ.00007.07. The funding source for this first phase expenditure of \$736,000 will be Port cash.

SUSTAINABLE OPPORTUNITY

This project will reduce paper waste because documents will be stored and distributed electronically. Costs of storing certain documents will be reduced.

RECOMMENDATION

It is recommended that the Board:

1. Authorize a total expenditure of \$736,000 for the initiation and implementation phase of this project.
2. Authorize the commencement of negotiations with CGR/GNC for an amount not to exceed \$553,000 for the IAMS software & service, an annual software maintenance contract for \$22,500 with a provision for a 4% maximum increase per year after the warranty period, and the preparation/execution of the agreement by the Executive Director.
3. Should negotiations with CGR/GNC prove unsatisfactory, authorize commencement of negotiations with Imtrek and the preparation/execution of the agreement by the Executive Director. Costs including not-to-exceed figures would be equal to or less than CGR/GNC.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 2, 2002

ITEM NO: 33

SUBJECT: PERSONNEL ITEMS

Appointment of Director of Administration

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John Glover 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. APPOINTMENT OF DIRECTOR OF ADMINISTRATION

- A) It is requested that the Board approve the appointment of Joseph D. Echelberry to the position of Director of Administration at salary rate \$10,417/ month, effective July 8, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding appointment of Director of Administration.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02204

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

JUL 2 - 2002

DATE

Agenda Sheet

DATE: July 2, 2002

ITEM NO: 34S

SUBJECT: Testing and Acceptance of Neighborhood Electric Vehicles (NEVs)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *JP*

FACTUAL BACKGROUND:

The Port of Oakland has been approached individually by Ford as well as by Pathway Research (a joint venture partnership between General Motors and Club Car). Both companies manufacture Neighborhood Electric Vehicles (NEVs). Pathway is offering organizations within California the opportunity to utilize NEVs for one year at no charge. Pathway offered the Port 28 vehicles. Ford Motors subsequently agreed to match Pathway's offer with an additional 30 NEVs for a total of 58. All that is required to participate in both programs is minimal maintenance and data collection to provide input for future research and development of environmentally sustainable transportation options. Ford offered the NEVs to the Port as a straight no-cost transfer of title without conditions.

NEVs are street legal electric vehicles that can travel on public streets with a posted speed limit of 25 mph. They are equipped with shoulder/seat safety belts, horn, headlamps, turn signals, and rollover protection with canopy. Other options are available, including buy-out of the Pathway vehicles at nominal cost when the program is complete (the Port will own the Ford vehicles outright).

ANALYSIS:

Historically, the Port has been proactive in the use of Alternative Fueled Vehicles in its fleet applications. However, this unique opportunity gives the Port the ability to "beta-test" NEVs at a minimal cost in a wide variety of applications while saving a modest amount of money in other areas of fleet maintenance. Below is a list of proposed applications that include, but are not limited to, the following:

- 1) Marine Terminals
- 2) Railroad Terminals
- 3) Jack London Square (CRE)
- 4) Airport - Landside Operations
- 5) Airport - Airside Operations
- 6) Airport Facilities, Security, Parking Enforcement, Properties, Fire Dept. etc.
- 7) Harbor Facilities and Fleet Maintenance
- 8) Port Car Pool
- 9) Park Maintenance, and
- 10) Possibly other agencies such as the City.

Environmental

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (the "general rule exemption").

Agenda NEVs JUL 2002

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02205

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

Steve Krueger
 JUL 2 - 2002
 DATE

budget

The providers will manage most of the logistics, including vehicle prep, delivery, documentation, licensing, registration and vehicle pickup at the end of the evaluation period. The estimated cost to operate a NEV is approximately 2.5 cents per mile, which is far lower than the corresponding operational costs for a normal Port sedan. The Port's maintenance requirements will be limited to simple flat repairs, lubrication, checking of the batteries, etc. The total maintenance for the NEVs should not exceed \$5,000 for the year and will come out of the Harbor Facilities maintenance budget (Account Code 5130). The cost to buy-out any Pathway or other non-Ford NEVs at the end of the next Fiscal Year should not exceed \$10,000 and will be charged to the Port's Capital Equipment Program for routine vehicle purchases.

Sustainability

This program involves the use of zero emission vehicles to:

- 1) demonstrate the Port's commitment to the environment;
- 2) augment the Port's existing air quality mitigation programs;
- 3) foster technological advances in improving air quality; and
- 4) help educate the public.

This also gives the Port an opportunity to reduce capital equipment purchases of vehicles with internal combustion engines. Finally, this program will serve to improve air quality from reduced emissions from Port and Port tenant fleet operation and maintenance functions.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to:

1. *Enter into an agreement* with Pathway Research and any other NEV provider to: (a) supply the Port with a number of Neighborhood Electric Vehicles at nominal cost; (b) *evaluate* the subject vehicles for future use; (c) *assess the possible purchase* of additional vehicles in the future; and (d) *participate in developing* environmentally sound transportation options;
2. Purchase an undetermined number of tested vehicles at nominal cost, but not to exceed \$10,000, from the NEV provider(s) at the end of the evaluation period; and
3. Loan or transfer title of an undetermined number of the subject NEVs to Port tenants or other public agencies for such evaluation and possible future purchase and utilization.

It is further recommended that the Board ratify the Executive Director's decision to accept approximately 30 NEVs from the Ford Motor Company at no cost.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

PHILLIP H. TAGAMI
President

PETER URIBE
First Vice President

DARLENE AYERS-JOHNSON
Second Vice President

DAVID KRAMER
FRANK KIANG
JOHN PROTOPAPPAS
PATRICIA A. SCATES

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

July 2, 2002

Legal-50

Board of Port Commissioners
Of the City of Oakland
Oakland, California

RE: Ratifying Write-Off of Uncollectible Accounts

Dear Commissioners:

The Chief Financial Officer has requested the Port Attorney's opinion on whether certain accounts receivable, may be written off the books of the Port as of June 30, 2002. The sum indicated below represents amounts from aged accounts receivable arising from, among other things, damage to Port property, rent, utilities, landing fees, concession fees and aircraft storage charges posted on the Port's books as due from some current and past Aviation and Maritime tenants. These accounts represent total receivables as of May 31, 2002, in the sum of \$696,913.38. The Director of Aviation and the Maritime Director have reviewed the receivables attributable to their divisions and recommend this action. The last Board write-off approval was on January 23, 2001, in the amount of \$123,925.70. As a matter of practice, the Board approves write-offs twice a year.

The Finance Division reports that it has pursued collection of the above-described receivables without success.

The Finance Division reports that these accounts receivable have been maintained on the books of the Port as an asset. It is my opinion that these accounts receivable are uncollectible for the following reasons: (1) age of the receivable and remoteness of collection; (2) bankruptcy of respective debtor(s), (3) disputed charges unsupported by sufficient evidence of liability (4) financial inability to pay by certain account holders; (5) settlement resulting in reduction of the expected amount of the receivable and/or other business reasons.

For the reasons offered by the Maritime and Aviation Divisions, the associated revenue divisions, and the Chief Financial Officer, and without rendering an opinion on underlying facts, my advice to the Chief Financial Officer is that these accounts receivable do not represent accounts upon which the Port has a present expectation of receiving the revenue represented thereby and, therefore, may be written off the books as uncollectible accounts.

A resolution ratifying these accounts to be written off the books of the Port as of June 30, 2002, has been prepared and appears upon today's calendar for your consideration and action. The Chief Financial Officer joins with me in recommending adoption of the resolution.

Respectfully submitted,


DAVID L. ALEXANDER
Port Attorney

cc: Tay Yoshitani
Fred Rickert

Approved by Resolution
No. 02206

Board action taken Assistant Secretary of the Board *John Krupp* JUL 2 - 2002
Date

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

PHILLIP H. TAGAMI
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Second Vice President

DAVID KRAMER
JOHN PROTOPAPPAS
PATRICIA A. SCATES
PETER URIBE

June 14, 2002

LEGAL-51

Board of Port Commissioners
Of the City of Oakland
Oakland, California

Re: Bid Protest Procedure

Dear Commissioners:

Recommendation

We recommend that the Committee approve an amendment to Port Ordinance No. 1606 to add Section 5.2, codifying a fair and efficient procedure for evaluating and resolving protests relating to the award of contracts. The Administrative Committee considered this matter at the May 28, 2002, meeting, and forwarded it with the recommendation to approve the ordinance.

Discussion

Port Ordinance 1606 establishes the basic requirements for the award of Port contracts, including public works contracts. The purpose of these requirements is to ensure that Port contracts are awarded on the basis of merit and to protect against fraud, extravagance and the waste of public funds. The fundamental principles of public contracting require that businesses offering to enter contracts with the Port be provided a fair and efficient mechanism by which they may pursue any objections to the award of a Port contract. (See, American Bar Assoc., Section of Public Contract Law, *Principles for Resolving Disputes in Public Procurements* (ABA 1999); *Report of the California Public Contract Project* (Cal. Dept. of Gen. Svcs. 1978).) Moreover, it is in the Port's interest to establish such procedures in order to demonstrate to the contracting community the Port's commitment to fair and equitable contracting practices. Agencies that establish fair and efficient contracting procedures reap benefits in the form of greater competition for contracts and the attraction of higher quality bidders.¹

¹ See, Martin, J. Managing Public Works Construction Projects, pp. 55-56 (American Public Works Assoc. 1999).

Currently, the Port Ordinance No. 1606 lacks a formal bid protest procedure; however, staff follows consistent practices for bid protests. Generally, a bid protest may arise in two ways: 1) one or more of the other bidders may file a protest letter asserting that the contract should not be awarded to the recommended bidder, or 2) Port staff makes an initial determination that a bid or bids should be rejected, and the rejected bidder(s) file a protest. In either event, staff makes a recommendation to the Board for award of the contract. The protesting bidder(s) then attends the Board meeting to present its objections. Depending on the number of protesting bidders and the nature of the protest, the Board may find that considerable time is consumed by the bid protest. The Board weighs the matter and then makes its decision. In some circumstances, if the protester remains unsatisfied, it might file a lawsuit to overturn the Board's decision.

The proposed bid protest procedure provides two advantages over the current unwritten practices. First, it will provide a formal and transparent procedure for addressing protests, thus minimizing potential disputes about procedural protocol. Second, it will reduce the amount of time spent by the Board in receiving and organizing arguments and evidence from bidders during Board meetings by authorizing the appointment of a Hearing Officer prior to the Board's consideration of the matter. The Hearing Officer will be a Port senior management employee empowered to preside over a formal evidentiary hearing, weigh evidence, and make findings of fact and conclusions of law. The Hearing Officer will submit to the Board a written report and recommended disposition, including findings of fact and conclusions of law. On receipt of the Hearing Officer's report, the Board may ratify it, remand it back to the Hearing Officer for further proceedings, or choose to conduct its own independent review of the matter. Thus, when the Board considers the matter, the work of identifying, analyzing, and organizing the disputed issues will have been completed.

The proposed bid protest procedure fairly balances the rights of bid protesters and the Port with respect to the award of contracts during a bid protest. Proposed Section 5.2 protects the rights of bidders by providing that the Board shall not award the contract until a decision has been made regarding the bid protest. However, where the substantial interests of the Port require the contract to be awarded without delay, the Board may award the contract. It is impossible to predict in advance all the circumstances that may require the Board to award a contract without delay; however, the following examples illustrate the concept: 1) delay would jeopardize funding or increase the costs of funding the project, 2) delay would prevent the Port from meeting its obligation to a tenant, franchisee, or concessionaire, 3) delay would prevent the Port from meeting its obligations to another public agency which is a partner in the project; 4) delay would jeopardize the Port's ability to obtain or maintain regulatory approval for the project; or 5) the contract is

for work that is a necessary precedent to any other subsequent contracts that fall into any of the first four categories. In the event that a court later finds that the Port lacked justification to award the contract, California law limits the disappointed bidder's monetary damages to the costs incurred in submitting its bid. (*Kajima/Ray Wilson v. Los Angeles County Metropolitan Transportation Authority* (2000) 23 Cal.4th 305.)

Community Outreach

On April 1, 2002, Port staff furnished a draft of the proposed ordinance to the local contractor community, including, the Associated General Contractors, Bay Area Black Contractor's Association, Building & Construction Trades Council, Chinese for Affirmative Action, Spanish Speaking Unity Council, and East Bay Asian Design Professionals. On April 8, 2002, Port staff met with members of the contracting community to discuss the proposed bid protest procedure. The draft ordinance received a favorable response. One participant questioned whether the Board would award a contract before the bidders' deadline to submit a protest. As discussed above, the proposed ordinance addresses this issue in Subsection d.

Options

The Board may decline to approve the proposed amendment. The Port would continue to resolve bid protests according to the unwritten practices described above.

Summary

For the reasons explained above, it is recommended that the Board approve the amendment of Port Ordinance No. 1606 to add Section 5.2 to codify its fair and efficient bid protest procedure.

Very truly yours,



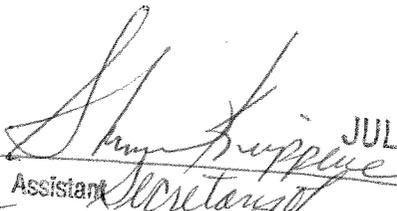
David L. Alexander
Port Attorney

cc: T. Yoshitani
J. Glover
J. Wong

Approved by Ordinance
passed to print

Board Action Taken

Assistant Secretary of the Board



JUL 2 - 2002
Date

February 20, 2002
DISCUSSION DRAFT

AN ORDINANCE AMENDING PORT ORDINANCE NO.
1606 FORMULATING AND ESTABLISHING
CONDITIONS AND PROCEDURES FOR BIDDING,
CONTRACTING, AND PURCHASING.

WHEREAS the manner in which the Board of Port Commissioners for the City of Oakland lets and administers contracts for public works is a municipal affair; and

WHEREAS the procedures set forth in Port Ordinance No. 1606 are established for the benefit and protection of taxpayers and not to enrich bidders or those who contract with the Port of Oakland; and

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. Port Ordinance No. 1606 shall be and the same is hereby amended by adding thereto a new Section 22, to read as follows:

SECTION 22. BID PROTESTS. Any party that has timely submitted a responsive bid or proposal may file a bid protest in accordance with the provisions set forth below. Bid protests shall be heard initially by the Executive Director, or his/her designee, who shall issue to the Board a written report and a recommended disposition of the bid protest, including written findings of fact and conclusions of law. The Board may then ratify the Executive Director's (or his/her designee's) recommendations or conduct such further review of the bid protest, as the Board may determine. Protests shall be administered as follows:

a. Written Bid Protests Required. Any bid protest must be submitted in writing to the Secretary by the date and time specified in the solicitation documents. If no submission deadline is specified, then the bid protest shall be submitted to the Secretary before 5:00 p.m. of the fifth (5th) business day following publication of the identity of the apparent successful bidder.

1. The initial protest document must contain a complete statement of the basis for the protest.

2. The protest must refer to the specific portion of the bid documents that forms the basis for the protest.

3. The protest must include the name, address and telephone number of the person representing the protesting party.

4. The party filing the protest must transmit a copy of the initial protest document and any attached documentation concurrently to all other bidders and any other parties that have requested such notice.

b. Administrative Determination. A determination regarding the protest shall be made by the Executive Director, or by such other member of the Port administrative staff, including department heads and staff, or by such other person(s), as the Executive Director may designate (the "Hearing Officer"). The Port shall be represented at any hearing by a representative of the Port Attorney's office. Related bid protests may, at the discretion of the Hearing Officer, be consolidated into one hearing. The Hearing Officer shall administer the bid protest according to the following procedures:

1. The Hearing Officer shall set the date, time and place for the hearing and shall notify the protesting parties in writing at least five (5) business days in advance of the hearing date. The Hearing Officer for good cause may postpone or advance the date of any hearing upon the request of a party or upon the agreement of all parties, or upon the Hearing Officer's own initiative.

2. At least one (1) business days in advance of the hearing, the protesting party and the bidder(s) subject to the bid protest(s), shall file with the Hearing Officer and exchange copies of all exhibits they intend to submit at the hearing and identify in writing any witnesses to be called at the hearing. The Hearing Officer shall resolve any disputes concerning the exchange of information, and may modify these requirements upon the request of a party or upon the agreement of all parties, or upon the Hearing Officer's own initiative.

3. Any party wanting a stenographic record shall make arrangements directly with a stenographer and shall notify the other parties of these arrangements in advance of the hearing. The requesting party or parties shall pay the cost of the stenographic record. If the transcript is agreed by the parties to be, or determined by the Hearing Officer to be, the official record of the proceeding, it must be made available to the Hearing Officer and to the other parties for inspection and copying, at a date, time and place determined by the Hearing Officer. Any party wishing an interpreter shall make all

arrangements directly with the interpreter and shall pay the cost of the services.

4. The Hearing Officer may require witnesses to testify under oath administered by any duly qualified person.

5. At the hearing, each protesting party shall present evidence to support its claim, in such order as the Hearing Officer shall determine. Witnesses for each party shall submit to questions or other examination. The Hearing Officer has the discretion to vary this procedure but shall afford all parties the opportunity to be heard. Exhibits, when offered by either party, may be received in evidence by the Hearing Officer. The Port may also present evidence, examine witnesses, or introduce exhibits, in its sole discretion.

6. The Hearing Officer shall be the judge of the relevance and materiality of the evidence offered, and conformity to legal rules of evidence shall not be necessary. The Hearing Officer may request offers of proof and may reject evidence deemed by the Hearing Officer to be cumulative, unreliable, unnecessary, or of slight value compared to the time and expense involved.

7. The Hearing Officer may conduct the hearing telephonically. The Hearing Officer may elect to not conduct a hearing, and decide the bid protest based upon the Hearing Officer's own investigations and review of documents, if the Hearing Officer makes the determination that adjudication of the issues presented would not benefit from the presentation of oral testimony.

8. The failure of the protesting party to attend the hearing shall be deemed a withdrawal of the bid protest and a waiver of any right to further pursue the bid protest, including the filing of a claim pursuant to Division 3.6 of Title 1 of the Government Code and legal proceedings.

c. Adjudication and Decision. The Hearing Officer may direct the parties to file documents or other evidence following the hearing, including briefs and responses to evidence. All parties shall be afforded an opportunity to examine and respond to such documents, other evidence, briefs and responses. The hearing shall be considered closed as of the final date set by the Hearing Officer for the receipt of post hearing documents, other evidence, briefs or responses. The Hearing Officer shall then issue a written report and recommended disposition of the bid protest, including written findings of fact and conclusions of law. The Board shall then review the Hearing Officer's written decision, and either ratify it, remand it back to the Hearing Officer for further determinations, or elect to conduct a de novo review of the bid protest and receive

additional evidence on all or portions of the bid protest and render a decision. The Hearing Officer's decision as ratified by the Board, or the Board's decision upon de novo review, shall constitute the Port's final decision on the bid protest.

1. Notwithstanding any other provision, the Board may delegate to the Executive Director any or all of its authority with respect to any contract(s) upon a finding and determination that it is in the best interests of the Port. In those cases where the Board has so delegated its authority, the Executive Director's written decision shall be the Port's final decision.

d. Stay of Award During Protest. When a timely protest has been submitted in accordance with this subsection, the Board shall not award the contract until a decision has been made regarding the protest, unless the Board makes a finding that the award of the contract without delay is necessary to protect the substantial interests of the Port.

e. Attorneys fees. All parties shall bear their own attorney's fees arising from any bid protest filed under the authority of this subdivision.

Section 2. This Ordinance shall take effect immediately after its final adoption.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

COMMISSIONERS

FRANK KIANG
President

JOHN PROTOPAPPAS
First Vice President

PATRICIA A. SCATES
Second Vice President

DARLENE AYERS-JOHNSON
DAVID KRAMER
PHILLIP H. TAGAMI
PETER URIBE

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, August 6, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

ITEMS REQUIRING CLOSED SESSION:

**The Board will immediately enter into Closed
Session at 3:00 p.m. to Review Items 40 - 43
(See, Closed Session)**

OPEN SESSION: 4:00 P.M.

READING OF THE MINUTES:

Regular meeting of July 2, 2002; and regular meeting of July
16, 2002

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

COMMITTEE REPORTS:

Aviation
Maritime
Administration
City/Port Liaison

READING OF SUMMARY ITEMS: (Marked "s")

25 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

- 1 PULLED** ~~Authorization to Execute a Professional Services Agreement with HNTB Corporation to Provide As Needed Aviation Planning and Preliminary Engineering Consulting Services. (Resolution)~~
- 2** Approval to Extend Living Wage Charter Amendment to Holdover Tenancies. (Resolution)
- 3** Approval of Plans and Project Manual for Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA. (Resolution)
- 4s** Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 5s** First Reading of Ordinance Approving a Lease Modification/ Supplement with the United States of America, Department of Transportation, Federal Aviation Administration (#1 Airport Drive, South Airport). (Ordinance)
- 6s** Approval of Lease Modification/Supplement with the United States of America, Department of Transportation, Federal Aviation Administration (#1 Airport Drive, South Airport). (Resolution)
- 7s** Approval of License and Concession Agreement with the United States Department of Justice, Federal Bureau of Investigation (#1 Airport Drive, South Airport). (Resolution)

- 8s** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with One-Source Building Services, Inc. (#1 Airport Drive, South Airport). (Resolution)
- 9s** Approval of Supplemental License Agreement with the United States of America, Department of Commerce, National Oceanic and Atmospheric Administration (#1 Airport Drive, South Airport). (Resolution)
- 10s** Ratification of the Barter Agreement with SBC Pacific Bell Smart Yellow Pages for the Cover of the Oakland, Alameda, Berkeley, Emeryville & San Leandro Directory, August 2002 Issue. (Resolution)
- 11s** Ratification Authorization of Extension of Reimbursable Agreement with the Federal Aviation Administration for Airport Roadway Project. (Resolution)
- 12s PULLED** ~~Ratification of Submittal of Application to Federal Aviation Administration (FAA). (Resolution)~~
- 13s** Ratification of Change Order to the Contract for Construction of Interim Ticket Counters, Building M-102, OIA - Expansion of Security Checkpoints in Terminals 1 and 2. (Resolution)

COMMERCIAL REAL ESTATE

- 15** First Amendment to the Exclusive Negotiating Agreement with Oakland Harbor Partners for the Oak to Ninth District Project. (Resolution)
- 16s** Recommended Approval of a 10-Month Right of Entry Agreement with Wagner Construction JV, for the Extended Use of a Portion of the Former Jack London Village Site, for Tube Retrofit Staging Activities. (Resolution)
- 17s** Approval of Addendum to the Final Environmental Impact Report for the Site B Development Project and Elimination of Mitigation Measures. (Resolution)
- 18s** Authorization to Renew the Potomac Hull and Machinery and Protection and Indemnity Insurance. (Resolution)

MARITIME

- 21** Authorization to Dispense with Standard Bidding Procedures to Expedite Furnishing and Installing Marine Terminal Security Enhancements Funded by Federal Grants. (Resolution)
- 22** Amendment to Tenancy Agreement with Unicold Corporation. (Resolution)
- 23** Adjustment to Crane Compensation Provisions in the Marine Terminals Corporation ("MTC") Management Agreement at the Ben E. Nutter Terminal. (Resolution)
- 24** Approval of Change Order to Contract for Construction of Berths 57-58 Container Wharf, Fill and Middle Harbor Shoreline Modifications - Contaminated Groundwater Extraction System, Phase 1. (Resolution)
- 25** Authorization to Dispense with Standard Bidding Procedures for Construction of Storage Track, Compressed Air System and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000. (Resolution)
- 26** Authorization to Dispense with Standard Bidding Procedures for Demolition of Central Wing and Core of Building D-833, Vision 2000. (Resolution)
- 27** Authorization to Dispense with Standard Bidding Procedures and Enter into a Purchase Order Contract with Pneumatic Tube Products Company to Furnish a Pneumatic Tube System at the Berths 57-59 Terminal. (Resolution)
- 28s** Adoption of New Utility Rate Schedules for the Sale of Utilities at the Oakland Army Base. (Ordinance)

OPERATIONS

- 31** Award of Contract for Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002 and Ending June 30, 2003, 2004, or 2005. (Resolution)
- 32** Authorization to Renew Electrical, Mechanical and Communications On-Call Consulting Agreements. (Resolutions)
- 33s** Conflict of Interest Code. (Ordinance)

- 34s** Approval of Extension of RGH Group Consulting Professional Services Agreement. (Resolution)
- 35s** Personnel Item: Termination. (Resolution)
- 36s** Travel Authorization. (Resolution)

CLOSED SESSION

40 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 2 matters.

41 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of cases:

Port of Oakland v. International Brotherhood of Teamsters Local Union 70, et al., Alameda County Superior Case No. 2002058643

In a Matter Between Building and Construction Trades Council of Alameda County and Davillier-Sloan, Inc./Parsons Constructors, Inc., McKay Case No. 02-008

42 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.

43 CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and Terms of Payment

Property: Metroport
Negotiating Parties: Port and Simeon Properties
Under Negotiation: Price and Terms of Payment

BUILDING PERMIT APPLICATION: ("s")

Perrier/Nestle Waters Inc., interior remodeling of an existing building to covert it from a truck washing facility to a truck maintenance facility. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301(a).

Aloha Airlines Inc., construction of a doorway opening in an existing office, ground floor of Terminal 1, below Gate 11. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301(a).

JetBlue Airways Corporation, construction of a two story building addition of 500 square feet (250 square feet per floor). This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301(a).

Vote on the following resolutions except Numbers 31 and 32:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Tagami, Uribe and President Kiang – 6
Noes: None
Absent: Commissioner Scates – 1

Vote on Number 31:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Tagami and Uribe – 5
Noes: None
Abstained: President Kiang - 1
Absent: Commissioner Scates - 1

Vote on Number 32:

Ayes: Commissioners Ayers-Johnson, Protopappas, Tagami, Uribe and President Kiang – 5
Noes: None
Abstained: Commissioner Kramer – 1
Absent: Commissioner Scates - 1

RESOLUTIONS:

- 02244 1** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO TERMINATE HOLDOVER TENANCIES WITH TENANTS THAT MEET CERTAIN MINIMUM THRESHOLD REQUIREMENTS FOR COVERAGE UNDER CITY CHARTER SECTION 728 ("SECTION 728") ENTITLED "LIVING WAGE AND LABOR STANDARDS AT PORT-ASSISTED BUSINESSES", AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR TO TERMINATE SAME, AND AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR TO ENTER INTO NEW AGREEMENTS, OR WHERE APPROPRIATE IN LIEU OF TERMINATION OF SAID HOLDOVER TENANCIES, AMEND THE TERMS OF SAID TENANCIES, AND TO EXTEND COVERATE OF SECTION 728 TO SAME. (Airport - 2)
- 02245 2** APPROVING PLANS AND SPECIFICATIONS FOR UPGRADE OF HVAC SYSTEM AND REPLACEMENT OF COOLING TOWER NO. 1 AND CHILLER NO. 2, BUILDING M-104, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport - 3)
- 02246 3** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CAL-AIR AVIATION SERVICES, INC. (Airport - 4s)
- 02247 4** AUTHORIZING, APPROVING AND EXECUTING LEASE MODIFICATION/SUPPLEMENT NO. 002 WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTATION. (Airport - 6s)
- 02248 5** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH THE UNITED STATES OF DEPARTMENT OF JUSTICE, FEDERAL BUREAU OF INVESTIGATION. (Airport - 7s)
- 02249 6** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH ONESOURCE BUILDING SERVICES, INC. (Airport - 8s)
- 02250 7** APPROVING AND AUTHORIZING EXECUTION OF A FIRST SUPPLEMENTAL AGREEMENT WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF COMMERCE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION. (Airport - 9s)

- 02251 8** APPROVING AND RATIFYING EXECUTION OF A BARTER AGREEMENT WITH SBC PACIFIC BELL SMART YELLOW PAGES. (Airport - 10s)
- 02252 9** AUTHORIZING AND APPROVING THE EXECUTION OF AN EXTENSION OF THE REIMBURSABLE AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION FOR THE AIRPORT ROADWAY PROJECT. (Airport - 11s)
- 02253 10** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH STEVELLE CONSTRUCTION COMPANY, FOR CONSTRUCTION OF INTERIM TICKET COUNTERS, BUILDING M-102, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR THE EXPANSION OF SECURITY CHECKPOINTS IN TERMINALS 1 AND 2, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, DISPENSING WITH STANDARD BIDDING PROCEDURES AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport - 13s)
- 02254 11** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH WAGNER CONSTRUCTION JF. (Commercial Real Estate - 16s)
- 02255 12** APPROVING THE FIRST ADDENDUM TO THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE SITE B DEVELOPMENT PROJECT AND ELIMINATING MITIGATION MEASURES. (Commercial Real Estate - 17s)
- 02256 13** AUTHORIZING RENEWAL OF POTOMAC HULL AND MACHINERY, PROTECTION AND INDEMNITY AND POLLUTION LIABILITY INSURANCE. (Commercial Real Estate - 18s)
- 02257 14** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SOLICIT PROPOSALS FOR FURNISHING AND INSTALLING MARINE TERMINAL SECURITY ENHANCEMENTS, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 21)
- 02258 15** APPROVING AMENDMENT TO PROVISIONS PREVIOUSLY APPROVED FOR PROPOSED LEASE WITH UNICOLD CORPORATION. (Maritime - 22)

- 02259 16** APPROVING AMENDMENT TO PROVISIONS PREVIOUSLY APPROVED FOR PROPOSED SUPPLEMENTAL AGREEMENT TO MANAGEMENT AGREEMENT WITH MARINE TERMINALS CORPORATION (BEN E. NUTTER CONTAINER TERMINAL). (Maritime - 23)
- 02260 17** APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH BERTHS 57/58 CONSTRUCTORS, A JOINT VENTURE, FOR CONSTRUCTION OF BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS, OAKLAND, CALIFORNIA. (Maritime - 24)
- 02261 18** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SOLICIT PROPOSALS FOR CONSTRUCTION OF STORAGE TRACK, COMPRESSED AIR SYSTEM, AND MISCELLANEOUS IMPROVEMENTS TO THE JOINT INTERMODAL TERMINAL, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 25)
- 02262 19** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SOLICIT PROPOSALS FOR DEMOLITION OF CENTRAL WING AND CORE OF BUILDING D-833, VISION 2000, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 26)
- 02263 20** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR INSTALLATION OF PNEUMATIC TUBE SYSTEM, BERTHS 57-59 TERMINAL, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 27)
- 02264 21** AWARDING CONTRACT TO CHAIN LINK FENCE & SUPPLY, INC. FOR REPAIR AND CONSTRUCTION OF SECURITY FENCING FOR PORT OAKLAND FACILITIES FOR THE PERIOD COMMENCING AUGUST 1, 2002 AND ENDING JUNE 30, 2003, 2004, OR 2005, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Operations - 31)

- 02265 22** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH NBA ENGINEERING, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32)
- 02266 23** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH TEECOM DESIGN GROUP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32)
- 02267 24** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH DAMATT ENGINEER, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32)
- 02268 25** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH F.W. ASSOCIATES, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 32)
- 02269 26** FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH THE RGH GROUP CONSULTING ENGINEERS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 34s)
- 02270 27** CONCERNING CERTAIN TRAVEL. (Operations - 36s)
- 02271 28** GRANTING PIERRIER/NESTLE WATERS, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02272 29** GRANTING ALOHA AIRLINES, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)

- 02273 30** GRANTING JETBLUE AIRWAYS CORPORATION, PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02274 31** APPROVING AND AUTHORIZING EXECUTION OF A FIRST AMENDMENT TO THE EXCLUSIVE NEGOTIATING AGREEMENT WITH OAKLAND HARBOR PARTNERS LLC.
(Commercial Real Estate – 15)
- 02275 32** TERMINATING CERTAIN APPOINTMENT. (Operations – 35s)

Vote on the following ordinances:

Ayes: Commissioner Ayers-Johnson, Kramer, Protopappas, Tagami, Uribe and President Kiang – 6

Noes: None

Absent: Commissioner Scates – 1

ORDINANCES:

- 1** Port Ordinance No. 3709 being, "AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT."

Final.
- 2** Port Ordinance No. 3710 being, "AN ORDINANCE AMENDING SECTIONS 2.03 AND 2.05 AND ADDING SECTION 1.293 TO PORT ORDINANCE NO. 867 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Final.
- 3** Port Ordinance No. 3711 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTION 2.07 AND ADDING SECTION 1.292 RATIFYING AND FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT."

Final.

- 4** Port Ordinance No. 3712 being, "AN ORDINANCE AMENDING SECTION 1.191 OF PORT ORDINANCE NO. 867 PROVIDING PROFESSIONAL DEVELOPMENT BENEFITS FOR CERTAIN OFFICERS AND EMPLOYEES."

Final.

- 5** Port Ordinance No. ____ being, "AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE MODIFICATION/SUPPLEMENT NO. 5 WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

Airport – 5s to print.

- 6** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRICAL POWER AND OTHER UTILITIES PROVIDED BY THE PORT AT THE OAKLAND ARMY BASE."

Maritime – 28s to print.

- 7** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2392 RELATING TO THE CONFLICT OF INTEREST CODE OF THE BOARD OF PORT COMMISSIONERS OF THE CITY OF OAKLAND."

Operations – 33s to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next regular meeting will be held on Tuesday, September 3, 2002 at 3:00 P.M.**

Agenda Sheet

DATE: August 6, 2002

SUBJECT: APPROVAL TO EXTEND LIVING WAGE CHARTER
AMENDMENT TO HOLDOVER TENANCIES

ITEM NO: 2

PROGRAM AREA:

SUBMITTED BY: **Bernida Reagan** 

- Airport Operations **C. I.**
- Commercial Real Estate
- Maritime Operations
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

On March 5, 2002, the voters in the City of Oakland passed Measure I, adding to the City Charter Section 728 (§728) entitled "Living Wage and Labor Standards at Port-assisted Businesses." §728 requires Port Aviation and Maritime businesses that meet specified minimum threshold requirements to pay all non-exempt employees a Living Wage rate established by City Ordinance and adjusted annually based on the Consumer Price Index for the San Francisco, Oakland and San Jose area. §728 also provides covered employers with incentives to provide health benefits to employees, establishes a worker retention policy, requires covered employers to submit quarterly payroll reports and requires covered employers to allow Port representatives and labor organization representatives access to work sites and payroll records in order to monitor compliance. The California Secretary of State accepted and filed §728 on April 25, 2002, making §728 effective for contracts entered into after that date (i.e., contracts entered into on April 26, 2002 or thereafter). Covered employers are responsible for complying with the provisions of §728 from the date the covered contract is entered into.

ANALYSIS:

A controversy exists over the application of §728 to certain holdover tenancies. Specifically, the proponents of Measure I contend that §728 was intended to apply to tenancies that went to holdover status on or before April 25, 2002. Port tenancies that have been the focus of attention because the agreements went to holdover status prior to the enactment of §728 have been rental car agencies at the airport. These rental car agencies are currently tenants at the airport under holdover tenancies, month-to-month, created when their leases and license and concession agreements expired and they continued renting thereafter. These Rent-A-Car companies contend §728 does not apply to tenancies that went to holdover status on or before April 25, 2002. They also claim §728 is vague, overbroad so as to raise constitutional question as and is preempted by the NLRA. Many of the leases and license and concession agreements contained express provisions that should the term of the agreements expire, the tenant may hold over with the Port's consent as month-to-month tenants upon the same terms and conditions of their respective leases or license and concession agreements, except as to rent (In contrast, standard ground lease provisions expressly allow the Port on prior notice to change any terms). The Port has filed a Complaint for Declaratory Relief in order to settle the legal question of whether the law applies to these holdover tenancies and so the Port may properly enforce the applicable living wage requirements.

Resolution.

The legal issue notwithstanding, the Board of Port Commissioners may determine that it is in the best interest of the Port to make extend the law to cover holdover tenancies subject to §728 as a matter of policy by authorizing and directing the Executive Director to terminate existing holdover tenancies with thirty days' notice but providing an option for such tenancies to continue month-to-month upon such terms and conditions and at compensation as fixed from time to time by the Port, with an express condition that §728 shall apply to the tenancies where the tenant elects

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02244

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

to continue. Such an election by a tenant to continue may be reflected by execution of new agreements ~~or by payment of rent and continuation of operations upon the Port's premises upon notice of same.~~ The continuation of the tenancies, in either case, upon such terms would trigger coverage under §728. The spirit of the law, as well as the law's proponents, strongly support such an extension, and members of the Port working community have repeatedly come before the Board to voice their support for such an extension. This policy decision will not settle all of the controversies regarding the law's interpretation, but it will extend the benefits of the law to a wider group of people working at the airport.

Ordinance.

Should Section 728 be determined to be invalid by a court of law, in whole or in part, the Board may adopt, as its own policy pertaining to holdover tenancies, upon a finding that it is in the best interest of the Port to do so, the applicable Section 728 employee rights, and employer requirements with application to Aviation and Maritime division tenants.

Finally, the Board also may also establish as policy that § 728 shall apply to all new tenancies of the Aviation or Maritime divisions, entered into hereafter, with terms of twenty-nine consecutive days or longer (resulting in application to any month-to-month tenancy currently in effect, not limited to hold-over tenancies) that meet § 728's other minimum threshold requirements, where such tenants have contracts, leases, license and concessionaire agreements, or use permits lasting twenty-nine consecutive days or longer. A recent court case upheld a similar action by the City of Berkley to make living wage requirements applicable to tenants in its Marina District.

RECOMMENDATION:

A Resolution and Ordinance have been prepared which would establish as policy the extension of §728 to ~~holdover~~ a all month-to-month tenancies currently in effect and those that may renew upon hold-over from agreements with specified terms, as more fully described above. The Board's approval of the Ordinance and Resolution is recommended.

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 3

TD
SUBJECT: Approval of Plans and Project Manual for Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for* *Ja*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for the **Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, Oakland International Airport, Oakland, California**, and are submitted for approval and authorization to advertise for bids.

The Heating, Ventilating and Air Conditioning (HVAC) system at the Terminal Complex requires repairs and improvements in order to maintain reliability, improve efficiency, and provide properly conditioned air for airline passengers and terminal occupants. The proposed work is required to replace worn and dilapidated components; upgrade components that do not fulfill current efficiency standards; adjust and balance airflow to serve realigned tenant and passenger areas; and complete facility modifications that will reduce heating and cooling loads. In addition to the increase in numbers and duration of passenger occupancy in the Terminal Complex, many areas for airline operations and passenger activities have been enlarged, realigned and/or relocated without proper adjustment on the HVAC systems. As a result of that, many complaints of inadequate cooling have been received during the summer and autumn months.

ANALYSIS:

Environmental

The existing terminal heating, ventilating, and air conditioning system will be upgraded and the existing cooling towers replaced with new ones. The cooling towers/structures will be demolished and removed and then replaced by new ones on the same site. The proposed project has been reviewed pursuant to the requirements of the California Environmental Quality Act (CEQA) and the Port's CEQA Guidelines. It is categorically exempt from CEQA under Section 15302, Class 2 (c) because the new facility will have substantially the same purpose as the one being replaced. The upgrades to the existing HVAC system will entail interior alterations and as such are exempt pursuant to CEQA Section 15301, class 1 (a), (d), and (f).

General Plan

It has been determined that this project conforms to the City of Oakland General Plan as a continuation of aviation-related use in the Oakland International Airport.

Budget

The Project Schedule and Project Budget Summary are attached. This work is budgeted under CIP Element No. A2.00765.02 and will be funded by Port cash and/or bonds.

Sustainability

The cooling tower and chiller were selected based on the latest industry standards that are being implemented to increase efficiency and to conserve water and energy. In addition to conserving water and energy, the piping system is designed to minimize waste and conserve resources by re-using piping and recycling refrigerant.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02245

BOARD ACTION TAKEN

Sharon Kuppel
Assistant SECRETARY OF THE BOARD

AUG 6 - 2002

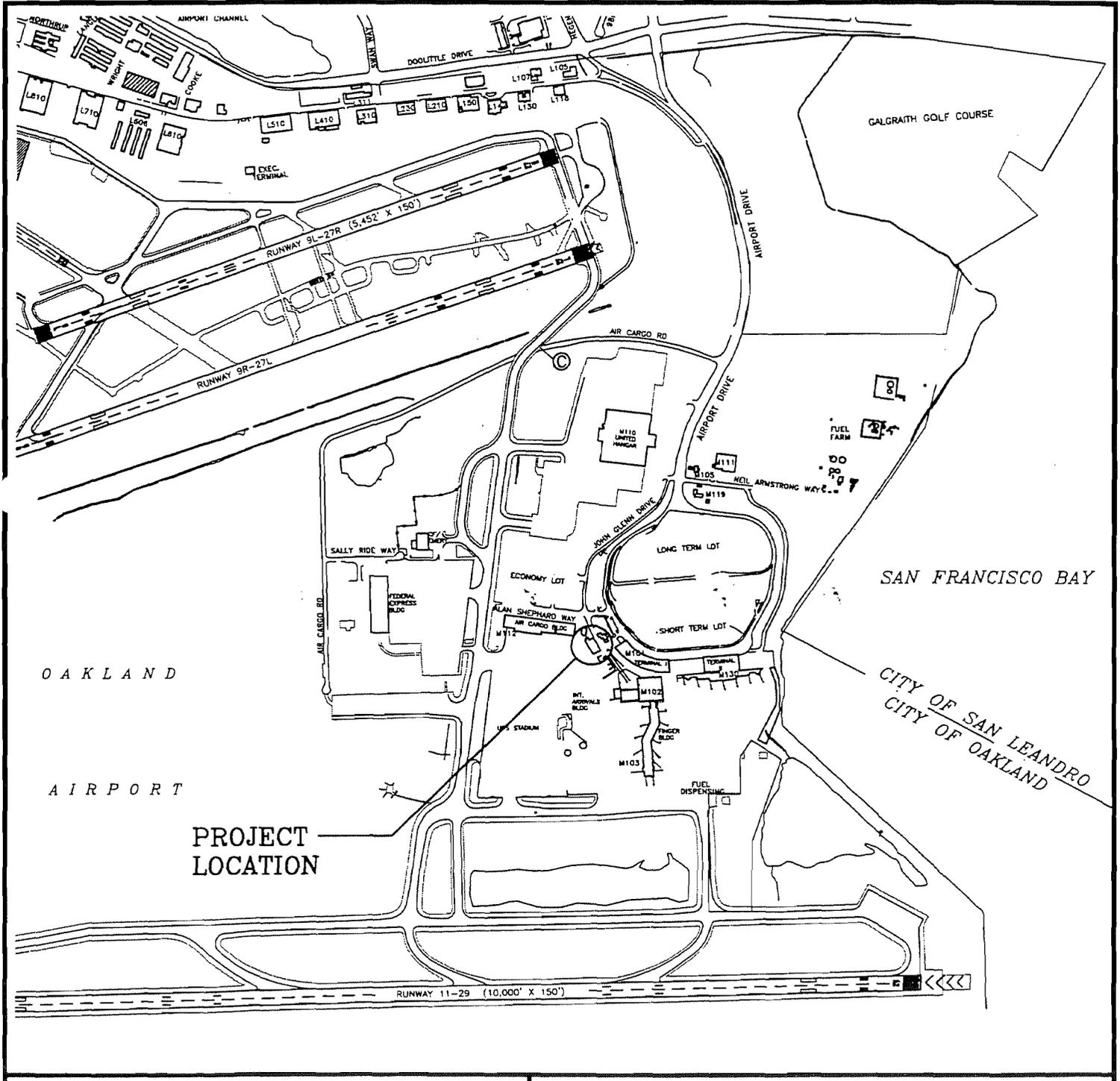
DATE

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

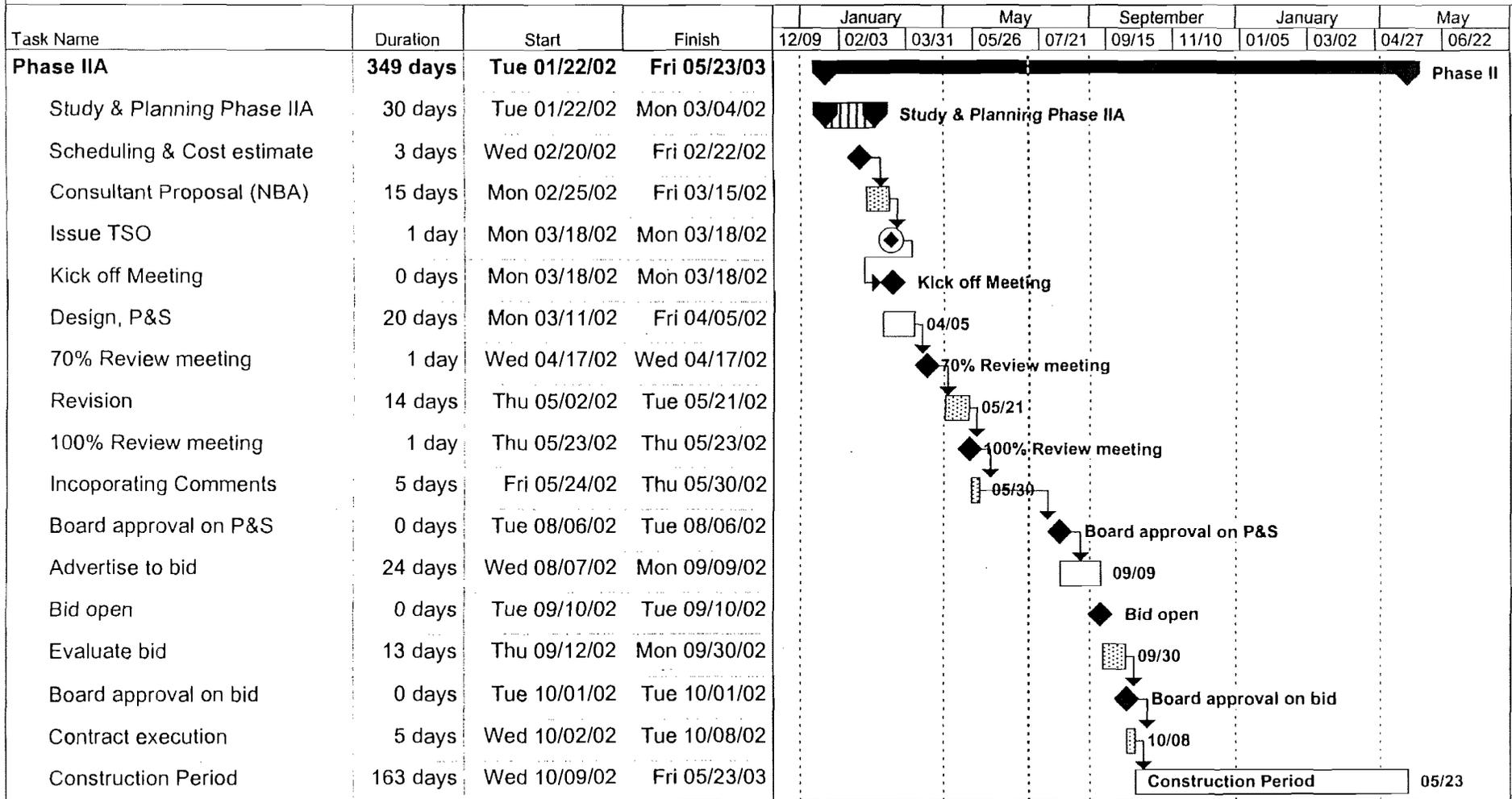
RECOMMENDATION

It is recommended that the Board approve the Plans and Project Manual and authorization be granted to advertise for bids to be received on September 10, 2002.



PORT OF OAKLAND

Work Schedule for Phases II-A of HVAC Upgrade Project



Design Engineer: Jesse Richardson
 Supervising Engineer: Jill Brown
 Date: 08/06/2002

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

June 13, 2002

PROJECT TITLE: Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA

CIP NO: A2.00765.02 (related to CIP Element Nos. A2.00765.01 and .03 through .05)

W.O. #'s: 106676

PROPOSED FUNDING SOURCES: Port Cash and/or Bonds

Narrative: This project is part of a master program to improve the operation, reliability, and efficiency of the HVAC system of the Terminal Complex. The work is programmed in 5 phases, each of which is identified as a project and assigned a CIP Element number in the series A2.00765.01 through A2.00765.05. The master program will ultimately replace two worn and inefficient cooling towers, replace Central Utility Plant chillers, replace pneumatic and electro-pneumatic controls with digital controls, and modify doors, windows, and skylights to optimize energy conservation and adapt to terminal changes. This project, which is Phase 2A and CIP Element No. A1.00735.02 of the master program, will replace Cooling Tower No. 1 and Chiller No. 2 and provide new pumps and piping.

Budget: The current total budget for the 5-phase HVAC master program is \$2,889,000. The current budget for this project is \$685,000, as summarized in Table 1 below:

Table 1 - Overall Budget Summary (\$1,000's) for CIP Element No. A2.00765.02

Project Components	Port Labor & Fringes	Portwide O/H	Consultant	Const. Cost	Misc. & Other	Total
Phase 2A, Replace Cooling Tower No. 1 and Chiller No. 2	45	77	59	496	8	685

Remarks-

1. Assumes in-house CM

Agenda Sheet

SUBJECT: Approval of License and Concession Agreement with Cal-Air Aviation Services, Inc. (#1 Airport Drive, South Airport)

DATE: August 6, 2002

ITEM NO: 4s

SUBMITTED BY: Steven J. Grossman



EXECUTIVE OFFICE RECOMMENDATION:

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

Cal-Air Aviation Services, Inc. (Cal-Air) was granted access to the South Airport under various agreements to perform visual transit inspections of aircraft from July 1, 2000 to March 31, 2002. No premises were occupied by Cal-Air under the agreements. The monthly rent was \$250 or 10% of gross revenues, whichever was greater. During the period of April 1, 2001 through March 31, 2002, the Port received an average of \$291 per month as a percentage of gross revenues. Cal-Air did not operate at the Airport as a tenant from April 1 through June 30, 2002.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) would have a one-year term commencing July 1, 2002 with a mutual 30-day termination provision and authorize access to the South Airport to perform visual transit inspections of aircraft. No premises would be occupied by Cal-Air under the Agreement. The monthly rent would be \$250 or 10% of gross revenues, whichever is greater.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Port Ordinance No. 3666

Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply to this project.

City Charter Section 728

Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply to this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Cal-Air Aviation Services, Inc., subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02246

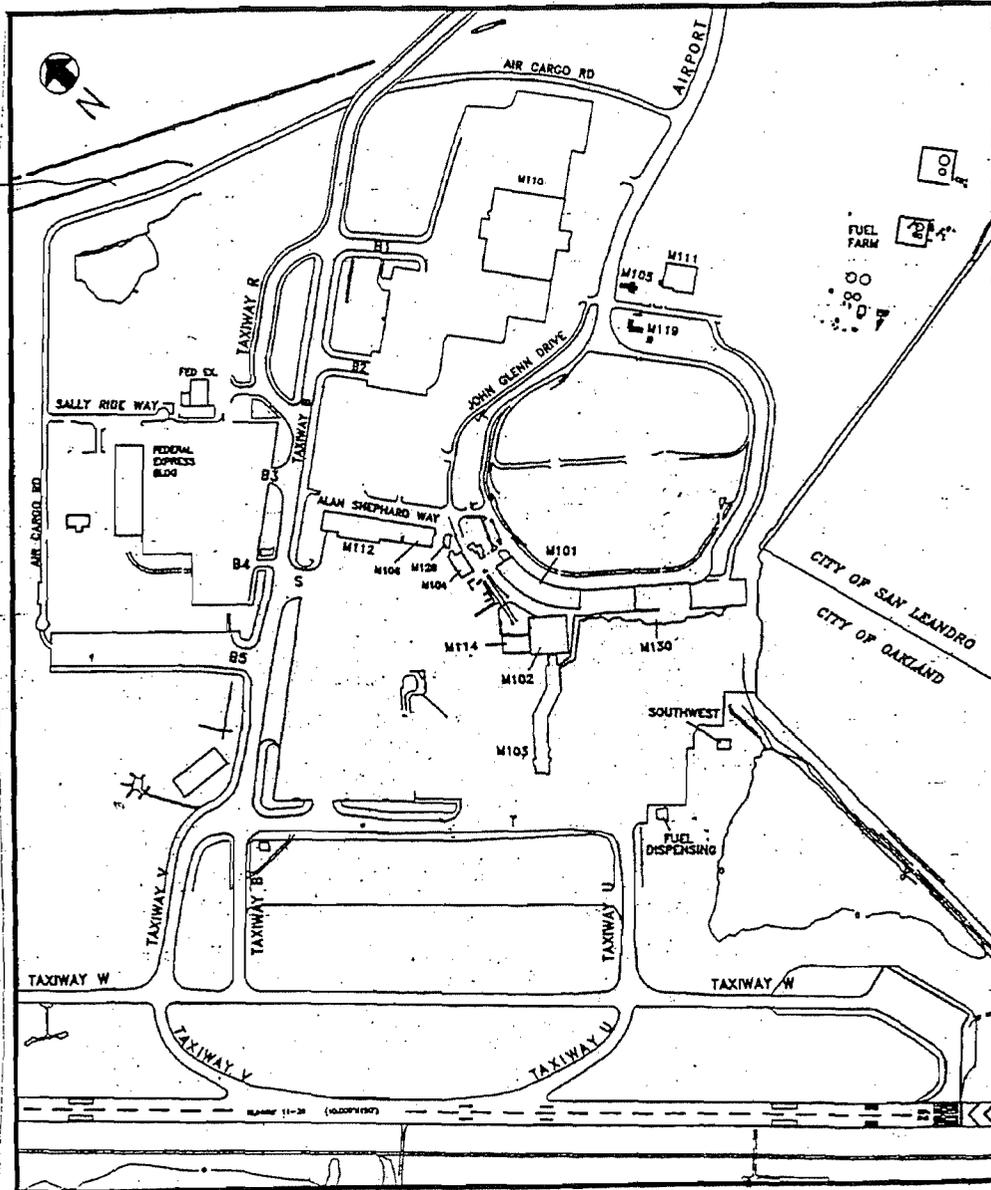
BOARD ACTION TAKEN *Assistant*


SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

**Board of Port Commissioners
Calendar Item**

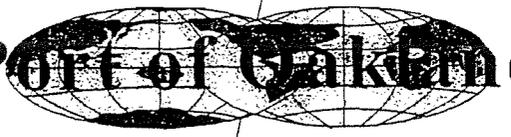
**Approval of License and Concession Agreement with
Cal-Air Aviation Services, Inc. (#1 Airport Drive,
South Airport)**



NO EXCLUSIVE PREMISES GRANTED.
CAL-AIR AVIATION SERVICES, INC. IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties

Port of Oakland



**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: First Reading of Ordinance Approving a Lease Modification/ Supplement with the United States of America, Department of Transportation, Federal Aviation Administration (#1 Airport Drive, South Airport)

DATE: August 6, 2002

ITEM NO: 5S

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SJG*
EXECUTIVE OFFICE RECOMMENDATION: *AP*

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies a total of 3,622sf of space in Terminal 1 (Building M-102 and Building M-104) for its operation of the South Airport's Air Traffic Control Tower (ATCT) under Lease No. DTFA08-92-L-14049 dated September 15, 1991, currently under Lease Modification/Supplement No. 004, which expires September 30, 2002.

The premises under this Lease is comprised of 3,309sf in Terminal 1 (Building M-102) for office space, equipment, storage, control tower cab, training room, and the fire escape landing (between the 9th and 10th floors) plus 313sf in Building M-104, housing the FAA's emergency engine generator. The present rental is \$2,143.64 per month.

ANALYSIS:

The FAA proposes to amend this Lease via Lease Modification/Supplement No. 005 which would extend the Lease term for an additional five years from October 1, 2002 through September 30, 2007; monthly rent to be increased to \$2,700.00. This extension is requested in order to allow the FAA adequate time to complete feasibility studies and site preparation, and construct its new ATCT facility proposed for a site on Air Cargo Drive near the Federal Express Metroplex. This proposed facility would consolidate the activities of ATCT's located at both the South and North Airports under a long-term ground lease agreement. Pursuant to the terms of Lease Modification/Supplement No. 005, the FAA will vacate the current premises within a reasonable amount of time, but no later than one hundred eighty (180) days, after commissioning of the new ATCT.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Port Ordinance No. 3666

Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply to the Federal Aviation Administration's occupancy of space at the Airport.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

Sharon Krupp
BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

City Charter Section 728

Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply to the Federal Aviation Administration's occupancy of space at the Airport.

OPTIONS:

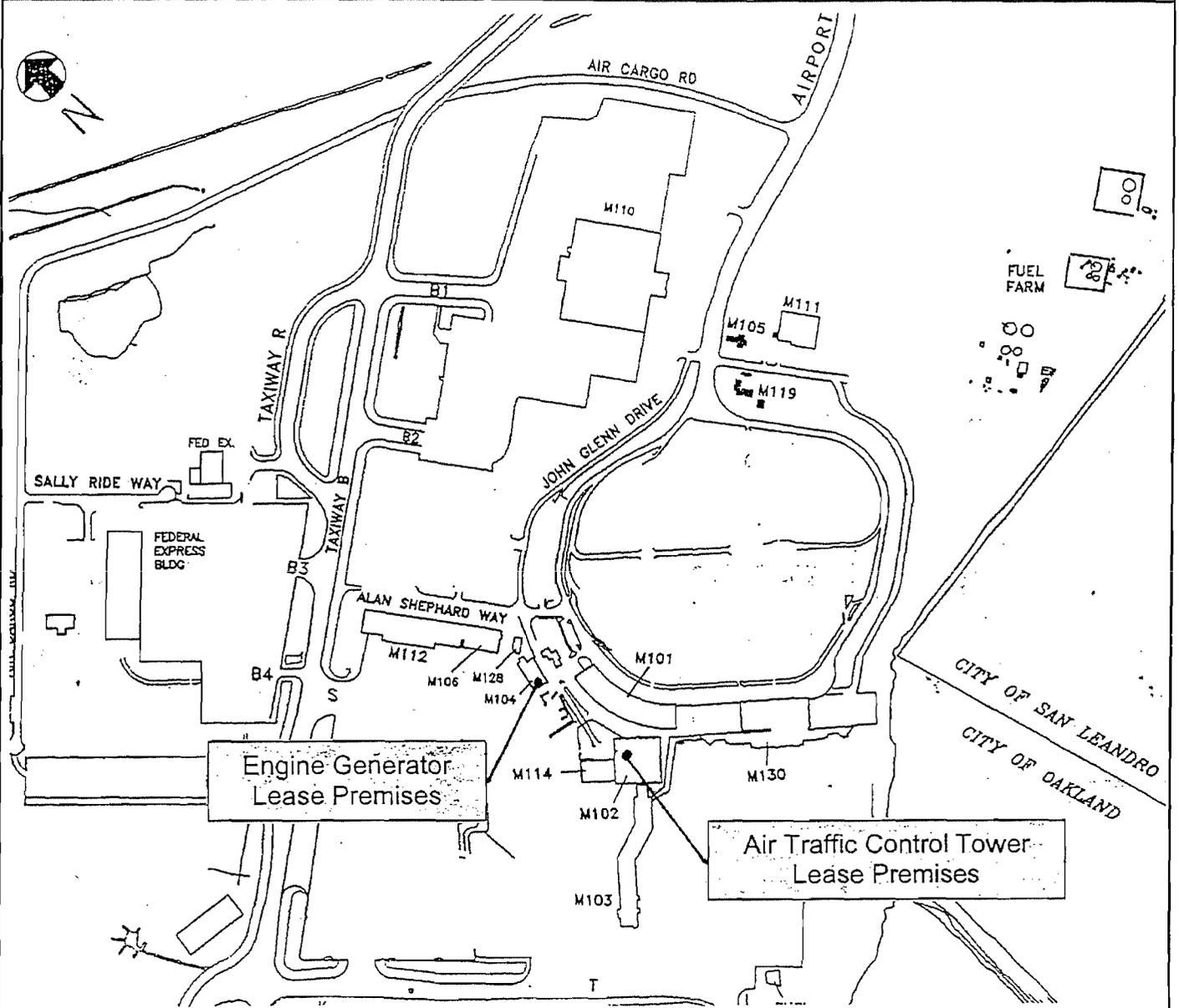
1. Approve Lease Modification/Supplement No. 005 to extend the term of the existing Lease with the FAA for an additional term of five (5) years and an increase in monthly rental from \$2,143.64 per month to \$2,700.00 per month.
2. Reject the proposed Lease Modification/Supplement No. 005.
3. Reject the proposed Lease Modification/Supplement No. 005, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described Lease Modification/Supplement No. 005 with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval as to form, and authorize execution by Port's Executive Director.

**Board of Port Commissioners
Calendar Item**

First Reading of Ordinance Approving a Lease
Modification/Supplement with the United States of
America, Department of Transportation, Federal
Aviation Administration
(#1 Airport Drive, South Field)



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

SUBJECT: Approval of Lease Modification/Supplement with the United States of America, Department of Transportation, Federal Aviation Administration (#1 Airport Drive, South Airport)

ITEM NO: 6s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION: *SP*

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies a total of 46,000sf of land in the South Airport airfield northwest of the intersection of Taxiways Bravo, Tango and Victor, for the construction, maintenance, and operation of a remote transmitter used in air traffic control and aircraft navigation. This occupancy is governed by the terms and conditions of twenty-year Lease No. DTFA08-81-L-10150 dated June 1, 1981, which expired September 30, 2001, but which has been extended to September 30, 2002 (Board Resolution No. 01381). The Port and FAA agreed that no monetary consideration in the form of rental would be paid based on the FAA's obligation to provide air traffic control services, which benefits the Airport.

ANALYSIS:

FAA proposes to amend this Lease via Lease Modification/Supplement No. 002, which would extend the Lease term for an additional one-year from October 1, 2002 through September 30, 2003. Since the FAA is continuing to provide air traffic control services to the Airport, no monetary consideration will be paid for this extended Lease term.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act I the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

OPTIONS:

Not Applicable

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Port Ordinance No. 3666

Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply to the Federal Aviation Administration's occupancy of space at the Airport.

City Charter Section 728

Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply to the Federal Aviation Administration's occupancy of space at the Airport.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Lease Modification/Supplement No. 002 with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port's review and approval as to form and authorize execution by the Port's Executive Director.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02247

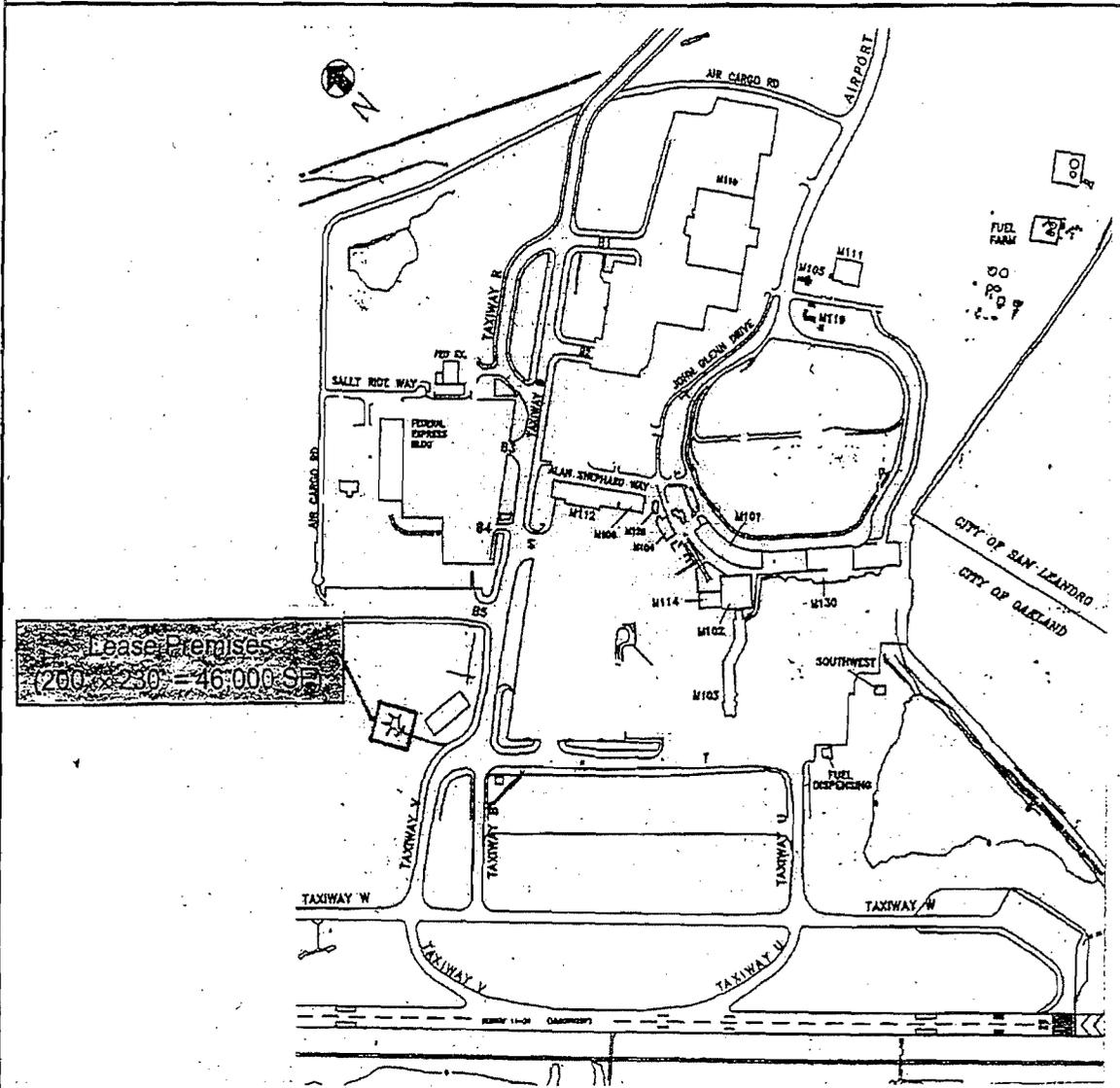
BOARD ACTION TAKEN

Sharon Krupp
Assistant SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

**Board of Port Commissioners
Calendar Item**

Approval of Lease Modification/Supplement with the
United States of America, Department of
Transportation, Federal Aviation Administration
(#1 Airport Drive, South Airport)



Airport Properties
Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 7s

SUBJECT: Approval of License and Concession Agreement with the United States Department of Justice, Federal Bureau of Investigation (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations (checked)
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman
EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The United States Department of Justice, Federal Bureau of Investigation (FBI) wishes to occupy office space at Oakland International Airport to support a new field office.

ANALYSIS:

The Port and the FBI have negotiated a standard form License and Concession Agreement (Agreement); the term is one year subject to the right of either party to terminate upon thirty (30) days written notice.

The \$3,000 per month rental is a negotiated rate based on the poor condition of the office space. Upon the one-year anniversary of the Agreement, rental will be adjusted based on the then effective Rates & Charges rental for Category IV terminal complex building space.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE: Port Ordinance No. 3666 -Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply to the FBI's occupancy of office space at the Airport.

City Charter Section 728 - Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply to the FBI's occupancy of office space at the Airport.

OPTIONS:

- 1. Approve License and Concession Agreement with the United States Department of Justice, Federal Bureau of Investigation as outlined above.
2. Reject the proposed License and Concession Agreement.
3. Reject the proposed License and Concession Agreement, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the License and Concession Agreement with the United States Department of Justice, Federal Bureau of Investigation and authorize its execution subject to the Port Attorney's review and approval of the Agreement as to form.

- MOTION
RESOLUTION (checked)
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02248

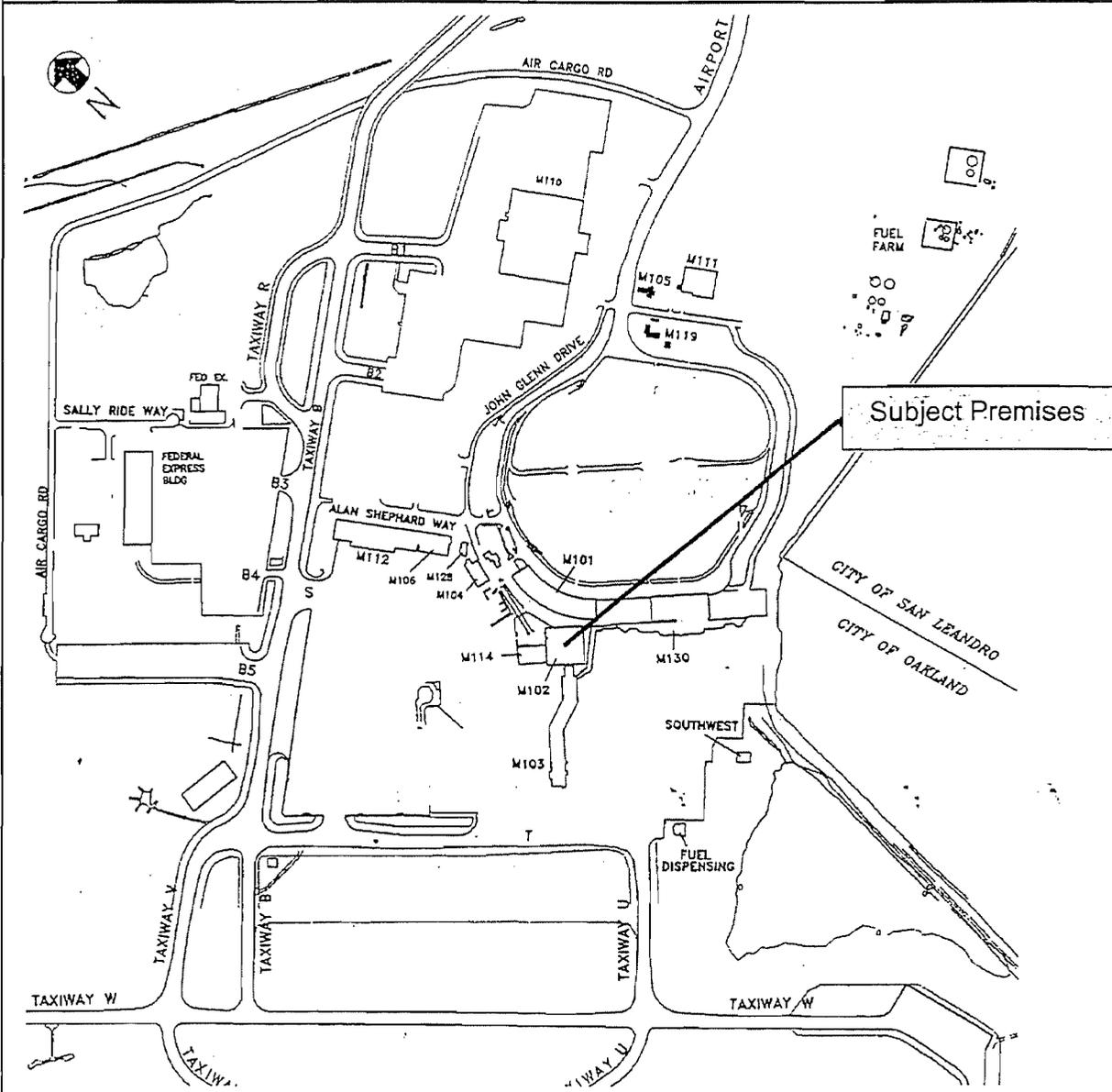
BOARD ACTION TAKEN Assistant

Signature of Secretary of the Board
SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

**Board of Port Commissioners
Calendar Item**

Approval of License and Concession Agreement with
the United States Department of Justice, Federal
Bureau of Investigation
(#1 Airport Drive, South Airport)



Airport Properties
Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with OneSource Building Services, Inc. (#1 Airport Drive, South Airport)

ITEM NO: 8s

PROGRAM AREA:

- Checked box for Airport Operations, and unchecked boxes for Commercial Real Estate, Maritime Operations, and Overall Operations.

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

OneSource Building Services, Inc. (OneSource) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement from November 1, 2001 through July 31, 2002 to provide aircraft cabin and facilities janitorial services. No premises are occupied by OneSource under the agreement. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. During the period of November 1, 2001 through January 31, 2002 (the dates of most recent reportage), the Port received an average of \$5,567 per month as a percentage of gross revenues.

ANALYSIS:

The proposed Agreement to Extend Right-of-Entry and Indemnity Agreement (Extension Agreement) would have a one-year term commencing August 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to provide aircraft cabin and facilities janitorial services. No premises would be occupied by OneSource under the Extension Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act under the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Port Ordinance No. 3666

Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply.

Oakland City Charter Section 728

Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with OneSource Building Services, Inc., subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

- Checked box for RESOLUTION, and unchecked boxes for MOTION, ORDINANCE, and INFORMATION ONLY.

Approved by Resolution

No. 02249

BOARD ACTION TAKEN

Assistant

Signature of Secretary

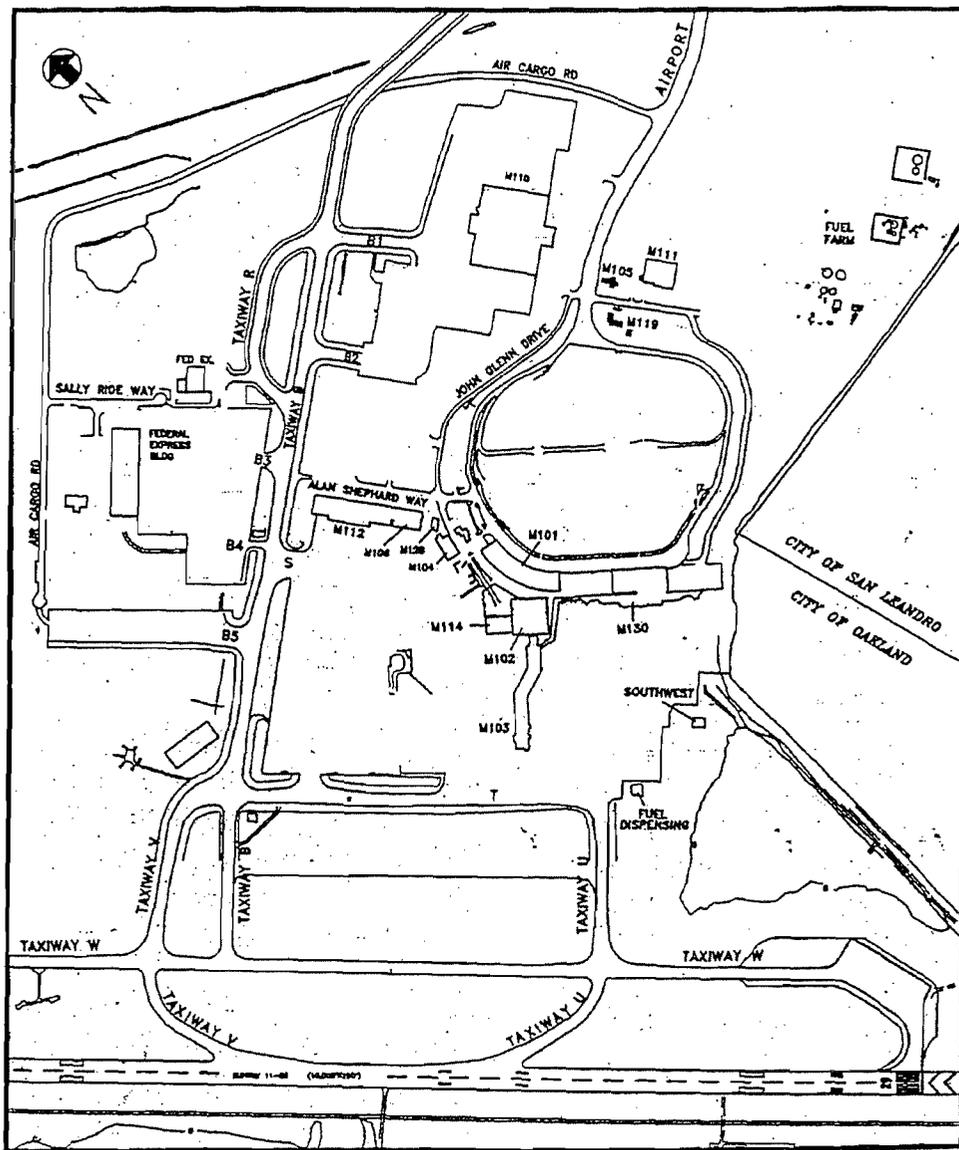
SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

**Board of Port Commissioners
Calendar Item**

**Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with OneSource Building
Services, Inc. (#1 Airport Drive, South Airport)**



NO EXCLUSIVE PREMISES GRANTED.
ONESOURCE BUILDING SERVICES, INC. IS ALLOWED ACCESS TO THE SOUTH AIRPORT.

Airport Properties



**Oakland
International Airport
South Airport**

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 9s

SUBJECT: Approval of Supplemental License Agreement with the United States of America, Department of Commerce, National Oceanic and Atmospheric Administration (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

This action would approve an extension of the term of an existing License with National Oceanic and Atmospheric Administration (NOAA) for Automated Surface Observing Systems (ASOS), thereby providing additional time within which to negotiate a new agreement with the Federal Aviation Administration (FAA).

NOAA currently operates ASOS equipment in the vicinity of Runway 11-29 on the South Airport. The equipment measures local meteorological conditions. In addition, ASOS acquisition control unit, additional communications and peripheral equipment, additional antennas, and connecting signal and power cables are located in the Air Traffic Control Tower on the South Airport.

ANALYSIS:

NOAA proposes to amend this License via Supplemental License Agreement No. 1, which would extend the License term for six (6) months from August 1, 2002 through January 31, 2003. It is anticipated that an agreement with the FAA for this ASOS equipment will be finalized by then.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

OPTIONS: Not applicable.

SUSTAINABILITY: There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Port Ordinance

Based upon a review of the terms of the agreement, the Port Living Wage Ordinance does not apply.

Oakland City Charter Section 728

Based upon a review of the terms of the agreement, the City Living Wage Charter Section does not apply.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Supplemental License Agreement No. 1 with the United States of America, Department of Commerce, National Oceanic and Atmospheric Administration subject to the Port Attorney's review and approval as to form and authorize execution by the Port's Executive Director.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution

No. 02250

BOARD ACTION TAKEN

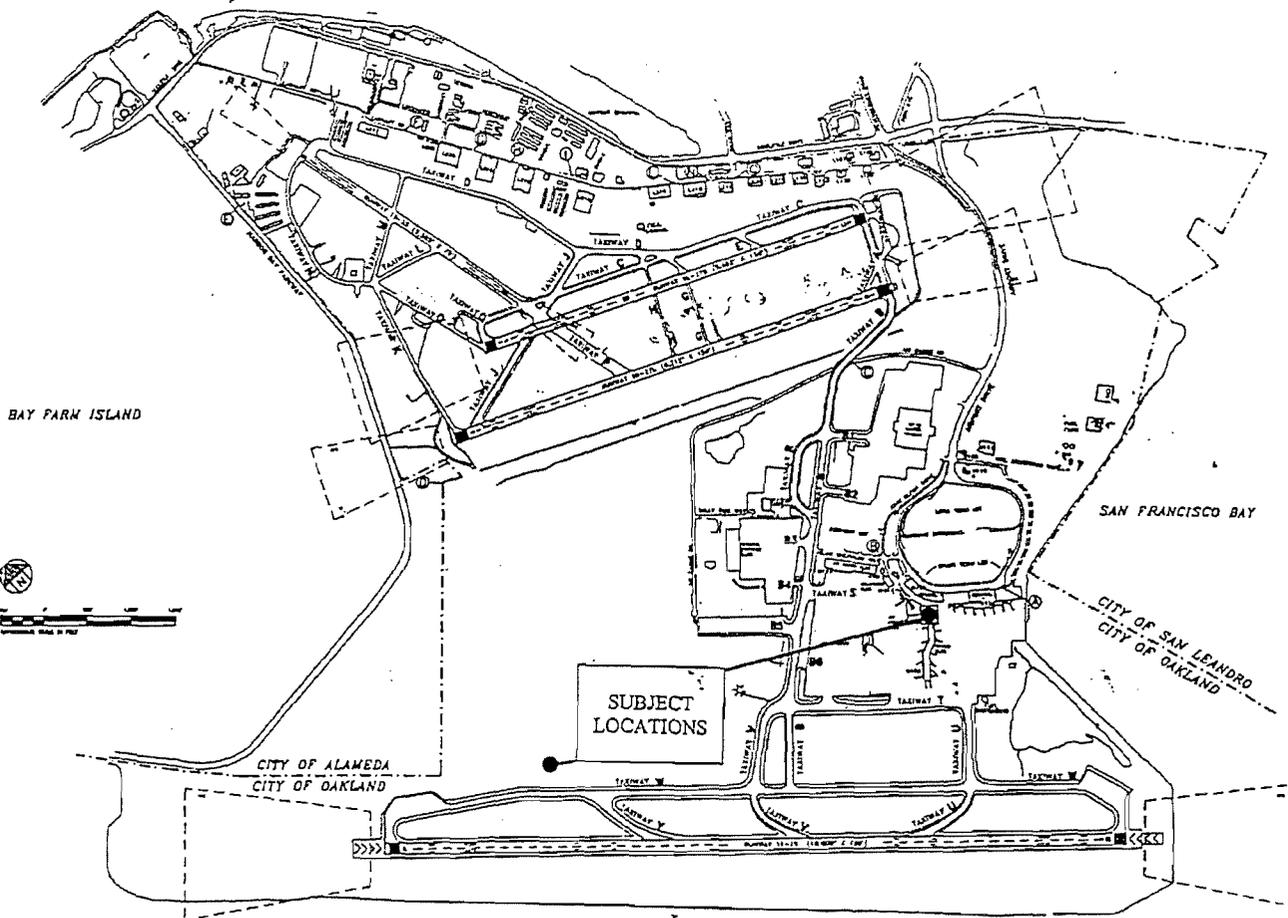
Signature of Secretary of the Board

SECRETARY OF THE BOARD

DATE

**Board of Port Commissioners
Calendar Item**

Approval of Supplemental License Agreement with
the United States of America, Department of
Commerce, National Oceanic and Atmospheric
Administration (#1 Airport Drive, South Airport)



Airport Properties

Port of Oakland

**Oakland
International Airport
South Airport**

Map Not to Scale

OPTIONS:

- Pay for advertising space in the PBD. The cost would be \$130,000.00, which is not in our budget for FY02-03.
- Forego the opportunity to advertise in the PBD and lose the exposure it would provide.
- Take advantage of this opportunity and gain the exposure that this advertisement would provide.

RECOMMENDATION:

It is requested that the City of Oakland, a municipal corporation doing business by and through its Board of Port Commissioners, ratify the barter agreement for the above-described advertising.

Agenda Sheet

DATE: August 6, 2002
ITEM NO: 11s

SUBJECT: ~~Ratification~~ Authorization of Extension of Reimbursable Agreement with the Federal Aviation Administration for Airport Roadway Project

PROGRAM AREA:

- Airport Operations C.I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The Airport Roadway Project is a County Measure B tax-funded project to build an arterial roadway from I-880 at 98th Avenue to the Oakland International Airport, and through the Airport to Bay Farm Island, Alameda. As a part of this project, Airport Drive will be widened from four lanes to as many as ten lanes.

The Federal Aviation Administration (FAA) owns, operates, and maintains the Medium Intensity Approach Light System/Runway Approach Indicator Light (MALS/RAIL) for Runway 27R at the North Field. One of the existing light towers, currently outside of the existing Airport Drive, would fall within the new, widened roadway. Therefore, this tower must be relocated onto the median of the proposed Airport Drive. In order to keep the spacing between the towers to 200 feet plus/minus 20 feet as required by the FAA, three additional towers also require relocation.

On March 25, 1998, the Board approved and authorized the execution of a Reimbursable Agreement with the FAA. On September 20, 2001, the Board approved and authorized an extension to the agreement for one year. The Reimbursable Agreement with the FAA will provide for the relocation of the MALS/RAIL towers. Under this agreement, the FAA reviewed the design, and will provide a systems inspector during construction and certify the construction work for acceptance by the FAA. The Port is reimbursing the FAA for its costs incurred in relocating the towers. The estimated cost \$52,000, but the final reimbursement amount will be the actual costs incurred by the FAA under the Agreement. Since the relocation is necessary to the project, all costs will be charged to the County Measure B-funded Airport Roadway Project.

At the time the agreement extension was executed, it was anticipated that the work would be completed by the agreement expiration date of September 17, 2002. However, due to the delay in the Airport Roadway Project, Contract A, the work under this agreement will not be completed by the expiration date. Therefore, it is necessary for the Executive Director to sign an FAA amendment to the agreement for an extension of one additional year.

SUSTAINABILITY:

N/A

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to sign an extension to the Reimbursable Agreement with the FAA for a period of one additional year.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02252

BOARD ACTION TAKEN

Assistant

Sharon Kuyper
SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Agenda meet

DATE: September 20,

ITEM NO: 45

SUBJECT: Ratification of Extension of Reimbursable Agreement with the Federal Aviation Administration for Airport Roadway Project, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

PREPARED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Airport Roadway Project is a County Measure B tax-funded project to build an arterial roadway from I-880 at 98th Avenue to the Oakland International Airport and through the Airport to Bay Farm Island, Alameda. As a part of this project, Airport Drive will be widened from four lanes to as many as ten lanes.

The Federal Aviation Administration (FAA) owns, operates, and maintains the Medium Intensity Approach Light System/Runway Approach Indicator Light (MALS/RAIL) for Runway 27R at the North Field. One of the existing light towers, currently outside of the existing Airport Drive, would fall within the new, widened roadway. Therefore, this tower must be relocated onto the median of the proposed Airport Drive. In order to keep the spacing between the towers to 200 feet plus/minus 20 feet as required by the FAA, three additional towers also require relocation.

On March 25, 1998, the Board approved and authorized the execution of a Reimbursable Agreement with the FAA. The Reimbursable Agreement with the FAA will provide for the relocation of the MALS/RAIL towers. Under this agreement, the FAA reviewed the design, and will provide a systems inspector during construction and certify the construction work for acceptance by the FAA. The Port is reimbursing the FAA for its costs incurred in relocating the towers. The estimated cost is \$52,000, but the final reimbursement amount will be the actual costs incurred by the FAA under the Agreement. Since the relocation is necessary for the project, all costs will be charged to the County Measure B funded Airport Roadway Project.

At the time the agreement was prepared, it was anticipated that the work would be completed by the agreement's expiration date of September 17, 2001. However, due to the delay in the start of the Airport Roadway Project, Contract A, the work under this agreement will not be completed by the expiration date. Therefore, it was necessary for the Executive Director to sign an FAA amendment to the agreement for an extension of one year.

RECOMMENDATION:

It is recommended that the Board ratify the extension of the Reimbursable Agreement with the FAA for a period of one year.

MOTION
RESOLUTION
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INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

ONLY

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 13s

SUBJECT: Ratification of Change Order to the Contract for Construction of Interim Ticket Counters, Building M-102 and Authorization to Dispense with Standard Bidding Procedures for the Expansion of Security Checkpoints in Terminals 1 and 2, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: *for* Joseph K. Wong *JA*

EXECUTIVE OFFICE RECOMMENDATION: *AP*

FACTUAL BACKGROUND:

On February 5, 2002, the Board awarded a contract to Stevelle Construction Company for the **Construction of Interim Ticket Counters, Building M-102, Oakland International Airport** for lump sum and unit prices totaling \$1,866,889.00. The project consists of constructing 20 new airline ticket counters, new offices, and baggage handling systems.

After the terrorist attacks on September 11, 2001 strict new security measures were implemented causing extremely long lines at the security checkpoints. The capacities of the security checkpoints in Terminals 1 and 2 were inadequate. Additional x-ray machines and metal detectors were urgently needed. In November 2001, one new set of x-ray machines and metal detectors, along with the associated electrical work, were added to Terminals 1 and 2. The number of metal detectors and x-ray machines were increased from three to four in each terminal.

Following the installation of this new equipment long waiting lines persisted. Simulation studies were performed in December 2001 to determine the actual number of security positions that would be needed to satisfy the increased security measures and future passenger increases. Given the physical constraints in both Terminals, it was determined that only two additional security positions could be added to Terminal 1, increasing the total number from 4 to 6. One new security position could be added to Terminal 2, increasing the total number from 4 to 5.

ANALYSIS:

In order to expedite the installation of this new equipment, which was to arrive at the end of May 2002, the work was planned in two phases. The first phase, authorized by the Board on April 2, 2002, (see attached Agenda Sheet) included extensive electrical work to accommodate the new security equipment and a system of temporary partitions and full height walls in and around the checkpoints.

In addition to the work authorized by the Board on April 2, 2002, it was found that several additional items of work were needed to allow for the operation of the new security checkpoint equipment. These included the relocation of the duty-free shop in Terminal 1, modifications to the men's restroom entrance in Terminal 2, temporary removal of a fire hose and drinking fountain in Terminal 2, and the relocation of the Thrifty Rental Car counters in Terminal 2. This work was added to the original Phase 1 scope and completed in May, 2002. The Board authorized \$400,000 for the original scope. The total cost of Phase 1 work, including the above added scope, was \$560,000. Ratification of the additional \$160,000 is requested herein.

Phase 1 included only those items of work needed to allow for the two additional x-ray machines and metal detectors in Terminal 1 and one additional set of x-ray machines and metal detectors in Terminal 2. The work described above was done through Change Orders to the Stevelle Construction Company contract.

- MOTION
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Approved by Resolution

No. 02253

BOARD ACTION TAKEN Assistant

Shirley Krupp
SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Phase 2 of this project will construct the permanent modifications needed to make the security checkpoints completely operational. The second phase will take place in the upcoming months. The work consists of replacing temporary walls and partitions with permanent walls and partitions, removal of the rental car counters in both terminals, construction of new security personnel offices, and modifications to the men's restroom in Terminal 2.

Environmental

The project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines, Article 19, Section 15301(a) and (f).

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

Budget

The total cost for the Phase 1 work was approximately \$560,000. The estimated cost for the Phase 2 portion of the work is \$400,000. The work is budgeted under CIP Element No. A2.00275.05 and will be funded by Port cash and FAA security funds. The Project Budget Summary is attached.

Sustainability

A sustainable development strategy has been implemented for the design and construction of this project. For the demolition work, it is anticipated that the contractor will salvage any materials that can be reused or sold. Since this project is located in the public areas of Terminals 1 and 2, noise impacts during construction may require that certain items of work be performed at night.

Project Labor Agreement

The provisions of the Port Of Oakland Maritime and Aviation Project Labor Agreement (MAPLA), which is currently included in the original Stevelle Construction Company contract, will also apply to the change order work.

OPTIONS:

The alternative of doing the Phase 1 work by standard bidding procedures, rather than by change orders, would have resulted in a delay of as much as four months during which time the new security checkpoint equipment would be sitting idle. The Phase 2 work, which includes new TSA offices and walls with windows, was requested by the TSA for security reasons. This work would also be delayed if standard bidding procedures were followed.

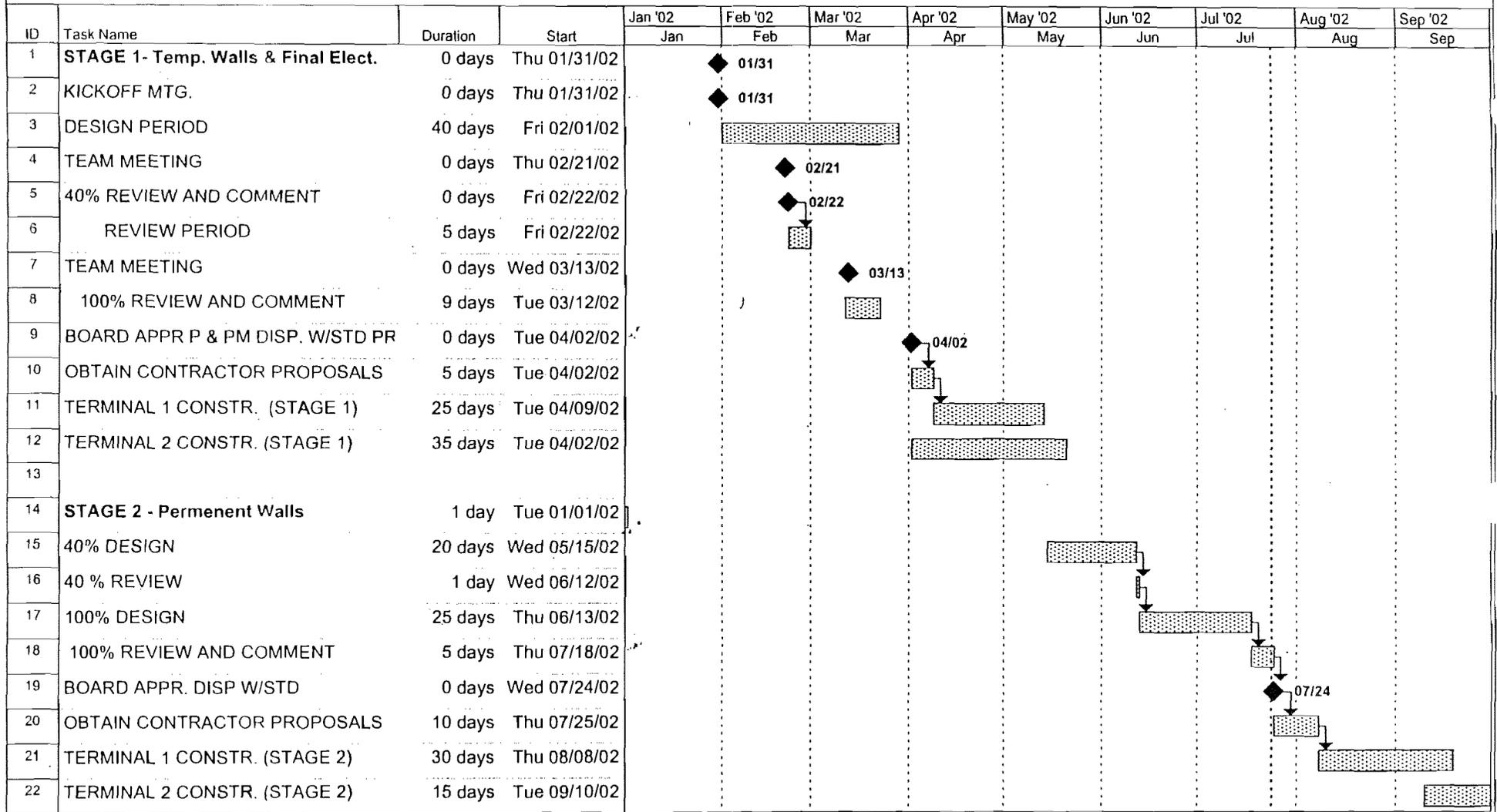
RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to do the following:

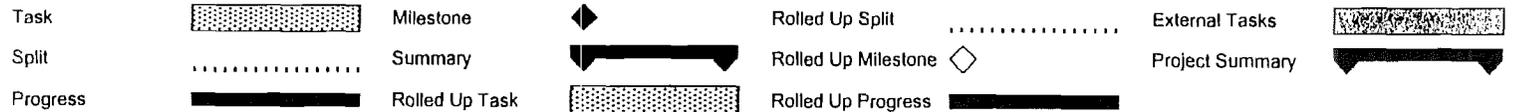
1. Ratify the \$160,000 expenditure needed to complete the additional items of work in Phase 1.
2. Dispense with standard bidding procedures for the Phase 2 work, authorize the Executive Director to negotiate and execute contract change orders with the lowest proposing contractor currently under contract to the Port and/or use other contracting means to perform the work, and ratify the actions taken by staff to perform the work on this project.

SECURITY CHEC. OINT EXPANSION

OAKLAND INTERNATIONAL AIRPORT



Date: Wed 07/24/02



PAGE 4 OF 4

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

July 24, 2002

PROJECT TITLE: SECURITY CHECKPOINT ENHANCEMENTS, TERMINALS 1 & 2, COMPLEX, OIA

CIP NO: A2.00275.05

W.O. #'s: 106569, 106658, 106659, 106634, and 106675

PROPOSED FUNDING SOURCES: Port Cash and FAA Security Fund

Narrative- Additional passenger security checkpoints are required in the commercial airport, in both Terminals 1 and 2. Passenger screening and checkpoint requirements have grown dramatically since serious airport security failures occurred in the U.S. on September 11, 2001, and the Federal Transportation Security Administration was formed. In addition, numbers of passengers at OIA have steadily increased for 15 years. The project will improve individual passenger security processing, which has exceeded two hours during peak travel periods.

Budget- The upgrade work is included in Element No. A2.00275.05, which includes five work requests. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary for CIP Element A2.00275.05 (1000's)

Project Components	Port Labor & Fringes	Portwide O'H	Consult.	Const. Cost	Misc. & Other	Totals
Phase 1, Studies of Security Checkpoint Requirements, Contingency Design and Construction to Install X-ray and Metal Detection Equipment, and Erection of Interim Tents (Work Order Nos. 106569, 106658, 106634, and 106675)	\$32	\$54	\$62	\$144	\$33	\$325
Phase 2, Design & Construction to Complete Security Checkpoint Improvements, Terminals 1 & 2 (Work Order No. 106659)	90	153	158	960	35	1,396
Totals	\$122	\$207	\$220	\$1,104	\$68	\$1,721

Remark-

1. Assumes in-house CM.

Agenda Sheet

DATE: April 2, 2002ITEM NO: 2

SUBJECT: Ratification to Dispense with Standard Bidding Procedures
for Expansion of Security Checkpoints in Terminals 1 and 2,
South Field, OIA

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

BACKGROUND

The Port of Oakland completed upgrades to the security checkpoints in Terminals 1 and 2 in November and December of last year. The upgrades included adding one checkpoint line (x-ray machine/metal detector combination) to the then existing three lines in each terminal (for a total of four lines in each terminal). Each checkpoint with four lines is expected to provide an adequate level of service through the spring of 2002, keeping the maximum wait time in the security checkpoint queue to under 40 minutes during the peak periods, with an average wait time of about 15 minutes throughout the rest of the day.

In anticipation of increased passenger traffic this summer, the Port retained TransSolutions, LLC, to prepare a simulation of passenger flow in Building M-102, where the Terminal 1 security checkpoint is located. The simulation results showed that four checkpoint lines in Terminal 1 would provide an extremely low level of service. In fact, four lines would create an average wait in the queue of over 90 minutes. On the other hand, six lines would keep the maximum wait time in the queue to under 35 minutes during the peak periods, with an average wait time of less than 15 minutes throughout the rest of the day. Although six lines would also be desirable in Terminal 2, physical limitations in Building M-130 preclude more than five lines without major reconstruction that could not be accomplished by this summer.

Aviation Planning staff, in association with their As-Needed Aviation Planning Consultant, Ricondo & Associates, developed concepts to add two checkpoint lines in Terminal 1 (for a total of six lines) and one line in Terminal 2 (for a total of five lines). The Board approved the purchase of the required new x-ray machines and metal detectors on February 19, 2002. The new equipment will be delivered by June 1, 2002, or sooner if the required security checkpoint modification work can be completed earlier.

ANALYSIS:

To accommodate the placement of the additional equipment in Terminals 1 and 2, modifications to the walls at and around the checkpoints are needed and additional electrical outlets are required. To assure that the necessary modifications are constructed as quickly as possible to accommodate the additional equipment, the modifications will be constructed in 2 stages. The first stage will construct all of the modifications using temporary materials, except for the additional electrical outlets (permanent). Given the urgency of the situation, staff has already taken the steps necessary to begin this work. The second stage will construct the permanent modifications after the additional equipment has been placed and the expanded security checkpoints are in operation. The second stage will take place this summer. Since the modification work required for this project is located in two separate terminals and the individual items of work are not physically connected, the work can be separated and performed individually as the design documents become available.

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BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

The Plans and Project Manuals are being prepared by the Port's on-call architectural consultant, Charles F. Jennings, Architects. They have prepared the documents for the first stage and are preparing the documents for the second stage. The work will be done by change orders to existing Port construction contracts and/or by other contracting means.

Environmental

The project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA Guidelines, Article 19, Section 15301(a) and (f).

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

Budget

The project is budgeted under CIP Element No. A2-00275.05. The Project Budget Detail is attached. The funding source is Port cash and FAA Security Funds.

Sustainability

A sustainable development strategy has been implemented for the design and construction of this project. For the demolition work, it is anticipated that the contractor will salvage any materials that can be reused or sold. Since this project is located in the public area of Terminals 1 and 2, noise impacts during construction may require that certain items of work be performed at night.

Project Labor Agreement

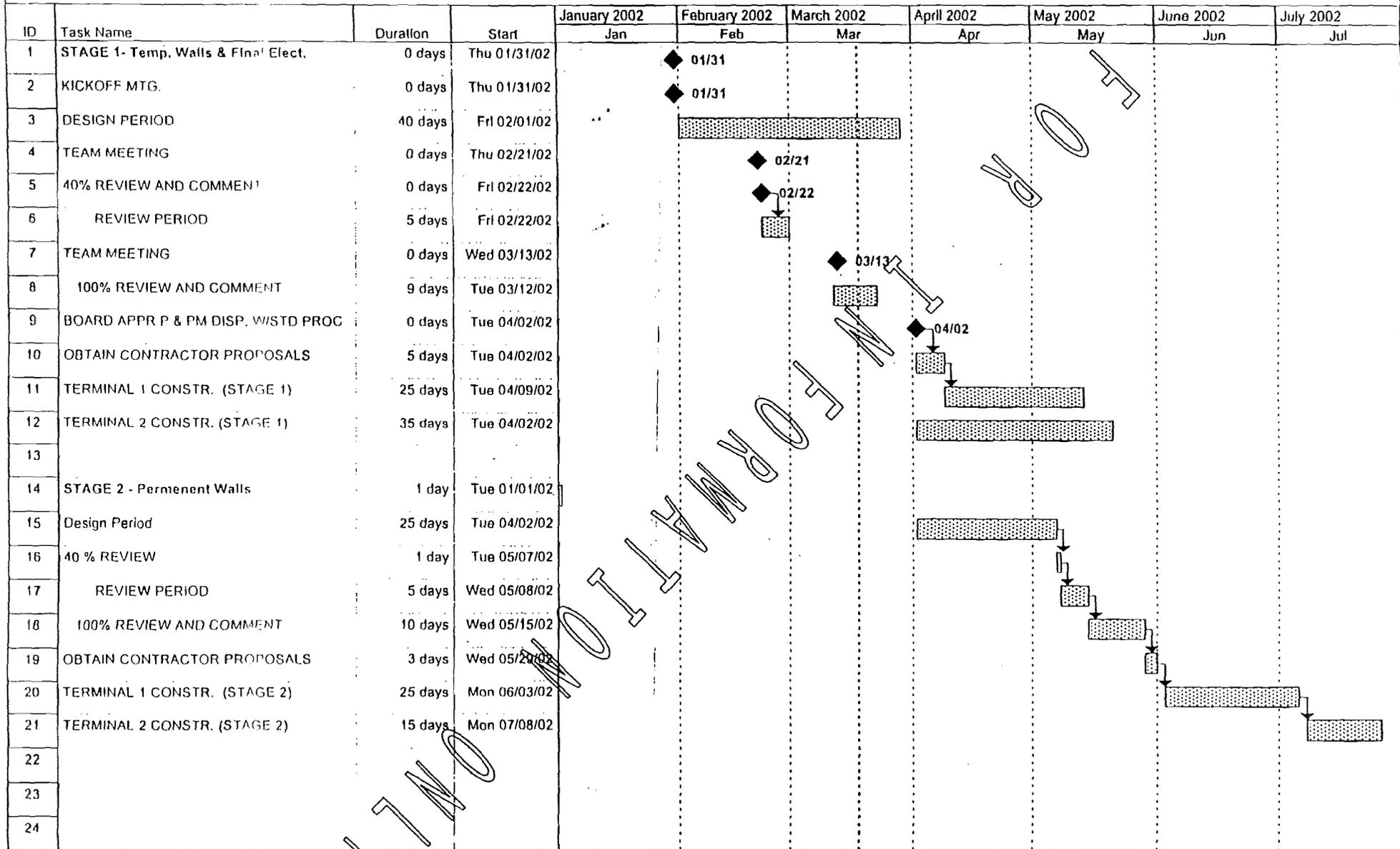
The provisions of the Maritime and Aviation Labor Agreement (MAPLA) apply to this work.

RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute contract change orders with the lowest proposing contractor currently under contract with the Port and/or use other contracting means to perform the work, and ratify the actions taken by staff to begin work on this project.

SECURITY CHECK JINT EXPANSION

OAKLAND INTERNATIONAL AIRPORT



INFORMATION ONLY

Date: Mon 03/18/02	Task	Milestone	Rolloled Up Split	External Tasks
	Split	Summary	Rolloled Up Milestone	Project Summary
	Progress	Rolloled Up Task	Rolloled Up Progress	

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

March 12, 2002

PROJECT TITLE: UPGRADE SECURITY CHECKPOINTS IN TERMINAL COMPLEX,
SOUTH FIELD, OIA

CIP NO: A2.00275.05

W.O. #'s: 106569, 106658, 106659 (this work), and 106675

PROPOSED FUNDING SOURCES: Port Cash and FAA Security Fund

Narrative- Additional passenger security checkpoints are required in the commercial airport, in both Terminals 1 and 2. The checkpoint requirements have grown because numbers of passengers have steadily increased for 15 years, and the required levels of passenger screening have significantly increased, particularly since serious airport security failures occurred in the U.S. on September 11, 2001. Individual passenger security processing currently exceeds two hours during peak travel periods.

The required work includes four phases: 1) Study, design and expedited construction of new lanes, 2) Design and construction of new checkpoint counters, 3) Planning and study of continuing requirements, and 4) (this work) Design and construction of checkpoint improvements to fulfill new FAA requirements.

Budget- The upgrade work is included in Element No. A2.00275.05, which includes the four phases. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary for CIP Element A2.00275.05 (1000's)

Project Components	Port Labor & Fringes (1)	Portwide OH (2)	Consult (3)	Const. Cost	Misc. & Other (2)	Totals
Phase 1 - Study, Design and Expedited Construction of Additional Checkpoint Lanes (Work Order No. 106569)	\$10	\$16	\$35	\$160	\$10	\$231
Phase 2 - Design and Construction of Identification Check Counters (Work Order No. 106675)	\$10	\$16		\$40	\$10	\$76
Phase 3 - Continued Study of Security Checkpoint Enhancement (Work Order No. 106658)	\$20	\$32	\$75			\$127
Phase 4 - Design & Construction of Security Checkpoint Improvements to Fulfill FAA Requirements (Work Order No. 106659)	\$40	\$66	\$50	\$400	\$10	\$566
Totals	\$80	\$130	\$160	\$600	\$30	\$1,000

Remark-

1. Assumes in-house CM.

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 15

SUBJECT: First Amendment to the Exclusive Negotiating Agreement with Oakland Harbor Partners for the Oak to Ninth District Project

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

In September 2001, Oakland Harbor Partners, LLC (OHP) was selected by the Board of Port Commissioners for exclusive negotiations to plan and develop the Port's Oak to Ninth District Properties. In the December 2001 Exclusive Negotiating Agreement (ENA) between the Port and OHP, the parties agreed to undertake an intensive due diligence effort before starting a Specific Plan process for the Oak to Ninth District. Accordingly the Port, OHP and respective consultants have worked in good faith over the past seven months to better define the project's opportunities, challenges and economic feasibility. Because of unique site conditions, the due diligence effort has included a number of special topics such as:

- Identifying strategies and potential costs to remove Tideland Trust encumbrances from the site (OHP and Port jointly);
- Initiating a Seaport Plan amendment process to remove the Port Priority Use designation from Ninth Avenue Terminal (Port);
- Further characterizing subsurface contamination and estimating cleanup costs to residential standards (OHP);
- Working with Caltrans, Union Pacific Railroad and Oakland Public Works agency to consider future Oak to Ninth requirements in their ongoing infrastructure plans and projects (Port and OHP jointly); and Defining backbone infrastructure requirements and costs (OHP), and pursuing gap funding sources – most importantly, a tax increment sharing arrangement with Oakland Redevelopment Agency (Port).

ENA STATUS:

Due to the complexity of the issues, the developer notified the Port in February that it would be unable to meet the April 4, 2002 deadline specified in the ENA Performance Schedule for Deliverable #1, *Preliminary Environmental and Economic Feasibility Report*. Instead, the Feasibility Report was presented to Port staff in May 2002. At the June Commercial Real Estate Committee meeting, staff reviewed the highlights of the developer's report, and identified the issues that remain to be addressed.

The next performance milestone would have been submittal by the developer of an executed Letter of Intent on May 4, 2002; this milestone was deferred while OHP focused on completing Deliverable #1.

There are two changes to the current ENA being proposed:

- OHP desires to prepare a project Master Plan for the area it would develop and the Estuary Park area, rather than a Specific Plan for the 120-acre "Oak to Ninth District" as conceptualized in the Estuary Policy Plan. The Port is awaiting written confirmation that the City of Oakland concurs with this approach. The Port agreed in the ENA to contribute \$200,000 to the cost of preparing a Specific Plan for the Oak to Ninth District, based on the assumption that the developer would incur unusual costs due to inclusion in the Specific Plan of lands not offered for development. The Port is proposing to delete this contribution.
- The dates on Exhibit B, the Schedule of Performance (attached), have been revised to reflect the dates that have already occurred, and the dates of upcoming items. The ENA covers a 510-day exclusive negotiating period.

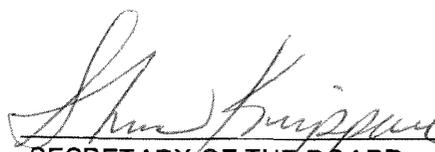
- MOTION
- RESOLUTION
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Approved by Resolution

No. 02274

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

EXT STEPS:

Port staff will:

1. Continue negotiations with OHP in a good faith effort to achieve conceptual feasibility and agreement in principle on the development concept. Critical elements include OHP's commitment to meet the Port baseline financial requirement, and agreement with the Oakland Redevelopment Agency to share the project-generated tax increment in order to help meet the infrastructure financing gap.
2. If successful in achieving conceptual feasibility and amending the ENA, move forward with OHP toward a Letter of Intent in summer 2002 and initiation of a public planning process in Autumn 2002.

RECOMMENDATION:

It is recommended that the Board approve the revised ENA as outlined above.

OAK TO NINTH DISTRICT
EXCLUSIVE NEGOTIATING AGREEMENT

EXHIBIT B

SCHEDULE OF PERFORMANCE

Schedule of Performance	Completion Time
Board of Port Commissioners Selects Developer	8/7 <u>9/4</u> /01
Developer Submits Executed ENA to Port	11/7/01
Commercial Real Estate Committee Recommends ENA	11/16 <u>12/5</u> /01
Port Board Approves ENA and Port Executes ENA	12/18/01
Developer Submits Preliminary Environmental and Economic Feasibility Report to Port as shown on Deliverable No. 1 in Attachment 1	4/4 <u>5/21</u> /02
Developer Submits Executed Letter of Intent to Port, accompanied by Scope of Work for Specific Plan <u>or Master Plan</u> as shown in Deliverable No. 2 and 3 described in Attachment 1	5/4 <u>8</u> /02
Port Approves Scope of Work for Specific Plan <u>or Master Plan</u> and Executes Letter of Intent	7/02 <u>10</u> /02
Developer Begins Specific Plan <u>or Master Plan</u>	7/02 <u>10</u> /02
Developer Completes Specific Plan <u>or Master Plan</u> and Submits <u>to the Port Refined Environmental and Economic Feasibility Report, Specific Plan or Master Plan, and Draft Disposition and Development Agreement</u> , as shown on Deliverables No. 4 -described in Attachment 1 to the Port	3/03
Port Approves Deliverables, along with draft Disposition and Development Agreements	<u>5</u> /03
Developer Submits to Port Signed Option and Security Deposit	5 <u>6</u> /03
Board of Port Commissioners approves, executes	6 <u>8</u> /03

Schedule of Performance	Completion Time
and delivers the Option	
Developer Pays Fees, Files Request for Environmental Review and Submits Applications for <u>Specific Plan or Master Plan</u> and Development Project Permits	By 8/03
Developer and Lead Agency Start Environmental Review Process	8/03*
Environmental Documents and Permits Approved by the City of Oakland	11/04*
Developer Submits Project to Port for Its Review and Approval Considerations	11/04
Subject to the Provisions of Paragraph 6(a)(x) and (xii) of this Agreement, Port Issues Notice to Developer With Port Intentions to Execute Disposition and Development Agreement	12/04
Developer Submits Executed Disposition and Development Agreement to Port	12/04
Port Executes Disposition and Development Agreements	12/04
Developers Commence Work on Construction Drawings	12/04*
Developer Obtains All Required Permits for Development Project	5/05*
Developer Submit Construction Drawings for Phase I of the Project to the City of Oakland	3/05*
Construction Starts	6/05*

* These dates are estimates only. The date by which these actions must occur will be set forth in the Option Agreement.

ATTACHMENT 1:
DELIVERABLES

No. 1

- Preliminary Environmental & Economic Feasibility Analysis
- Preliminary Development Concept
- Preliminary Analysis of State and Local Regulatory Requirements
- Preliminary Environmental Review of Hazardous Materials
- Preliminary Project Cost and Funding Plan
- Preliminary Marketing Plan

No. 2

- Letter of Intent
- Negotiate Master Lease terms with the Port to include:
 - Master Lease Rent
 - Participation Rent
 - Length of Term
 - Adjustment to Rent
 - Maintenance and Management Responsibility
- Negotiate Developer Purchase rights with the Port to include:
 - Properties that may be acquired in fee
 - Purchase Price
 - Closing Dates
 - Rights of First Refusal
 - Schedule for Taking Down Individual Parcels

No. 3

Specific Plan or Master Plan Scope and Schedule

No. 4

- Refined Environmental & Economic Feasibility Analysis
 - Refined Development Concept
 - Refined Marketing & Leasing Plan
 - Refined Project Costs and Funding Plan
 - LIA and Local Business Participation Plan
 - Preliminary Phasing & Absorption Schedule
 - Preliminary Infrastructure Improvement Schedule
- Specific Plan or Master Plan
- Draft Disposition and Development Agreement
- Preliminary Construction Schedule

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 16s

SUBJECT: Recommended Approval of a 10-month Right of Entry Agreement with Wagner Construction JV, for the extended use of a portion of the former Jack London Village site, for tube retrofit staging activities

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The California Department of Transportation (Caltrans) is planning to seismically retrofit the Posey and Webster Street Tubes in Jack London Square. They will use a jet grouting method to retrofit the landside sections of both tubes, and a stone column process within the water areas. On January 29, 2002, the Board approved a Right of Way Easement Agreement with Caltrans, granting two temporary construction easements (TCE) on land directly adjacent to the tube right of way. The easements will be used for storage, project staging and the cement/grout mixing operations. The retrofit work started in early July 2002.

ANALYSIS

The construction contractor hired by Caltrans, Wagner Construction JV, has requested that the Port allow them to use a portion of the former Jack London Village site for their cement/grout mixing operation. The original plan was for this operation to be within the established TCE area, however the contractor believes that the former Village site is advantageous, because it is isolated, would be less disruptive to the Port's vehicular circulation/parking lot operation, and would be further removed from the businesses in the area. The contractor proposes to reduce their use within the Posey and Webster Tube TCE areas by approximately 5,000 square feet and substitute that equivalent square footage within the former Village site. CRE staff and Ellis Partners have considered the benefits of this proposal and believe it is an excellent idea. Staff has permitted Wagner Construction to commence this activity on the former Village site under the terms of a 45-day Port Right of Entry Agreement with Caltrans. However, since the site would be needed for approximately ten (10) months, staff recommends that the Board approve a longer term (10-month) Right of Entry Agreement under the following terms and conditions:

- Wagner Construction JV would be the Permittee under this Agreement.
- The Right of Entry would expire on April 30, 2003.
- The premises would consist of approximately 4,250 square feet.
- The Permittee would construct an 85' x 50' concrete pad on the premises to accommodate the heavy equipment needed for the cement/grout mixing operation. The Port's Environmental Department has reviewed the entire mixing plant operation and has required that the Permittee submit a debris containment plan, storm water pollution plan, and an air pollution control plan, prior to the operation of the mixing plant. The requirements for these plans will be part of the Right of Entry Agreement.
- The Permittee would vacate the premises on or before the expiration date and fully restore the site to its original condition. This would include the removal of the concrete pad and replacement of the wood chips.
- The Permittee would be responsible for repairing any damage to the premises caused by their use.
- The Agreement would contain the Port's standard insurance and indemnity provisions.
- The Permittee would install a temporary 6' (screened) fence around the perimeter of the premises.
- The Permittee would obtain all necessary City, County, or other required regulatory permits.
- The terms and conditions of the State's retrofit construction contract with the Permittee with regards to their cement/grout mixing plant activities, would also be applicable to those same activities taking place on the premises.
- The contractor agrees not to re-occupy any of the 4,250 square foot area within the original Caltrans TCE parcel 58236 due to the substitution of the new premises within the former Jack London Village site.
- The premises would be located entirely outside of the BCDC regulatory area.
- The Agreement would contain the Port's standard provisions regarding hazardous substances and toxic materials.
- Truck access to the premises would be through a designated gate located on Alice Street.

Since Caltrans has already compensated the Port approximately \$60,000 for the use of 4,250 square feet within the original TCE

- MOTION
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- INFORMATION ONLY

Approved by Resolution
No. 02254

BOARD ACTION TAKEN *Assistant*

SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

area, there will be no additional monetary compensation required from the Permittee for the use of the former Village site. If any additional land is needed beyond the 4,250 square feet the Permittee will compensate the Port at current market rates for vacant land.

SUSTAINABILITY:

The seismic retrofit project is not a Port project; therefore, any sustainability opportunities associated with the project are outside of the Port's scope of authority.

CEQA:

The proposed Right of Entry agreement is part of the seismic retrofit of the Webster and Posey Tubes, which is a project being carried out by the California Department of Transportation (Caltrans) as the lead agency and by the Port of Oakland as a responsible agency under the California Environmental Quality Act (CEQA). As a responsible agency, the Port of Oakland is relying on the lead agency's determination that the project is exempt from CEQA. In addition, in January 2002, the City of Oakland's Community and Economic Development Agency (CEDA) staff reviewed the seismic retrofit project and determined that it is a ministerial project, which is exempt from the requirements of CEQA.

OPTIONS:

- 1) Approve the Right of Entry Agreement as recommended
- 2) Approve Right of Entry with conditions
- 3) Do not approve Right of Entry

RECOMMENDATION:

It is recommended that the Board approve the proposed Right of Entry Agreement between the Port and Wagner Construction JV as outlined above, and that the Director of Commercial Real Estate be authorized to execute the Agreement on behalf of the Port.

Agenda Sheet

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^{TD}
SUBJECT: Approval of Addendum to the Final Environmental Impact Report for the Site B Development Project and Elimination of Mitigation Measures

DATE: August 6, 2002

ITEM NO: 17s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for [Handwritten Signature]*
EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten Signature]*

FACTUAL BACKGROUND:

On November 5, 1996, the Board of Port Commissioners (Board) adopted Resolution No. 96374, certifying review and consideration of the Site B Development Project Environmental Impact Report (EIR). The resolution also approved design, quality, and layout of the project; requested consent of the City Council to the Board's approval of the development; and adopted a Mitigation Reporting and Monitoring Program (MRMP). Some of the key environmental issues addressed by the MRMP include impacts to parking and traffic circulation in the project area; increased noise and vibration levels in the project area; possible building failure during seismic and meteorological events; construction dust management; erosion control during and after construction; and the need for open space. As of a June 2000 MRMP Status Report, most of the mitigation measures for the Site B Development Project had been implemented.

On July 24, 2001, the Board considered an item to adopt an Addendum to the Site B Project EIR and eliminate outstanding mitigation measures that required 1) reconfiguration of the Amtrak station's on-site lot to provide an additional 60 parking spaces, and 2) the provision of an additional 110 parking spaces by the year 2000, which was part of the original Site B Project approval. (A copy of the Board letter is attached for reference.) In the Board letter and the accompanying Addendum prepared for the item, staff indicated that the above-mentioned mitigation measures, which have not been implemented, were no longer necessary due to changed conditions in the immediate vicinity of the project site. Specifically, staff concluded that demolition of the Jack London Village, combined with the existence of abundant off-street parking supply in Port-owned public lots near Site B, has reduced parking demand to the extent that implementation of such measures is unnecessary. At the July 2001 Board meeting, members of the South of the Nimitz Improvement Council (SoNIC) and the Jack London Neighborhood Association (JLNA) raised concerns with this approach. The Board deferred action on this item and requested that staff work with the community to attempt to reach a feasible "good neighbor" agreement regarding parking.

ANALYSIS:

Since the Board meeting in July 2001, Port staff has met with representatives of SoNIC on numerous occasions and has contacted representatives of JLNA in an effort to negotiate a feasible "good neighbor" agreement. In December 2001, SoNIC and the Port arrived at a draft agreement, which included the following components: 1) monthly parking privileges for up to 110 non-Port tenants at market rates for up to two years in various Port parking facilities; 2) the use of the Port Employee parking shuttle on a space-available basis; 3) the Port would encourage the City to explore increasing additional on-street parking opportunities in the District; and 4) the Port would encourage the City to explore establishing a permit parking program for area businesses and residents on certain streets in the District. While SoNIC approved the draft agreement, JLNA indicated that they were not interested in participating. In January 2002, due to budget shortfalls, the Port Employee shuttle was proposed for elimination and was officially discontinued in mid-February. SoNIC indicated that the draft Agreement, without the shuttle provisions included, was no longer acceptable.

Concurrently, in response to the Port budget deficit, the Board adopted an Ordinance in March 2002, that increased monthly parking rates at certain Port-owned facilities. As part of that action, the Board also directed staff to provide a limited amount of monthly parking spaces to non-Port tenants during non-peak hours, in an effort to generate additional revenue. However, provision of monthly parking opportunities for non-Port tenants in Port-owned facilities, a key component of the draft agreement with SoNIC, had already been authorized by the Board in accordance with the terms of the proposed, but still unsigned, agreement.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02255

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

As discussed in greater detail in the Addendum and the attached material from the July 2001 Board meeting, changes in existing and projected conditions have reduced demand on the parking supply in the vicinity of the Site B Development Project site. The intent of the Parking Mitigation Program was to immediately replace 300 spaces, which has been accomplished, and to address neighborhood-parking concerns if lots are filled to capacity 85% of the time and the neighborhood experiences loss of on-street parking as a result. Information provided in April 2001 by the operator of several Port-owned public parking facilities indicates the availability of numerous public parking spaces in the vicinity of the Site B project on a typical week day and weekend day, as those lots are operating at approximately 40% capacity.

Based upon the unsuccessful efforts to date to arrive at a mutually acceptable and feasible agreement with SoNIC and JLNA regarding the Site B parking issue, and the recent City and Port initiatives already underway to address some of the District parking issues, staff recommends that the outstanding Site B parking mitigations be deleted and that the "good neighbor" negotiations be concluded. Staff continues to believe that circumstances have changed, reducing the impact of parking in the Site B vicinity. Thus, the need for mitigation, either as a requirement or as part of a "good neighbor" agreement, is substantially less than anticipated.

Environmental

CEQA allows for the preparation of an Addendum to an EIR if some changes or additions are necessary, but none of the conditions triggering the need for preparation of a Subsequent or Supplemental EIR has occurred. As the First Addendum to the Site B EIR explains, the Board's approval of the modification of the MRMP will not cause any new significant environmental effects or substantial increase in the severity of previously identified significant effects. Thus, this First Addendum is the appropriate CEQA documentation for the proposed changes to the MRMP.

General Plan

It has been determined that the Site B project conforms to the City of Oakland General Plan.

Budget

There should be no fiscal impact associated with modifying the Site B MRMP.

Sustainability

Not applicable as the Site B project has already been completed.

Project Labor Agreement

Not applicable as the Site B project is exempt because it is in the Commercial Real Estate area of the Port.

OPTIONS:

The following option is feasible:

1. Revise the Site B MRMP as described above.

RECOMMENDATION:

It is recommended that the Board adopt a resolution:

- Certifying that it has reviewed and considered the information contained in the Site B EIR and the First Addendum to the Final EIR for the Site B Development Project and that the Addendum has been prepared in compliance with CEQA, the State CEQA Guidelines, and the Port CEQA Guidelines; Making findings in support of the Board's decision; and
- Approving and authorizing the Addendum and the elimination of reconfiguration of the Amtrak station lot and replacement of 110 spaces by January 2000 as mitigation measures in the Site B MRMP.

First Addendum to the
Final Environmental Impact Report
Site B Development Project

Port of Oakland
Engineering Division
Environmental Planning Department
June 2002

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1.0 Introduction

This document is an addendum to the 1996 Environmental Impact Report (EIR) for the Site B Development Project. This addendum provides environmental information with regard to parking mitigation that was not available at the time the EIR for the Site B project was completed.

The Site B EIR projected a need for 300 parking spaces to mitigate the loss of existing parking on Site B. The Port voluntarily included an additional 145 parking spaces in the Parking Mitigation Program (PMP), which were not required by the Site B EIR. All parking mitigation required to reduce the Project's impacts on parking to a level of insignificance has been completed.

When the Site B EIR was prepared and certified in 1996, parking mitigation measures were adopted to address estimated parking demand in 2000. Projected conditions in the EIR assumed full occupancy of retail and restaurant space in Jack London Village, which was recently closed and demolished. This change in circumstances has reduced the demand for parking in the vicinity of the Site B Project. Information provided in April 2001 by the operator of several Port-owned public parking facilities indicated the availability of numerous public parking spaces in the vicinity of the Site B project on typical week day and weekend day. This information was confirmed again in June 2002. Consequently, the PMP, as part of the Mitigation Reporting and Monitoring Program (MRMP) adopted at the time the EIR was certified, will be modified by eliminating two mitigation measures that would expand parking capacity. Reconfiguration of the Amtrak station on-site parking lot and provision of 110 parking spaces related to cumulative parking impacts through the year 2000 will be eliminated because the demand for parking in the area has not necessitated implementation of such measures.

2.0 Purpose and CEQA Context of the Addendum

2.1 Purpose

As originally planned, the PMP called for the replacement of approximately 445 parking spaces (Site B MRMP, November 1996, page 2-1). 300 spaces were defined by the EIR as direct project impacts (Site B Final EIR, page 3-12). An additional 145 spaces were included in the PMP to address neighborhood concerns. Implementation of the PMP would be accomplished in two phases. Phase I called for the replacement of 335 spaces at the time of the closure of Lot 13 (Site B). Phase II called for the replacement of the additional 110 parking spaces by January 1, 2000. To date, a total of 339 parking spaces has been replaced through reconfiguration of the "nest" area (25 spaces), construction of the Half Moon lot at Oak Street and Embarcadero (94 spaces), and the use of assisted parking (220 spaces) on Lots 5,7, and 9.

This addendum evaluates whether the proposed modified PMP would mitigate parking impacts to a level that is less than significant, or would result in any new or substantially more severe environmental impacts than were disclosed in the Site B EIR.

2.2 CEQA Context

As lead agency under the California Environmental Quality Act (CEQA), the Port of Oakland prepared an EIR that disclosed the environmental effects of the Site B Development Project (Port of Oakland, 1996). The Board of Port Commissioners adopted Resolution No. 96374 on November 5, 1996, certifying review and consideration of the EIR, approving the conceptual and schematic design, quality and layout of the Site B Development Project, requesting consent of the City Council to the Board's approval of the development, and adopting a MRMP.

CEQA allows for the preparation of an Addendum to an EIR if some changes or additions are necessary, but none of the conditions triggering the need for preparation of a Subsequent or Supplemental EIR have occurred. The conditions that call for preparation of a Subsequent or Supplemental EIR are:

- Substantial changes are proposed in the project or circumstances that would result in significant new environmental effects or a substantial increase in the severity of previously identified significant effects.
- New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete shows any of the following:
 - The project would have one or more significant effects not discussed in the previous EIR;
 - Significant effects previously examined would be substantially more severe than shown in the previous EIR; or
 - Mitigation measures or alternatives that are considerably different than those analyzed in the previous EIR, or that were previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project but the project proponents decline to adopt them.

Modification of the PMP (and the MRMP) would not result in any of the conditions described above. Therefore, a subsequent EIR is not required and an addendum is the appropriate environmental document to discuss the effects of the proposed PMP modifications.

3.0 Change in Existing and Projected Conditions

3.1 Reduction in Demand

The demand for parking outlined in the EIR has changed since the report was completed in 1996. Year 2000 projected conditions in the EIR assumed full occupancy of retail and restaurant space in Jack London Village. The Port acquired an option to purchase the Jack London Village leasehold interest and demolished the improvements in January 2001. Full implementation of the PMP will no longer be necessary due to this change in existing conditions. No new project has been permitted for the Jack London Village site. Any new project at this site would be subject to CEQA review.

As outlined in Appendix B, Part III (Parking Calculations) of the Draft EIR, Jack London Village contains 4,294 square feet of office space, 15,549 square feet of restaurant space and

40,706 square feet of retail space. The parking ratio for the peak time period (noon to 1 PM) for office space is typically calculated at 2 spaces per 1000 square feet, for restaurants at 12 spaces per 1000 square feet of restaurant, and for retail space at 2.4 spaces per 1000 square feet. Using these calculations, which were also used in the EIR, the Port has determined that the closing of Jack London Village has reduced the peak demand for parking by approximately 287 spaces.

With a reduction in demand due to the closure of Jack London Village, the current implementation plan for the PMP will provide parking spaces in excess of Year 2000 demand projected in the EIR, as delineated in the table below:

Projected Need	Jan. 2000	445
Projected Supply	Aug. 2000	339
Deficit		-106
Reduction in Demand		287
Net Change		+181

With the reduction in demand, the PMP will provide 181 parking spaces in excess of Year 2000 demand projected in the EIR.

3.2 Current Capacity of Port-Owned Parking Lots in the Site B Project Vicinity

The Port currently owns and operates several public parking facilities within a 2-3 block radius of the Site B Development Project site (which is located on the west side of Embarcadero between Alice and Madison Street), including: surface lots 5, 7, and 9 which are located on the west side of Embarcadero between Alice and Webster Streets; the Amtrak surface parking lot which is located on the east side of Embarcadero between Harrison and Alice Streets; and the "Half Moon" lot which is located on the east side of Embarcadero between Oak and Fallon Streets. Staff contacted the operator of these facilities in April 2001 to determine the actual use characteristics of these facilities on a typical weekday and weekend day. The results of this research are provided in the table below.

Facility	Total Number of Parking Spaces in Lot	Average Number of Available Parking Spaces at any One Time on a Typical Weekday	Average Number of Available Parking Spaces at any One Time on a Typical Weekend Day
Surface Lots 5,7 and 9	597	358	238
Amtrak Surface Lot	101	66	66
"Half Moon" Lot	94	54	N/A
Total Combined Spaces	792	478	304

As indicated in the preceding table, during April 2001 numerous public parking spaces were available on both a typical weekday and weekend day in the existing Port-owned surface parking lots located within close proximity to the Site B Development Project site. Communication with the operator of these facilities in June 2002 confirms that these use characteristics are still basically the same. Furthermore, if parking intensification efforts were undertaken at these facilities, (reconfiguration and/or assisted parking) the capacity could be increased further. Such intensification efforts have not been undertaken to date because Port-owned parking lots are

currently operating at 60% capacity and the demand for parking has not necessitated such measures.

3.3 Cumulative Parking Impacts

A variety of development activities will occur or are planned in the Jack London Square area. Projects considered by the EIR in the cumulative development scenario (Draft EIR, Land Use and Planning Policy, p. 2-37) for the Site B Development Project include:

- Buildout of the Jack London Square Master Development Plan (MDP) – Phase I (between Clay and Franklin Streets)
- Buildout of the Jack London Square MDP – Phase II (roughly between Webster Street and the Site B/KTVU boundary)
- Jack London Square Marina Project – Phase I
- Jack London Aquatic Center (at Estuary Park)
- Estuary Plan
 - A. Produce District
 - B. Development of SoNI District
- Vision 2000 Plan
- Various other projects in Oakland, including new government buildings in downtown Oakland, adaptive reuse of the Rotunda Building, new residential development downtown and elsewhere, and general industrial and commercial growth that is anticipated in Oakland through the end of the decade

This cumulative development scenario, as referenced above, is based upon growth from “new residential development downtown and elsewhere, and general industrial and commercial growth which is anticipated in Oakland through the end of the decade.” This scenario has not changed, with the exception that demolition of Jack London Village has reduced the direct project-related parking impacts and the cumulative parking impacts in the project area. It is assumed, however, that future parking conditions within the Jack London area may change as development intensifies throughout the district. New loft projects and other new City development projects are subject to CEQA analysis and will be expected to conform to the Estuary Policy Plan and the General Plan. Changes in future parking conditions would not be caused by the project identified in the Site B EIR or the modifications to the MRMP that are the subject of this Addendum.

4.0 Modified MRMP

The Traffic and Circulation Section (Traffic 13/14) of the MRMP will be modified to eliminate two mitigation measures, which are no longer needed due to the change in existing and projected conditions, as follows:

The Port shall implement a Site B Development Project Parking Mitigation Program, which would include some or all of the following measures to expand the parking (the number of spaces are estimates only):

Parking Mitigation Phase 1: Replace approximately 335 spaces

Provide approximately 75 new spaces in the "Nest" area, adjacent to Lots 5, 7, and 9. This area will be enlarged due to the removal of existing structures, including the Metropolitan Yacht Club, Port Garage and 77 Jack London Square, consistent with the Jack London Square Marina Project and improvements to provide new public access between Webster and Harrison Streets. This will enable approximately 75 additional parking spaces to be provided, primarily for employees with monthly parking passes.

~~Reconfigure the Amtrak station's on-site lot to provide an additional 60 parking spaces. This measure would increase the parking supply (from 111 to 171), thereby providing for the majority of existing and future short and long term parking demand at the Amtrak station through the year 2000. The lot could be striped so that the short and long term passenger and employee parking areas are clearly marked, or may be physically separated by a security fence. In addition, 20 spaces will be made available for short term parking for local businesses. The lot will be signed and monitored, and if necessary, meters will be installed to insure that 20 spaces are available.~~

Provide approximately 100 parking spaces at the half-moon (semi-circular) site located between the SPRR tracks and the Embarcadero, immediately west of Oak Street. The 1.4 acre unpaved site is currently vacant and could be paved and striped for about 90 to 110 parking spaces. Access to the site would be provided across from the eastern entrance to the Estuary Park, where a break in the raised median already exists and a crosswalk will be provided to allow pedestrians to cross Oak Street. This lot would most likely provide parking spaces for employees of the adjacent land uses (Jack London Village, Jack London Square, local businesses), currently parking in lot 13 at Site B. The Port will offer reduced monthly parking rates to employees. In the event that monthly agreements fall below 65% occupancy, the Port would introduce additional incentives to insure utilization of this lot.

Provide increased signage directing vehicles to parking facilities.

Approximately 100 spaces within Lots 5, 7, and 9 will be restriped to provide for assisted parking similar to the operation in the Underground Garage. The assisted parking

program will be staffed as required at peak times in order to ensure implementation based on occupancy levels in lots 5,7, and 9.

~~**Parking Mitigation Phase II: Replace remaining spaces related to cumulative parking impacts through the year 2000.**~~

~~The Port agrees to replace the remaining 110 spaces and any additional long-term available parking need by January 1,2000, utilizing one of the following options:~~

~~Construct a parking structure~~

~~Secure interim parking within the area bounded by Webster to the west, Highway 880 to the north, and Fallon Street to the east. Parking to be supplied will not result in a net loss of parking in the area, with the provision that if existing parking does become available that is no longer actively in use or that will be lost as a resource because of a change in use, existing parking may be included as part of this program.~~

5.0 Environmental Analysis

The following section summarizes the environmental issues relevant to the Site B Development Project. This analysis demonstrates that modification of the MRMP will not have a significant effect on the environment.

5.1 Land Use and Planning Policy

The Site B Development Project EIR determined that impacts on land use and planning policy were not significant. The proposed modification of the MRMP would not alter the impacts on land use and planning policy discussed in the Site B Development Project EIR

5.2 Traffic and Circulation

The Site B Development Project EIR identified the loss of 300 parking spaces as a direct impact based on projected year 2000 demand. However, due to neighborhood concerns that development of Site B would result in a loss of 445 parking spaces (427 off-street, 18 on-street), the Port identified additional parking resources to address the net loss of 145 spaces ($-445+300=145$) and included them in the PMP. The exact number of spaces to be provided was considered an estimate, which might vary when specific site designs were completed. Changes in existing and projected conditions have reduced demand on the parking supply in the vicinity of the Project site. The intent of the PMP was to immediately replace 300 spaces, which has been accomplished, and to address neighborhood parking concerns if lots are filled to capacity 85% of the time and the neighborhood experiences loss of on-street parking as a result. Currently Port-owned parking lots are operating at approximately 60% capacity and the Port and City are engaged in a comprehensive transportation improvement study for the Jack London Square District. The proposal to eliminate restriping the Amtrak lot and providing 110 parking spaces over and above those already provided will not alter the impacts on traffic and circulation discussed in the Site B Development Project EIR.

5.3 Air Quality

The Site B Development Project EIR determined that construction of the project would generate significant levels of construction dust, but a Dust Mitigation Plan could reduce the impact to a level of insignificance. In addition, vehicular pollutants from Project-related traffic would not exceed state or federal standards and would thus be insignificant. The proposed modification of the MRMP would not alter the impacts on air quality discussed in the Site B Development Project EIR.

5.4 Noise and Vibration

The noise impact evaluation in the Site B Development Project EIR determined that, with the possible exception of noise from pile driving, construction activities would not result in significant impacts. Noise from train horns will be reduced by high standard construction methods and vibration from train engines is expected to be within acceptable standards. The proposed modification of the MRMP would not alter the impacts of noise and vibration discussed in the Site B Development Project EIR.

5.5 Geology, Soils, Seismicity and Risk Exposure

Compressible soils, shallow ground water on the Project site, severe ground motion, liquefiable and densifiable soils, off-site hazardous material sources, and residual chemicals in the soil were identified as significant/potentially significant impacts but could be mitigated to insignificant levels, as discussed in the Site B Development Project EIR. The proposed modification of the MRMP would not alter the impacts of geology, soils, seismicity, and risk exposure discussed in the Site B Development Project EIR.

5.6 Hydrology and Drainage

The Site B Development Project EIR called for preparation of a Project storm drainage plan for a separate drainage system to reduce potential on-site flooding and existing drainage capacity to an insignificant level. In addition, implementation of “Best Management Practices” during construction, adding covered parking and vehicle washing areas that drain into the sanitary sewer system, and providing for resident and public education measures will reduce potentially significant runoff of oil and other contaminants from construction activities, parking lots, pesticides from landscaping, and bacteria from household pets to a level of insignificance. The proposed modification of the MRMP would not alter the impacts of hydrology and drainage discussed in the Site B Development Project EIR.

5.7 Public Utilities

The Site B Development Project EIR determined that impacts to water supply, wastewater treatment, solid waste, energy, and communications services were not significant. The proposed modification of the MRMP would not alter the impacts on public utilities discussed in the Site B Development Project EIR.

5.8 Public Services

The Site B Development Project EIR determined that impacts to police and public safety services, fire protection, and schools were not significant. The proposed modification of the MRMP would not alter the impacts on public services discussed in the Site B Development Project EIR.

5.9 Open Space, Public Access, Parks and Recreation

Impacts to public access, open space, and parks and recreation were determined to be insignificant by the Site B Development Project EIR, with the exception that one important view, from Jackson Street north of the Amtrak Station loading platform, would be obstructed by the project. This inconsistency with the objectives of the Bay Plan and the BCDC has been reduced by a change in the site plan, which reduced the impact to the level of insignificance. The proposed modification of the MRMP would not alter the impacts on open space, public access, and parks and recreation discussed in the Site B Development Project EIR.

5.10 Visual Quality

As discussed in 5.9, the site plan was altered to reduce the obstruction of the view from Jackson Street north of the Amtrak station. The Site B Development Project EIR determined that the impact on other view corridors would be insignificant. The proposed modification of the MRMP would not alter the impacts on visual quality discussed in the Site B Development Project EIR.

5.11 Vegetation & Wildlife

The Site B Development Project EIR determined that the impact on vegetation and wildlife would be insignificant. The proposed modification of the MRMP would not alter the impacts on vegetation and wildlife discussed in the Site B Development Project EIR.

5.12 Cultural Resources

The Site B Development Project EIR disclosed that construction at the Project site could result in significant uncovering or damage to important examples of Native American or Oakland waterfront history, which could be reduced to an insignificant level by implementation of CEQA guidelines on the preservation of such resources. The proposed modification of the MRMP would not alter the impacts on cultural resources discussed in the Site B Development Project EIR.

5.13 Light and Glare

The Site B Development Project EIR determined that the Project would not generate additional light or glare and that Project design minimizes adverse exposure to existing high-level light sources in the vicinity, as well as balances on site security lighting needs with appropriate design considerations. The proposed modification of the MRMP would not alter the impacts of light and glare discussed in the Site B Development Project EIR.

6.0 Conclusion

As the environmental analysis included in this Addendum demonstrates, the modification of the MRMP for the Site B Development Project would not result in new impacts or substantially greater impacts than those identified in existing environmental documentation for the Site B Development Project.

Agenda Sheet

DATE: August 6, 2002

SUBJECT: Authorization to Renew the Potomac Hull and Machinery and Protection and Indemnity Insurance

ITEM NO: 18s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer



EXECUTIVE OFFICE RECOMMENDATION: FR

FACTUAL BACKGROUND:

The agreement between the Port of Oakland and the Association for the Presidential Yacht Potomac dated September 27, 1983 requires the Port to provide Hull and Machinery and Protection and Indemnity Insurance on the vessel, USS Potomac. This insurance will expire on September 1, 2002.

Six Maritime Insurers were solicited for quotations. The most competitive carrier continues to be Commercial Union/WQIS (Vessel Pollution).

Hull and Machinery	\$ 6,000,000	Expiring	Renewal
Protection and Indemnity	\$ 1,000,000	<u>Premium</u>	<u>Premium</u>
Dockside General Liability	\$ 1,000,000		
Vessel Pollution	\$ 1,000,000		
Deductibles (Hull/Liability)	\$ 125,000/\$100,000	\$41,939.76	\$46,066.87

Funds have been budgeted for Fiscal Year 2002 – 2003 under Non-Departmental, Other Insurance.

RECOMMENDATIONS:

It is recommended that the Board authorize the renewal of the Potomac's Hull and Liability Policy and Pollution Policy for a premium of \$46,066.89 subject to the Port Attorney's review for form and legality.

MOTION

RESOLUTION

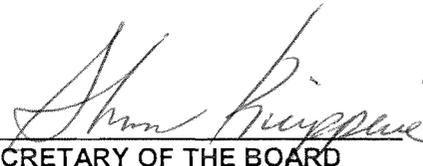
ORDINANCE

INFORMATION ONLY

Approved by Resolution

No. 02256

BOARD ACTION TAKEN



Assistant SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 21

SUBJECT: Authorization to Dispense with Standard Bidding Procedures to Expedite Furnishing and Installing Marine Terminal Security Enhancements Funded by Federal Grants

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION

As previously reported to the Board, the Port received partial funding from the Transportation Security Administration (TSA) and the Maritime Administration (Marad) for 3 of the 8 security enhancement projects for which the Port applied. The approved projects and their federal grant amounts are as follows:

- 1. Installation of a Perimeter Video Surveillance System at all Port marine terminals. Amount requested: \$9,000,000; Amount awarded: \$2,217,071.
2. Installation of an Automated Gate and Controlled Pedestrian Access System at all Port marine terminals. Amount requested: \$5,000,000; Amount awarded: \$2,500,000.
3. Installation of an Emergency Communications System at all Port marine terminals. Amount requested: \$150,000; Amount awarded: \$150,000. This project includes the purchase of additional radios, frequencies and training support as follows:
a) 800 Mhz radios and additional State Mutual Aid/Port use frequencies to provide for emergency communications between the Port Maritime Division/Emergency Response Center and the Terminal Operators, USCG, US Customs, and selected law enforcement agencies. Existing Port 800 Mhz radios would also be programmed to include State Mutual Aid frequencies where applicable.
b) Motorola HT750/1250 radios and frequencies to augment the Port's existing Motorola two-way system and serve as a back-up communication system between Port and Marine Terminal Operator staff.
c) State of the art PC/Internet-based telecommunication call back system to handle emergency notifications. System will support existing Port Emergency Response requirements as well as Terminal Operator notification requirements in the event of a security breach or other emergency.

In addition, the U.S. Coast Guard (USCG) recently implemented Interim Security Guidelines for all marine terminals on the West Coast of the United States. These guidelines emphasize the need for 100% ID checks of pedestrians and employees entering/leaving the marine terminal as well as better perimeter security. Most of these Guidelines are expected to be included in the federal legislation when finally approved by Congress. Implementation of these requirements, however, has resulted in a significant increase to their daily operational costs. The enhancements proposed by the Port will comply with the USCG Guidelines and allow the terminal operators to improve their security in a more cost-effective manner.

ANALYSIS:

Port staff is in the process of adjusting the original scope of work for the 3 projects approved, and preparing the necessary documentation for federal disbursement of funds. Although the amount of money awarded is in most cases significantly less than our original estimates, Port staff feel that it is feasible to still provide a significant enhancement of security to the terminals with the funds available, with the proper emphasis on utilization of technology and innovative approaches to installation. There is also a need to move quickly to meet both USCG and TSA/Marad desires for these security enhancements to be in place in the shortest time possible.

We therefore believe it is in the best interests of the Port to dispense with standard bidding procedures and allow staff to solicit informal bids from specialized companies based, not only on cost, but also on best value for the investment. A number of companies have been identified and have expressed interest in bidding on one or more of the projects identified. We further request that the Executive Director be authorized to execute a contract with the successful bidder(s) for the above projects in an amount not to exceed the amount of federal grants awarded.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02257

BOARD ACTION TAKEN Assistant

Signature of Secretary of the Board
SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

Subject: Authorization to Dispense with Standard Bidding Procedures to Expedite Furnishing and Installing Marine Terminal Security Enhancements Funded by Federal Grants

August 6, 2002

Page 1 of 2

Environmental:

The furnishing and installation of marine terminal security enhancements is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Port CEQA Guidelines, Section 15301(f), which exempts minor changes to existing facilities, including specifically the "addition of safety or health protection devices for use in conjunction with existing structures, facilities, or mechanical equipment....". The furnishing and installation of marine terminal security enhancements will not result in a change in use nor in an expansion of the existing square footage of the facilities in question.

General Plan:

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the maritime terminals in the Oakland General Plan.

Budget:

Although it is the intent that the projects be fully funded without any cash outlay of Port funds, it may be necessary to absorb some internal design and overhead costs in order to ensure that the projects are completed within the budget allocated. Every effort will be made to assure that all costs are covered within the budget.

Sustainability:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy does not apply to actions included in the agenda sheet item.

Project Labor Agreement:

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

OPTIONS:

Expediting the bid/selection/award process will allow the Port to complete the installation of the security enhancements and comply with federal requirements within the shortest amount possible. We presently plan to request proposals anticipating a 90-day contract period and would like to execute a contract by September of this year, thus allowing the security enhancements to be implemented by December 2002/January 2003.

The normal competitive bid process would not allow for an expedited schedule and limit the ability of the Port to consider proposals based not only on cost but also on innovative approaches and advanced technology.

RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to dispense with standard bidding procedures and solicit bids from qualified vendors specialized in work of this nature, and that the Executive Director be authorized to execute a contract with the successful bidder(s) for the above projects for an amount not to exceed the federal grants awarded.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 22

SUBJECT: Amendment to Tenancy Agreement with Unicold Corporation

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges

EXECUTIVE OFFICE RECOMMENDATION:

Unicold Corporation ["Unicold"] operates a small container freight station and transload facility in the area that will eventually be incorporated into the new Berths 57-59 marine container terminal. The transload operation enables fresh beef and poultry shipments under temperature control, as well as dry goods, to be transferred from truck or railcar into shipping containers for subsequent transportation via ocean vessel. The Unicold premises are presently comprised of a warehouse building with 8,448 square feet of storage, office and lunchroom facilities and approximately 1.4 acres of land area. Unicold is presently served by the Union Pacific Railroad but has a capacity to handle only 3 railcars at one time.

On July 24, 2001, the Board approved a proposed Lease Agreement with Unicold that would allow Unicold to expand their operations in Oakland by having the Port construct a larger building along with significantly more railcar capacity. The proposed Unicold facility, comprising approximately 2.12 acres is adjacent to the new Joint Intermodal Rail Terminal, located in the area designated for maritime support operations. The Agreement called for the Port to construct all transload facility improvements including construction of rail lead, rail support track, two working tracks with a capacity of 12 railcars, a 20,000 square foot warehouse building, lighting, yard improvements, utilities and road access. The estimated cost to provide these improvements was approximately \$3.1 million. The initial term of the Lease Agreement is 10 years, with two additional options of 5 years each. Rental compensation during the first 5 years would be as follows:

Years 1-2	\$30,912.00 per month
Years 3-4	\$33,218.00 per month
Year 5	\$35,524.00 per month

Included in the Agreement are escalation clauses commencing with the 6th contract year and at the start of each option period which provides that the rental shall increase by the percentage increase during the previous five year period in the Port published space assignment tariff rate for unpaved raw land; or, the Consumer Price Index [CPI] for the San Francisco Bay Area, whichever is greater. However, such rental increases shall not exceed 17% for each such subsequent 5-year period.

ANALYSIS:

As details of the project became better defined, a revised project cost estimate, provided by a contractor with specialized experience in construction of buildings of this type, in the amount of \$3,781,441 has resulted, an increase of \$681,441 over the original project estimate prepared by our engineering staff. The increased estimate specifically relates to the specialized construction involved in a cold storage transload building.

To address the potential additional costs of construction, Unicold has agreed to the following proposal, subject to the approval of the Board of Port Commissioners.

The existing terms of the proposed Lease Agreement with respect to improvements, maintenance, term and compensation escalation would remain unchanged. Unicold would agree to a rental adjustment of \$997.00 to the base monthly rental for each \$100,000 or fraction of increased construction costs above the original estimate of \$3.1 million approved by the Board on July 24, 2001. Upon completion of the construction of Port improvements, the Port shall prepare a Final Construction Cost Statement detailing all construction costs including final amounts for Lump Sum Bid Items, Unit Price Bid Items and Change Orders. Change orders for work that is not required to complete the scope of work that are ordered for the sole benefit of the Port will not be included in the Final Construction Cost Statement. As an example, assuming the Final Cost Statement results in the overage as currently estimated the monthly rental would increase as follows:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02258
 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

AUG 6 - 2002
 DATE

Subject: Amendment to Tenancy Agreement with Unicold Corporation

August 6, 2002

Page 2 of 2

Calculation:

Years 1-2	\$37,705	
Years 3-4	\$40,011	\$681,441/\$100,000 = 6.81
Year 5	\$42,317	6.81 x 997.00 = \$6,793 mo. Increase

FINANCIAL IMPACT:

The original annual rental during the first year of the lease was \$370,944 and represented an 11.97% [rounded] annual return on the original construction costs of \$3.1 million. The proposal to increase the annual rental by \$81,516 [total rental of \$452,460/year] based on the current estimate of the cost of construction maintains the same annual return of 11.97%. Over the term of the proposed Unicold agreement, the Port expects to receive adequate compensation to fund the improvements costs at a 1.6 coverage level to include a 10% return for the value for land.

This construction is provided for under CIP #M656303 which currently has an amount of \$5,294,000 for construction of transload facilities.

ALTERNATIVES:

Unicold could have tried to develop a new site elsewhere but it is felt their near dock operation will provide better service for the Port's shipping line customers and an opportunity for an increase in transload cargo volume. A larger capacity, more efficient facility will allow Unicold to retain current business in Oakland and gives them the potential to increase their new business volumes by 6,000-12,000 TEUs annually.

EI ENVIRONMENTAL OPPORTUNITIES FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a project or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

The proposed Lease Agreement with Unicold is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 [p] which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

RECOMMENDATION:

Approval of the proposed Lease Agreement changes with Unicold, as outlined above.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: July 24, 2001

ITEM NO: _____

SUBJECT: Approval of New Tenancy Agreement with Unicold Corporation

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Raymond A. Boyle **RAB**

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Unicold Corporation ("Unicold") operates a small container freight station and transload facility in the area that will eventually be incorporated into the new Berths 57-59 marine container terminal. The transload operation enables fresh beef and poultry shipments under temperature control, as well as dry goods, to be transferred from truck or railcar into shipping containers for subsequent transportation via ocean vessel. The Unicold premises are presently comprised of a warehouse with 6,624 square feet, office space of 1,600 square feet, lunch room with 224 square feet and approximately 1.4 acres of land area. Unicold is presently served by the Union Pacific Railroad ("UP") but has a capacity to handle only 3 railcars at one time. Several months ago, Unicold approached the Port seeking to expand their operations by having the Port construct a larger building along with significantly more railcar capacity in another area. The proposed new Unicold facility, comprising approximately 2.12 acres, is in the vicinity of the new Joint Intermodal Terminal ("JIT"), located in the area designated for maritime support operations.

ANALYSIS:

The proposed Lease Agreement provides Unicold an opportunity to significantly grow their business. There are physical constraints at the present facility that will be overcome in the area to be built. The current area is served by the UP Railroad. The new facility will be available to both the UP and the BNSF railroads. Key elements of the proposed Lease Agreement with Unicold are as follows:

1. **Improvements.** The Port would construct all transload facility improvements. Estimated cost for the entire area designated to accommodate Unicold's transload operations is approximately \$3,100,000.00. This would include land acquisition, construction of rail lead, rail support track, a 20,000 square foot building, lighting, yard improvements, utilities and road access. The improvements for Unicold will also include 2 tracks with capacity for 12 railcars.
2. **Maintenance.** The Port will provide structural maintenance; Unicold would provide all operational maintenance.
3. **Term.** The initial term of the Lease Agreement would be for a period of 10 years. Unicold will have two additional option periods of 5 years each.
4. **Rental Compensation During First 5 Years:**

Years 1 -2	\$30,912.00 per month
Years 3 -4	\$33,218.00 per month
Year 5	\$35,524.00 per month

4. Escalation to Compensation

Commencing with the 6th contract year and at the beginning of the option periods at the start of the 11th and the 16th year of the Lease Agreement; the rental amount shall increase by the percentage increase during the previous five year period in the Port's published space assignment tariff rate for unpaved raw land; or, the Consumer Price Index (CPI) for the San Francisco Bay Area, whichever is greater. However, such rental increases shall not exceed 17% for each such subsequent 5 year period.

FINANCIAL IMPACT: Total annual rental for the existing facility is \$89,633.28 annually. Revenue under the proposed compensation terms will be \$370,944.00 annually during each of the first two years or an annual revenue increase of \$281,310.72. It is anticipated that over the term of the proposed Unicold agreement, the Port will receive adequate compensation to fund the improvement costs at a 1.60 coverage level and ultimately achieve a 10% return for the then prevailing value for land.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

ALTERNATIVES:

Unicold could have tried to develop a new site elsewhere but it is felt their near dock operation will provide better service for the Port's shipping line customers and an opportunity for an increase in transload cargo volume.

The proposed Lease Agreement with Unicold is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises or licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

ENVIRONMENTAL OPPORTUNITIES FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

RECOMMENDATION:

Approval to the proposed Lease Agreement with Unicold, as outlined above.

PORT OF OAKLAND

RELOCATED UNICOLD
TRANSLOAD WAREHOUSE

UNION PACIFIC
RAIL YARD

MARITIME STREET

155' 55" STALLS

TRACK 4 2150' - 7 DS 307' 40'
2149' - 7 DS 307'
TRACK 3 40'

JOINT INTERMODAL TERMINAL 225' 55" STALLS
225' 55" STALLS

TRACK 2 40' 2296' - 7 DS 315' 40'
TRACK 1 60' STORAGE TRACK
DEPARTURE TRACK 70' 80'

MIDDLE HARBOR ROAD

PORT OF OAKLAND
VISION 2000 PROJECT AREA

PROJECT LOCATION

TO BE COMPLETED DECEMBER, 2001

EXISTING UNICOLD
TRANSLOAD WAREHOUSE

BERTH 59

BERTH 58

BERTH 57

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 23

SUBJECT: Adjustment to Crane Compensation Provisions in the Marine Terminals Corporation ("MTC") Management Agreement at the Ben E. Nutter Terminal

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND

Marine Terminals Corporation ("MTC") operates Ben E. Nutter Container Terminal ("BEN Terminal") under a Management Agreement with the Port. As the terminal operator, MTC provides vessel stevedoring and terminal services to shipping lines that call at the public use facility. These shipping lines normally operate at the terminal under a Terminal Use Agreement ("TUA") with the Port where term and volume commitments are made in exchange for dockage and wharfage reductions from the charges contained in the Port's marine terminal tariff. Hanjin Shipping, ("Hanjin") operated under a TUA at BEN Terminal until June 2001, when they moved into their own terminal at Berths 55-56. Prior to the Hanjin move, MTC approached the Port seeking an adjustment to their crane Minimum Annual Guarantee ("Lift MAG"). MTC was concerned that the loss of Hanjin activity at BEN Terminal would greatly reduce their capability of meeting the Lift MAG.

After Hanjin transferred to Berth 55-56, Evergreen negotiated a preferential assignment agreement for the entire BEN Terminal. On April 16, 2002, the Board authorized revised compensation provisions to the proposed Evergreen Non-Exclusive Preferential Assignment Agreement for the BEN Terminal. The economic provisions of the Evergreen Non-Exclusive Preferential Assignment Agreement relate back to May 1, 2002 and allow Evergreen the opportunity to expand Oakland operations. Since May 2002 Evergreen's new deployment with a first inbound port of call favoring Oakland has averaged over 700 import IPI TEUs of new business activity per week.

The Board had also authorized termination of the MTC Management Agreement on April 16, 2002. However, before terminating the MTC Management Agreement, Port Staff and MTC must conclude a final financial reconciliation and resolve the outstanding crane adjustment issue.

ANALYSIS AND FINANCIAL IMPACT

Under the provisions of the current MTC Management Agreement, MTC guarantees to the Port a Lift MAG of 275, 000 loaded or empty TEU lifts during each contract year, July 1 – June 30, for all assigned cranes combined, at an initial base rate ("standard crane rental") of \$11.55 per loaded or empty TEU lift. The MTC Management Agreement also provides that for each TEU exceeding 180, 000 ("Lift Breakpoint") the crane rental is reduced to \$7.35 per loaded or empty TEU.

For the contract year July 1, 2000 through June 30, 2001, MTC met and exceeded the Lift MAG of 275,000 loaded and empty TEU lifts. A review of BEN Terminal crane activity indicated Hanjin contributed 56% of the total crane activity used to meet MTC's Lift MAG for this contract year.

Since the Evergreen Non-Exclusive Preferential Assignment Agreement compensation terms relate back to May 1, 2002, the MTC Management Agreement compensation would end on April 30, 2002. The prorated Lift MAG at BEN Terminal for July 1, 2001 to April 30, 2002 equates to 229,167 loaded or empty TEU lifts. During this same time period, the cranes at BEN Terminal had actual activity of 160,409 loaded and empty TEU lifts. MTC has paid all crane charges billed at a rate of \$11.55, which, as indicated above is the standard crane rental rate and is also the crane base rental rate published in the Port's tariff. It is significant to mention that the prevailing Port tariff base crane rental rate of \$11.55 would have applied if there were no Management Agreement in place.

In view of all of the above stated developments, Port staff believes it is fair to waive the MTC prorated Lift MAG of 229,167 TEUS and proposes to accept the actual activity at the Port tariff base crane rental rate. This results in revenue of \$1,852,724.00, as final payment for crane compensation at termination of the MTC Management Agreement.

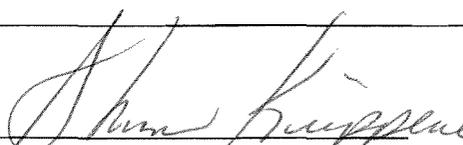
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02259

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

The proposed adjustment to crane compensation provisions is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises of licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABLE OPPORTUNITIES

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

LIVING WAGE

The above proposed action has no impact relating to Measure I.

RECOMMENDATION

Approval of the proposed adjustment to crane compensation provisions for the Marine Terminals Corporation Management Agreement at Ben E. Nutter Terminal, as outlined above.

Agenda Sheet

^{TD}
SUBJECT: Approval of Change Order to Contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications – Contaminated Groundwater Extraction System, Phase 1

DATE: August 6, 2002

ITEM NO: 24

SUBMITTED BY: Joseph K. Wong

PROGRAM AREA:

EXECUTIVE OFFICE RECOMMENDATION: 

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

The Port has a contract with Berths 57/58 Constructors, a Joint Venture, for the **CONSTRUCTION OF BERTHS 57/58 CONTAINER WHARF, FILL AND MIDDLE HARBOR SHORELINE MODIFICATIONS**, which became effective on June 20, 2000, at lump sum and unit prices totaling \$61,701,177. The project consists of site demolitions, mass excavation and dredging, placement of fill on land and in the water, shoreline stabilization, construction of a concrete pile supported wharf, grading areas for the Middle Harbor Shoreline Park and a portion of the Berths 57/58 container yard.

ANALYSIS:

As part of the work for Berths 57/58, the Contractor is required to excavate and dredge areas to widen and deepen the channel. Prior to the contract being awarded, the Port identified several areas of potential soil contamination. One area identified was the old Union Pacific fueling depot, where the soils and perched water were contaminated with diesel fuel and motor oil. After the Contract was awarded, the Port found, through continuing field investigation, that the area contaminated by the fueling depot was much larger than originally indicated by the preliminary testing program. The diesel and motor oil plume extended into an area that was to be excavated and dredged. The Regional Water Quality Control Board (RWQCB) determined that the diesel and motor oil levels were high enough to pose a threat to water quality in the channel.

To remedy the problem, the Port constructed a 1,400-foot long impervious underground barrier wall to prevent seepage of polluted water into the excavation pits, and pumped and treated ground water from the pits. The treatment system was temporarily installed only to treat the contaminated water within the pits, and not for remediation of the entire plume.

Constructing the impervious wall caused the water table to rise over the past two winters, to the point of causing soil saturation and ponding near the surface on the land side of the wall. Because of this, and because the RWQCB has required the Port to extract and treat this water, the Port must construct an extraction system to remove the water trapped by the wall and discharge the water to the Trailer-on-Flat-Car (TOFC) water treatment system.

Port staff estimates that the cost of this work will be approximately \$300,000. The Contractor, however, has given the Port a quote of \$596,000. This high quote was due mostly to uncertainties over soil contamination conditions in the areas where the extraction system will be installed. After the Contractor submitted the quote, Port staff met with the Contractor and proposed several cost-cutting measures. Subsequently, the Port and the Contractor agreed to perform the work on a time and materials cost basis.

Budget

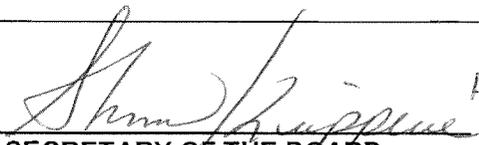
The work is budgeted under CIP Item No. M6.00585.01. The funding source is Port bonds.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02260

Assistant
BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD
DATE AUG 6 - 2002

Including this change order, there will be 80 approved and pending change orders estimated at \$15,405,338 or 25% of the original contract work. This includes \$1,900,000 spent addressing unforeseen contaminated soil problems on the Union Pacific property, \$2,100,000 for berth and interconnecting channel dredging related to the –50' program, \$368,500 for emergency repairs to the Berth 24 wharf, and \$7,223,700 for the addition of the Berth 59 wharf. Not including these non-project related change orders, this project has incurred \$3,813,138 in change orders related directly to the work of that project (6.2% of the original contract amount).

Project Labor Agreement

This work is covered by the terms of the Maritime and Aviation Project Labor Agreement (MAPLA).

OPTIONS:

The following are other options the Port could choose in response to the contaminated ground water:

1. Put out the work described in the analysis to competitive bid. Staff does not recommend this action because delay, demobilization and remobilization costs for the current contract would be excessive. Also, putting the project out to bid would add costs because the contractor would have to remove finished and striped pavement after the Berths 57-59 tenant has commenced operations.
2. Negotiate with the RWQCB to possibly lessen the abatement requirements. Staff does not recommend this action, again, because delay, demobilization and remobilization costs for the current contract would be excessive.

RECOMMENDATION:

It is recommended that the Board approve the negotiation and execution of a Change Order to the contract for Construction of Berths 57/58 Container Wharf, Fill and Middle Harbor Shoreline Modifications for an approximate amount not to exceed \$596,000 to have Berths 57/58 Constructors construct the plume barrier wall and construct and operate the water treatment systems so that the Port can complete excavation and dredging at the site.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

July 10, 2002

PROJECT TITLE: Construction of Berths 57-58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, California

RE: Approval of Change Orders to Contract for Construction of Berths 57-58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Contaminated Groundwater Extraction System, Phase 1

CIP NO: M6.00585.01

W.O. #'s: 601103

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The approval of change orders to Contract for Construction of Berths 57-58 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 – Contaminated Groundwater Extraction System, Phase 1 is being tracked under work order # 601103.

Budget: This project is included in the CIP Element # M6.00585.01 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.01

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.01	1056	1682	49429	7927						60094
Total =	1056	1682	49429	7927						60094

Remarks:

Agenda Sheet

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SUBJECT: ^{TD} Authorization to Dispense with Standard Bidding Procedures for Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000

DATE: August 6, 2002

ITEM NO: 25

SUBMITTED BY: Joseph K. Wong *for [Handwritten Signature]*

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten Signature]*

FACTUAL BACKGROUND:

Construction plans and project manual are being prepared for **CONSTRUCTION OF STORAGE TRACK, COMPRESSED AIR SYSTEM, AND MISCELLANEOUS IMPROVEMENTS TO THE JOINT INTERMODAL TERMINAL, VISION 2000.**

Work under this project will provide on-site storage track; an emergency generator; a compressed air system; fueling facilities; and other miscellaneous facilities that will exhaust the remaining funds authorized by Port Ordinance 3673 on January 15, 2002 to construct tenant-requested improvements to this facility. The Plans and Project Manual include provisions to delete work, as required, to limit the funds used to the approved maximum of \$6,000,000 for all improvements, including deductions for the Union Pacific Railroad (UPRR) lead track improvements and Port labor.

ANALYSIS:

The Joint Intermodal Terminal (JIT) has been leased to the Burlington Northern and Santa Fe (BNSF) railway, and the lease was executed on February 19, 2002. The Port is obligated to provide improvements to the JIT at a cost of up to \$6,000,000, as described in the December 18, 2001, Board letter, copy attached. The improvements include fencing, buildings, additional on-site railroad track, and other facilities and systems needed to allow the BNSF to operate the JIT.

On December 4, 2001, the Board authorized expenditure of up to \$1,500,000 for initial improvements. The scope of work authorized then included fencing, buildings, utility hook-ups, compressed air system, crane pads, back-up generator, and fueling facilities. The funds authorized have been committed to improvements now in place and to buildings that are under construction. Improvements completed include most of the necessary fencing and security work; approximately half of the utility system extension and hook-ups; a temporary office trailer; crane pads; and paint striping and paving. A change order has been issued and construction is underway for a modular administration building, a crane parts building, a mechanical building; and most of the remaining utility system extension.

On March 6, 2001, the Board authorized reconstruction of the Knight Yard to provide storage track for the JIT, using a list of pre-qualified contractors. Since March 2001, the BNSF and UPRR have reached agreement providing ingress and egress into the JIT that does not allow BNSF access through the Knight Yard. As a consequence, some of the storage track that would have been constructed in the Knight Yard will now be constructed at the JIT. The work to be constructed under the plans and project manual will be performed in the JIT, which is now an active railroad yard, and the reasons for seeking pre-qualified railroad contractors to perform this work remain unchanged. Specifically, railroad track construction work is highly specialized and the regulated work environment demands that only experienced railroad contractors be in charge of work that deals primarily with the railroad track environment. Bids will be solicited from the existing list of pre-qualified contractors and the results will be submitted to the Board for award of the contract.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02361

BOARD ACTION TAKEN

Assistant

[Handwritten Signature]
SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Environmental

The work associated with these improvements was addressed in the Joint Intermodal Terminal Project Environmental Impact Report certified by the Board of Port Commissioners on June 15, 1999.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 Program and this particular project conform to the policies of the Oakland General Plan.

Budget

The tenant-requested work is budgeted under CIP Numbers M6.00563.01 and M6.00563.02, and the funding source is Port bonds. The final budget will not exceed the authorized \$6,000,000 for the aggregate improvements, as described in Section 1 of Port Ordinance 3673.

Sustainability

This project is consistent with the Port's sustainable development strategy and incorporates the Port's ongoing program to divert construction and demolition debris from landfill disposal. For example, the Plans and Project Manual have been prepared to require on-site re-use of asphalt concrete and aggregate base as part of the new track section construction.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

OPTIONS:

The Port could elect to have the work put out for a standard bid process. This could result in receipt of bids from general contractors without direct supervisory experience on active railroad track. The consequences of having an unqualified prime contractor could include delays in performance of the work; increased regulatory agency presence and fines; claims from the prime contractor due to his lack of familiarity with standard practices in railroad operating environments; or the need to terminate the contract if circumstances require it. Such possible consequences would be due to lack of familiarity with legal and coordination requirements within an operating railroad environment.

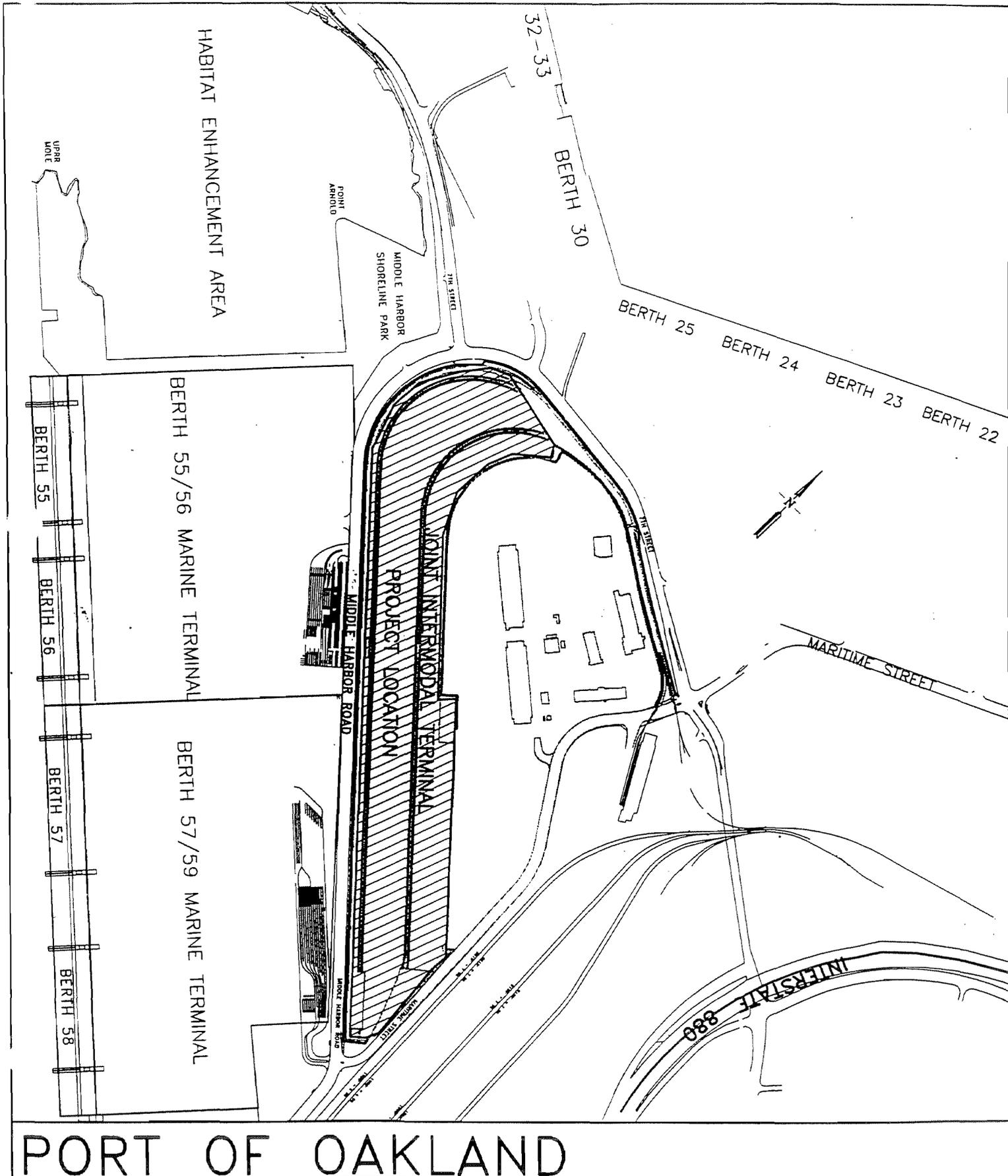
The Port could dispense with standard bidding procedures and elect to have the work put out to bid only to pre-qualified railroad contractors that were approved through the pre-qualification process for the reconstruction of the Knight Yard. This would ensure that a prime contractor with appropriate experience constructing railroad track and supervising work within active railroad operating facilities is responsible for equipment and personnel working at the JIT. Limiting the prime contractor pool would not prohibit other general contractors from assuming a significant subcontracting role in the actual construction, but would assure proper responsibility for control of the job site and project work. Submittal of the bid results to the Board for award of the contract would provide the same opportunities presented to the Board for review of the bid process as in a standard bid process.

The Port could elect to have the work put out to bid only to pre-qualified railroad contractors that were approved through the pre-qualification process for the reconstruction of the Knight Yard without submitting the bid results to Board for award. The reasons for using pre-qualified contractors and the associated benefits

remain the same, but the Executive Director would be authorized to execute the construction contract. This option could result in reducing the time between release of bid documents and completion of the construction work. Reduction of time in the contracting process would be desirable, but would not save a significant amount of time.

RECOMMENDATION:

It is recommended that it be found to be in the best interests of the Port to dispense with standard bidding procedures for this work; that the plans and project manual be given only to previously pre-qualified railroad contractors; and that the bid results be evaluated and submitted to the Board for award of the contract.



Task Description	2002					2003			
	August	September	October	November	December	January	February	March	April
Board Approval of Plans and Specifications	8/6/2002								
Receive Bids		9/12/2002							
Award of Construction Contract			10/1/2002						
Issue Notice to Proceed			10/16/2002						
Construction									
Substantial Completion								3/3/2003	

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

July 10, 2002

PROJECT TITLE: Authorization to Dispense with Standard Bidding Procedures for Construction of Storage Track, Compressed Air System and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000, Oakland, California

CIP NO: M6.00563.01, M6.00563.02

W.O. #'s: 104323

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The construction of storage track, compressed air system and miscellaneous improvements to the Joint Intermodal Terminal is being tracked under work order # 104323.

Budget: This project is included in the CIP Element # M6.00563.01 and M6.00563.02 budget which is summarized in Table 1 below with the project budget estimates shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00563.01 and M6.00563.02

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00563.01	768 (200)	808 (340)	28486 (5056)	6212 (270)						36274 (5866)
M6.00563.02	270	460	7958 (134)	500						9188 (134)
Total =	1038	1268	36444	6712						45462

Remarks:

PREMISES:

The Port proposes to lease to BNSF approximately 85 acres of the JIT facilities. (See attached map.) The improvements include 13,152 lineal feet of loading/unloading track, capable of holding 47 double-stack railcars at a time. The terminal provides 14,000 lineal feet of storage and support tracks and 62-acres of asphalt pavement with 1245 parking stalls for containers. The entire terminal is fenced and lighted and full utilities are provided. The terminal has the capacity to handle over a thousand trains a year and can move over 150,000 containers through the facility each year.

PROPOSED LEASE TERMS AND CONDITIONS:

The Port proposes to lease the JIT to the BNSF for a term of ten years. Either party may terminate the lease without cause after the fifth year of the lease.

The BNSF will pay the Port \$25 per container for all BNSF units moving through the facility during any contract year. The charge will be reduced to \$10 per container for all BNSF containers in excess of 75,000 units (revenue of \$1.9 million) in any contract year. BNSF will be subject to a Minimum Annual Guarantee (MAG) of 20,000 BNSF units per year, which represents a minimum payment of \$500,000 per year. The same charges would apply to other railroads' units that use the JIT, without the requirement for a MAG. Units by each railroad would be considered separately, and not aggregated, for purposes of the 75,000-unit breakpoint and reduction in unit charge to \$10.

BNSF will maintain the facility except for pavement, which will be maintained by the Port.

To meet the business requirements of the Port and to assure the tax-exempt status of the interest on the Port's bond financing for construction of the JIT, non-intermodal (domestic) container movements at the JIT will be restricted to 5% or less of the total number of containers handled in each contract year.

The BNSF will operate the facility as a railroad intermodal container transfer terminal. The railroad will perform such activities as loading and unloading containers to and from railcars, processing containers at the facility gate, provide container pick-up and delivery services and any administrative functions that are required for operation of the facility. The BNSF will use a subcontractor to perform these functions, as is standard practice in the industry. The subcontractor was selected through a competitive bid process, and BNSF has agreed to competitively bid any future subcontracts. BNSF's lease agreement with the Port will require that BNSF's operations be in accordance with an operating plan, which includes the subcontractor. Any change in the subcontractor will require prior notice to the Port.

The UPRR, and any other railroad, will have access to the JIT for its intermodal business. UPRR and other railroads will be able to use the facility under the same economic terms as apply to BNSF traffic, but their business will not be aggregated with BNSF business for the purpose of meeting the MAG or volume-discounted rate. BNSF would be required to provide terminal services to UPRR and other railroads at reasonable rates and conditions.

The Port will agree to provide for additional improvements, up to a total cost not to exceed \$6 million (which remains in the Port's JIT budget) as follows:

- (1) The Port will pay for certain improvements or modifications required so that UPRR's lead-track can provide the BNSF access to the JIT (currently estimated to cost approximately \$1 million);

- (2) The Port will make certain modifications to the JIT premises (currently estimated to cost approximately \$1.2 million); and
- (3) As increasing JIT operations require, the Port will pay for construction of support and storage tracks at a cost not to exceed the remainder of the Port's budget.

Since the proposed lease cannot be effective until at least 30 days after the Board's final approval (second reading) of an ordinance and BNSF is expected to be ready to commence operations at the JIT before the lease becomes effective, it is recommended that the Board pass a resolution approving a short-term interim occupancy agreement with BNSF for the JIT on the same terms as the Lease Agreement with appropriate proration provisions for the MAG and breakpoint.

BUDGET:

The total budget for the construction of the JIT is estimated to be \$37.1 million. In addition to the \$22.15 million funding provided through ISTEA and TEA-21, the Port's direct contribution to date is \$8.95 million. The Port has budgeted an additional \$6 million for further improvements that are necessary for the JIT facility to operate. This funding includes \$1 million to upgrade UPRR-owned track that provides access to the facility, \$1.2 million for gate and terminal improvements to the JIT and \$3.8 million for additional support track for the facility. The total Port-funded contribution to the project is \$14.95 million and is budgeted under CIP No. M6.00586 (Construct Phase I JIT) and No. M7.00930.02 (Expand Knight Railroad Yard).

RAILROAD OPERATING AGREEMENT:

In addition to the construction of the JIT, a number of railroad tracks have been constructed by the Port to provide direct support for the JIT and to provide access to several Port rail served facilities being planned or currently in construction such as the SSAT Terminal (Berths 57-59) presently under construction. These tracks lay outside the boundaries of the proposed BNSF lease premises, but the tracks are critical for the operation of the JIT and are integral elements of the overall rail system. Therefore, it will be necessary for the Port to enter into a joint-use railroad operating agreement for the use of the tracks with both the BNSF and UPRR, and any other railroad desiring to use these Port-owned access tracks for purposes of access to the JIT and other Port facilities. Railroad operating agreements contain terms and conditions that are standard throughout the industry and the fees and rates charged are negotiated but are generally nominal in nature.

CEQA:

Pursuant to the provisions of the California Environment Quality Act, the Board certified the Joint Intermodal Terminal Final EIR and adopted Findings of Significant Effects of the Project, Mitigation Measures for the Project, a Mitigation Monitoring and Reporting Program (MMRP) and Statement of Overriding Considerations and approved the Joint Intermodal Terminal Project (the "project") on June 15, 1999 (Resolution No. 99245). The project analyzed in the Joint Intermodal Terminal Final EIR included all aspects of the project including its planning, development, and operations.

ENVIRONMENTAL OPPORTUNITIES FINDING:

In accordance with Resolution No. 20467, the above-proposed action was evaluated for consistency with the Port's Sustainability Policy.

RECOMMENDATION:

It is recommended that the Board take the following actions:

- (1) Give first reading to an ordinance approving and authorizing a lease agreement with BNSF to occupy and operate the JIT in accordance with the provisions set forth above;
- (2) Pass a resolution authorizing the Executive Director to enter into an interim occupancy agreement with BNSF to occupy and operate the JIT prior to the effective date of the lease agreement with BNSF in accordance with the provisions set forth above.
- (3) Pass a resolution authorizing the Executive Director to enter into railroad operating agreements with BNSF, UPRR and other railroads for use of Port-owned JIT support track; and
- (4) Pass a resolution authorizing the Executive Director to enter into an agreement with UPRR, and with any other necessary party, for the Port to pay for modifications or improvements required so that the BNSF can use the UPRR lead track for access to and from the JIT.

FOR INFORMATION ONLY

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

HA
SUBJECT: ^{TD} Authorization to Dispense with Standard Bidding Procedures for Demolition of Central Wing and Core of Building D-833, Vision 2000

DATE: August 6, 2002

ITEM NO: 26

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for HA*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

In preparation for the future expansion of Maritime activities, the Port has signed an agreement with Stevedoring Services of America Terminals (SSAT) to operate Berths 57-59, which will include the demolition of the Central Wing and Core of Building D-833 to make way for a new terminal entrance, Administrative Complex, and privately-owned vehicle parking. The signed agreement includes a clause for the new terminal entrance, Administrative Complex, and privately-owned vehicle parking to be available for occupation by January 2004. The Port's Harbor Facilities and Construction Departments, including the vehicle maintenance and administrative functions that are currently located in Building D-833, will continue to occupy the Core Administration and South Wing during the demolition of the adjacent wings. The demolition of the subject building is required as part of site preparation for the Vision 2000 Program. The work consists of cutting and capping building utilities; relocating building utilities; removing and disposing of hazardous materials; and demolishing and disposing of the building, including foundations and piles, down to 4 feet below adjacent grade.

ALYSIS:

The site currently being occupied by the Core, Central Wing, and South Wing of Building D-833 has been selected as the site for the future SSAT Administration Building to operate Berths 57-59. The SSAT Administration Building will provide a facility for, but not limited to, SSAT employees and customers. The SSAT Administration Building will be located on and adjacent to the Building D-833 footprint. This contract will include demolition of a portion of the core and the entire central wing of Building D-833. The North Wing of Building D-833 has been demolished under the Berths 57-59 Container Yard and Gate contract.

In order to meet the deadline for construction of SSAT's new Administrative Complex, the existing Building D-833 needs to be demolished and the site prepared by November 2002. It is anticipated that the lease for the existing tenant, G&W, in a small portion of Building D-833, will not be renewed.

The project will include the complete demolition of the Central Wing and the partial demolition of the Core of Building D-833. Only the portion north of the parts storage room of the Core of Building D-833 will be demolished. As part of the demolition work, the existing Portland Cement Concrete (PCC) slabs, walls, and foundations will be removed and transported to the Maritime Support Center, where the demolished PCC will be crushed and stockpiled for use as aggregate for new pavement sections.

Under the standard bidding procedures, the length of time involved in selecting a contractor is typically greater than 4 months and would postpone the construction schedule and ultimately the date that SSAT could occupy the new Administration complex at Berths 57-59. Delays to the terminal would impact revenues.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 07262

Shirley Kuppner

AUG 6 - 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

DATE

Environmental

The construction and operation of the Berths 57-58 marine terminal was evaluated in the Environmental Impact Report (EIR) prepared for the Project in conformance with the California Environmental Quality Act (CEQA). Further CEQA review was conducted to evaluate the construction of Berth 59 wharf and yard, which included demolition of building D-833. This project modification occurred as a result of the Port's refinement of the design for the Berths 57-58 marine terminal, in response to the tenant's needs. The CEQA review concluded that the construction and operation of the Berths 57-59 marine terminal would not result in any new significant impact or in a substantial increase in the severity of a significant impact identified in the Berths 55-58 EIR.

The Board certified the Berths 55-58 Project EIR on April 20, 1999, and approved the project with all feasible mitigation measures. Mitigation measures reducing impacts from demolition and construction activities are included in the Plans and Project Manual for the proposed Building D-833 demolition and site preparation, as applicable.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 Program and this particular project conform to the policies of the City of Oakland General Plan.

Budget

This work is budgeted under CIP Number M6.00543.04. The funding source is Port cash and bonds.

Sustainability

This project is consistent with the Port's sustainable development strategy. The PCC slabs, walls, foundations, and asphalt concrete pavements will be crushed and recycled as aggregate base for use in new pavement sections. The steel removed will be taken to a recycler. The fill to be used is excess material generated on a nearby Port project.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that, in order to meet the construction schedule for the SSAT Administration Facility, the Board find it to be in the best interests of the Port to dispense with standard bidding procedures and authorize the Executive Director to negotiate and execute a contract for the demolition of Building D-833 Core and Central Wing based on receipt of competitive proposals.

Demolition of Central Wing and Core of Building D-833, Vision 2000, Oakland, California

ID	Task Name	Duration	Start	Finish	Qtr 3, 2002				Qtr 4, 2002		
					Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	100% Plans & Specs	30 days	Fri 06/28/02	Thu 08/08/02		[Task Bar]					
2	Board Approval to Dispense with Formal Bids	1 day	Tue 08/06/02	Tue 08/06/02			◆				
3	Bid Period	18 days	Mon 08/12/02	Wed 09/04/02				[Task Bar]			
4	Bid Opening	1 day	Wed 09/04/02	Wed 09/04/02				◆			
5	Planned Contract Award	8 days	Mon 09/09/02	Wed 09/18/02				[Task Bar]			
6	Execute Contract	22 days	Thu 09/19/02	Fri 10/18/02					[Task Bar]		
7	Notice to Proceed	1 day	Mon 10/21/02	Mon 10/21/02						◆	
8	Final Completion	51 days	Mon 10/21/02	Mon 12/30/02							[Task Bar]

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

July 10, 2002

PROJECT TITLE: Authorization to Dispense with Standard Bidding Procedures for Demolition of Building D-833 Central Wing and Core, and Miscellaneous Site Preparation Activities, Vision 2000, Oakland, California

CIP NO: M6.00543.04

W.O. #'s: 104393

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The construction of storage track, compressed air system and miscellaneous improvements to the Joint Intermodal Terminal is being tracked under work order # 104323.

Budget: This project is included in the CIP Element # M6.00563.02 budget that is summarized in Table 1 below with the project estimates shown below the element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00543.04

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00563.01	768 (33)	808 (56)	28486 (341)	6212						36274 (430)
Total =	768	808	28486	6212						36274

Remarks:

1. This project is one of several building demolition projects to be funded by Element M6.00563.01.

Agenda Sheet

TD
SUBJECT: Authorization to Dispense with Standard Bidding Procedures and Enter into a Purchase Order Contract with Pneumatic Tube Products Company to Furnish a Pneumatic Tube System at the Berths 57-59 Terminal

DATE: August 6, 2002
ITEM NO: 27

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for* 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The First Amended and Restated Non-Exclusive Preferential Assignment Agreement between the Port and Stevedoring Systems of America Terminals (SSAT) authorized by the Board in April 2002 requires the Port to provide a pneumatic tube system at the Berths 57-59 Terminal. The envisioned system will operate at 4 of the 11 lanes at the terminal gate, and extend from there to the Clerk/Cashier's Building (Building D-138).

Staff is seeking Board authorization to dispense with standard bidding procedures and to enter into a purchase order contract with the Pneumatic Tube Products Company of Hayward California to furnish the major components of the Berths 57-59 pneumatic tube system.

ANALYSIS:

The installation of a pneumatic tube system in a container terminal is very unique and there are only a limited number of suppliers that can provide such a system. The project teams research found 6 firms that are capable, yet only two firms were willing to discuss the project. Of these, one was in Atlanta, Georgia and one in Hayward, California. The Port has obtained a preliminary cost proposal from the Pneumatic Tube Products Company in Hayward to furnish and install the primary components of the envisioned system at Berths 57-59. It is estimated that the work will cost approximately \$ 75,000.

Environmental

The construction and operation of the Berths 57-58 marine terminal was evaluated in the Environmental Impact Report (EIR) prepared for the Project in conformance with the California Environmental Quality Act (CEQA). Further CEQA review was conducted to evaluate the construction of the Berth 59 wharf and yard, which included demolition of a portion of Building D-833. The tenant requested the subject project modification after construction had commenced and was subsequently included in the Preferential Assignment Agreement. The CEQA review concluded that the construction and operation of the Berths 57-59 marine terminal would not result in any new significant impact or in a substantial increase in the severity of a significant impact identified in the Berths 55-58 EIR.

The Board certified the Berths 55-58 Project EIR on April 20, 1999, and approved the project with all feasible mitigation measures.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 Program and this particular project conform to the policies of the Oakland General Plan.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02263

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Budget

This work is budgeted under CIP No. M6.00585.02 and the funding source is Port bonds.

Sustainability

This project is consistent with the Port's sustainable development strategy and will incorporate the Port's ongoing program to divert construction and demolition debris from landfill disposal.

Project Labor Agreement

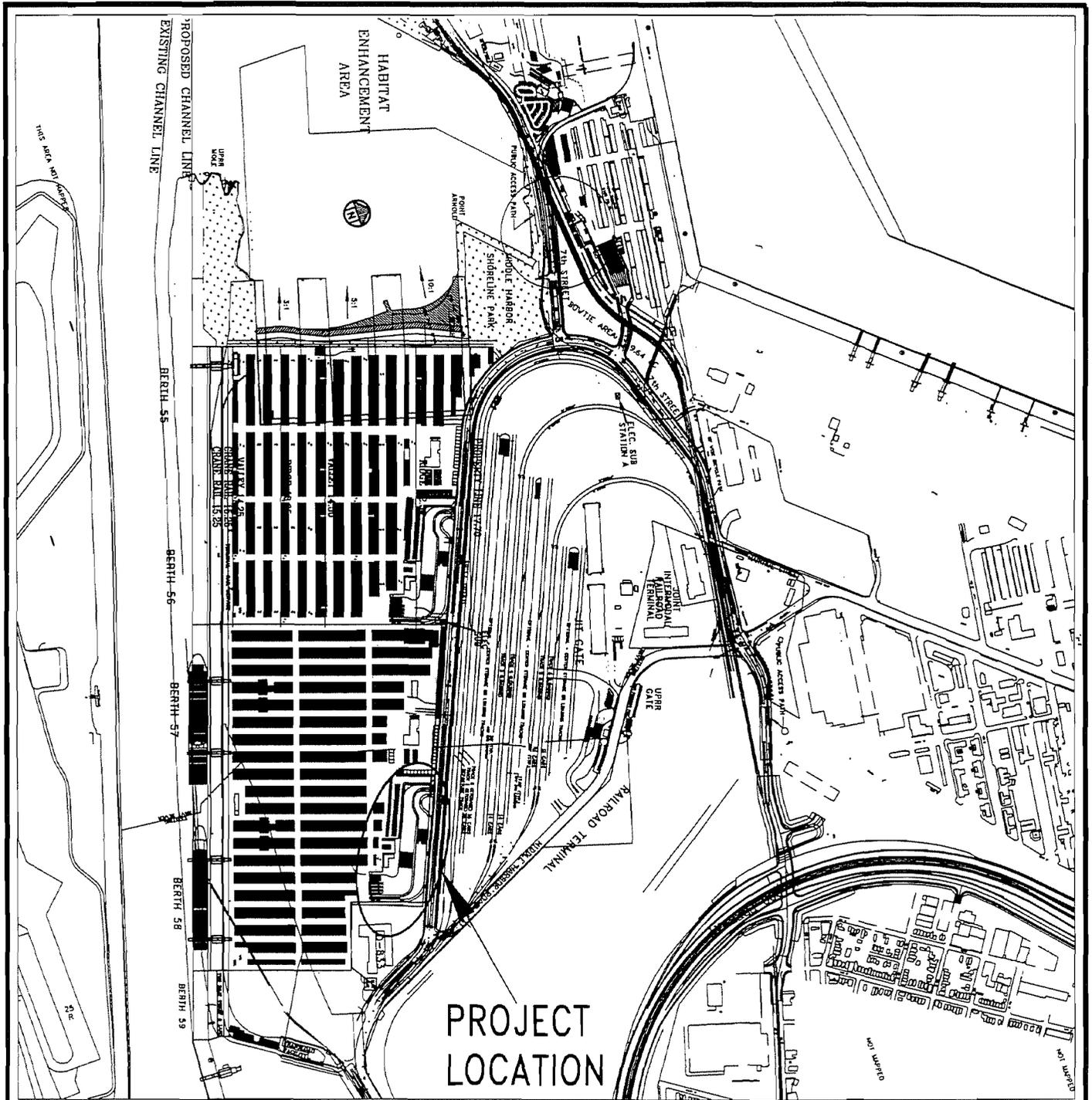
The work will be covered by the terms of the Maritime and Aviation Project Labor Agreement.

OPTIONS:

The Port could develop formal plans and specifications to formally bid the work. This option would result in delaying the completion of a portion of the gate area and subsequently impact the ability of the tenant to operate the facility for approximately 6 months.

RECOMMENDATION:

It is recommended that it be found to be in the best interests of the Port to dispense with standard bidding procedures and to enter into a purchase order contract with Pneumatic Tube Products Company to Furnish a Pneumatic Tube System at the Berths 57-59 Terminal.



PORT OF OAKLAND

VISION 2000

ID	Task Name	Duration	Start	Finish	Jul 21, '02	Jul 28, '02	Aug 04, '02	Aug 11, '02	Aug 18, '02	Aug 25, '02	Sep 01, '02	Sep 08, '02	Sep 15, '02
					07/21	07/28	08/04	08/11	08/18	08/25	09/01	09/08	09/15
1	Board Approval	1 day	Tue 08/06/02	Tue 08/06/02									
2	Final Design	1 day	Fri 08/09/02	Fri 08/09/02									
3	Negotiate with Contractor	5 days	Mon 08/12/02	Fri 08/16/02									
4	Execute Contract	1 day	Mon 08/19/02	Mon 08/19/02									
5	Notice-to-Proceed	1 day	Tue 08/20/02	Tue 08/20/02									
6	Complete Contract	24 days	Tue 08/20/02	Fri 09/20/02									

Project: Project1
Date: Tue 07/23/02

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

July 10, 2002

PROJECT TITLE: Authorization for Execution of a Contract with the Pneumatic Tube Products Company to Furnish a Pneumatic Tube System at the Berths 57-59 Terminal, Vision 2000, Oakland, California

CIP NO: M6.00585.02

W.O. #'s: 104526

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The execution of a contract with the Pneumatic Tube Products Company to furnish a pneumatic Tube system at the Berths 57-59 Terminal, is being tracked under work order # 104526.

Budget: This project is included in the CIP Element # M6.00585.02 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02

Project / Element	Port	Port OH	Const	Consult't CM Cost	Outside	LERRS	Allow. Contr.	Contin-	Tenant Work	Totals
M6.00585.02	1182	1881	57945	7469						68477
Total =	1182	1881	57945	7469						68477

Remarks:

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 28s

⁷⁷
SUBJECT: Adoption of New Utility Rate Schedules for the Sale of Utilities
at the Oakland Army Base

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Since August of 2000, the Port of Oakland has been purchasing utility commodities, including electricity, water, gas and sewer service, from the Oakland Base Reuse Authority (OBRA), and then reselling them to users at the portion of the Oakland Army Base (OAB) under lease by the Port. Ordinances Nos. 3439, 3521 and 3651 were created to adopt Utility Rate Schedules for the sale of these utilities at the OAB and to allow the Port to pass through its costs in purchasing utilities to the users who consume them. The basis for the resale rates is to recover the costs that the Port will pay to OBRA, as well as the Port's administrative costs associated with the purchase, metering and resale of the utilities. Currently, the Port's resale rates reflect OBRA's 2001 rates plus a 10% markup. OBRA updates their rates annually to cover the costs of its operation (a non-profit operation as stipulated in Exhibit K of the Port's sublease of OAB-West from OBRA). A couple of weeks ago, OBRA's utility consultant informed the Port staff that they are recommending that OBRA adopt a new rate around September this year. A draft 2002 rate schedule has been submitted to OBRA for review.

ANALYSIS:

Consistent with the Port's past practices for utility cost recoveries at the Airport and the OAB areas, and similar to the Board's approval of Ordinance 3621 on January 23, 2001, in response to the energy crisis that amended the Port's Tariff to bring rates in line with the costs to purchase power for the Airport, staff recommends that the existing Tariffs for the resale of utilities at the OAB be amended again to reflect the new rates. This will protect the Port's budget and recover its administrative costs as required to serve and bill its users in the OAB area. In anticipation of OBRA's annual rate change process, staff recommends establishing a new procedure which automatically sets new rates equal to the rate paid by the Port to OBRA for each utility plus a 10% markup. See below.

Utility Rates for the OAB Area

Electricity: OBRA's charges plus 10% markup
 Natural Gas: OBRA's charges plus 10% markup
 Water: OBRA's charges plus 10% markup
 Sewer: OBRA's charges plus 10% markup

Environmental

N/A

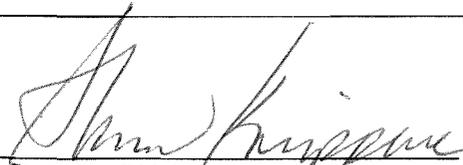
General Plan

N/A

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Budget

The overall utility costs and revenues will increase in the OAB area. There will be no net cost to the Port.

Sustainability

N/A

Project Labor Agreement

N/A

OPTIONS:

N/A

RECOMMENDATION:

It is recommended that the Board give the first reading of an ordinance to be adopted establishing the above described new automatic procedure for establishing utility rates and charges for customers at the portion of the Oakland Army Base that is under the Port's jurisdiction.

Agenda Sheet

DATE August 6, 2002

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
SUBJECT *Ja* Award of Contract for Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002 and Ending June 30, 2003, 2004, or 2005

SUBMITTED BY: *for* Joseph K. Wong *Ja*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

Four bids were received and opened on July 10, 2002, for the **Award of Contract for Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002 and Ending June 30, 2003, 2004, or 2005, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE *	TOTAL BID PRICE
Chain Link Fence & Supply, Inc.	Livermore, CA		X	\$ 76,850.00
Golden Bay Fence plus Iron Works, Inc.	San Lorenzo		X	\$112,025.00
Anchor Fence Company, Inc.	Daly City, CA			\$154,839.40
Frank Medina dba Frank Medina General Engineering	Oroville, CA			\$249,620.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

** Bid corrected in accordance with Document 00200, Instructions to Bidders.

A copy of the bid canvass is on file.

On June 4, 2002, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on July 10, 2002.

ANALYSIS:

Bid Protest

One bid protest was received from Golden Bay Fence Plus Iron Works, Inc. (Golden Bay) asserting that Chain Link Fence & Supply, Inc. (Chain Link) had failed to comply with certain requirements of Document 00200, "Instructions to Bidders," of the Project Manual, wherein certain duties must be performed upon receipt of the Notice of Award. Since the issuance of the Notice of Award is contingent upon the action of the Board at this meeting, Chain Link cannot be in default of this requirement. In addition, the protest asserted that the Specifications were defective with regard to certain small business statutes. This Contract is not included in the Port's Small Business Program; therefore this assertion is without merit. Finally, the protest is defective with regard to provisions of Document 00200, "Instructions to Bidders," which state, in part, "The party filing the protest must concurrently transmit a copy of the initial protest document and any attached documentation to all other parties with a direct financial interest which may be adversely affected by the outcome of the protest." Golden Bay did not transmit a copy of their protest to Chain Link.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02264

BOARD ACTION TAKEN Assistant

Sharon Krueger
SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

Accordingly, the protest is without merit. Copies of the protest letter and the Port's response letter are attached to this Agenda Sheet.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy, for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time in those locations. The bid of the second low bidder, Golden Bay Fence plus Iron Works, Inc., is more than 10% over the Total Bid Price of the apparent low bidder, Chain Link Fence & Supply, Inc., so this portion of the Policy does not apply.

Accordingly, it is recommended that Chain Link Fence & Supply, Inc., be considered to be the lowest responsible responsive bidder for the purposes of this Contract. The Social Responsibility Division (SRD) concurs with Engineering's recommendation.

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA 15301, Class 1 (d and f) maintenance and minor alteration of existing public or private structures.

General Plan

Pursuant to Sec. 727 of the City Charter, the project has been determined to conform to the policies of the Oakland General Plan.

Budget

The budget for the total work is estimated at \$150,000 per year. The cost of such repair and minor construction of security fencing is included in the Operating Budget for Fiscal Year 2002-03. The funding source is Port cash.

Sustainability

The work of this contract is subject to the Port's Sustainability Policy implemented in November 2000. In particular, the work of this Contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirements Resolution, and the Project Manual requires the Contractor to separate salvageable construction material and debris for reuse or sale.

Project Labor Agreement

Since the work will be limited to repair and minor construction work outside the scope of the MAPLA, the provisions of the MAPLA do not apply to this contract.

RECOMMENDATION:

It is recommended that Chain Link Fence & Supply, Inc., be found to be the lowest responsible responsive bidder, that the Contract for the above project be awarded to Chain Link Fence & Supply, Inc., for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.

Law Office of Paul Guerrero

A Professional Corporation

(925) 252-1344

340 Cumberland Street Suite C, Pittsburg, California 94565

Fax: (925) 252-1346

Construction Law

July 16, 2002

John Betterton
Secretary of The Board
Port of Oakland
530 Water Street
Oakland CA 94607

Via Facsimile, (510) 839-5104, Hard Copy To Follow.

Re: Notice of Protest -- Construction of Security Fencing

Dear Mr. Betterton,

This office represents Golden Bay Fence Plus Iron Works, Inc., (Golden Bay Fence), please direct all correspondence regarding this protest to Paul Guerrero.

Golden Bay Fence protests the award of the Port of Oakland project known as "Repair and Minor Construction of Security Fencing For Port Of Oakland Facilities For The Period Commencing August 1, 2002 And Ending June 30, 2003, 2004, Or 2005" to Chain Link Fence.

This protest will be based on the following issue:

1. Chain Link Fence Failed to comply with Instruction to Bidders Paragraph 17 b:

"Upon receipt of the Notice of Award, the apparent low Bidder and each of its subcontractors who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade for a certificate approving the contractor or subcontractor under the apprenticeship standards for the employment and training of apprentices, in accordance with 1777.5 of the California Labor Code," and

2. The Specifications are defective with regard to the Port's Small Business and Local Business Program, in that they fail to comply with State Law, specifically Government Code Section 14837 et seq. and

John Betterton
Secretary of The Board
Port of Oakland
530 Water Street
Oakland CA 94607

Page 2

3. The Specifications are defective with regard to the Port's Small Business and Local Business Program, in that neither the Port's nor the City of Oakland's Charter grants the City Council or The Board of Port Commissioners, authority to establish small business and or local business set-asides.

If you have any questions do not hesitate to call.

Sincerely,



Paul Guerrero, Esq.

cc: Floyd Chavez (Golden Bay Fence)
Joseph Wong (Chief Engineer)
(510) 763-8287
Fausto Guzman (Laborers)
(707) 863-0800
Mark Ferguson (Ironworkers)
(707) 746-0979



PORT OF OAKLAND

SENT BY CERTIFIED MAIL AND FACSIMILE

July 22, 2002

Paul Guerrero, Esq.
340 Cumberland Street, Suite C
Pittsburg, CA 94565-2234

Subject: "Repair and Minor Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing August 1, 2002 and Ending June 30, 2003, 2004 or 2005, Oakland, California"
- Contract: 2002-06-S1

Dear Mr. Guerrero:

The Port is in receipt of your letter of July 16, 2002, wherein you, as the representative of Golden Bay Fence Plus Iron Works, Inc. (Golden Bay), protest the award of the subject Contract to Chain Link Fence & Supply, Inc. (Chain Link).

The first issue set forth by you is that Chain Link failed to comply with Document 00200, Instructions to Bidders, wherein certain duties of the Apparent Low Bidder, "Upon receipt of the Notice of Award," are defined. Chain Link cannot be in default of this requirement because the Notice of Award has not been issued. The Board of Port Commissioners will not consider the Award of this Contract until its meeting on August 6, 2002. Please note that this specific Contract was bid using formal bidding procedures, whereby the Board awards the Contract, as opposed to the initial attempt to let a contract for this work in May, 2001, which was bid informally, whereby the Chief Engineer awards the Contract.

This Contract is not included in the Port's Small Business Program, wherein Bidders are limited to certified Small Business Enterprises. Therefore, the second and third issues you set forth, wherein you state that the Specifications are defective with regard to certain small business statutes, are without merit.

Finally, your protest is defective with regard to Paragraph 18d. of Document 00200, which states, "The party filing the protest must concurrently transmit a copy of the initial protest document and any attached documentation to all other parties with a direct financial interest which may be adversely affected by the outcome of the protest. Such parties shall include all other Bidders who appear to have a reasonable prospect of receiving an award depending on the outcome of the protest." As of Thursday, July 18, 2002, two days after the protest deadline, Chain Link had not received a copy of the protest letter. Further, Chain Link does not appear on the cc: list of the protest letter. The Port will not waive this defect.

Therefore, please be informed that Port staff will recommend award of the contract to Chain Link Fence & Supply, Inc. at the next scheduled Board meeting on August 6, 2002, starting at 3 p.m. in the Board Room located on the second floor of 530 Water Street. You may attend this meeting. A copy of the Board Agenda Sheet is attached.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Aidoo". The signature is fluid and cursive, with the first name "John" being the most prominent.

John F. Aidoo
Chief Engineer

Attachments: Copy of Board Agenda Sheet for Award of this Contract
Copy of protest letter from Paul Guerrero.

cc: Golden Bay Fence w/atts.
Chain Link Fence w/atts.

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 32

TD
SUBJECT: Authorization to Renew Electrical, Mechanical and Communications
On-Call Consulting Agreements

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: *for* Joseph K. Wong *Ja*

EXECUTIVE OFFICE RECOMMENDATION: *PO*

FACTUAL BACKGROUND:

On July 10, 2001, the Board authorized entering into separate agreements for engineering services with the four consulting firms listed below for technical services to be performed on an on-call basis. The agreement with each firm provides that it may be renewed annually (up to two additional years), with satisfactory performance of the firm; and that a maximum of \$500,000 for each firm could be authorized by the Board, per year, in addition to the \$500,000 already approved for the first year. The status of each agreement, the amount committed in Technical Service Orders (TSOs), and the amount of this request are listed below:

On-Call Consulting Firm	First Year Performance Rating	Date of On-Call Agreement	Renewal Required By	Amount Committed in TSO(s) for First Year	Balance for First Year	Amount Requested for Second Year	Total Amount of Maximum Compensation Available for Future On-Call Work
DAMATT Engineering, Inc. (Electrical Engineering)	Satisfactory	02/27/02	02/27/03	\$ 27,000	\$473,000	\$500,000	\$973,000
F.W. Associates (Electrical Engineering) SBE	Satisfactory	11/01/01	11/01/02	\$ 75,000	\$425,000	\$500,000	\$925,000
NBA Engineering (Mechanical Engineering) SBE	Satisfactory	10/15/01	10/15/02	\$155,140	\$344,860	\$500,000	\$844,860
TEECOM Design Group (Telecommunications Engineering) SBE	Satisfactory	10/01/01	10/01/02	\$ 90,100	\$409,900	\$500,000	\$909,000

ANALYSIS:

All firms have performed satisfactorily over the first year. Therefore, it is recommended that each agreement be renewed for a second year and that the total maximum compensation be increased by \$500,000 to the total amount indicated in the table above.

Environmental:

N/A

General Plan:

N/A

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. *02265, 02266,*
02267+02268
BOARD ACTION TAKEN Assistant

Shamir Kuppel
SECRETARY OF THE BOARD

AUG 6 - 2002
DATE

Living Wage:

The Port's Living Wage Ordinance applies. All firms will be required to comply if not already in compliance.

Budget:

The funding source for each assignment to be performed under these agreements will be in accordance with the CIP or expense budget as appropriate for that project. It is anticipated that many approved future CIP projects will require the technical services of the On-Call consulting firms during the second year.

Sustainability:

N/A

Project Labor Agreement:

N/A

OPTIONS:

1. Renew each On-Call agreement before the renewal date to keep on-going projects on track that are currently being designed by the four consulting firms. Eliminate time-consuming selection process for small and fast-tracked projects that would delay project delivery. (Selected Option)
2. Letting the agreements expire without renewing could add up to five months for selection of new consulting firms for all projects. Staff might be overwhelmed by the volume of selection processes, and projects might be delayed.

RECOMMENDATIONS:

It is recommended that the Board authorize the renewal of the agreement with each firm listed above for a second year, and that the total maximum compensation be increased by \$500,000 in addition to the existing first year balance indicated in the table above.

Agenda Sheet

DATE: July 10, 2001

SUBJECT: Authorization to Prepare and Execute Agreements with Consultants for On-Call Electrical, Mechanical and Communications Engineering Design Services for Projects at the Port of Oakland

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *AS*

FACTUAL BACKGROUND:

The Port's Maritime, Aviation, and Commercial Real Estate Divisions are all in need of engineering design services for modification, expansions, additions and repairs to their facilities. All three divisions are in either the midst or the beginning of major expansion programs that will require both architectural and engineering design services to support the programs. In order to assist with the work, the Engineering Division determined that the most effective solution was to supplement its staff with consultant firms that are immediately available and have the experience and expertise to assist in performing studies, cost estimates, design development, and preparation of construction documents.

To this end, in April 2000 the Port received approval and has since entered into four (4) On-Call contracts with four full-service Architectural and Engineering (A&E) consultant teams. These teams are led by prime architectural firms and include major subconsultants in the disciplines of electrical, mechanical, civil, and structural engineering.

Since the execution of the A&E contracts, a number of design projects assigned to these teams dealt strictly with electrical, mechanical, or communications (E/M/C) work. Consequently, much of the Board approved A&E design fee was being directed to non-A&E related work. It is expected that this trend will continue. Rather than using the A&E teams as a "pass-through" for specific E/M/C work to be accomplished, staff solicited proposals for On-Call E/M/C engineering design and analysis services so that work could be more directly assigned to the correct discipline.

Staff structured the Request for Proposals (RFPs), such that, there would ultimately be four (4) separate E/M/C engineering consultant contracts; two (2) electrical, one (1) mechanical, and one (1) communications. Except for one of the two electrical firms, each of the E/M/C engineering consultants submitting a proposal was required to, 1) be a Port certified Small Business Enterprise (SBE) as defined in the Port's Non-Discrimination and Small Local Business Utilization Policy; and, 2) not have earned from the Port greater than \$200,000 in direct design and consulting fees through contract since January 1, 2000.

SOLICITATION PROCESS:

Initially, Staff sent RFPs to sixty (60) E/M/C consulting firms to provide On-Call E/M/C design and analysis services for projects at the Port of Oakland. Twenty-one consultants attended the pre-proposal meeting and expressed interest in providing the On-Call engineering services to the Port. The Port received a total of sixteen (16) proposals, seven (7) electrical, one (1) mechanical, and eight (8) communications.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

The seven electrical consulting firms that submitted a proposal were:

1. DAMATT Engineering, Inc.
2. Earth Tech, Inc.
3. F.W. Associates
4. Horizon/Acumen
5. NBA Engineering, Inc.
6. SKM Consulting Engineers
7. YEI Engineers, Inc.

The one mechanical consulting firm that submitted a proposal was:

1. NBA Engineering, Inc.

The eight communications consulting firms that submitted a proposal were:

1. ACCRA Communications Group
2. ACEX Technologies, Inc.
3. Dean Ryan Consultants & Designers, Inc.
4. F2 Technologies, Inc.
5. GEA Communications Consultants
6. Lamoreaux McLendon
7. Technical Consulting Group, LLC
8. TEECOM Design Group

SHORT-LISTED CONSULTANTS:

A panel made up of Port Staff, including a representative from the Office of Equal Opportunity (OEO), evaluated the 16 proposals based on each firm's qualifications, relevant experience, technical and project management abilities, key personnel, and OEO scores. Based on the results of the evaluations, it was determined that all seven electrical consulting firms should be interviewed for the two electrical On-Call contracts, that NBA Engineering, Inc. was highly qualified to be invited to the mechanical interview, and that the top three rated communications consulting firms should be invited to the communications interview.

Electrical Consulting Firms:

For selection purposes, the seven electrical consulting firms were categorized into two separate groups, one that included firms that met both the Port certified SBE and \$200,000 maximum earning requirements, and the other that included all firms since no limiting conditions were imposed. The group of electrical consulting firms listed below identifies those firms that met both the Port certified SBE and \$200,000 maximum earning requirements:

SBE Electrical Consultants	Location	OEO Status	Earnings from the Port	Remarks
F.W. Associates	Oakland	LIA/SBE	Below \$200,000	Port Certified
Horizon/Acumen	Oakland	LIA/SBE	Below \$200,000	Certified Acumen only
NBA Engineering, Inc	Oakland	LIA/SBE	Below \$200,000	City & State Certified
SKM Consulting Engineers	Oakland	LIA/SBE	Below \$200,000	Port Certified

The second group of electrical consulting firms where no limiting conditions were imposed are again identified below:

Electrical Consultants without Limitation	Location	OEO Status	Earnings from the Port	Remarks
DAMATT Engineering, Inc.	Oakland	LIA/SBE	Over \$200,000	Certification Expired 4/30/2001
Earth Tech, Inc.	Oakland	LIA/Non-SBE	Below \$200,000	Certified LIA/ not SBE
F.W. Associates	Oakland	LIA/SBE	Below \$200,000	Port Certified
Horizon/Acumen	Oakland	LIA/SBE	Below \$200,000	Certified Acumen only
NBA Engineering, Inc	Oakland	LIA/SBE	Below \$200,000	City & State Certified
SKM Consulting Engineers	Oakland	LIA/SBE	Below \$200,000	Port Certified
YEI Engineers, Inc.	Oakland	LIA/SBE	Over \$200,000	Port Certified

Mechanical Consulting Firm:

NBA Engineering, Inc., the only mechanical consulting firm that submitted a proposal, is a Port certified LIA/SBE firm and has not earned over \$200,000.00 from the Port.

Communications Consulting Firms:

The eight communications consulting firms that submitted proposals are again listed below:

Communications Consultants who Submitted Proposals	Location	OEO Status	Earnings from the Port	Remarks
ACCRA Communications Group	Oakland	LIA/SBE	Below \$200,000	Port Certified
ACEx Technologies, Inc.	Oakland	LIA/SBE	Below \$200,000	Port Certified
Dean Ryan Consultants	Oakland	LIA/SBE	Below \$200,000	DR City Cert./W&N not SBE
F2 Technologies, Inc.	Oakland	LIA/SBE	Below \$200,000	Port Certified
GEA Communications Consultants	Oakland	LIA/SBE	Below \$200,000	Port Certified
Lamoreaux McLendon	Oakland	LIA/Non-SBE	Below \$200,000	Not certified SBE
Technical Consulting Group	Oakland	LIA/SBE	Below \$200,000	SBA Certified/SAIC not SBE
TEECOM Design Group	Oakland	LIA/SBE	Below \$200,000	Port Certified

The top three rated communications consulting firms based on the above SBE and maximum earnings criteria are as follows:

SBE Communications Consultants	Location	OEO Status	Earnings from the Port	Remarks
ACEx Technologies, Inc.	Oakland	LIA/SBE	Below \$200,000	Port Certified
F2 Technologies, Inc.	Oakland	LIA/SBE	Below \$200,000	Port Certified
TEECOM Design Group	Oakland	LIA/SBE	Below \$200,000	Port Certified

PROPOSED ON-CALL E/M/C CONSULTING FIRMS:

The panel interviewed the short-listed E/M/C consulting firms and prepared a ranking based on each firm's oral presentation, qualifications, relevant experience of the firms, as well as key project personnel, design technical abilities and project management abilities, and answers to interview questions. Evidence of the firms' compliance with the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy was also considered.

As a result of the evaluations and based upon the above factors, staff recommends the following E/M/C consulting firms for the four (4) On-Call E/M/C contracts:

Consulting Firm	Disciplines
DAMATT Engineering, Inc.	Electrical Consultant (without limiting conditions)
F. W. Associates	SBE Electrical Consultant
NBA Engineering, Inc.	SBE Mechanical Consultant
TEECOM Design Group	SBE Communications Consultant

OEO participated in all phases of evaluating the consultants and their proposals. OEO has determined that the recommended teams are responsive to the Port's non-discrimination and Local Business Policy. The D-1 Workforce Reports/Professional Questionnaires are on file for each consulting firm.

Terms for the proposed contracts with the above four E/M/C consultants would be as follows:

1. The agreements would be renewable each year by the Board of Port Commissioners for a period of up to three years.
2. A Technical Service Order (TSO) for each individual project under each agreement would be individually authorized and subject to a maximum in compensation.
3. As compensation for the work, up to the maximum for each TSO, the consultant would be reimbursed for direct salaries of personnel performing work on the project, fringe benefits, overhead costs, profit and other direct costs required to complete the project.
4. A maximum of \$500,000 in fees would be authorized for engineering design services per consultant per yearly agreement.

The funding source for each assignment to be performed under these proposed contracts will be in accordance with the CIP or expense budget as appropriate for that assignment.

At their June 26, 2001, meeting, the Administration Committee approved the above terms and Staff's request to negotiate consultant agreements with the above four E/M/C consultants.

RECOMMENDATION:

It is recommended that the Board determine that the services, as described above, are professional services, and authorize the preparation and execution of agreements with the above four electrical, mechanical, and communications consulting firms based on the above terms.

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 33s

SUBJECT: Conflict of Interest Code

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION: 

BACKGROUND:

The Port's Conflict-of-Interest Code is outdated and needs revising. The list of enumerated employees required to file annual statements needs to be revised and updated to reflect changes and additions in job titles. The model code recommended by the Fair Political Practices Commission should replace the language of the existing Code. Attached is a Draft Port Ordinance amending the Conflict of Interest Code.

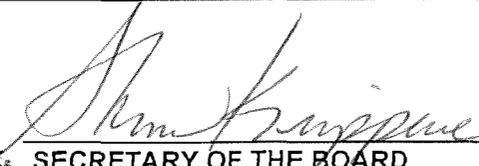
RECOMMENDATION:

It is recommended that the Board approve the attached Draft ordinance relating to the Conflict of Interest Code.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

DRAFT

PORT ORDINANCE NO.

AN ORDINANCE AMENDING PORT ORDINANCE NO. 2392
RELATING TO THE CONFLICT OF INTEREST CODE OF
THE BOARD OF PORT COMMISSIONERS OF THE CITY
OF OAKLAND

BE IT ORDAINED by the Board of Port Commissioners of
the City of Oakland as follows:

Section 1. Adoption of Code.

In compliance with the Political Reform Act, Government Code sections 81000 et seq., the Board by Ordinance No. 2392 adopted a Conflict of Interest Code as specifically required by Government Code section 87300. The Fair Political Practices Commission (FPPC) adopted a regulation as 2 California Code of Regulations § 18730, which contains the terms of a standard conflict of interest code and which the FPPC recommends that local agencies incorporate by reference into conflict of interest codes. Such incorporation by reference is deemed valid code amendment within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect.

Section 2. Amendment of Code.

The terms of FPPC regulation contained in 2 California Code of Regulations § 18730 and any amendments to it duly adopted by the FPPC, along with the attached Appendix A in which employees are designated and the attached Appendix B in which disclosure categories are set forth, are hereby incorporated by reference into and substituted for the terms of the currently-in-effect Conflict of Interest Code of the Board of Port Commissioners of the City of Oakland. Exhibit A shall be amended from time to time to add or delete designated employees as approved by the Port Attorney and shall be maintained on file with the Secretary to the Board.

Designated employees shall file their statements of economic interests with the Secretary to the Board who will make the statements available for public inspection and reproduction as required by Government Code section 81008. Statements for all designated employees will be retained by the Secretary.

Section 3. Effective Date.

This amendment to the Conflict of Interest Code shall not take effect until it has been approved by the City Council, the code-reviewing body. The code-reviewing body will consider the proposed code in accordance with Government Code Section 87306 and when this code as amended is approved by the code-reviewing body, it shall be deemed adopted and shall be promulgated by the Port of Oakland.

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

Absent:

President.

Attest _____

Secretary.

Approved as to form and legality:

Port Attorney

Board of Port Commissioners of the City of Oakland
Conflict of Interest Code

Designated Positions

APPENDIX A

Members of the Board of Port Commissioners
Administrative Services Manager V
Airport Manager
Airport Operations Manager, Airside
Airport Operations Manager, Landside
Airport Terminal Services Manager
Art Director
Assistant Port Attorney
Audit Manager
Aviation Capital Program Administrator
Aviation Commercial Rep V-Marketing & Communications
Aviation Division Finance Manager
Aviation Facilities Maintenance Manager
Aviation Marketing Manager
Building Services Manager
Chief Engineer
Chief Financial Officer
Chief Technology Officer
Chief Wharfinger
Commercial Real Estate Manager
Commercial Representative IV
Commercial Representative V
Commercial Representative V-A
Contract Compliance Officer
Deputy Executive Director
Deputy Port Attorney II
Deputy Port Attorney III
Deputy Port Attorney IV
Director of Administration
Director of Aviation
Director of Commercial Real Estate
Director of Communications
Director of Engineering
Director of Equal Opportunity
Director of Maritime Activities
Director of the Office of Strategic and Policy Planning
Executive Director
General Manager, Central Facilities
Government Affairs Specialist
Human Resources Manager
Manager of Airport Properties
Manager of Capital Program and Budget Services
Manager of Construction Pricing and Insurance Services
Manager of Environmental Health/Safety Compliance

Manager of General Aviation
Manager of Governmental Affairs
Manager of Harbor Facilities Maintenance
Manager of Information Technology
Manager of North Field
Manager of Port Dredging Programs
Manager of Purchasing Department
Manager of Systems and Programming
Maritime Marketing Manager
Organizational Development Manager
Port Accounting Manager
Port Attorney
Port Auditor
Port Employment Resources Coordinator
Port Environmental Manager
Port Maintenance & Construction Supervisor
Port Permit Coordinator
Port Principal Engineer
Port Supervising Electrical Mechanical Engineer
Principal Port Safety Administrator
Program Director, Airport Terminal Expansion
Risk Manager
Safety Officer
Secretary of the Board
Senior Management Assistant Marine/Commercial Representative V-A
Senior Maritime Commercial Representative
Special Assistant to Executive Director - Airport Properties
Expansion Program
Supervising Civil Engineer
Trade Research Supervisor
Workers' Compensation Administrator
Consultants *

- * Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

APPENDIX B

When a designated employee is required to disclose investments and sources of income, the employee need only disclose investments in business entities and sources of income which do business in the jurisdiction of the Board of Port Commissioners, plan to do business in the jurisdiction or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns property within the jurisdiction. When a designated employee is required to disclose interests in real property, the employee need only disclose real property which is located in whole or in part within or not more than two miles outside the boundaries of the Port Area or within two miles of any land owned or used by the Port of Oakland.

Disclosure Categories

The following disclosure categories are hereby established:

- Category 1: Persons in this category shall disclose all investments, business positions in business entities, and sources of income of the type which within the past two years have contracted with the Port of Oakland to supply goods or services utilized by the Port of Oakland.
- Category 2: Persons in this category shall disclose all investments, business positions in business entities, and sources of income, which are contractors or subcontractors, engaged in the performance of work or the provision of services of the type utilized by the Port of Oakland.
- Category 3: Persons in this category shall disclose all investments, business positions in business entities, and sources of income, which have filed claims against the Port of Oakland.
- Category 4: Persons in this category shall disclose all interests or investments and business positions in business entities, and sources of income, which engage in land development, construction or the acquisition or sale of real property within the Port Area of the City of Oakland, and all interests in real property within the Port Area of the City of Oakland.

Category 5: Persons in this category shall disclose all investments, business positions in business entities, and sources of income, which are subject to the regulatory, permit or licensing authority of the Port of Oakland.

<u>Designated Positions</u>	<u>Categories Disclosed</u>
Members of the Board of Port Commissioners	All
Others Listed	All

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: August 6, 2002

SUBJECT: Approval of Extension of RGH Group Consulting Professional Services Agreement

ITEM NO: 34s

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph Echelberry

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND:

Board approval is being requested to extend a contract with the RGH Group for \$40,000.

The RGH Group has provided on-going professional consulting services to the Port of Oakland in the areas of recruitment, test development, classification/compensation and administration. They have and still continue to provide services in the selection process for the Aviation, Engineering, Communications, Corporate Administrative Services Division and the Office of Equal Opportunity.

Ten (10) recruitment/examinations have been completed resulting in ten (10) new staff being appointed during the past contract period by the RGH Group. The total previous contract amount was \$75,000. The cost per recruitment/examination was \$7,500. The contract originally called for ten (10) projects to be completed at approximately \$8,000.00 per recruitment.

The following recruitment/examinations and classification studies are currently being conducted and it is anticipated that four (4) additional projects will be added upon completion of the following:

- Port Human Resource Technician (Class/Comp Study)
- Port Equal Opportunity Specialist
- Port Supervising Engineer
- Contract Compliance Officer

Division Directors that have worked directly with this firm have expressed satisfaction with the firms consistency in meeting established deadlines, at the high quality of appointed staff, the diversity of the applicant pool and the professional approach that has been taken in completing their work.

RGH Group is a minority woman-owned consulting firm. The President, Geraldine Hamby, has over 16 years of experience in the human resource field. The RGH Group lists among its clients: the City of Oakland, City of Citrus Heights, City of Brea, City of Nashville, TN. The Office of Equal Opportunity has found RGH Group to be acceptable.

RECOMMENDATION

It is recommended that you approve this request to extend a contract with RGH Group in the amount of \$40,000.00, including payment for all services rendered to date from the expiration of the current contract.

Approved by Resolution No.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

02269 BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

AUG 6 - 2002 DATE

Agenda Sheet

DATE: August 6, 2002

ITEM NO: 35s

SUBJECT: Personnel Items
- termination

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry *JDE*

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani *TY*

FACTUAL BACKGROUND:

I. TERMINATION—Resolution (1 Reading)

A) It is requested that the Board approve the termination of Employee No 348680, from the position of Port Equipment Driver, in the Airport Facilities General Maintenance Department, for cause, effective the close of the workday of August 7, 2002.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding termination.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02275

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

Steve Krupp

AUG 6 - 2002

DATE

Agenda Sheet

SUBJECT: TRAVEL AUTHORIZATION

DATE: August 6, 2002

ITEM NO: 36s

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION: 

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

As provided for in the Port's Administrative Manual, it is recommended that the Board approve the travel of Mahmoud Saad, Port Electrical and Mechanical Engineer, to Rugby, England, on or about August 10, 2002 to August 17, 2002 and on or about September 15, 2002 to September 22, 2002, to witnessed factory tests (WFT) of the Surface Movement Guidance Control System before delivery of the Control System to Oakland Airport, South Field.

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02270

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

AUG 6 - 2002

DATE

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director
DAVID L. ALEXANDER
Port Attorney
JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

FRANK KIANG
President

JOHN PROTOPAPPAS
First Vice President

PATRICIA A. SCATES
Second Vice President

DARLENE AYERS-JOHNSON
DAVID KRAMER
PHILLIP H. TAGAMI
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, September 17, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

- 1** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 8 matters.
- 2** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9.
- 3** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.
- 4** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property:	Oakland Army Base
Negotiating Parties:	Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation:	Price and Terms of Payment
Property:	Pardee Parking Lot
Negotiating Parties:	Port and City of Oakland
Under Negotiation:	Price and Terms of Payment

REGULAR MEETING
September 17, 2002

5 PUBLIC EMPLOYEE PERFORMANCE EVALUATION., as provided under Government Code Section 54957.

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Regular meeting of September 3, 2002

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

SUMMARY ITEMS: (Marked "s")

4 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

11 Approval of Assignment of License and Concession Agreement with Laptop Lane Limited to WP Acquisition Corp. (#1 Airport Drive, South Airport). (Resolution)

12 Approval of First Supplement Agreement to License and Concession Agreement with The Hertz Corporation for Use Modification (Vicinity of Earhart Road, Wright Street and Boeing Street, North Airport). (Resolution)

13 Approval of Plans and Project Manual for Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA. (Resolution)

- 14** Authorization to Accept Federal Administration (FAA) Grant Offer (AIP-28 and AIP-29). (Resolution)
- 15** Retention of Consultants to Prepare Aviation Operational Analyses for the Environmental Documentation for the Airport Development Program. (Resolution)
- 16** Approval and Authorization of Execution of Agreement Indemnifying the City of Alameda in Connection with the Port's 75th Anniversary Airshow. (Resolution)
- 17** Approval to Purchase Special Events Insurance for Oakland International Airport 75th Anniversary Air Show. (Resolution)
- 18** Accepting a Revised Federal Aviation Administration Grant Offers Under The Airport Improvement Program. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21** **PULLED** ~~Termination of Port Participation in Special Services MOU. (Resolution)~~
- 22** Ratification of Change Order to Contract for Construction of Berthing Facilities for Former U.S.S. Potomac and Lightship Relief, Jack London Square, Oakland, California – Raise Grade and Remove Obstruction. (Resolution)

MARITIME

Maritime Committee Report

- 31** Termination of Terminal Use Agreements for China Ocean Shipping Group Company and Italia de Navigazione-Societa per Azione at Howard Terminal. (Resolution)
- 32** Authorization to Dispense with Standard Bidding Procedures for the Construction of Port Field Support Services Complex, Inner Harbor. (Resolution)
- 33** Authorization to Dispense with Standard Bidding Procedures and to Include Construction of 7th Street Bay Trail Spur Connection to Middle Harbor Shoreline Park, Phase 1, Vision 2000, in the Port's Small Business Program. (Resolution)

- 34** Transport Trucks and Aqueous Diesel Demonstration Project. (Resolution)
- 35** Recommendation to Pass a Resolution Approving and Authorizing Execution of a Memorandum of Agreement Regarding Oakland Army Base ("MOA"). (Resolution)

OPERATIONS

Executive Committee Report

- 41** Resolution Endorsing Oakland Measure DD on November 5, 2002 Ballot, the "Oakland Trust Fund for Clean Water, Waterfront Parks and Recreation." (Resolution)

Audit, Budget & Finance Committee Report

- 42** Approval of the Fourth Supplemental Agreement with GEAC Enterprise Solutions, Inc. to Perform Training and Consulting Services. (Resolution)
- 43** Approval of Issuance of Port of Oakland Refunding Bonds, 2002 Series N and Certain Related Actions. (Resolution)

Engineering

- 44** Authorization to Dispense with Standard Bidding Procedures for Furnishing Labor, Materials and Equipment for Paving, Grading and Associated Contractor's Services for Port of Oakland Facilities for the Period Commencing December 1, 2002 and Ending December 31, 2003, 2004 or 2005. (Resolution)

BUILDING PERMIT APPLICATION: ("S")

JetBlue Airways Corporation, remodel ticket counters, relocate a partition wall in an existing office and install a baggage handling system in Terminal 1, OIA. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301(a).

SSA Terminals LLC, installation of directional and informational signs at the Berths 57, 58 & 59 terminal complex. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 11(a), Section 15311.

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Protopappas, Scates, Tagami, Uribe and President Kiang – 6

Noes: None

Absent: Commissioner Kramer - 1

RESOLUTIONS:

- 02303 1** CONSENTING TO ASSIGNMENT OF MULTI-YEAR LICENSE AND CONCESSION AGREEMENT FROM LAPTOP LANE LIMITED TO UECKER & ASSOCIATES AND FROM UECKER & ASSOCIATES TO WP ACQUISITION CORP. (Airport – 11)
- 02304 2** APPROVING AND AUTHORIZING EXECUTION OF A FIRST SUPPLEMENTAL AGREEMENT TO LICENSE AND CONCESSION AGREEMENT WITH THE HERTZ CORPORATION. (Airport – 12)
- 02305 3** APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF THE RELOCATED JOHN GLENN DRIVE AND ASSOCIATED UTILITIES, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport – 13)
- 02306 4** ACCEPTING A REVISED FEDERAL AVIATION ADMINISTRATION GRANT OFFER UNDER THE AIRPORT IMPROVEMENT PROGRAM. (Airport – 14)
- 02307 5** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH LPA GROUP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 15)
- 02308 6** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ATAC INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 15)
- 02309 7** AUTHORIZING AND APPROVING EXECUTION OF AN INDEMNITY AGREEMENT IN CONNECTION WITH AN ENCROACHMENT PERMIT WITH THE CITY OF ALAMEDA. (Airport – 16)
- 02310 8** AUTHORIZING AND APPROVING THE PURCHASE OF SPECIAL EVENTS INSURANCE FOR OAKLAND INTERNATIONAL AIRPORT'S 75TH ANNIVERSARY AIR SHOW. (Airport – 17)

- 02311 9** ACCEPTING A REVISED FEDERAL AVIATION ADMINISTRATION GRANT OFFERS UNDER THE AIRPORT IMPROVEMENT PROGRAM. (Airport - 18)
- 02312 10** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH SEAWORKS, INC., FOR CONSTRUCTION OF BERTHING FACILITIES FOR FORMER U.S.S. POTOMAC AND LIGHTSHIP RELIEF, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, FEDERAL PROJECT NO. STPLE 6057 (003). (Commercial Real Estate - 22)
- 02313 11** APPROVING AND AUTHORIZING EXECUTION OF AGREEMENTS TERMINATING CHINA SHIPPING (GROUP) COMPANY TERMINAL USE AGREEMENT AND ITALIA DI NAVIGAZIONE-SOCIETA PER AZIONE TERMINAL USE AGREEMENT (CHARLES P. HOWARD TERMINAL) AND CERTAIN RELATED ACTIONS. (Maritime - 31)
- 02314 12** CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR PORT FIELD SUPPORT SERVICES COMPLEX PROJECT, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT, APPROVING THE MITIGATED DECLARATION AND FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SOLICIT PROPOSALS FOR CONSTRUCTION OF PORT FIELD SUPPORT SERVICES COMPLEX, INNER HARBOR, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 32)
- 02315 13** GRANTING AUTHORIZATION TO INCLUDE CONSTRUCTION OF 7TH STREET BAY TRAIL SPUR CONNECTION TO MIDDLE HARBOR SHORELINE PARK, PHASE 1, VISION 2000, OAKLAND, CALIFORNIA, IN THE SMALL BUSINESS PROGRAM, FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR SUCH WORK WITHOUT LOWEST-SEALED BID PROCEDURES, AND AUTHORIZING EXECUTION OF A CONTACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Maritime - 33)
- 02316 14** APPROVING AND AUTHORIZING EXECUTION OF GRANT AGREEMENTS WITH THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT AND CSX LINES REGARDING THE AQUEOUS DIESEL DEMONSTRATION PROJECT ("THE PROJECT") IN COMPLIANCE WITH MEASURE 3.3-3/M1 OF THE VISION 2000 MITIGATION MONITORING AND REPORTING PROGRAM. (Maritime - 34)

- 02317 15** ADOPTING FINDINGS CONCERNING SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE PORT OF OAKLAND'S REUSE OF OAKLAND ARMY BASE ("THE PORT PROJECT"), ADOPTING MITIGATION MEASURES, ADOPTING MITIGATION MONITORING AND REPORTING PROGRAM, ADOPTING STATEMENT OF OVERRIDING CONSIDERATIONS FOR UNAVOIDABLE ADVERSE IMPACTS, AND APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE CITY OF OAKLAND, THE OAKLAND BASE REUSE AUTHORITY AND THE OAKLAND REDEVELOPMENT AGENCY. (Maritime - 35)
- 02318 16** IN SUPPORT OF CITY OF OAKLAND MEASURE DD ON NOVEMBER 5, 2002 BALLOT. (Operations - 41)
- 02319 17** FINDING AND DETERMINING THAT A PROPOSED FOURTH SUPPLEMENTAL AGREEMENT WITH GEAC ENTERPRISE SOLUTIONS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 42)
- 02320 18** AUTHORIZING THE ISSUANCE OF PORT OF OAKLAND REFUNDING REVENUE BONDS 2002 SERIES N (AMT) IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$135 MILLION; AND AUTHORIZING AND APPROVING A THIRTEENTH SUPPLEMENTAL TRUST INDENTURE AND CERTAIN OTHER RELATED ACTIONS AND DOCUMENTS. (Operations - 43)
- 02321 19** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR FURNISHING LABOR, MATERIALS AND EQUIPMENT FOR PAVING, GRADING AND ASSOCIATED CONTRACTOR'S SERVICES FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING DECEMBER 1, 2002, AND ENDING DECEMBER 31, 2003, 2004 OR 2005, OAKLAND, CALIFORNIA, WITHOUT LOWEST-SEALED BID PROCEDURES AND AUTHORIZING EXECUTION OF CONTRACTS FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Operations - 44)
- 02322 20** GRANTING JETBLUE AIRWAYS CORPORATION PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02323 21** GRANTING SSA TERMINALS, LLC PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Protopappas, Scates, Tagami, Uribe and President Kiang – 6
Noes: None
Absent: Commissioner Kramer - 1

ORDINANCES:

1 ("s") Port Ordinance No. 3716 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO PACIFIC GAS AND ELECTRIC COMPANY (PG&E) FOR LAND AREA BETWEEN AN EXISTING VAULT TO A NEW VAULT TO ACCOMMODATE FUTURE MAINTENANCE."

Final.

2 ("s") Port Ordinance No. 3717 being, "AN ORDINANCE AMENDING SECTION 5.023 AND 5.0236 OF PORT ORDINANCE NO. 867."

Final.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next regular meeting will be held on Tuesday, October 1, 2002 at 3:00 P.M.

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 11

SUBJECT: Approval of Assignment of License and Concession Agreement with Laptop Lane Limited to WP Acquisition Corp. (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *sg*

EXECUTIVE OFFICE RECOMMENDATION: *AP*

FACTUAL BACKGROUND:

In March 2000, the Board approved a Multi Year License and Concession Agreement (L&C) with Laptop Lane Limited (Laptop), for the operation of a business services center at the Oakland Airport. The L&C commenced on July 1, 2000 and terminates on June 30, 2003. Rent is set at a minimum of \$1,000/month against 15% of gross receipts. Laptop has requested consent to assign its agreement to WP Acquisition Corp. (Wayport).

ANALYSIS:

Laptop Lane Limited began operating business centers at airports in 1996. At the time the agreement was made to operate business centers at OAK, Laptop was operating at nine airports in the United States. In early 2000, Laptop was acquired by SoftNet Systems, a San Francisco based company that provided internet services through cable-TV lines. SoftNet intended to pursue providing wireless internet services, and the airport locations leased by Laptop were intended to be a conduit for this service.

economic events of 2000 and the continuing problems in the telecommunications industry led SoftNet to alter its strategy and place the Laptop division up for sale. A suitable buyer could not be found, and all Laptop Lanes stopped operating in August 2001. The assets of Laptop were assigned for the benefit of creditors to Uecker & Associates effective August 28, 2001. The assigned assets included the License and Concession Agreement, but the Port's consent was not requested or given.

WP Acquisition Corp., operating under the name Wayport, is a provider of wireless internet services primarily at airports and hotels. During the time that the Laptop division was for sale, Wayport acquired several of its airport locations, including Cincinnati, Dallas Ft. Worth and Seattle-Tacoma. Wayport did not purchase the Oakland location. After Laptop stopped operating in OAK, contact was made with Wayport to determine its interest in taking over the OAK locations. At OAK, Laptop operated two locations with work-station like cubicles, which were defined as personal property in the L&C. It was proposed that Wayport purchase the work-stations from Laptop/Uecker, and assume the L&C, which had two years remaining on its term. Wayport purchased the personal property located at the Oakland Airport on May 20, 2002 and agreed to assume the L&C subject to Port approval.

Upon the assignment, Laptop will be released of all liability and obligation under the agreement, which will be assumed by Wayport. Wayport has submitted financial information indicating a negative net worth on its balance sheet. This negative figure is the result of start-up capital costs provided by its parent company that are treated as a loan rather than as an equity investment. Wayport does, however, have a positive cash flow and has adequate resources to support the financial obligations assumed in the L&C. Wayport also will pay the unpaid minimum monthly rent of \$12,533.33, covering the period from September 2001 through September 16, 2002.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation plan of the City of Oakland Comprehensive Plan.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02303

BOARD ACTION TAKEN

[Signature]
Assistant SECRETARY OF THE BOARD

SEP 17 2002

DATE

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

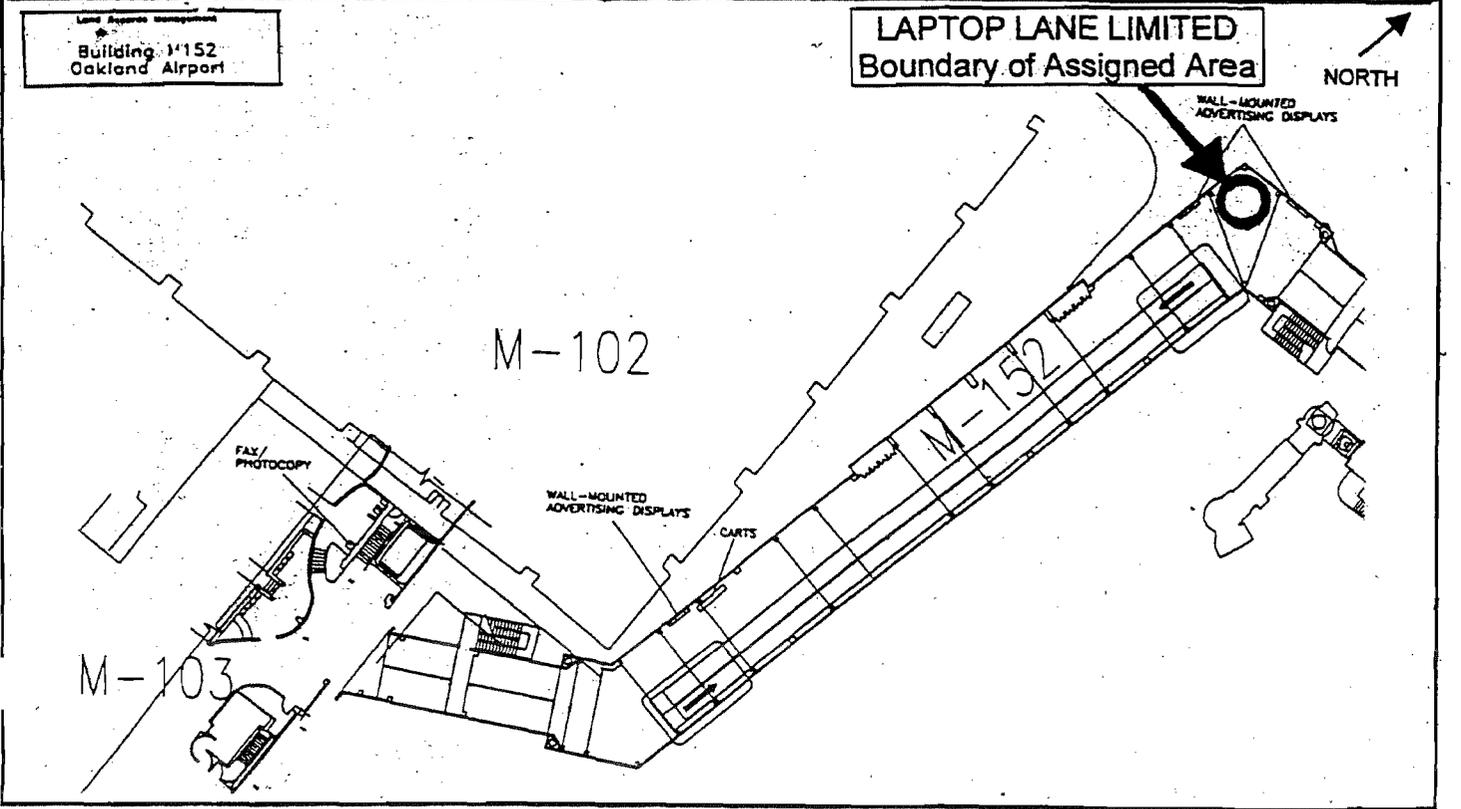
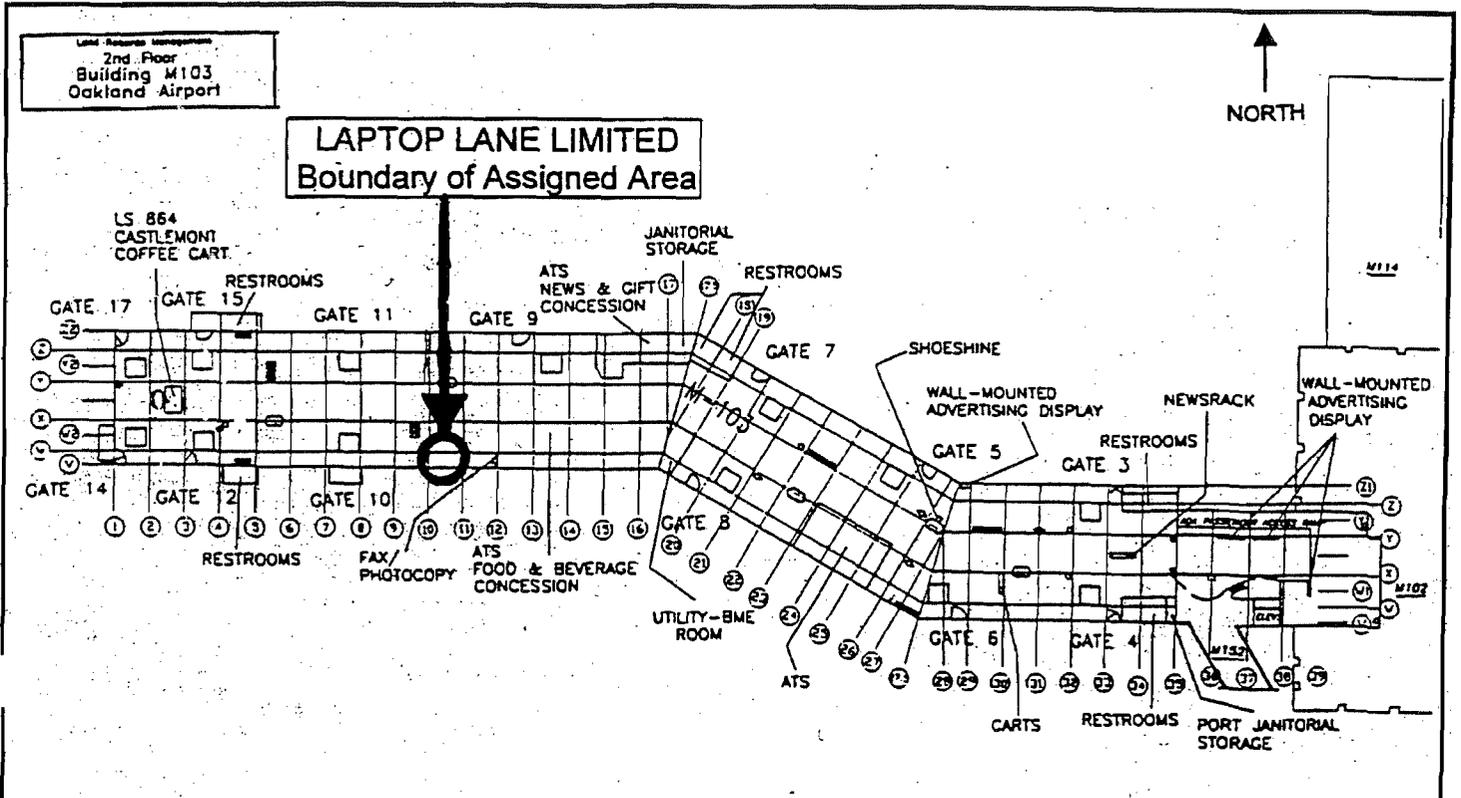
Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time due to the fact that they employ less than 20 individuals. However, the tenant will be required to certify that should living wage obligations become applicable, the tenant shall comply with all of its obligations.

OPTIONS:

1. Decline to approve the assignment request. Laptop no longer operates at Oakland Airport. To deny the request would result in the Port incurring the expense of removing and storing Laptop's personal property. Further, the likelihood of the Port recovering the past due rent is minimal.
2. The Port could make an offer and purchase the personal property, then issue a Request For Proposals to locate an operator. After Laptop closed, and during negotiations with Wayport, several individuals contacted the Airport expressing interest in taking over the Laptop locations. Each caller was invited to submit a written business plan outlining ideas for operating the space. No written expressions of interest were ever received. It is unlikely that a qualified candidate other than Wayport would respond to the RFP process. Further, this scenario would not provide the Port with payment of the past due rent.
3. Approve the assignment.

RECOMMENDATION:

It is recommended that the Board pass a resolution to (1) retroactively approve the assignment of the Laptop Lane Limited Multi-Year License and Concession Agreement to Uecker & Associates (2) approve the subsequent assignment to WP Acquisition Corp., and (3) release Laptop Lane Limited from its obligations subject to the Port Attorney's review and approval of the assignment documents as to form and the receipt of payment of Laptop's past due rent in the amount of \$12,533.33.



Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 12

SUBJECT: Approval of First Supplemental Agreement to License and Concession Agreement with The Hertz Corporation for Use Modification (Vicinity of Earhart Road, Wright Street and Boeing Street, North Airport)

PROGRAM AREA:

- Airport Operations ci
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION: [Signature]

FACTUAL BACKGROUND:

The Hertz Corporation (Hertz) currently occupies approximately 157,658sf of paved and unpaved land in the vicinity of Wright Street, Boeing Street and Earhart Road on the North Airport for storage of its rental cars only. No customer service is permitted. The one-year Agreement was effective April 12, 2001. Monthly rent is \$18,969.57.

ANALYSIS:

The proposed First Supplemental Agreement (Supplemental) would modify the current use clause to include "construction and operation of rental service facility and uses incidental and related thereto". The service facility would include a building, wash rack and fuel island consisting of approximately 14,083sf on a portion of the current premises which would be used to clean, fuel and store rental cars only. Hertz was relocating its service facility from the South Airport to this premise due to the Terminal Expansion project; however, changes in security requirements for operations within proximity of the Airport Terminal have forced Hertz to cease operations at their South Airport premises. For this reason, it is urgent that Hertz develop its replacement service facility in an expeditious manner.

The Board of Port Commissioners conditionally approved Hertz' application to build the subject facility in November of 2001. The subject License and Concession Agreement and proposed First Supplement will be superseded by a multi-year occupancy agreement which shall be brought to the Board for approval at a later date.

ENVIRONMENTAL:

November 27, 2001 the Port of Oakland filed a Notice of Determination for the project with the Alameda County Recorder. The statute of limitations has expired. No further action is required.

GENERAL PLAN:

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided, it appears that the Port's Living Wage Ordinance (Port Ordinance No. 3666) does not apply at this time because the Port's Ordinance does not apply to tenants. Based upon the same information, it appears that the living wage requirements set forth in Section 728 of the Charter of the City of Oakland do apply at this time.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described First Supplemental Agreement with The Hertz Corporation subject to the Port Attorney's review and approval of the First Supplemental Agreement as to form.

Approved by Resolution No.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

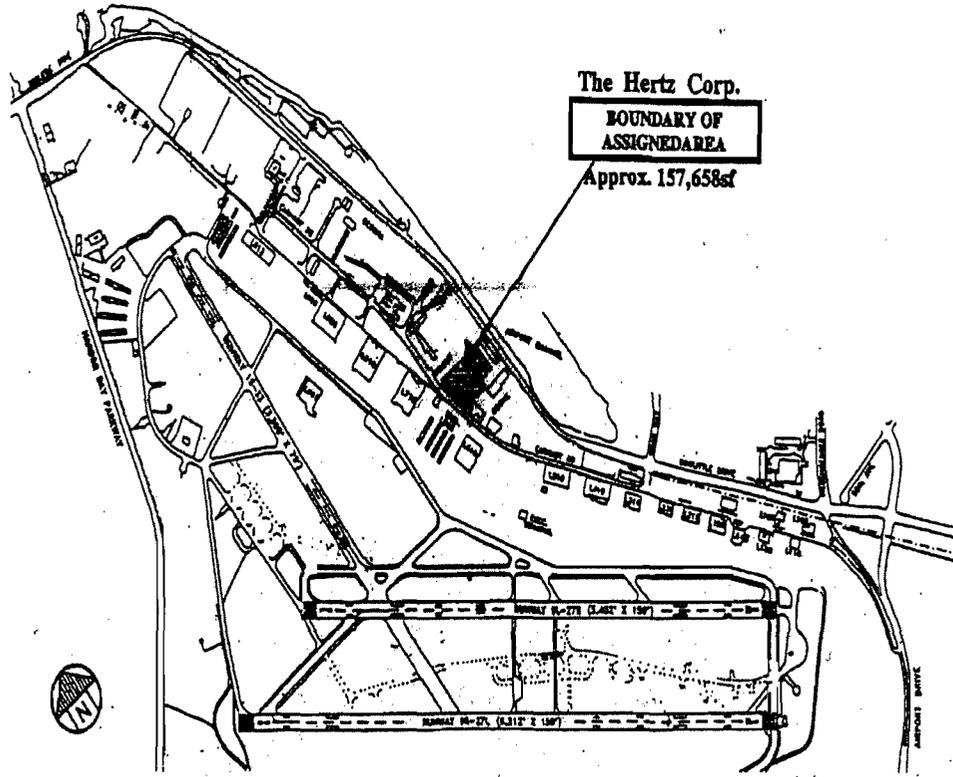
02304
BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

SEP 17 2002
DATE

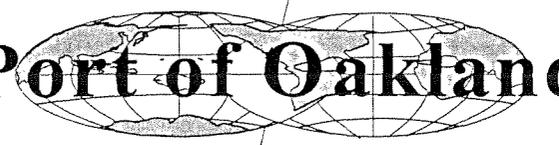
Board of Port Commissioners
Calendar Item

Approval of First Supplemental Agreement to License and
Concession Agreement with The Hertz Corporation for Use
Modification (Vicinity of Earhart Road, Wright Street and
Boeing Street, North Airport)



Airport Properties

Port of Oakland



Oakland
International Airport
North Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

DATE: September 17, 2002

ITEM NO: 13

^{TP}
SUBJECT: Approval of Plans and Project Manual for Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: *AP*

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for the Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, Oakland International Airport, Oakland, California, and are submitted for approval and authorization to advertise for bids.

On May 7, 2002, the Board of Port Commissioners approved Board Resolution Number 02125 authorizing the relocation of the Southwest Airlines Provisioning Building. Currently, the Provisioning Building is located in the footprint of the new Terminal 2 Building Extension. The construction of the Terminal 2 extension project will require the relocation of the existing building. The project to relocate the Provisioning Building entails constructing a 10,000 square-foot building; creating a 50,000 square-foot paved area for ground access and loading (in a currently paved area); installing underground utilities; and constructing a road on a previously paved area in order to provide access to the site from Airport Drive. All work will be performed by Southwest Airlines, except for bringing underground utilities and a road to the site, which will be done by the Port under the approval being requested herein.

ANALYSIS:

The new Provisioning Building will be located in an area adjacent to Taxiway B at the South Field. The new location is currently a paved area that serves both aircraft and vehicle parking. This project will provide roadway access and utilities to the site. The work consists of constructing a roadway and installing utilities for the new building. The roadway work includes applying a coat of slurry seal on a portion of the existing economy parking lot and striping it to roadway standards. The utility work includes installing water, sanitary sewer, storm drain, electrical and telecommunication lines and connections for the proposed building site.

Construction of the new provisioning building will be conducted separately from the road and utility work. Southwest Airlines will provide for the design and construction of the new provisioning building.

Environmental

The relocation of the Provisioning Building is within the scope of the Airport Development Project (ADP) approved by the Board in 1997 and 1999, and was evaluated in the Final Environmental Impact Report (EIR) for the ADP. However, the new Provisioning Building will not be located in the area of the Airport described in the EIR; instead, Port staff has determined that the building should be placed in an existing paved area that will enhance airport security. The relocated project will not result in any new or substantially more severe impacts than were identified in the Final EIR. Therefore, no additional environmental analysis is required. As a severable and independent basis for approval of this project, this project is exempt from the California Environmental Quality Act (CEQA), pursuant to Public Resources Code section 21080 (b)(4) and CEQA Guidelines Section 15269(c), because it is necessary to mitigate an emergency. Pursuant to CEQA, a Notice of Exemption and a Notice of Determination were filed with the County of Alameda in June 2002.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02305
BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD
SEP 17 2002
DATE

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

Budget

This project is included in the Port's Feasibility Analysis. The project schedule and Project Budget Summary are attached. This work is budgeted under CIP Element No. A2.00871.01, and will be funded by Port cash and/or bonds.

Sustainability

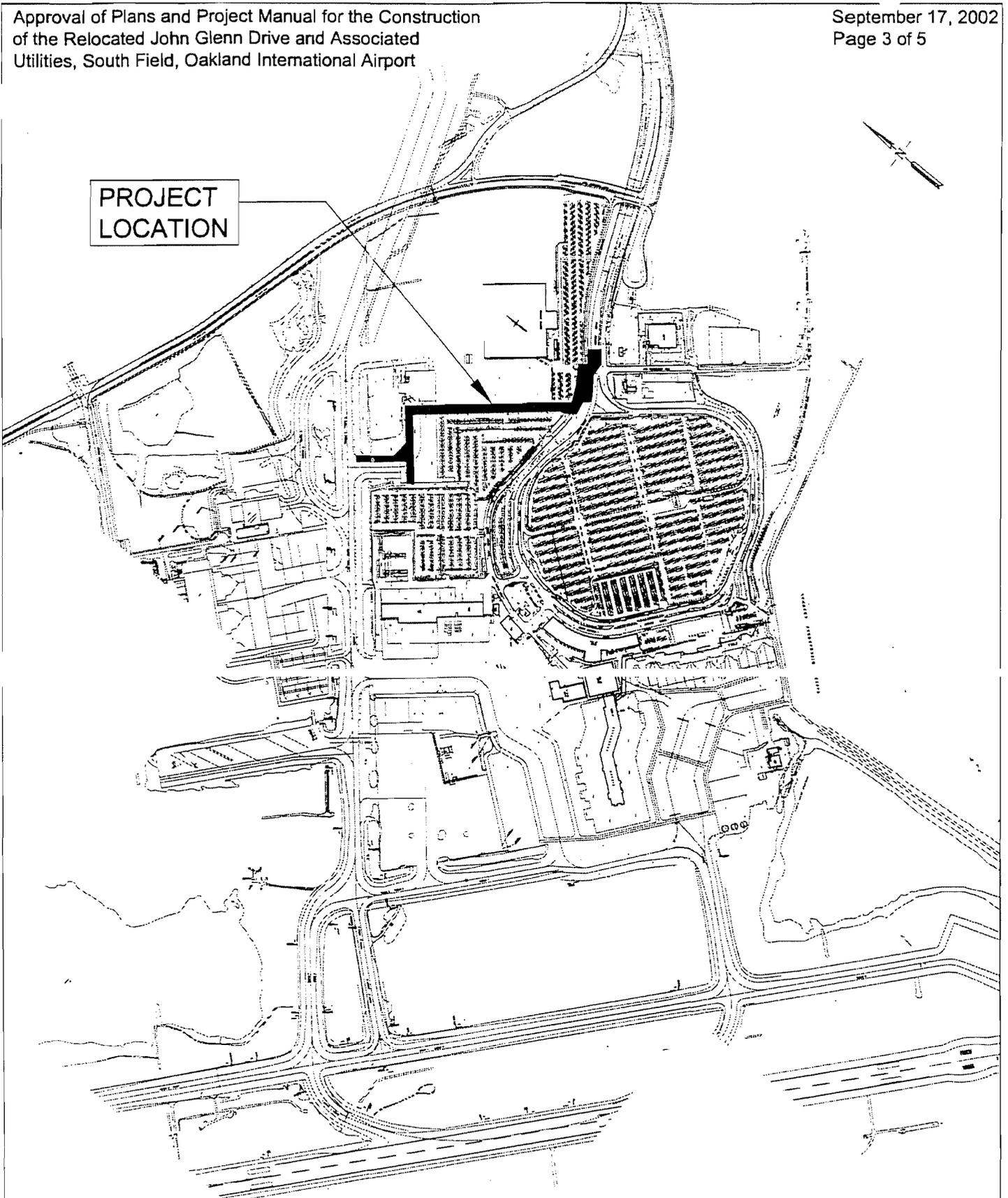
The amount of removal of existing pavement, utility lines, and vegetation will be kept to a minimum. Demolished items will be recycled to the extent possible. Staff will identify opportunities to utilize sustainable resources as described in the Port's Sustainability Policy.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this project.

RECOMMENDATION:

It is recommended that the Plans and Project Manual be approved and authorization be granted to advertise for bids and for the bids to be received on October 23, 2002.



DATE: July 17, 2002

SCALE: NTS

DRAWN: EA

PORT OF OAKLAND

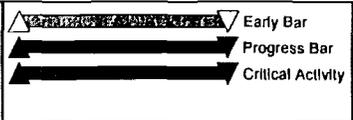
RELOCATED JOHN GLENN DRIVE
Location Map

SHEET 1 OF 1

FILE:

Activity ID	Activity Description	Orig Dur	Rem Dur	%	Early Start	Early Finish	2002												2003			
							J	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR					
Relocated John Glenn Dr. & Associated Utilities							Relocated John Glenn Dr. & Associated Utilities															
8030	Design	65	18	72	28JUN02A	26AUG02	▲ Design															
8120	Board Meeting to approve Advertisement	1	1	0	17SEP02*	17SEP02	▲ Board Meeting to approve Advertisement															
8140	Bid Opening	1	1	0	23OCT02	23OCT02	▲ Bid Opening															
8170	Board Meeting to Approve Contractor Award	1	1	0	05NOV02	05NOV02	▲ Board Meeting to Approve Contractor Award															
8050	John Glenn Relocation & Utilities Construction	86	86	0	04DEC02	03APR03	▲ John Glenn Relocation & Utilities Construction															
8070	Utilities Complete	0	0	0	28FEB03		◆ Utilities Complete															
8080	John Glenn Drive Relocation Complete	0	0	0	04APR03		◆ John Glenn Drive Relocation Complete															

Start Date 13DEC99
 Finish Date 30APR03
 Data Date 01AUG02
 Run Date 18AUG02 14:19



PRV1 Sheet 1 of 1
 Oakland Terminal Expansion Program
 Construction of Relocated John Glenn Drive and
 Associated Utilities

Date	Revision	Checked	Approved

PORT OF OAKLAND
AIRPORT TERMINAL EXPANSION
PROJECT BUDGET SUMMARY

Project Title: Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA.

CIP No. A2.00871.01

WO #

Proposed Funding Sources: Port Cash and/or Bonds

Narrative:

This project will provide roadway access and utilities to the site of the new SWA provisioning building. The new building will be located in an area adjacent to Taxiway B at the South Field. The proposed location is currently a paved area that serves both aircraft and vehicular parking.

The work consists of constructing a roadway and installing utilities for the new building. The roadway work includes applying a coat of slurry seal on a portion of the existing economy parking lot and striping it to roadway standards. The utility work includes installing water, sanitary sewer, storm drain, electrical and telecommunication lines and connections to the proposed building site.

The new provisioning building is not part of this project. Southwest Airlines will provide for the design and construction of the new building.

Budget: This work is budgeted under CIP element number A2.00871.01 and will be funded by Port cash and /or bonds. Budgeted costs are summarized below.

Cost Category	(\$1,000)
Port Labor	12
Port Overhead	20
Consultants	368
Construction	1,600
Misc/Other	32
Total Project	2,032

Agenda Sheet

DATE: September 17, 2002

^{TD}
SUBJECT: Authorization to Accept Federal Administration (FAA)
Grant Offers (AIP-28 and AIP-29)

ITEM NO: 14

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Airport Improvement Program (AIP) was established by the Airport and Airway Improvement Act of 1982, and amended by the Airport and Airway Safety and Capacity Expansion Act of 1987. Under this program, which is administered by the Federal Aviation Administration (FAA), grants are made to public agencies and, in some cases, private owners or entities, for the planning and development of public-use airports. The FAA provides two funding sources to support the AIP: 1) entitlement funds; and, 2) discretionary funds. Entitlement funds are allocated annually based on the number of enplaning passengers and air cargo traffic units per airport; discretionary funds are made available above and beyond the entitlement funding levels for certain projects that the FAA regards as high priority in nature, principally involving improvements to airfield capacity and safety. The FAA notified the Port that approximately \$5.5 million in discretionary funds were available to the Port under the AIP for federal fiscal year 2002 (10/01/01-09/30/02).

On April 24, 2001, the Board approved the submittal of an AIP grant application to the FAA to fund the Sound Insulation Program.

On September 3, 2002, the Board ratified the submittal of the grant application to the FAA and authorized the Executive Director to accept the FAA's Grant Offer (AIP-29). The FAA notified the Port that approximately \$2.9 million additional discretionary funds might be available to the Port under the AIP-29 for federal fiscal year 2002. Therefore, a supplemental application to fund an additional project, Reconstruction of Apron at Hangars 7 and 8, was submitted by Port staff to the FAA.

ANALYSIS:

The total estimated cost of the Sound Insulation Program in Alameda (Phases III, IV, and V) is \$7,583,400. The FAA intends to offer a Grant Offer (AIP-28) in the amount of \$5,500,000 of the discretionary funds for federal fiscal year 2002 to fund the Sound Insulation Program (Phases III, IV, and V).

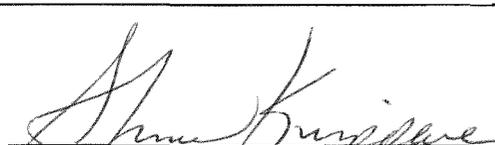
A basic condition of the Grant Agreement requires that the Board have knowledge of its content. The FAA has provided a draft copy of the Grant Offer and has stated that the terms and conditions are identical to AIP-26, which was accepted by the Board on September 20, 2001. It is anticipated that the FAA will release the final offer prior to September 30, 2002. The Manager of the FAA's Airports District Office has indicated to the Port staff that it would be acceptable to the FAA if the Board were to accept the Grant Offer based upon the draft provided.

The following shows the total proposed funding under AIP-28:

Project	Estimated Total Project Cost	FAA Share	Port Share (PFC)
Sound Insulation Program (Phases III, IV, and V)	\$7,583,400	\$5,500,000	\$2,083,400

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02306

BOARD ACTION TAKEN Assistant  SECRETARY OF THE BOARD

SEP 17 2002

DATE

The following shows the proposed additional funding under AIP-29:

Project	Estimated Total Project Cost	FAA Share	Port Share (Future AIP and PFC)
Reconstruction of Apron at Hangars 7 and 8, North Field, OIA	\$11,253,000	\$2,929,564	\$8,323,436

Environmental

Sound Insulation Program

On September 5, 2000, the Board of Port Commissioners adopted Resolution 20338 approving plans and specifications for the project. On September 11, 2000, the Port filed a categorical exemption at the Recorder's Office, County of Alameda. The statute of limitations has expired. No further action is required by the California Environmental Quality Act (CEQA).

Reconstruction of Apron at Hangars 7 and 8

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15301, Class 1 (a, c, d, and f) and Section 15302, Class 2 (b and c).

General Plan

Pursuant to Section 727 of the City Charter, this project has been determined to conform to the transportation designation for the sites in the Oakland General Plan.

Budget

Sound Insulation Program

This work is included in the CIP Item No. AA.03291.02. The funding sources are Airport Improvement Program (AIP) and Passenger Facility Charges (PFC).

Reconstruction of Apron at Hangars 7 and 8

The funding sources are AIP and PFC.

Sustainability

In conformance with the Port's Sustainability Policy implemented in November 2000, the contractor(s) doing construction work under this grant will separate salvageable construction materials and debris for reuse or sale.

Project Labor Agreement

The President's Executive Order prohibits requiring a Project Labor Agreement on federally funded work, but allows the involved Federal agency to grant a waiver from that order. The Port has requested such a waiver from the FAA. If the request for a waiver is granted, the provisions of the Maritime and Aviation Project Labor Agreement will apply to this work.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to accept the Federal Aviation Administration (FAA)'s Grant Offer AIP-28 when finally released, based upon the terms and conditions contained in the draft offer. It is further recommended that the Board authorize the Executive Director to accept the FAA's Grant Offer AIP-29 with the additional funding of \$2,929,564 if it becomes available.

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 15

SUBJECT: Retention of Consultants to Prepare Aviation Operational Analyses for the Environmental Documentation for the Airport Development Program

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In response to a State Court of Appeals ruling, the Port is completing a second Supplemental Environmental Impact Report (SEIR) for the Port's Airport Development Program (ADP). The SEIR will address the Court's direction to supplement the technical analyses of toxic air contaminant emissions and related health and environmental risks; nighttime aircraft noise, and potential impacts on the burrowing owl population at Oakland International Airport.

ANALYSIS:

The SEIR's toxic air contaminant and single-event nighttime noise analyses continue to be unprecedented for airports--the environmental science required to complete the work is still in the developmental stage and has yet to be reviewed or sanctioned by any panel of the California Court of Appeals. As such, the second ADP SEIR team continues to refine the scope of the SEIR analyses based on preliminary findings and legal negotiations. Also, the Port, with assistance from the consultants, will have to negotiate and deliberate with regulatory agencies on the scope and content of the analyses.

During the initial phase of the ADP SEIR work effort, it became apparent that obtaining toxic air contaminant data from mobile sources associated with airport activities was highly technical and required a rigorous amount of analysis to obtain accurate numbers. Therefore, it has required a more detailed level of airfield and vehicle operational analysis than originally anticipated.

Consequently, in order to proceed with the Health Risk Assessment (HRA) for the second SEIR, additional analysis will be required to model the airfield operational scenarios for the project, the no project, and the project alternatives. These analyses are critical to the completion of the overall SEIR and need to be expedited. Therefore in order to proceed with this work in a timely manner, it is recommended that two consulting firms with expertise in airspace modeling (ATAC) and operational forecasting (LPA Group) be retained to perform these analyses. These firms were chosen because they are the only qualified firms with this level of expertise and understanding of OAK.

It is, therefore, requested that the Port contract separately with two additional technical consultants, ATAC (airspace modeling) and the LPA Group (operational forecasting), to provide the necessary inputs for the SEIR HRA analysis.

Based on the above, Port staff recommends entering into two separate contracts with ATAC, and the LPA Group to provide additional services in support of the airport noise and air toxic contaminants analyses.

02308-Atac Inc.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02-307 LPA Group

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

SEP 17 2002

DATE

Assistant

Sustainability

The recommendation to hire these consultants is consistent with the Port's Sustainability Policy, as it will ensure the most efficient use of valuable Port funds and resources.

Budget

Description	Proposed Maximum Compensation	20% by Executive Director	Aggregate Subtotals
ATAC	\$110,000	\$22,000	\$132,000
LPA Group	\$110,000	\$22,000	\$132,000
Total Proposed Maximum Compensation			\$264,000

The SEIR effort is budgeted under CIP element A2.00686.02.

It should be noted that within the current regulatory and legal climate, the average cost for an environmental impact report on an airport development project within the United States has been \$5-10 Million.

RECOMMENDATION:

- 1) It is recommended that the Board determine that the services by ATAC are professional and authorize the preparation and execution of a Professional Services Agreement with ATAC for airspace modeling consulting services, for a maximum compensation of \$110,000. It is further recommended that the Board authorize an additional \$22,000 for additional as needed services from ATAC subject to the approval of the Executive Director.
- 2) It is also recommended that the Board determine that the services by the LPA Group are professional and authorize the preparation and execution of a Professional Services Agreement with the LPA Group for operational forecasting services for a maximum compensation of \$110,000. It is further recommended that the Board authorize an additional \$22,000 for additional as needed services from the LPA Group subject to the approval of the Executive Director.

The maximum possible allowable compensation for both consultant contracts is \$264,000.

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 16

SUBJECT: Approval and Authorization of Execution of Agreement indemnifying the City of Alameda In Connection With the Port's 75th Anniversary Airshow.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland's celebration of its 75th Anniversary will include an airshow. It has been determined that parking and busing of Airshow attendees will require encroachment on a portion of Harbor Bay Parkway in the City of Alameda. Port staff has applied for a standard encroachment permit from the City of Alameda. One of Alameda's standard encroachment conditions is indemnity of the City of Alameda against claims arising out of the encroachment.

ANALYSIS:

The encroachment permit is necessary to provide adequate parking and busing of Airshow attendees. The form of indemnity agreement is a standard agreement for such encroachment.

OPTIONS:

1. Disapprove the proposed indemnity agreement with the City of Alameda and eliminate a necessary portion of the Airshow parking and busing plan.
2. Approve the proposed encroachment indemnity agreement with the City of Alameda.

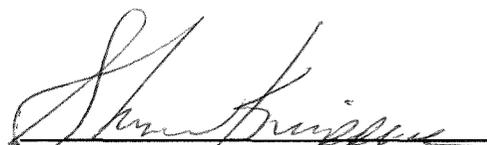
RECOMMENDATION:

It is recommended that the Board adopt a resolution approving the indemnity agreement as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02309
BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

SEP 17 2002
DATE

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 17

SUBJECT: Approval to purchase Special Events Insurance for Oakland International Airport 75th Anniversary Air Show

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SJG*

EXECUTIVE OFFICE RECOMMENDATION: *RP*

FACTUAL BACKGROUND

On July 16, 2002 the Board authorized the Aviation Division to put on an air show to celebrate the Airport's 75th anniversary. The Board approved a total cost not to exceed \$140,000 for this event. The Port has not sponsored an air show since 1987 when the airport celebrated its 60th anniversary. When the budget was estimated, the promoter, Gordon Bowman-Jones did not accurately estimate the costs of insuring the event. Airport insurers will not insure air shows without charging significant additional premiums for the increased risks. The events of September 11, 2001 have resulted in a deterioration in the availability of all aviation related insurance policies and an overall increase in premiums.

We have received an indication from two insurers for a Special Events Policy with a limit of liability of \$50,000,000. The Airport's General Liability insurer, Associated Aviation Underwriters (AAU) is requiring the \$50,000,000 primary special events policy and will provide their \$200,000,000 Limit in excess of the primary policy for an additional premium of \$5,000.

We have received indications from two insurers, ACE and Houston Casualty for the \$50,000,000 policy. We will continue to negotiate with the insurers to further reduce this premium. But, we are asking the Board to revise the approved budget to include an additional cost not to exceed \$ 55,000 for the Special Events Policy and the endorsement of excess coverage on the AAU policy.

RECOMMENDATION

It is recommended that the Board approve a revised budget for the September 27-29, 2002 Oakland International 75th Anniversary Air show to a total not to exceed \$195,000. Under AT00-3072.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02310

Shirley Kuyper
Assistant SECRETARY OF THE BOARD

SEP 17 2002
DATE

BOARD ACTION TAKEN

Board of Port Commissioners - PORT OF OAKLAND
Agenda Sheet

Date: September 17, 2002

SUBJECT: ACCEPTING A REVISED FEDERAL AVIATION
ADMINISTRATION GRANT OFFERS UNDER
THE AIRPORT IMPROVEMENT PROGRAM.

Item No. 18

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

At the September 3rd Board Meeting, the Board approved execution of a FAA Grant Offer for AIP discretionary funds in the approximate amount of \$9 million. These funds covered only two projects, although the Port had requested additional projects. The FAA notified the Port that it will approve AIP funds for a third project requested by the Port. There will be no increase in funds but the Port may use the AIP grant on its preferred projects. The federal fiscal year ends September 30, 2002, and the Port must execute the revised FAA Grant Offer, which will include the third project, prior to the end of the fiscal year. There is no other Board meeting prior to that date.

RECOMMENDATION:

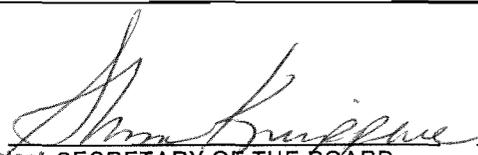
This is an item that appropriately arises under California Government Code Section 54954.2(b), subsection (2), which permits the Board to now vote that there is a need to take immediate action and that the need for action came to the attention of the Board. It is recommended that the Board authorize execution of the revised FAA Grant Offer to include this project, which is advantages to the Port.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02311

BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

SEP 17 2002

DATE

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 22

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

TD

SUBJECT: Ratification of Change Order to Contract for Construction of Berthing Facilities for Former U. S. S. Potomac and Lightship Relief, Jack London Square, Oakland, California – Raise Grade and Remove Obstruction.

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *fp*

FACTUAL BACKGROUND:

The Port of Oakland has a Contract with Seaworks, Inc. for CONSTRUCTION OF BERTHING FACILITIES FOR FORMER U. S. S. POTOMAC AND LIGHTSHIP RELIEF, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, Federal Project No. STPLE 6057(003), which became effective on December 10, 2001, at lump sum and unit prices totaling \$739,000.00. The work consists of removing and rehabilitating the existing Potomac float, installing an ADA compliant gangplank, providing new power for the Potomac and the Lightship Relief and providing landside improvements for public access.

ANALYSIS:

During the course of preparing the landside public access area adjacent to the Lightship Relief's berth, the grade was too low to drain properly. The subbase under the paver sand needed to be raised between 2" and 6". This was accomplished by placing, grading and compacting a layer of chip rock. Additionally, while trenching for the specified waterline, an unanticipated underground concrete obstruction was encountered. The concrete needed to be removed.

Both remedies were discussed and approved by Commercial Real Estate and Engineering Design. A change order was then issued to the contractor in order to expedite the project.

This Contract change, amounting to \$10,128.46, will raise the total of all change orders to \$80,431.35, which exceeds the 10% allowance for staff-approved change orders provided by Ordinance 1606.

BUDGET:

The total of all change orders, \$80,431.35, will bring the final project total cost to \$819,431.35. The work is budgeted under CIP Element No. P1.00469.03. The Federal funding approved for this project is through the State Transportation Improvement Program (STIP) which receives funds from the Transportation Equity Act for the 21st Century (TEA-21).

OPTIONS:

Option for low grade problem:

1. Leave grade low. This would have resulted in ponding on the site.
2. Install storm drain inlet and pipes. This option would have been more expensive than raising the grades.
3. Raise the site grades to provide for surface drainage.

Options for addressing the unforeseen underground concrete:

1. Reroute the waterline around the obstruction. This would have been more expensive than removing the obstruction.
2. Remove the obstruction.

RECOMMENDATION:

It is recommended that the Board ratify this change order to the Contract for \$10, 128.46, as described above.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02312

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

SEP 17 2002

DATE

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Termination of Terminal Use Agreements for China Ocean Shipping Group Company and Italia di Navigazione-Societa per Azione at Howard Terminal

SUBMITTED BY: Jerry A. Bridges *see for*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

BACKGROUND

SSA Terminals, LLC ("SSAT") currently provides container terminal operating and stevedoring services at Berths 67-68, Howard Terminal, under a Management Agreement entered into with the Port on April 15, 1997. The termination date of the Management Agreement is June 30, 2007. Currently, China Ocean Shipping Group ("COSCO"), Italia di Navigazione-Societa per Azione ("Italia") and the CMA-CGM/Norasia joint service vessels are the shipping lines that call at Howard Terminal on a regular scheduled basis. COSCO and Italia are assigned users under Terminal Use Agreements ("TUAs") with the Port for their operations at Howard Terminal. COSCO and Italia's TUAs are currently scheduled to terminate on April 30, 2004 and September 30, 2004, respectively. CMA-CGM/Norasia is considered a Non-TUA User under the terms of SSAT's Management Agreement.

ANALYSIS AND IMPACT

The Board authorized the First Amended and Restated SSAT Non-Exclusive Preferential Assignment Agreement on April 2, 2002 for Berths 57-59 ("SSA Terminal"). The new Agreement provides that SSAT may terminate the April 15, 1997 Management Agreement and surrender possession of Howard Terminal to the Port not later than six months after the term commencement date of the Berths 57-59 Agreement. It is also a requirement and a condition of the termination of the Management Agreement, unless waived at the election of the Port in writing to SSAT, that the TUA users terminate their Agreements at Howard Terminal. SSAT is solely responsible for assuring that any Non-TUA Line cease use of Howard Terminal upon termination of the Management Agreement.

The Port also agreed to cooperate in the effort to relocate and terminate TUA users at Howard Terminal. We are, therefore, requesting authorization to terminate both the COSCO and Italia TUA. It is proposed that the term of the COSCO and Italia TUAs terminate upon the later of: (1) the effective date of the new termination Agreement with the Port for which we seek authority, and (2) the Term Commencement Date in the SSAT Berths 57-59 Agreement but in no event later than the presently scheduled termination date. In addition, all user obligations for COSCO and Italia under their TUA that are calculated on a monthly or annual basis will be prorated based on the termination date of their TUA. The TUAs now provide that in the event that a TUA User will not agree to enter into an agreement with the Port to terminate its TUA, the Port may transfer the TUA to another terminal.

The proposed revisions to the Terminal Use Agreements are categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises of licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABLE OPPORTUNITIES

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

LIVING WAGE

The above proposed action has no impact relating to Measure I.

RECOMMENDATION

It is recommended that the Board pass a resolution that approves and authorizes the termination of the COSCO and Italia Terminal Use Agreements at Howard Terminal, as outlined above and, in the event that a user does not agree to the termination, the relocation of the User's TUA to Berths 57-59 and appropriate amendments to SSAT's Berths 57-59 Agreement with the Port.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02313

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

[Signature]

SEP 17 2002

DATE

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Authorization to Dispense with Standard Bidding Procedures for the Construction of Port Field Support Services Complex, Inner Harbor

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In preparation for future expansion of Maritime activities, the Port has signed an agreement with Stevedoring Services of America Terminals (SSAT) to operate Berths 57-59, which will include the demolition of all or part of Building D-833 to make way for a new terminal entrance and Administrative Complex. The signed agreement includes a clause for the new terminal entrance and Administrative Complex to be available for occupation by January 2004. As a result, the Port's Harbor Facilities and Construction Departments, including the vehicle maintenance and administrative functions that are currently located in Building D-833, will need to be relocated to a new Port Field Support Services Complex (PFSSC) to be constructed at the site previously occupied by Buildings C-401, C-406, and C-407.

By Resolution No. 02149, dated May 21, 2002, the Board found it to be in the best interests of the Port to dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute a contract for the demolition of the Building C-401 office area and Buildings C-406 and C-407; and miscellaneous site preparation activities based on receipt of quotations from selected contractors. This demolition work should be completed by October 2002.

By Resolution No. 02113, dated April 16, 2002, the Board authorized an agreement with Michael Willis and Associates to design the PFSSC project. The design plans and the project manual should be completed by November 2002.

The new PFSSC would house administrative, survey, and construction management staff, and general storage, crane spare parts storage, fleet services, welding, diving, fire prevention, electrical, marina maintenance, carpentry, paving and roofing, painting, gardening, and custodial activities. A portion of the site would consist of parking, outdoor storage, and work staging areas.

In order to meet the deadline for construction of SSAT's new Administrative Complex, the PFSSC project needs to be completed by December 2003.

Under standard bidding procedures, the length of time involved in selecting a contractor is typically greater than 3 months and would postpone the construction schedule and ultimately the date that the D-833 area can be turned over to SSAT's operations. Delays to the terminal would impact revenues.

It is believed to be in the best interests of the Port to dispense with standard bidding procedures and solicit proposals for the work. Proposals will be solicited from contractors who had bid on prior Port building and site improvements projects, and from any other qualified contractor. Port staff will interview and select up to three contractors based on qualifications and past experience. These three contractors will each be given a complete set of plans and project manual in November 2002 so they can prepare and submit bids for the work. The construction contract will then be awarded to the contractor with the lowest responsible responsive bid. Staff will communicate to the Board the results of the selection process in the form of an off-calendar letter, prior to executing a contract for the work.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

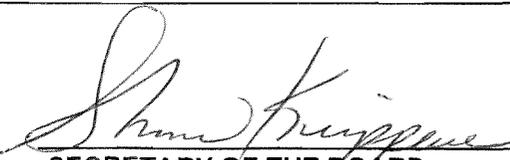
Approved by Resolution

No.

02314

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

SEP 17 2002

DATE

Environmental

California Environmental Quality Act (CEQA)

The project site is an active remediation site. Per California Environmental Quality Act (CEQA) Guidelines Section 15300.2, a categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code; active remediation sites under the oversight of the Alameda County Department of Environmental Health (ACDEH), such as the project site, are included on the list referenced in this section. An Initial Study prepared in accordance with the CEQA Guidelines, which assesses the potential environmental impacts of the project, was therefore required, and has been prepared, for the proposed project to determine if the project would have any significant environmental impacts. The Initial Study did not identify any impacts that would be associated with the proposed project that would not be addressed by the project design, measures employed during construction, existing regulations, and best management practices employed during and after construction. No potentially significant impacts were identified, and no mitigation measures were required. Consequently, the Port determined that an Environmental Impact Report was not required, and issued a draft Negative Declaration.

The Draft Initial Study/Negative Declaration (Draft IS/ND) was circulated for public review for 30 days, starting August 5, 2002, and ending September 3, 2002. (Copies of the Draft IS/ND are available in the office of the Secretary of the Board). As of the date of preparation of this Agenda Sheet, the Port has not received any public comments on the Draft IS/ND. The Port does not anticipate that any comments requiring significant revision of the Draft IS/ND will be received during the public review period. If the Port does not receive any comments during the public review period, then the Draft IS/ND will constitute the final complete version of the CEQA environmental review document for the project, and will confirm that there is no substantial evidence to show that the project will have a significant effect on the environment. The project is consistent with CEQA and with the Port's CEQA Guidelines.

Environmental Findings (Mandatory Findings of Significance per CEQA)

The project does not have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of an endangered, rare or threatened species, or eliminate important examples of the major periods of California history or prehistory.

The project does not have the potential to achieve short-term goals to the disadvantage of long-term environmental goals.

The project has no possible environmental effects, which are individually limited but cumulatively considerable. "Cumulatively Considerable" means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects as defined in Section 15130 of the California Environmental Quality Act Guidelines.

The project would have no environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly.

General Plan

As part of the preparation of the Draft IS/ND, the project has been determined to conform to the land use designation for the project in the City of Oakland Comprehensive Plan (Land Use and Transportation Element). The City of Oakland Community and Economic Development Department has not disputed this determination.

Sustainability

This project involves a number of sustainable elements, including the redevelopment (and associated remediation) of a contaminated site, the beneficial re-use of dredged material as a part of site grading activities, sustainable site and building design, demolition and excavation material re-use, and a reduction in traffic due to the consolidation of facilities represented by the project. The project may also incorporate other sustainable elements during and after construction, such as the utilization of site furnishings that are manufactured from recycled materials.

Budget

This work is budgeted under CIP Element No. M1.00401.01. Construction cost for the project is estimated to be between \$14 and \$16 million. The funding source is Port bonds. The project Schedule and Project Budget Summary are attached.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

OPTIONS:

Adopt the Initial Study/Negative Declaration and the Environmental Findings for the Port Field Support Services Complex project.

Do not adopt the Initial Study/Negative Declaration and the Environmental Findings for the Port Field Support Services Complex project.

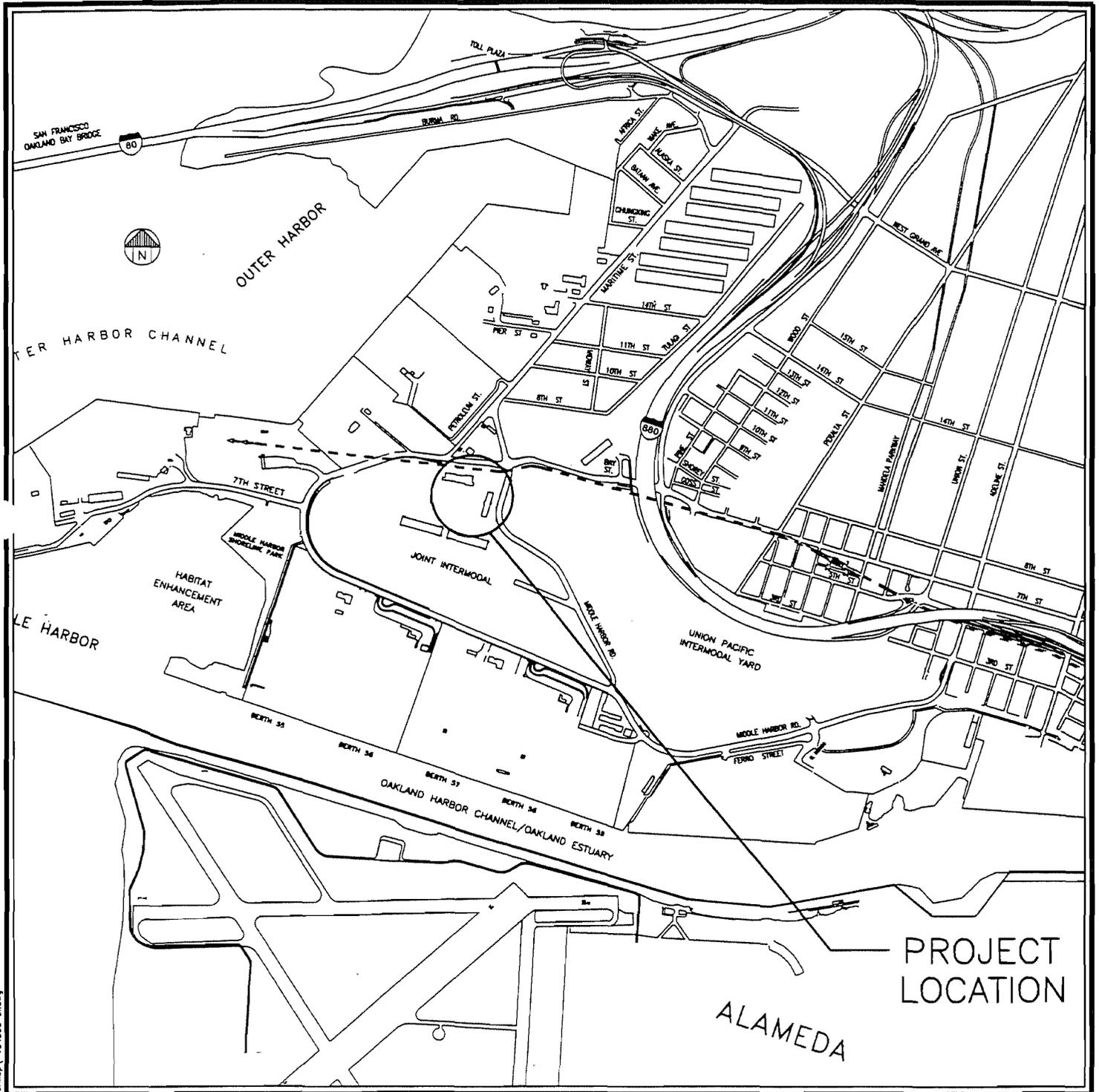
Dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute a contract for the Construction of Port Services Complex, Inner Harbor based Field Support, on receipt of quotations from selected contractors.

Do not dispense with standard bidding procedures, allow additional 4 months for construction of PFSSC project, and delay transfer of the D-833 area to SSAT.

RECOMMENDATION:

It is recommended that the Board:

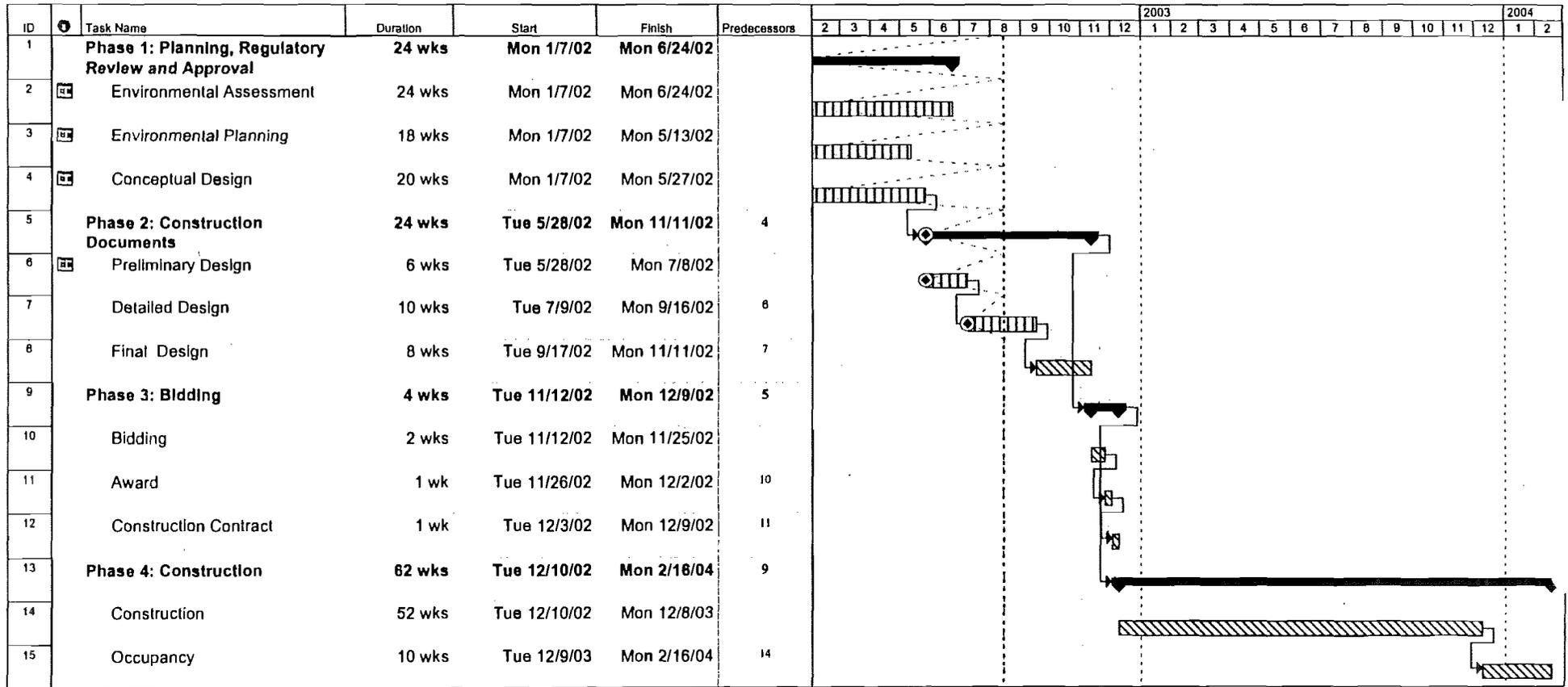
1. Certify that it has considered the Initial Study/Negative Declaration for the Port Field Support Services Complex project;
2. Adopt the Initial Study/Negative Declaration for the Port Field Support Services Complex project, and the environmental findings for the project, on the basis of the whole of the record; and
3. Find it to be in the best interests of the Port to dispense with standard bidding procedures, authorize the Executive Director to negotiate and execute a contract for the Construction of Port Field Support Services Complex based on receipt of quotations from selected contractors.



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PORT OF OAKLAND



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

September 4, 2002

PROJECT TITLE: Design and Construction of Port Harbor Facilities Maintenance Complex

CIP NO: M1.00401.01

W.O. #: 104407

PROPOSED FUNDING SOURCES: Port cash, Liability Account Funds

Narrative: The Design and Construction of Port Harbor Facilities Maintenance Complex is being tracked under work order # 104407. The work consists of construction of a replacement Maintenance Facility and required sitework.

Budget: This project is accounted for under CIP Element # M1.00401.01. The project budget is estimated not to exceed \$19,000,000.0 and is summarized in Table 1 below.

Table 1: Overall Budget Summary for CIP Element M1.00401.01 (in 1,000's)

Project Components	Port Labor Fringe & O/H	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	Allow. & Contrib	Tenant Const. Costs	Totals
Project Design and Construction	2,800	2,500	14,000*	0	100	500	0	19,900
Site Env. Clean-up			(1,000)**					(1,000)
Total =	2,800	2,500	13,000	0	100	500	0	18,900

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.
2. Refer to WMS report by Work Order for direct cost data.
3. OCIP budget not shown (per S. Blinn).

* Total Construction Cost including env. clean-up.

** Credit from Legal Liability Account for env. clean-up cost.

Agenda Sheet

SUBJECT: Authorization to Dispense with Standard Bidding Procedures and to Include Construction of 7th Street Bay Trail Spur Connection to Middle Harbor Shoreline Park, Phase 1, Vision 2000, in the Port's Small Business Program

DATE: September 17, 2002

ITEM NO: 33

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The construction of this bicycle pathway is funded by a grant given by Bay Trail as authorized by the State Coastal Conservancy Board and in-kind contributions from the City of Oakland and the Port of Oakland. The work consists of signing, striping, concrete paving, curb and gutter construction, lighting improvements, painting, reprogramming of traffic signals and other miscellaneous work.

The project is located on 7th Street, with the project limits being from Wood Street to Maritime Street.

ANALYSIS:

This project is suitable for inclusion in the Port's Small Business Program. This program allows small local businesses to attain experience in public works projects and will eventually create a larger pool of qualified local contractors that can perform Port and other public works projects in the area.

It is recommended that the Port dispense with standard bidding procedures and engage in an outreach program by initially soliciting proposals only from qualified small contractors. If no acceptable bids are received, the Port will allow all qualified contractors to submit bids.

Environmental

This project is considered Categorical Exempt from the California Environmental Quality Act per Section 15301-Existing Facilities Class 1c and Section 15304 Minor Alterations to Land Class 4h.

General Plan

Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 program and this particular project conform to the policies of the City of Oakland General Plan.

Budget

On April 24, 2001, the Board of Port Commissioners authorized the Port to apply for and accept a \$100,000 grant from the San Francisco Bay Trail Regional Development Program for the construction of this project. Upon approval of this Board item, and filing of the Categorical Exemption form with the Alameda County Clerk, the funds will be available for use by the Port.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02315

BOARD ACTION TAKEN

Shawn Kruppel

Assistant SECRETARY OF THE BOARD

SEP 17 2002

DATE

Sustainability

The 7th Street bicycle trail project is consistent with the Port's sustainable development strategy. The Port's Vision 2000 Maritime Development Program's EIR addresses the general work practices that will endeavor to minimize waste, as much as is practicable, through recycling packaging materials to reduce quantities intended for landfills. The 7th Street bicycle trail project incorporates the Port's ongoing program to divert construction and demolition debris from landfills.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply to this work. However, if an acceptable bid is received from a qualified small contractor, that contractor may wish to exercise the exemption provisions in the MAPLA for small contractors.

RECOMMENDATION:

It is recommended the construction of the 7th Street Bay Trail Spur Connection be included in the Port's small Business Program with the described MAPLA exclusions, and that the Board dispense with standard bidding procedures. It is further recommended that the Executive Director be authorized to execute a contract for this work with a small local contractor who submits an acceptable bid and if no acceptable bids are received from small contractors, the Executive Director may execute a contract with any contractor based on informal bids.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

August 27, 2002

PROJECT TITLE: Construction of 7th Street Bay Trail Spur Connection to Middle Harbor Shoreline Park, Phase 1, Vision 2000, Oakland, California

SUBJECT: Authorization to Dispense with Standard Bidding Procedures and to include Construction of 7th Street Bay Trail Spur Connection to Middle harbor Shoreline Park, Phase 1, Vision 2000 in the Port's Small Business Program

CIP NO: M6.00547.04

W.O. #'s: 104305

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of 7th Street Bay Trail Spur Connection to Middle Harbor Shoreline Park, Phase 1, Vision 2000 Program is tracked under work order # 104305.

Budget: This project is included in the CIP Element # M6.00547.04 budget which is summarized in Table 1 below with the project estimates shown under the Element budget.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00547.04.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00547.04	16 (16)	28 (28)	250 (141)							294 (185)
Total =	16	28	250							294

Remarks:

1. The San Francisco Bay Trail Regional Development Program will provide a \$100,000 grant for the construction of this project. The Port will fund the remaining construction cost with budget already included in Project Element M6.00547.04.

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
SUBJECT: Transport Trucks and Aqueous Diesel Demonstration Project

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

In April 1999, the Board of Port Commissioners certified the Berths 55-58 Environmental Impact Report and adopted the Vision 2000 Mitigation Monitoring and Reporting Program (Resolution 99154). The program includes two measures to reduce air emissions from transport trucks serving the Port. One of the measures calls for a demonstration project to install add-on exhaust treatment devices on transport trucks (Measure 3.3-3/M1).

Since the Board adopted this measure, Port staff researched technological advances in emissions control technologies and found that combining exhaust treatment devices with a new blend of diesel fuel, known as "aqueous diesel" (or "water-blended fuel"), may be even more effective at reducing emissions than would using the treatment devices alone.

In December 2000, the Port invited trucking companies to participate in the demonstration project, and subsequently selected Quintero Trucking Company (Quintero), which is located in West Oakland. In October 2001, the Port submitted a grant application via the Bay Area Air Quality Management District (BAAQMD) to the California Air Resources Board (CARB) to partially fund the demonstration project. The CARB approved the application for \$57,600 in December 2001.

In the last six months, the Port has encountered logistical and permitting hurdles while trying to install a fueling infrastructure at the Quintero yard. The Quintero trucks do not currently fuel onsite. Installing a new system at the yard or a neighboring diesel station would significantly delay this project. As a result, Port staff approached CSX Lines to partner with the Port on this project. CSX Lines is located on Maritime Street alongside the Maersk terminal, and is already equipped to fuel its trucks onsite.

Under the demonstration project, the Port and CSX Lines would conduct a side-by-side comparison of emissions from trucks that are: (1) running on aqueous diesel, (2) equipped with emissions control devices, and are running on aqueous diesel, and (3) running on standard diesel with no emissions control devices. It has been estimated that trucks that are equipped with emissions control devices and are running on aqueous diesel will reduce emissions of particulate matter by at least 50 percent, and reduce emissions of nitrogen oxides (NOx) by at least 30 percent. The demonstration project is designed to evaluate many factors, including emissions, cost, engine wear, and driver satisfaction.

Partners in this project include the BAAQMD, California Air Resources Board, CSX Lines, Lubrizol Corporation (the fuel technology developer), and Ramos Oil Company (the fuel distributor).

ANALYSIS:

Environmental

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) (the "general rule" exemption). This is a short-term demonstration project specifically designed to achieve air quality benefits.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02316

BOARD ACTION TAKEN

Assistant

Sharon K. [Signature]
SECRETARY OF THE BOARD

SEP 17 2002

DATE

Budget

The total budget for this project is \$147,600. Of this amount, the Board approved \$90,000 as part of the Vision 2000 Mitigation Monitoring and Reporting Program (Resolution 99154). The remaining project amount of \$57,600 will be provided by the abovementioned grant from the BAAQMD.

Sustainability

This project is specifically designed to reduce air emissions from transport trucks, which would provide worker, community, and environmental benefits.

OPTIONS:

1. Approve grant agreements with the BAAQMD and CSX Lines, and proceed with the demonstration project as designed.
2. Decline the BAAQMD grant and test only the exhaust treatment devices (not aqueous diesel).
3. Delay or abandon this demonstration project, and search for an alternative emissions control strategy.

RECOMMENDATION:

It is recommended that the Board:

1. Authorize the Executive Director to execute an Alternative Diesel Fuel Grant Agreement with the Bay Area Air Quality Management District to receive funding for the demonstration project, and
2. Authorize the Executive Director to execute a grant agreement with CSX Lines to reimburse the company for its costs associated with the demonstration project.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 35

SUBJECT: Recommendation to Pass a Resolution Approving and Authorizing Execution of a Memorandum of Agreement Regarding Oakland Army Base ("MOA")

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: TAY YOSHITANI
EXECUTIVE OFFICE RECOMMENDATION:

It is recommended that the Board of Port Commissioners ("Board") pass a resolution at the September 17, 2002, Board meeting: (1) Adopting findings concerning significant environmental effects of the Port's reuse of Oakland Army Base, mitigation measures, a mitigation monitoring and reporting program, and a statement of overriding considerations for unavoidable adverse impacts; (2) Approving and authorizing the Executive Director to negotiate and execute a Memorandum of Agreement ("MOA") with the Oakland Base Reuse Authority ("OBRA"), the Oakland Redevelopment Agency ("ORA") and the City of Oakland regarding Oakland Army Base; and (3) Approving and authorizing the Executive Director, after approval by the City Council and the governing bodies of OBRA and ORA of a Term Sheet substantially in accordance with the attached Term Sheet, to place in escrow a quitclaim of the Port's right under a previous agreement with the Army to acquire certain portions of the Oakland Army Base comprised of Maritime Street and areas westerly thereof. The MOA would be generally consistent with the attached September 13 Term Sheet.

The proposed California Environmental Quality Act findings and related actions are spelled out in detail in the attached draft of Board resolution.

The major deal points in the proposed MOA between the Port, the City, OBRA and ORA are spelled out in the attached Term Sheet.

In brief, the Army will convey to OBRA approximately 368 acres of the Oakland Army Base when specified conditions are met. The outside date for this to occur has been changed from January 1, 2003 to January 1, 2007. OBRA, in turn, will concurrently convey to the Port about 57 acres of submerged property, and 20 acres of upland property, for the proposed Berth 21 project. OBRA will also deliver to the Port Attorney a deed to the Knight Yard, and to other property east of Maritime Street designated for the Port, totaling approximately 160 acres, to hold for three years and then to record. OBRA will then convey the remainder of the Oakland Army Base to ORA. During the three-year holding period, the City will be entitled to lease out, and to retain the lease revenues from, the property east of Maritime Street, and the Port will be entitled to lease out, and to retain the lease revenues from, the property west of Maritime Street which was not already deeded to the Port.

There is an anticipated gap of approximately \$11.2 million between the \$13 million of Army funding for environmental remediation and the point at which cost cap environmental insurance proceeds become available. The City will fund an aggregate of \$6 million of this gap and the Port will fund the remaining \$5.2 million. If the gap becomes greater, or if the cost of remediation exceeds the \$30 million of insurance proceeds, the parties will fund the increased gap or excess remediation costs in equal shares.

The Port and the City will cooperate in effecting a public trust exchange removing the trust from a portion of the Oakland Army Base designated for the City and imposing it on a portion of the Oakland Army Base designated for the Port. If an exchange meeting certain criteria cannot be effected within three years after Army conveyance, and the Port and City cannot agree on a joint development agreement or amendment reflecting an exchange that does not meet the specified criteria, then the City can "put" the property designated for the City to the Port. The Port will be required to purchase such property at fair market value, as determined by appraisal, and to assume

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

02317

Signature of Assistant Secretary of the Board

SEP 17 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD DATE

Recommendation to Pass a Resolution Approving
and Authorizing Execution of a Memorandum of
Agreement Regarding Oakland Army Base ("MOA")

September 17, 2002

P: 2 of 2

the City's obligations relating to this property. The purchase price may be paid in installments over a term not less than five, nor more than fifteen years, to be determined in the MOA.

It should be noted that representatives of the California State Lands Commission and Attorney General's office have been involved in discussions with the Port, the City, OBRA and ORA over the past several months regarding the terms and conditions of the various proposed transactions involved in the Army's conveyance of the Oakland Army Base and reuse of the Base. The State representatives have been provided copies of the various proposed Term Sheets for the MOA between the Port, the City, OBRA and ORA. The State's interest arises because major portions of the Oakland Army Base, and the Port's funds that will be involved in the various transactions regarding the Base, are subject to the State public trust that applies to former or existing tide and submerged lands and the revenues from such lands. The State public trust applicable to the Oakland Army Base is regulated by the State Legislature and overseen by the State Lands Commission and Attorney General. State representatives have not completed their review of, or approved, the proposed transactions.

RECOMMENDATION:

It is recommended that the Board pass the proposed resolution that is attached to this Agenda Sheet.

DRAFT

RESOLUTION ADOPTING FINDINGS CONCERNING SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE PORT OF OAKLAND'S REUSE OF OAKLAND ARMY BASE ("THE PORT PROJECT"), ADOPTING MITIGATION MEASURES, ADOPTING MITIGATION MONITORING AND REPORTING PROGRAM, ADOPTING STATEMENT OF OVERRIDING CONSIDERATIONS FOR UNAVOIDABLE ADVERSE IMPACTS, AND APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE CITY OF OAKLAND, THE OAKLAND BASE REUSE AUTHORITY AND THE OAKLAND REDEVELOPMENT AGENCY.

WHEREAS, on July 31, 2002, the Planning Commission of the City of Oakland certified the Environmental Impact Report for the Oakland Army Base Redevelopment Plan ("EIR") and no one brought suit to challenge the certification or the adequacy of the EIR; and

WHEREAS, on July 31, 2002, the Oakland Base Reuse Authority ("OBRA") approved the Final Reuse Plan for the Oakland Army Base ("Reuse Plan"); and

WHEREAS, the project described in the EIR (the "Proposed Project") calls for the Oakland Redevelopment Agency ("ORA") to reuse part of the Oakland Army Base property and for the Port of Oakland (the "Port") to reuse the other major portion of the Oakland Army Base property; and

WHEREAS, the Port and OBRA, ORA, and the City of Oakland ("City") are negotiating a Memorandum of Agreement ("MOA") to govern their respective rights and responsibilities regarding reuse of the Oakland Army Base and the Board of Port Commissioners ("Board") is considering authorizing the Port's Executive Director to complete that negotiation and enter into the MOA; and

WHEREAS, the MOA is likely to include a "City Cash-Out Remedy" that, under certain circumstances and at ORA's election, would require the Port to purchase Oakland Army Base and Army Reserve property from ORA (the "ORA Property") without any further discretionary action by the Port; and

WHEREAS, if the Port is required to purchase the ORA property, the Port may implement either the Proposed Project or the

Full Maritime Alternative described in the EIR or a combination thereof; and

WHEREAS, the term "**Port Project,**" as used herein, refers to:

1) the portions of the Proposed Project that would be carried out by the Port if the City Cash-Out Remedy is not exercised; or 2) if ORA elects the City Cash-Out Remedy, Port implementation of either the Proposed Project or the Full Maritime Alternative described in the EIR, or a combination of the Proposed Project and the Full Maritime Alternative, so long as the impacts of the combined project would not exceed the identified impacts of the Proposed Project and would not cause new significant impacts; and

WHEREAS, the EIR names the Port as a responsible agency pursuant to the California Environmental Quality Act ("**CEQA**"); now therefore be it

I. GENERAL FINDINGS AND OVERVIEW

A. Purpose

RESOLVED that the findings and Statement of Overriding Considerations set forth below ("**findings**") are made and adopted by the Board as its findings under CEQA related to the Port Project. The findings provide the written analysis and conclusions of the Board regarding the environmental impacts of the Port Project, mitigation measures, alternatives to the Port Project and the overriding considerations that, in the Board's view, justify approval of the Port Project despite its environmental impacts; and be it

B. Description of Environmental Impact Report

FURTHER RESOLVED that for purposes of the findings, the EIR consists of the three-volume Oakland Army Base Redevelopment Plan Area Environmental Impact Report and all appendices and documents incorporated by reference in the EIR; and be it

C. Record of Proceedings and Custodian of Record

FURTHER RESOLVED that the record upon which the Board's findings and determination are based includes, but is not limited to, the following:

- 1) The EIR;
- 2) The Port's Berths 55-58 Project EIR and the Board Resolution (including the Mitigation Monitoring and Reporting Program) approving that project;
- 3) The Port's Joint Intermodal Terminal EIR and the Board Resolution (including the Mitigation Monitoring and Reporting Program) approving that project;

4) All documents constituting the record pursuant to Public Resources Code section 21167.6;

5) OBRA's Resolution, dated on or about July 31, 2002, approving the Reuse Plan;

6) Oakland City Planning Commission Case File Number ER01-035 (DET01-06), including the EIR certification Staff Report; and

7) All matters of common knowledge to the Board, including, but not limited to, the Port's policies, guidelines and regulations; and be it

FURTHER RESOLVED that the custodian of documents described above constituting the record of proceedings is James McGrath, Manager, Port of Oakland Environmental Planning Department, 530 Water Street, Oakland, California 94607; and be it

D. Consideration of Environmental Impact Report

FURTHER RESOLVED that the Board has considered the EIR, has considered the environmental effects identified in the EIR of those activities that the Port is required to approve or carry out, and has reached its own independent conclusions on whether and how to approve the Port Project; and be it

FURTHER RESOLVED that no change has occurred requiring preparation of a subsequent or supplemental environmental impact report with respect to the Port Project; and be it

E. Severability

FURTHER RESOLVED that if any term, provision or portion of the Board's findings or the application of the same to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of the findings, or the application of same to other situations, shall continue in full force and effect unless amended or modified by the Board; and be it

II. FINDINGS RELATING TO MITIGATION MEASURES, ENVIRONMENTAL IMPACTS AND ALTERNATIVES

A. Findings Relating to Mitigation Measures

1. Adoption of Mitigation Measures.

FURTHER RESOLVED that the Board hereby adopts and incorporates, as conditions of approval for the Port Project, the mitigation measures set forth in column 2 of Appendix 1 to this Resolution as the mitigation measures applicable to the Port Project. Appendix 1 includes all mitigation measures recommended by the EIR except for mitigation measures that: 1) are inapplicable to the Port Project; or 2) were modified when OBRA approved the Reuse Plan, in

which cases the Port has adopted the mitigation measures as modified by OBRA. The Port has also made minor technical corrections to Measures 4.7-4 and 4.7-5; and be it

2. Adoption of Mitigation Monitoring and Reporting Program.

FURTHER RESOLVED that the Board adopts the mitigation monitoring and reporting program set forth in columns 2 and 3 of Appendix 1 as the mitigation monitoring and reporting program for the Port Project; and be it

B. Findings Relating to Port Project Impacts

1. Standard for Findings.

FURTHER RESOLVED that the Board intends that this resolution set forth the Board's findings that are required under Public Resources Code 21081 for each significant impact identified in the EIR before approving the Port Project. Section 21081 requires that the Board make one or more of three findings:

a) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment.

b) Those changes or alterations that are within the responsibility and jurisdiction of another public agency have been, or can and should be, adopted by that other agency.

c) Specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or alternatives identified in the environmental impact report; and be it

2. Recommended Impact Findings.

FURTHER RESOLVED as set forth above, that the Board adopts all of the mitigation measures recommended by the EIR (except as set forth above), and the Board finds that none of them is infeasible; and be it

FURTHER RESOLVED that adoption of the mitigation measures described in Appendix 1 will avoid, or mitigate to a less than significant level, all of the potentially significant impacts of the Port Project, with the exception of the following impacts that will or may remain significant after mitigation:

Transportation and Traffic.

(1) Roadway segments on the Metropolitan Transportation System operating at level of service F and increased volume/capacity ratio on segments that would operate at level of service F without redevelopment (Impacts 4.3-4 and 5.3-2).

(2) Increased congestion from cumulative traffic at the Maritime Street/Grand Avenue intersection (Impact 5.3-1).

(3) Cumulative impact from inadequate truck-related parking (Impact 5.3-5) (not applicable to Full Maritime Alternative).

Air Quality.

(1) Construction equipment exhaust (Impact 4.4-2).

(2) Increased Port maritime, rail and trucking operations resulting in NO_x, ROG, PM₁₀ and diesel emissions, and exposure of pollutant-sensitive receptors to substantial pollutant concentrations (Impacts 4.4-3 and 5.4-1).

(3) Increased emissions from passenger vehicles and delivery trucks resulting in NO_x, ROG, CO and PM emissions (Impacts 4.4-4 and 5.4-1).

Cultural Resources.

Port contribution to removal of most or all contributors to the OARB Historic District and District's loss of eligibility for registers of historic places (Impacts 4.6-2, 4.6-3, 5.6-1).

Aesthetics.

Port contribution to removal of visually striking warehouse structures visible from I-80 (Impact 4.11-2).

Biological Resources.

Increased risk of invasive species being established in San Francisco Bay (Impacts 4.12-8 and 5.12-3); and be it

FURTHER RESOLVED that with respect to the foregoing impacts that will or may not be mitigated to a less than significant level, the Board hereby finds that all feasible mitigation measures have been adopted and the remaining significant impacts are acceptable for the reasons set forth in the Statement of Overriding Considerations in Part III below; and be it

C. Findings Relating to Alternatives

FURTHER RESOLVED that the EIR evaluates and compares a reasonable range of eight alternatives to the project proposed in the EIR. The Board hereby finds that there are no feasible alternatives within its powers that would substantially lessen or avoid any significant effect the Port Project would have on the environment because:

1) the portions of the Full Adaptive Reuse, No New Intermodal Facility, No New Berth 21 and No Project alternatives that

would occur on Port property would fail to meet basic project objectives and would fundamentally conflict with the BCDC Bay Plan;

2) the portions of the Reduced Intensity, Gateway Adaptive Reuse/Eco-Park and High Intensity alternatives that would occur on Port property are the same as the portions of the Proposed Project that would occur on Port property; and

3) adoption of the Full Maritime Alternative is not within the Port's powers and would only become potentially feasible if circumstances triggering the City Cash-Out Remedy occurred and ORA then elected that remedy; and be it

III. STATEMENT OF OVERRIDING CONSIDERATIONS

FURTHER RESOLVED that section 15093 of the State CEQA Guidelines provides that where the decision of a public agency allows the occurrence of significant effects which are identified in the EIR, the agency shall state in writing specific reasons to support its action based on the EIR and/or other information in the record. This statement is referred to as a "Statement of Overriding Considerations"; and be it

FURTHER RESOLVED that the Board hereby finds and determines that the potentially significant impacts of the Port Project will be reduced to less than significant levels by the mitigation measures adopted by the Board, except for the remaining significant impacts described above. In light of the overriding considerations set forth below, the Board further finds and determines that the benefits of the Port Project outweigh these remaining significant impacts. Each of the overriding considerations set forth below constitutes a separate and independent ground for finding that the benefits of the Port Project outweigh its significant adverse environmental impacts and is an overriding consideration warranting approval:

A. The Port Project will help implement the Oakland Army Base Redevelopment Plan objectives of alleviating economic and social degradation due to the closure of Oakland Army Base; eliminating blighting influences; creating a vibrant and balanced land use pattern; strengthening the economic base; allowing for sustainable job creation; expanding, improving, and preserving low/moderate income housing; providing for high-quality public/community services; providing for safe, efficient and effective movement of people and goods; protecting, preserving, and enhancing natural resources; and minimizing waste generation while maximizing reuse and recycling.

B. The Port Project will accommodate the Port's share of regional maritime cargo throughput through the year 2020.

C. The Port Project will respond to trends and requirements of maritime shipping.

D. The Port Project will increase Port productivity and efficiency.

E. The Port Project will provide sufficient capacity so that the Port of Oakland can substitute for other West Coast gateway ports in the event of natural disaster or other emergency.

F. The Port Project will help keep the Port competitive with other West Coast ports; and be it

IV. APPROVAL AND AUTHORIZATION OF EXECUTION OF A MEMORANDUM OF AGREEMENT

FURTHER RESOLVED that subject to the Board's compliance with Section 5.13 of the Master Trust Indenture dated as of April 1, 1989, as supplemented and amended, relating to the Board's outstanding revenue Bonds, the Board hereby approves and authorizes the Executive Director to negotiate and execute for and on behalf of the Board a Memorandum of Agreement For Oakland Army Base ("MOA") with the Oakland Base Reuse Authority, the Oakland Redevelopment Agency, and the City of Oakland, generally consistent with the September 13, 2002, version of the Oakland Army Base Revised Term Sheet attached to the Board's September 17, 2002, Agenda Sheet Item No. 35 ("Revised Term Sheet"), subject to the Executive Director's and the Port Attorney's review and consideration of comments on the proposed MOA by representatives of the California State Lands Commission and the Attorney General's office; and be it

FURTHER RESOLVED that the Board hereby approves and authorizes the Executive Director to place in escrow a quitclaim of the Port's right, under agreement with the Army, to acquire certain portions of Oakland Army Base, subject to the Executive Director's and the Port Attorney's review and consideration of comments on the proposed quitclaim by representatives of the State Lands Commission and the State Attorney General's office, and subject to the Oakland City Council and the governing bodies of ORA and OBRA first having approved the Revised Term Sheet; and be it

FURTHER RESOLVED subject to the Board's compliance with Section 5.13 of the Master Trust Indenture dated as of April 1, 1989, as supplemented and amended, relating to the Board's outstanding revenue Bonds, the Board hereby approves and authorizes the Executive Director to negotiate and execute for and on behalf of the Board additional agreements to effectuate the transaction contemplated in the MOA; and be it

FURTHER RESOLVED that the Board hereby amends Port Resolution No. 01377 dated October 2, 2001, by deleting the fourth RESOLVED paragraph; and be it

FURTHER RESOLVED that this resolution is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. This resolution approves and authorizes the execution of a agreements and the submittal of a quitclaim of the Port's rights in escrow in accordance with the terms of this resolution. Unless and

until a separate written agreement is duly executed on behalf of the Board as authorized by this resolution, is signed as approved as to form and legality by the Port Attorney, and is delivered to other contracting party, there shall be no valid or effective agreement. Any quitclaim submitted into escrow shall be approved as to form and legality by the Port Attorney.

Although most impacts of Oakland Army Base Reuse will be caused by, and mitigated by, both the City of Oakland and the Port of Oakland, this Mitigation Monitoring and Reporting Program applies only to the Port of Oakland. Therefore, the Port is the implementing and monitoring party for each mitigation measure listed below.

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
Impact 4.2-1: Under proposed redevelopment, dissimilar land uses may be located proximate to one another.	Mitigation 4.2-1: The City shall ensure that Gateway development area redevelopment activities adjacent to Port of Oakland industrial maritime facilities are designed to minimize any land use incompatibilities to the extent feasible.	Pre-construction
	Mitigation 4.2-2: If any land use incompatibility is subsequently identified, the Port of Oakland shall use its best efforts, consistent with meeting cargo throughput demand, to locate maritime activities that could result in land use incompatibilities as far away from the property boundary as feasible.	Pre-construction; Operations
	Mitigation 4.2-3: The City and Port shall coordinate to implement Mitigation Measures 4.2-1 and 4.2-2.	Pre-construction; Operations
<p>Impact 4.3-1: Redevelopment would cause the level of service to degrade to worse than LOS D at three intersections located outside the Downtown area:</p> <ul style="list-style-type: none"> • West Grand Avenue/Maritime Street • West Grand Avenue/I-880 Frontage Road • 7th/Maritime Street <p>Impact 5.3-1: Increased congestion at Intersections exceeding the cumulatively significant threshold.</p>	Mitigation 4.3-1: West Grand Avenue/Maritime Street. As part of the design for the realignment of Maritime Street, project area developers shall fund on a fair-share basis modifications to the West Grand Avenue/Maritime Street intersection.	Pre-construction

¹ •“Pre-construction” means prior to issuance of demolition, grading, or building permits, or the equivalent.

•“Construction” includes remediation, demolition and construction.

•“Pre-operations” means prior to issuance of certification of occupancy or its equivalent.

•“Operations” means occupation and ongoing use of structures or facilities.

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	Mitigation 4.3-2: West Grand Avenue/I-880 Frontage Road. Project area developers shall fund, on a fair-share basis, modifications to the West Grand Avenue/I-880 Frontage Road intersection.	Pre-construction
	Mitigation 4.3-3: 7th/Maritime Street. As part of the design for the realignment of Maritime Street, project area developers shall fund on a fair-share basis modifications to the 7 th /Maritime Street intersection.	Pre-construction
<p>Impact 4.3-2: Redevelopment would cause some roadway segments on the MTS to operate at LOS F and increase the V/C ratio by more than three percent on segments that would operate at LOS F without redevelopment.</p> <p>Impact 5.3-2: Increased congestion on the Metropolitan Transportation System (MTS) exceeding the cumulatively significant threshold.</p>	Mitigation 4.3-4: The City and Port, in consultation with transit agencies, shall jointly create and maintain a transit access plan(s) for the redevelopment project area designed to reduce demand for single-occupant, peak hour trips, and to increase access to transit opportunities. Major project area developers shall fund on a fair share basis the plan(s).	Pre-operations
<p>Impact 4.3-3: Redevelopment could result in traffic hazards to motor vehicles, bicycles, or pedestrians due to inadequate design features or incompatible uses.</p> <p>Impact 5.3-3: Increase in traffic hazards.</p>	Mitigation 4.3-5: Redevelopment elements shall be designed in accordance with standard design practice and shall be subject to review and approval of the City or Port design engineer.	Pre-construction
	Mitigation 4.3-6: The Port shall fund signage designating through transport truck prohibitions through the interior of the Gateway development area.	Construction; at time the Loop Road is built
	Mitigation 4.3-7: The City and the Port shall continue to work together and shall create a truck management plan designed to reduce the effects of transport trucks on local streets. The City and Port shall fund on a fair share basis implementation of this plan.	Pre-operations
<p>Impact 4.3-4: Due to site constraints, it may not be possible to provide two emergency access routes to the western portion of the Gateway development area, which would be in excess of 1,000 feet from the nearest major arterial.</p> <p>Impact 5.3-4: Inadequate emergency access.</p>	Mitigation 4.3-8: Provide an emergency service program and emergency evacuation plan using waterborne vessels.	Pre-operations; at time Port and Gateway development area employees exceed 2,044 (1995 baseline)

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.3-5: Redevelopment could fundamentally conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks).</p>	<p>Mitigation 4.3-9: Redevelopment plans shall conform to City of Oakland or Port development standards with facilities that support transportation alternatives to the single-occupant automobile.</p>	<p>Pre-construction</p>
<p>Impact 4.3-6: Redevelopment could result in an inadequate parking supply at the Gateway development area, the 16th/Wood sub-district, or for trucks serving the Port of Oakland.</p> <p>Impact 5.3-5: Inadequate truck parking.</p>	<p>Mitigation 4.3-10: The number of parking spaces provided in the project area shall comply with City code or Port requirements and/or with recommendations of a developer funded parking demand analysis.</p>	<p>Pre-construction</p>
	<p>Mitigation 4.3-11: During both construction and operation, the Port shall provide truck parking within the Port development area or Maritime sub-district, at a reasonable cost to truck operators and provide advance information to operators where the parking is located.</p>	<p>Construction; Operations</p>
<p>Impact 4.3-9: Redevelopment would increase the peak hour average ridership at the West Oakland BART station by 3 percent where average waiting time at fare gates could exceed 1 minute.</p> <p>Impact 5.3-8: Increased waiting time during peak weekday hours at BART fare gates.</p>	<p>Mitigation 4.3-12: The City and Port shall provide detailed information regarding redevelopment to BART to enable BART to conduct a comprehensive fare gate capacity assessment at the West Oakland BART station. Pending the results of this assessment, the City and the Port may need to participate in funding the cost of adding one or more fare gates at the West Oakland BART station.</p>	<p>Operations</p>
<p>Impact 4.3-11: Remediation, demolition/deconstruction, and construction activities within the redevelopment project area would utilize a significant number of trucks and could cause significant circulation impacts on the street system.</p>	<p>Mitigation 4.3-13: Prior to commencing hazardous materials or hazardous waste remediation, demolition, or construction activities, a Traffic Control Plan (TCP) shall be implemented to control peak hours trips to the extent feasible, assure the safety on the street system and assure that transportation activities are protective of human health, safety, and the environment.</p>	<p>Pre-construction</p>
<p>Impact 5.3-1: Increased congestion at intersections exceeding the cumulatively significant threshold.</p>	<p>Mitigation 5.3-1: 7th/Maritime Street. Project area developers shall fund a fair share of additional modifications at the 7th /Maritime Street intersection.</p>	<p>Operations; at time level of service exceeds LOS E</p>
	<p>Mitigation 5.3-2: 7th Street/I-880 Northbound Ramps. Project area developers shall fund a fair share of modifications at the 7th Street/I-880 Northbound ramp.</p>	<p>Operations; at time additional delay exceeds 2 seconds</p>
	<p>Mitigation 5.3-3: 3rd/Adeline Street. Project area developers shall fund a fair share of the modifications at the 3rd/Adeline Street intersection.</p>	<p>Operations; at time level of service exceeds LOS E</p>

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	Mitigation 5.3-4: 3rd/Market Street. Project area developers shall fund a fair share of modifications at the 3 rd /Market Street intersection.	Operations; at time level of service exceeds LOS E
	Mitigation 5.3-5: 12th/Brush Street. Project area developers shall fund a fair share of modifications to the 12 th /Brush Street intersection to increase the signal cycle length to 102 seconds.	Operations; at time level of service exceeds LOS E
	Mitigation 5.3-6: Powell Street/I-80 Northbound Ramps. Project area developers shall fund a fair share of modifications at the Powell Street/I-80 northbound ramps intersection.	Operations; at time additional delay exceeds 2 seconds
Impact 5.3-5: Inadequate truck-related parking.	Mitigation 5.3-7: The City and Port shall cooperatively develop a program that combines multiple strategic objectives and implementation tools designed to reduce cumulative truck parking and other AMS impacts.	Operations
Impact 5.3-7: Increased ridership on BART trains.	Mitigation 5.3-8: The City and Port shall work with BART and AC Transit to ensure adequate BART train and AC Transit capacity will be available for riders to and from the redevelopment project area, and possibly fund, on a fair share basis, BART train and AC Transit capacity improvements.	Operations
Impact 4.4-1: PM as fugitive dust would be emitted during construction and remediation activities. Impact 5.4-1, see below..	Mitigation 4.4-1: Contractors shall implement all BAAQMD “Basic” and “Optional” PM ₁₀ (fugitive dust) control measures at all sites, and all “Enhanced” control measures at sites greater than four acres.	Construction
Impact 4.4-2: Construction equipment exhaust could increase levels of NO _x , ROG, CO, and PM ₁₀ (the latter primarily as diesel PM) that could exceed 15 tons per year, or result in substantial increase in diesel emissions.	Mitigation 4.4-2: Contractors shall implement exhaust control measures at all construction sites.	Construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.4-3: Increased Port maritime and rail operations, as well as trucking activities associated with all redevelopment operations would emit NO_x, ROG, and PM₁₀ in excess of 15 tons per year or 80 pounds per day, substantially increase diesel emissions, and potentially expose pollution-sensitive receptors to substantial pollutant concentrations.</p> <p>Impact 5.4-1, see below.</p>	<p>Mitigation 4.4-3: The Port shall develop and implement a criteria pollutant reduction program aimed at reducing or off-setting Port-related emissions in West Oakland from its maritime and rail operations to less than significant levels, consistent with federal, state and local air quality standards. The program shall be sufficiently funded to strive to reduce emissions from redevelopment related contributors to local West Oakland air quality, and shall continually reexamine potential reductions toward achieving less than significant impacts as new technologies emerge. The adopted program shall define measurable reductions within specific time periods.</p>	<p>Pre-operations; at time of Port development area redevelopment</p>
	<p>Mitigation 4.4-4: The City and the Port shall jointly create, maintain, and fund on a fair share basis, a truck diesel emission reduction program. The program shall be sufficiently funded to strive to reduce and/or off-set redevelopment related contributions to local West Oakland diesel emissions to less than significant levels, consistent with applicable federal, state and local air quality standards and shall continually reexamine potential reductions toward achieving less than significant impacts as new technologies emerge. The adopted program shall define measurable reductions within specific time periods.</p>	<p>Pre-operations; at time of Port and Gateway development area redevelopment</p>
<p>Impact 4.4-4: Passenger vehicles and delivery trucks associated with redevelopment would emit NO_x, ROG, CO, and PM in excess of 15 tons per year or 80 pounds per day</p>	<p>Mitigation 4.4-5: Major developers shall fund on a fair share basis BAAQMD-recommended feasible Transportation Control Measures (TCMs) for reducing vehicle emissions from commercial, institutional, and industrial operations, as well as all CAP TCMs the BAAQMD has identified as appropriate for local implementation.</p>	<p>Pre-operations; Operations</p>
<p>Impact 4.4-5: Space and water heating as well as routine maintenance of office buildings, warehouses, retail stores, and live-work space, could emit NO_x, ROG, CO and PM₁₀ in quantities that could exceed thresholds..</p>	<p>Mitigation 4.4-6: Title 24 of the Uniform Building Code (UBC) requires that new construction include energy-conserving fixtures and designs. Additionally, the City and Port shall implement sustainable development policies and strategies related to new development design and construction.</p>	<p>Pre-construction</p>

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 5.4-1: Redevelopment would result in significant cumulative air quality impacts associated with emissions of nitrogen oxides (NOx), reactive organics gases (ROG), carbon monoxide (CO), particulate matter less than 10 microns in diameter (PM₁₀), and diesel exhaust (almost entirely particulate matter less than 2.5 microns in diameter [PM_{2.5}]), the latter defined as a toxic air contaminant by the California Air Resources Board (CARB).</p>	<p>Mitigation Measure 5.4-1: The City and the Port shall encourage, lobby, and potentially participate in emission reduction demonstration projects that promote technological advances in improving air quality.</p>	<p>Pre-operations; Operations</p>
<p>Impact 4.5-1: Construction, including remediation, could result in short-term noise levels in excess of established standards, or that violate the City of Oakland Noise Ordinance at and near the redevelopment project area, and along construction haul routes.</p>	<p>Mitigation 4.5-1: Developers and/or contractors shall develop and implement redevelopment-specific noise reduction plans.</p>	<p>Construction</p>
<p>Impact 4.6-1: Redevelopment has the potential to encounter previously unknown subsurface cultural resources during ground-disturbing activities.</p>	<p>Mitigation 4.6-1: Should previously unidentified cultural resources be encountered during redevelopment, work in that vicinity shall stop immediately, until an assessment of the finds can be made by an archaeologist. If the resource is found to be significant under CEQA, an appropriate mitigation plan must be developed.</p>	<p>Construction</p>
<p>Impact 4.6-2: Redevelopment would remove all resources contributing to the OARB Historic District.</p> <p>Impact 4.6-3: Redevelopment would render the OARB Historic District no longer eligible to the National and/or California Registers of Historic Places or Local Register.</p> <p>Impact 4.11-2: Redevelopment would remove buildings contributing to a historic district, including visually striking warehouse structures visible from I-80, a locally designated scenic route, and a portion of the state scenic highway system.</p> <p>Impact 5.6-1: Loss of historic resources.</p>	<p>Mitigation 4.6-2: The City, Port and OARB sub-district developers shall fund on a fair-share basis development of a commemoration site, including preparation of a Master Plan for such a site, at a public place located within the Gateway development area. The City shall ensure that the scale and scope of the commemoration site reflects the scale of the actual loss of historic resources.</p>	<p>Pre-construction</p>

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	Mitigation 4.6-3: The City shall ensure the commemoration site is linked to the Gateway Park and the Bay Trail via a public access trail.	Pre-construction
	Mitigation 4.6-4: The City, Port and OARB sub-district developers shall fund on a fair-share basis collection and preservation of oral histories from OARB military and civilian staff.	Pre-construction
	Mitigation 4.6-5: The City, Port, and OARB sub-district developers shall fund on a fair share basis collaboration with “military.com” or a similar military history web site.	Operations; to be available after completion of book; see Measure 4.6-16
	Mitigation 4.6-6: The City, Port, and OARB sub-district developers shall fund on a fair share basis distribution of copies of the complete OARB HABS/HAER documentation prepared by the Army to: Oakland History Room, Oakland Public Library; Bancroft Library, University of California; and Port of Oakland Archives for the purpose of added public access to these records.	Pre-construction
	Mitigation 4.6-7: If determined of significant historical educational value by the Oakland Landmarks Preservation Advisory Board and the Oakland Heritage Alliance, the City, Port, and OARB sub-district developers shall fund on a fair share basis distribution of copies of “A Job Well Done” documentary video published by the Army.	Pre-construction
	Mitigation 4.6-8: The City, Port, and OARB sub-district developers shall fund on a fair share basis preservation and long-term curation of murals from OARB Building No. 1, and OBRA shall either donate the murals to the Oakland Museum of California, or provide a permanent location elsewhere.	Pre-construction
	Mitigation 4.6-9: The City, Port, and OARB sub-district developers shall fund on a fair share basis a program to salvage as whole timber posts, beams, trusses and siding of warehouses to be deconstructed. These materials shall be used on site if deconstruction is the only option. Reuse of a warehouse building or part of a warehouse building at its current location, or relocated to another Gateway location is preferable.	Pre-construction
	Mitigation 4.6-10: The City, Port, and OARB sub-district developers shall fund on a fair share basis production of a brochure describing history and architectural history of the OARB.	Operations; to be available at time Bay Trail opens

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	<p>Mitigation 4.6-11: The City, Port, and OARB sub-district developers shall fund on a fair share basis acquisition of copies of construction documentation and photographs of historic buildings currently in the OARB files and transfer the copies to the Oakland History Room files and Port historic archives, including funding to cover costs of archiving and cataloging these materials, as well as curator costs at the Oakland History Room. While select photos and information may be exhibited at the commemoration site, the Oakland History Room is the most appropriate location for this archive.</p>	Pre-construction
	<p>Measure 4.6-14: No demolition or deconstruction of contributing structures to the OARB Historic District shall occur until necessary. All efforts shall be made to retain as much of Building 1 as possible while still achieving remediation goals.</p>	Pre-construction
	<p>Measure 4.6-15. As part of the deconstruction and salvaging requirements for demolition of any contributing structure within the OARB Historic District (see Mitigation Measure 4.6-9), specific architectural elements, building components or fixtures should be salvaged. A professional architectural historian shall determine which, if any of such elements, components or fixtures should be retained.</p>	Pre-construction
	<p>Mitigation 4.6-16: The City, Port, and OARB sub-district developers shall fund on a fair share basis preparation of an Historical Resource Documentation Program. This program shall consist of a coordinated effort of primary research and documentation, with a substantial scholarly input and publicly available products. The first product of this program shall include a coordinated effort to conduct the research, writing, photo documentation, assembly and publication efforts needed to prepare a comprehensive book on the history of the Oakland Army Base. The book shall document the important contribution the Base has had to the U.S. military, to Oakland and to the nation at large.</p>	Pre-construction
<p>Impact 4.7-2: Hazardous or acutely hazardous materials (AHMs) may be handled or emitted within ¼ mile of an existing or proposed school.</p>	<p>Mitigation 4.7-1: For use of hazardous materials within ¼ mile of an existing or proposed school, business operators shall prepare Business Plan, update annually, and keep on file with the Oakland Fire Department.</p>	Pre-operations; Operations

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	<p>Mitigation 4.7-2: For use of AHMs within ¼ mile of an existing or proposed school, in addition to a Business Plan, business operators shall prepare, implement, and update a Risk Management and Prevention Plan (RMPP) on at least an annual basis.</p>	Pre-operations, Operations
<p>Impact 4.7-4: Site preparation, remediation and development of areas that contain contaminated soil and groundwater could expose remediation and construction workers, and future utility workers, tenants, and visitors to soil and groundwater contamination conditions.</p> <p>Impact 4.7-5, see below.</p> <p>Impact 5.7-1: Increased exposure to hazardous wastes during construction.</p>	<p>Mitigation 4.7-3: Implement RAP/RMP as approved by DTSC, and if future proposals include uses not identified in the Reuse Plan and incorporated into the RAP/RMP, or if future amendments to the remediation requirements are proposed, obtain DTSC and, as required, City approval.</p>	Pre-construction
	<p>Mitigation 4.7-4: For the project area not covered by the DTSC-approved RAP/RMP, investigate potentially contaminated sites; if contamination is found, assess potential risks to human health and the environment, prepare and implement a clean-up plan for County, DTSC or RWQCB approval, prepare and implement a Risk Management Plan, and prepare and implement a Site Health and Safety Plan prior to commencing work.</p>	Pre-construction
<p>Impact 4.7-5: Potential exposure to contaminants in soil and groundwater remaining in place after remediation could be a hazard to future residents, employees and visitors.</p>	<p>Mitigation 4.7-5: For the project areas not covered by the DTSC-approved RAP/RMP, remediate soil and groundwater contamination consistent with the City of Oakland ULR Program and/or other applicable laws, regulations and/or guidelines.</p>	Pre-construction
<p>Impact 4.7-6: Workers and others could be exposed to LBP in buildings, ACM or PCBs during demolition, remediation, renovation and site work activities.</p> <p>Impact 5.7-1: Increased exposure to hazardous wastes during construction.</p>	<p>Mitigation 4.7-6: Buildings and structures constructed prior to 1978 slated for demolition or renovation that have not previously been evaluated for the presence of LBP shall be sampled to determine whether LBP is present in painted surfaces, and the safety precautions and work practices as specified in government regulations shall be followed during demolition.</p>	Pre-construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	Mitigation 4.7-7: Buildings, structures and utilities that have not been surveyed for ACM, shall be surveyed to determine whether ACM is present prior to demolition or renovation, and the safety precautions and work practices as specified in government regulations shall be followed during demolition.	Pre-construction
	Mitigation 4.7-8: Buildings and structures proposed for demolition or renovation shall be surveyed for PCBs-impacted building materials, and the safety precautions and work practices as specified in government regulations shall be followed during demolition.	Pre-construction
<p>Impact 4.7-7: Workers or others could be exposed to hazardous materials and contamination in and around ASTs and USTs during remediation and redevelopment activities.</p> <p>Impact 5.7-1: Increased exposure to hazardous wastes during construction.</p>	Mitigation 4.7-9: For ASTs/USTs on the OARB, implement the RAP/RMP.	Pre-construction
	Mitigation 4.7-10: For the remainder of the redevelopment project area (non-OARB areas), if an AST or UST is encountered, it would be closed in place or removed and the soil would be tested and remediated, if necessary, pursuant to regulatory approvals and oversight.	Construction
<p>Impact 4.7-8: Workers or others could experience direct contact exposure to LBP-contaminated soil, concrete, and pavement surrounding buildings that have LBP.</p> <p>Impact 5.7-1: Increased exposure to hazardous wastes during construction.</p>	Mitigation 4.7-11: For LBP-impacted ground on the OARB, implementation of RAP/RMP to be approved by DTSC as part of the project will result in avoidance of this potentially significant impact. For the remainder of the redevelopment project area, sampling shall be performed on soil or paved areas around buildings that are known or suspected to have LBP, and the safety precautions and work practices specified in government regulations shall be followed.	Pre-construction
<p>Impact 4.7-10: During interim or future use of existing buildings, people could be exposed to ACM or other environmental hazards.</p>	Mitigation 4.7-12: The condition of identified ACM shall be assessed annually, and prior to reuse of a building known to contain ACM.	Pre-construction
	Mitigation 4.7-13: No future tenancies shall be authorized at the OARB for use categories that are inconsistent with the Reuse Plan without an updated environmental analysis and DTSC approval as provided for in the RAP/RMP.	Pre-operations

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
	Mitigation 4.7-14: For the remainder of the redevelopment project area (non-OARB areas), any building that has not been surveyed for ACM but potentially contains ACM shall be surveyed to determine whether ACM is present prior to demolition, renovation or reuse.	Pre-construction
<p>Impact 4.7-11: Workers could be exposed to polychlorinated biphenyls (PCBs) and PCB-contaminated equipment during remediation, construction and future operations.</p> <p>Impact 5.7-1: Increased exposure to hazardous wastes during construction.</p>	Mitigation 4.7-15: Known PCB transformers or PCB-contaminated transformers at the OARB shall be removed, monitored and/or maintained in accordance with applicable laws and regulations.	Pre-construction; Construction; Operations
	Mitigation 4.7-16: Oil-filled electrical equipment in the redevelopment project area that has not been surveyed shall be investigated prior to the equipment being taken out of service to determine whether PCBs are present.	Pre-construction; Construction; Operations
	Mitigation 4.7-17: PCB-containing or PCB-contaminated equipment taken out of service shall be handled and disposed in compliance with applicable laws and regulations.	Pre-construction; Construction; Operations
<p>Impact 4.9-1: Construction activities and increases in employees and residents as well as increased building density would increase demand for fire, hazmat, and first responder medical emergency services.</p> <p>Impact 4.3-4, see above.</p> <p>Impact 5.9-1: Increased demand for fire-related services.</p>	Mitigation 4.9-1: The City and Port shall cooperatively investigate the need for, and if required shall fund on a fair-share basis, development and operation of increased firefighting and medical emergency response services via fireboat to serve the OARB sub-district.	Pre-operations; at time Port and Gateway development area employees exceed 2,044 (1995 baseline)
<p>Impact 4.9-6: Redevelopment construction could interfere with operation of the Maritime Street emergency response staging area, or with the West Grand Avenue and 7th Street evacuation routes.</p>	Mitigation 4.9-2: The Port and City shall work with OES to ensure changes in local area circulation are reflected in the revised Response Concept.	Pre-construction
	Mitigation 4.9-3: The Port and City shall require developers within their respective jurisdictions to notify OES of their plans in advance of construction or remediation activities.	Pre-construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.9-8: Redevelopment would increase potable water demand.</p> <p>Impact 5.9-5: Increased demand for water.</p>	<p>Mitigation 4.9-4: Individual actions with landscaping requirements of one or more acres shall plumb landscape areas for irrigation with recycled water.</p>	Pre-construction
	<p>Mitigation 4.9-5: Individual buildings with gross floor area exceeding 10,000 square feet shall install dual plumbing for both potable and recycled water, unless determined to be infeasible by the approving agency (City or Port).</p>	Pre-construction
	<p>Mitigation 4.9-6: Site design shall facilitate use of recycled water, and shall comply with requirements of CCR Title 22 regarding prohibitions of site run-off to surface waters.</p>	Pre-construction
<p>Impact 4.9-10: Redevelopment would increase the quantity of solid waste, and demand for solid waste services.</p> <p>Impact 5.9-7: Increased demand for solid waste services.</p>	<p>Mitigation: 4.9-7: To the maximum extent feasible, the City and Port shall jointly participate in a deconstruction program to capture materials and recycle them into the construction market.</p>	Pre-construction
	<p>Mitigation 4.9-8: Concrete and asphalt removed during demolition/construction shall be crushed on-site or at a near-site location, and reused in redevelopment or recycled to the construction market.</p>	Construction
	<p>Mitigation 4.9-9: The City and Port shall require developers to submit a plan that demonstrates a good faith effort to divert at least 50 percent of operations phase solid waste from landfill disposal. This measure shall reflect future increases in the City's or Port's waste diversion goals above the current 50 percent.</p>	Operations
<p>Impact 4.9-12: Both construction/remediation vehicles and increased operations vehicle activity would accelerate or advance deterioration of local roadways and the timing and extent of roadway maintenance/repair.</p>	<p>Mitigation 4.9-10: The Port and City of Oakland shall work cooperatively to develop an ongoing joint program to identify and evaluate impacted local roadways and identify required maintenance/repair activities. The agencies will fund needed repairs and maintenance on a fair-share basis.</p>	Construction; Operations
<p>Impact 4.11-3: New security lighting and/or lighting for night time operations would alter current patterns of light or glare, and could alter nighttime views in the area.</p>	<p>Mitigation 4.11-1: New lighting shall be designed to minimize off-site light spillage; "stadium" style lighting shall be prohibited.</p>	Pre-construction
	<p>Mitigation 4.11-2: At or near the boundary of the proposed Gateway Park, new lighting shall be shielded to prevent light spillage into natural areas.</p>	Pre-construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.11-4: New construction could introduce building or landscaping elements that would now or in the future cast shadow on existing collectors or photovoltaic cells, or a building using passive solar heat collection.</p>	<p>Mitigation 4.11-3: New active or passive solar systems within or adjacent to the project area shall be set back from the property line a minimum of 25 feet.</p>	Pre-construction
	<p>Mitigation 4.11-5: The City and Port shall coordinate with respect to the design of new, permanent buildings constructed along the Port/Gateway boundary to minimize conflicts over solar access.</p>	Pre-construction
<p>Impact 4.11-5: New construction could introduce building or landscaping elements that would now or in the future cast shadow that substantially impairs the beneficial use of a public park or open space.</p>	<p>Mitigation 4.11-6: New construction adjacent to a public park or open space shall demonstrate through design review that development shall not substantially impair enjoyment of the public using the space.</p>	Pre-construction
<p>Impact 4.12-3: Redevelopment would result in net loss of approximately 27 acres of open and covered water at New Berth 21.</p> <p>Impact 5.12-1: Effects to sensitive species.</p> <p>Impact 5.12-2: Loss of protected wetlands and waters of the U.S.</p>	<p>Mitigation 4.12-4: Contractors, developers, the Port, and EBRPD shall comply with all permit conditions from the Corps, RWQCB, USFWS/NMFS, BCDC, and CDFG for fill.</p>	Pre-construction
<p>Impact 4.12-4: Redevelopment could result in both temporary impacts to herring spawning habitat during construction, and a permanent net loss of Pacific herring spawning habitat associated with the wharf pilings at existing Berths 9, 10, 20 and 21 due to construction of New Berth 21.</p> <p>Impact 5.12-1: Effects to sensitive species.</p>	<p>Mitigation 4.12-5: A qualified observer shall be present on site during all in-water construction activities near potential herring spawning areas between December 1 and March 1.</p>	Construction
	<p>Mitigation 4.12-6: If spawning is observed, in-water construction activities shall be redirected for 200 meters around the spawning area for two weeks.</p>	Construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.12-6: Redevelopment may result in loss of protected trees measuring 4 inches dbh (or larger) or trees with a dbh of greater than 9 inches.</p>	<p>Mitigation 4.12-7: Application for a tree preservation/tree removal permit from the City of Oakland for all protected trees shall comply with the Tree Ordinance, which includes replacement of native trees at a minimum of a 1:1 ratio. The Port is not subject to the City's ordinance, but shall replace native trees at a minimum 1:1 ratio.</p>	<p>Pre-construction; Construction</p>
<p>Impact 4.12-7: Redevelopment may affect nesting migratory birds.</p> <p>Impact 5.12-1: Effects to sensitive species.</p>	<p>Mitigation 4.12-8: Trees shall be removed between September 1 and January 31 to avoid the nesting season (February 1 to August 31). Alternatively, field surveys shall be conducted no earlier than 45 days and no later than 20 days prior to the removal of any trees during the nesting/breeding season of bird species potentially nesting on the site to determine whether birds are present.</p>	<p>Construction</p>
	<p>Mitigation 4.12-9: Construction shall not occur within 150 feet of an active nest until the nest is vacated or the juveniles have fledged.</p>	<p>Construction</p>
<p>Impact 4.12-8: Redevelopment could result in a substantial increase in the risk of establishment of invasive species in the San Francisco Bay.</p> <p>Impact 5.12-1: Effects to sensitive species.</p> <p>Impact 5.12-3: Redevelopment could increase potential risk of invasive species being established in San Francisco Bay.</p>	<p>Mitigation 4.12-10: The Port shall continue to enforce its tariff requirements regarding ballast water and if the State law sunsets, shall implement the remainder of its ballast water ordinance, as it may be amended from time to time.</p>	<p>Operations</p>
	<p>Mitigation 4.12-11: The Port shall continue to develop and implement a carrier ballast water education program.</p>	<p>Operations</p>
	<p>Mitigation 4.12-12: The Port shall support international and United States efforts to adopt uniform international or national standards to avoid introduction of exotic species through shipping activities.</p>	<p>Operations</p>
<p>Impact 4.12-9: Loss of up to approximately 0.5 acre of isolated, urban wetlands.</p> <p>Impact 5.12-2: Loss of protected wetlands and waters of the U.S.</p>	<p>Mitigation 4.12-13: Contractors and developers shall comply with all conditions imposed by the RWQCB for fill of wetlands.</p>	<p>Pre-construction</p>

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.13-1: Redevelopment could expose increased numbers of people and structures to strong seismic ground shaking.</p> <p>Impact 4.13-2: Redevelopment could expose increased numbers of people or structures to seismic related ground failure, including liquefaction, lateral spreading, subsidence, or collapse.</p> <p>Impact 4.13-3: Localized landsliding may occur in sloped shoreline areas.</p> <p>Impact 4.13-5: Redevelopment could occur on expansive soils.</p> <p>Impact 4.13-6: Redevelopment elements may be located above a well, pit, sump, mound, tank vault, unmarked sewer line, landfill, or unknown fill soils.</p> <p>Impact 5.13-1: Exposure of persons or property to seismic risk.</p>	<p>Mitigation 4.13-1: Redevelopment elements shall be designed in accordance with criteria established by the UBC, soil investigation and construction requirements established in the Oakland General Plan, the Bay Conservation and Development Commission Safety of Fill Policy, and wharf design criteria established by the Port or City of Oakland (depending on the location of the wharf).</p>	Pre-construction
	<p>Mitigation 4.13-2: Redevelopment elements shall be designed and constructed in accordance with requirements of a site-specific geotechnical evaluation.</p>	Pre-construction
<p>Impact 4.13-4: Under certain conditions, disturbance of soils during construction or remediation could result in erosion.</p>	<p>Mitigation 4.13-3: Prior to ground-disturbing activities, the contractor shall develop and implement a Regional Water Quality Control Board (RWQCB)-acceptable Stormwater Pollution Prevention Plan (SWPPP) that includes erosion control measures.</p>	Pre-construction
<p>Impact 4.13-6: Redevelopment elements may be located above a well, pit, sump, mound, tank vault, unmarked sewer line, landfill, or unknown fill soils.</p>	<p>Mitigation 4.13-4: The project applicant shall thoroughly review available building and environmental records.</p>	Pre-construction
	<p>Mitigation 4-13.5: The developer shall perform due diligence, including without limitation, retaining the services of subsurface utility locators and other technical experts prior to any ground-disturbing activities.</p>	Pre-construction

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.14-1: Operation of wells could cause saltwater to intrude into shallow groundwater.</p> <p>Impact 5.14-1: Concurrent operation of multiple remediation wells or construction dewatering activities could further impair groundwater quality.</p>	<p>Mitigation 4.14-1: Installation of groundwater extraction wells into the shallow water-bearing zone or Merritt Sand aquifer for any purpose other than construction de-watering and remediation, including monitoring, shall be prohibited.</p>	<p>Construction; Operations</p>
<p>Impact 4.14-2: Operation of wells could cause contaminants to migrate to uncontaminated groundwater.</p>	<p>Mitigation 4.14-2: Extraction of groundwater for construction de-watering or remediation, including monitoring, shall be minimized where practicable; if extraction will penetrate into the deeper aquifers, than a study shall be conducted to determine whether contaminants of concern could migrate into the aquifer; if so, extraction shall be prohibited in that location.</p>	<p>Construction; Operations</p>
<p>Impact 4.15-1: In-water construction or remediation would increase turbidity, and could release contaminants, affecting water quality.</p> <p>Impact 4.15-1: Construction-related increases in erosion and sedimentation/turbidity.</p>	<p>Mitigation 4.15-1: Prior to in-water construction, the contractor shall prepare a water quality protection plan acceptable to the RWQCB, including site-specific best management practices for protection of Bay waters, and shall implement this plan during construction.</p>	<p>Pre-construction</p>
	<p>Mitigation 4.15-2: Contractors and developers shall comply with all permit conditions from the Corps, RWQCB, and BCDC.</p>	<p>Pre-construction</p>
<p>Impact 4.15-2: Under certain circumstances, disturbance of soils during construction and remediation could result in erosion, which in turn could increase sediment loads to receiving waters.</p> <p>Impact 4.15-1: Construction-related increases in erosion and sedimentation/turbidity.</p>	<p>Mitigation 4.15-3: Prior to ground-disturbing activities, the contractor shall develop and implement a Stormwater Pollution Prevention Plan to be reviewed by the City or the Port, including erosion and sediment control measures.</p>	<p>Pre-construction</p>

Impact	Mitigation Measures	Schedule to Begin Implementation ¹
<p>Impact 4.15-3: During construction or remediation, shallow groundwater may be encountered that could be contaminated with sediment or chemicals, and could enter nearby receiving waters as could contaminated stormwater.</p> <p>Impact 5.15-2: Increases in 303(d) pollutants and toxics.</p>	<p>Mitigation 4.15-4: Prior to construction or remediation, the contractor shall develop and implement a Stormwater Pollution Prevention Plan, including protocols for determining the quality and disposition of construction water which includes shallow groundwater encountered during construction/remediation; depending on the results of the testing, contaminated water shall be disposed of via standards of the applicable regulatory agency (RWQCB, DTSC, or EBMUD), as appropriate. In addition, the contractor shall comply with the requirements of NPDES Permit Nos. CAG912002 and CAG912003 if appropriate.</p>	Pre-construction
<p>Impact 4.15-4: Net changes in impervious surface could result in higher pollutant loads to receiving waters.</p>	<p>Mitigation 4.15-5: Post-construction controls of stormwater shall be incorporated into the design of new redevelopment elements to reduce pollutant loads.</p>	Pre-construction
<p>Impact 4.15-5: Use of recycled water for non-potable purposes could lead to degradation of surface water quality.</p>	<p>Mitigation 4.15-6: Site-specific design and best management practices shall be implemented to prevent runoff of recycled water to receiving waters.</p>	Pre-construction
<p>Impact 4.15-6: New construction could result in changes in localized flooding.</p>	<p>Mitigation 4.15-7: New development shall conform with the policies of the City of Oakland's Comprehensive Plan Environmental Health Hazards Element regarding flood protection.</p>	Pre-construction
	<p>Mitigation 4.15-8: The City and the Port shall complete flood hazard mapping in the project area, where necessary and applicable to delineate 100- and 500-year flood hazard zones.</p>	Pre-construction

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**Oakland Army Base
Revised Term Sheet
City-Port Agreement¹**

September 13, 2002

[Preamble to be Determined]

Part 1: Land Acquisition, Relocation Costs and Interim Lease Revenues

1	<i>Cash Payment from Port to City for Knight Yard (as described in the map attached as Exhibit A)[Exhibit A to be prepared]</i>	\$1 million per year for 30 years commencing upon transfer of title to Port three years after Army conveyance. Lease payments during three-year period prior to title transfer to be credited against purchase price payments. Deferred title transfer will be handled as specified in Section 6. Upon mutual agreement, Port will have option to make lump sum NPV equivalent payment for the remaining balance owed by Port to City beginning in year eight calculated at discount rate of 6%.
2	<i>Army Reserve Relocation and Acquisition Costs Background: 42 acres of OAB is non-BRAC Army Reserve ("AR") property. City to get 14.679 acres Port to get 11.5 acres EBMUD to get 16.610 acres City/Port/EBMUD are working jointly with AR on consolidated AR deal</i>	Port and City to pay their respective pro rata share (based on acreage amounts) for consideration due to AR and for due diligence associated with the AR replacement facilities, assuming City/Army Reserve/EBMUD continue with joint agency AR transaction. Port and City to separately pay for due diligence for their respective parcels. Port and City will jointly seek federal or outside funds for this project. If EBMUD declines to participate in joint agency program, City and Port each to bear its own costs in acquiring its respective AR acreage, assuming AR agrees to separate transactions. If AR does not agree to separate transactions, then allocation set forth above will apply.
3	<i>Homeless Collaborative</i>	City and Port each to pay half of the Homeless Collaborative relocation costs, including the cost of acquiring an alternate off- or on-base location. If on-base location selected, costs include appraised value of land. Port and City to mutually agree on method, timing, appraisal assumptions and other specifics of accommodating Homeless

¹ For purposes of this term sheet, the "City" includes all non-Port City entities, including for example the Agency and OBRA.

		<p>Collaborative. However, any on-base facilities will be consistent with industrial/commercial use, <i>i. e.</i> no residential.</p> <p>Port will participate in good faith with employment development program(s) administered by Homeless Collaborative.</p>
4	<i>Transitional Lease Program Revenues</i>	<p>East Maritime Area (see map attached as Exhibit A): City to continue leasing area to tenants (including Port for Knight Yard) for three years after Army conveyance.</p> <p>West Maritime Area (see map attached as Exhibit A): Port to continue to sublease West Maritime Area to tenants for three years after Army conveyance, under a no-cost lease with City.</p> <p>Each party to be responsible for its own tenants, both as to condition of property and timely departure. Transitional leases need to be coordinated with environmental remediation objectives.</p>

Part 2: Reinvestment Obligations Imposed by Base Conveyance Requirements

5	<i>Reinvestment Obligations</i>	<p>City must invest all cash proceeds from Port payments and East Maritime leasing program into OAB redevelopment for seven years after Army conveyance, pursuant to Army no-cost Economic Development Conveyance requirements. Reinvestment obligations will not extend to revenues received by Port.</p>
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Part 3: Timing and Terms of Land Transfers

6	<i>East Maritime Area and Knight Yard Transfer to Port</i>	<p>On same day OBRA receives EDC Property from the Army, City will deliver to Port Attorney (Trustee role) a deed executed by OBRA, ORA and City for East Maritime Area and Knight Yard, subject to agreement that deed is not effective, will not be deemed to be delivered, and cannot be recorded, until three years after Army conveyance.</p>
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		<p>At that time, deed is effective and will be recorded without regard to status of State Land Trust Exchange (“Exchange”) or any other matter.</p> <p>If within three years after conveyance, or such longer time as may be mutually agreed to by City and Port, an Exchange is not approved such that (1) at least 80 acres of Gateway Development Area (see map attached as Exhibit A) are released from, or otherwise agreed by the State not to be subject to, the public trust and (2) the consideration payable by the Port is within \$4 million of the consideration specified in this Term Sheet, then at the City’s sole option, to be exercised within a reasonable time frame after expiration of the three year period, the City and the Port will enter into:</p> <p>(a) a joint development agreement on mutually acceptable terms;</p> <p>(b) an amendment to the MOA referenced in Section 21 setting forth mutually acceptable terms in light of an Exchange that does not meet the above criteria; or</p> <p>(c) a purchase and sale agreement under which City will sell the Gateway Development Area to Port for fair market value, but only if Port is legally entitled to use the entire land purchased for maritime purposes (the “Cash-Out Remedy”). At City’s option, it may delete from the land purchased the Subaru Lot and the Baldwin Yard, as shown on the map attached as Exhibit A. Fair market value will be determined by an appraisal process based on comparable sales of industrial land. Port will assume City’s obligations in connection with the land purchased, and the fair market value will take this assumption into account including without limitation City’s one-half share of relocating the Homeless Collaborative. City will either assign or otherwise assure that Port receives the benefits of obligations Port assumes, <i>e.g.</i>, funding from the Army for environmental remediation the Port assumes. Port can elect to pay purchase price and its share of obligations prorated at closing in annual installments over a mutually acceptable period of</p>
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		<p>not less than five, nor more than fifteen, years at an annual interest rate of 5.5%, with the right to prepay at any time without penalty. City to use proceeds from sale of Trust-encumbered property for reinvestment into authorized Trust uses (including off-base uses) to the extent such off-base uses are authorized under the EDC reinvestment requirements; provided that, at City's option City may defer payment by Port until the EDC reinvestment period expires.</p> <p>The Dispute Resolution Process in Section 28 will not apply to the parties' inability to agree upon a joint development agreement or amendment under clauses (a) and (b) above. However, notwithstanding such failure to agree, the City may still exercise its Cash-Out Remedy, which is subject to the Dispute Resolution Process.</p>
7	<i>Transfer to Port of 57-acre submerged land area and 20-acre upland area (see map attached as Exhibit A)</i>	<p>Land transferred by OBRA to Port on the same day that OBRA receives land from the Army to facilitate the Port's Berth 21 and Vision 2000 entitlement and development program. Subject to approval by BCDC and other regulatory agencies with jurisdiction, (1) land transfer to include approximately 1-acre of currently submerged lands in West Maritime Area adjacent to Berth 21 area, as shown on map attached as Exhibit A, for Port to fill area as part of Berth 21 project and (2) following completion of fill, this 1-acre parcel of land to be transferred back to City at no cost to City.</p>
8	<i>State Lands Commission Exchange Cooperative Process</i>	<p>City and Port to cooperate fully in completing the State Lands Exchange process on a timely basis. Port may reject City's exercise of its Cash-Out Remedy if City fails to fully cooperate in State Lands Exchange.</p>
9	<i>Transfer to City of "Sliver Parcels" as shown on map attached as Exhibit A</i>	<p>City to receive fee title to two "Sliver Parcels" from Port, consisting of 2.5 acres in Berth 10 area and 12.3 acres north of "Triangle" area, under deed conveyance and Trustee arrangement with City Attorney (parallel to arrangement described in Section 6 for East Maritime Area and Knight Yard).</p>

		<p>Prior to transfer, City and Port will jointly determine the scope of environmental investigation of Sliver Parcels and jointly select the environmental consultant to conduct that investigation. City and Port will fund the environmental investigation in equal shares. City may decline to accept transfer based on such investigation. If City elects to proceed with transfer, then City will be responsible for any remediation and City will release Port from all claims in connection with Sliver Parcels and indemnify Port against third party claims. Port will assign any claims against third parties to City and will cooperate with City in City's pursuit of those claims. If City elects not to proceed with transfer, City will receive no-cost permanent easement to surface rights of Sliver Parcels for parking, landscaping, and structures, and may convey easement interests to third parties in ground or surface lease arrangements. Port to retain environmental liabilities for Sliver Parcels under such an easement arrangement but City (or subsequent transferees) will be responsible for complying with applicable environmental and other laws, and for the acts and omissions of City's licensees, sublessees and their respective employees, agents, contractors and others for whom they are responsible, in connection with construction and other activities under easements/leases. However, this responsibility will not extend to environmental conditions existing prior to the date of such easements/leases, except to the extent such conditions are exacerbated by the construction and other activities. <i>[Language regarding environmental liabilities on Sliver Parcels to be determined.]</i></p> <p>Port to have construction easements needed for Berth 21 project, and to coordinate with City construction/redevelopment program.</p>
10	<p><i>Land Use by CalTrans and CalTrans Payment. The litigation with CalTrans was settled, as to the Pier 7 laydown area and Burma</i></p>	<p>On or before September 27, 2002, one-half of the CalTrans settlement, \$5.8 million, will be released to the Port and the other half will be released to the City. Any interest will also be allocated in equal shares. If the actual term of the Port's sublease for</p>

<p><i>Road, on April 18, 2002. Under the settlement, CalTrans paid a lump sum amount of \$11.6M. This amount was calculated by assuming monthly rent for eight years, from 4/18/02 to 4/17/10, payable on the first day of the month. Accordingly, the CalTrans payment for the period from 6/08/02 until three years after estimated date of Army conveyance (4/30/06), which is the term of the contemplated no-cost lease to the Port following conveyance, should be allocated to the Port, and the remainder of the CalTrans payment (and any extension payment) should be allocated to the City. Pending agreement on allocation, the parties placed the funds into an account that requires both Port and City representatives to authorize withdrawals.</i></p>	<p>the laydown yard and related facilities covered by the CalTrans payment is different than the assumption made in calculating the payment (because the Army conveys the Base on a date other than 4/30/03, CalTrans terminates its right to use early, the Port becomes the owner of the entire area or for any other reason), then the parties will promptly re-calculate the allocation, using the new facts and a monthly rent of \$120,833, and make the appropriate adjustments between themselves.</p>
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Part 4: Environmental Cleanup of EDC Property and Army Reserve Parcels

<p>11 <i>Allocation of Army Funding Gap. There currently is a gap of about \$11.18 million, representing the difference between (a) the amount of Army funding for environmental remediation costs, and reimbursement for environmental insurance, under the Environmental Services Cooperative Agreement (“ESCA”) with the Army and (b) the likely “attachment point” when cost cap environmental</i></p>	<ul style="list-style-type: none"> - Assuming a gap no greater than \$11.2, City will be responsible for funding an aggregate of \$6 million and Port will be responsible for funding an aggregate of \$5.2 million. If the gap is greater than \$11.2 million, or if remediation costs exceed the cost cap insurance proceeds, then such amounts will be funded in equal shares by City and Port. Notwithstanding this allocation, each party will bear the entire deductible for claims against it under the pollution legal liability policy. The parties will also consult as to increasing the amount, extending the term of or renewing the cost cap insurance (beyond ten years and \$30M) and of the pollution
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<p><i>insurance proceeds become available, assuming a 10% self insured retention and \$30M of coverage. This gap is net of the actual cost to the Army of demolishing Building 1, which is the Army's responsibility. The parties will continue to try to reduce this gap by increasing the Army funding and reducing the environmental remediation costs, but it is very likely a gap will remain.</i></p>	<p>legal liability insurance (beyond \$30M), or incorporating the option to do so in the original policies, and if they mutually agree to do so the additional premiums will be allocated in equal shares. Army funds will first be used to pay environmental insurance premiums for the cost cap and pollution legal liability policies (but only for \$30M of cost cap insurance). The intent is then to use Army funds to remediate all seven "RAP" sites (which under the Remedial Action Plan must be remediated within five years after Army conveyance) and then to remediate RMP sites as required by redevelopment in compliance with the Remediation Action Plan; provided that, Army funds may be used to remediate certain "RMP" sites prior to remediation of all RAP sites if accelerated remediation is required by redevelopment in compliance with the Remediation Action Plan. The parties will use commercially reasonable efforts to complete remediation of RAP sites within three years on a priority basis to be set forth in the MOA referenced in Section 21, based on redevelopment requirements and the likely time frame for remediation. City and Port will mutually agree on amount, substance and timing of requests to Army for Army funds, and on procedures so that disagreements between Port and City will not disrupt flow of funds from the Army. When the entire Army funds have been spent, the parties will contribute an aggregate of \$1M, with the Port to pay 46% thereof and the City to pay 54% thereof, to a remediation account from which funds can be withdrawn by mutual consent of both parties to pay for mutually acceptable remediation costs. This account will continue to be funded by the parties in aggregate increments of \$1M, in the same proportions, whenever the balance falls below \$250,000, until the insurance attachment point is reached. The parties will establish procedures for ensuring that payments made will qualify as allowable in</p>
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		<p>reaching the attachment point. When the attachment point is reached, each party will be entitled to make claims under the insurance policies as required to remediate sites in compliance with the Remedial Action Plan, with notice to the other party as to claims made and status, as well as amounts received and an accounting as to claims paid and claims not paid. Each party will reasonably cooperate in claims made by the other. Each party will front the cost of remediation it undertakes pending processing of a claim. If remediation costs (as defined in the cost cap policy) ultimately exceed the cost cap policy limits, the parties will allocate the excess in equal shares, using the same procedure as used to fund the gap.</p> <ul style="list-style-type: none"> - Port to have direct responsibilities to, and relationship with, DTSC under Consent Agreement and related RAP/RMP documentation, for Port-owned property as of Port's acceptance of ownership interest in such property. - <p>ESCA (including the aggregate contribution from Army), Form 424, EDC MOA between Army, OBRA and ORA, Environmental Covenant, Conditions and Restrictions, Army Quitclaim Deed and Utilities Easement, amendments to the Master Lease between Army and OBRA, environmental cost cap and pollution legal liability insurance, DTSC Consent Agreement and RAP/RMP (the "OAB Conveyance Documents) to be in forms reasonably approved by Port prior to execution.</p>
12	<i>Unfunded Environmental Liability (if any) for Army Reserve Parcels</i>	<p>Port assumes unfunded environmental liability for its Army Reserve property.</p> <p>City assumes unfunded environmental liability for its Army Reserve property.</p> <p>EBMUD assumes unfunded environmental liability for its Army Reserve property.</p>
13	<i>Process</i>	City and Port to continue to share non-privileged

		information relating to transaction covered by the MOA and to coordinate meetings and calls with regulatory agencies and the Army. Each party to use commercially reasonable efforts to satisfy Closing Requirements in agreements with the Army and to enforce agreements with the Army and regulatory agencies to which the other party is not a signatory. Neither party will amend the OAB Conveyance Documents without other party's consent.
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Part 5: OAB Development Issues

14	<i>Relocation of Maritime Street including "Loop" Road"</i>	Relocation of Maritime Street, with the exception of the "Loop Road", is a Port project to be paid for by the Port; provided that relocation of utilities may be paid from other sources. Final design and funding allocation between Port, City and other third parties for "Loop Road" or alternative linkage between relocated Maritime Street and existing Maritime street will be subject to the Dispute Resolution Process in Section 28. The mediator will be instructed to consider both the most cost effective engineering solution and the relevant land use. <i>[Language regarding instructions to mediator to be determined.]</i>
15	<i>Cash Payment from Port to Community Trust</i>	Port to pay one-half, up to \$2 million, toward a Community Trust Fund if it is established within three years after Army conveyance. Developer(s) of Gateway Development Area to fund other half of Community Trust Fund. The timing of the Port's funding will be concurrent with full funding of the community trust.
16	<i>Allocation of Environmental Mitigation Obligations</i>	As required by CEQA, the Port and City to each implement feasible mitigation measures identified in the Environmental Impact Report (EIR); no mitigation measure may be modified in the future until further CEQA review has been conducted. Port and City agree to pay their respective fair shares of mitigation funding obligations as determined by a nexus-based analysis of relative contributions of City's and Port's developments to the environmental impacts identified in the EIR, to be agreed in good faith between City and Port.

17	<i>Approval of Conforming Land Use Changes</i>	<p>City to adopt a General Plan Amendment, and related zoning, redevelopment plan, Port Area alteration, and other land use requirements mutually acceptable to both City and Port (“City Plan Approvals”), to conform to certified EIR, and amended Reuse and Redevelopment Plans, again mutually acceptable to both City and Port within one year after the Closing referenced in Section 23.</p> <p>Port to approve Port Area alterations and other modifications to conform to certified EIR and amended Reuse and Redevelopment Plans, again all mutually acceptable to City and Port (“Port Plan Approvals”) within one year after the Closing referenced in Section 23.</p> <p>Effective date of City/Port Plan Approvals is three years after Army conveyance.</p> <p>Content and final timing of City and Port Plan Approvals subject to Dispute Resolution Process in Section 28.</p>
18	<i>Conformance to BCDC Requirements</i>	Port and City to adhere to requirements of BCDC Seaport and Bay Plans.
19	<i>Cooperation in CC&Rs/ Boundary Setback Conditions</i>	Port and City to cooperate in establishing necessary Covenants, Conditions & Restrictions (“CC&Rs”) relating to setbacks and other boundary conditions for Port/City lands, consistent with requirements of BCDC Bay and Seaport Plans.
20	<i>Cooperation in Public Access Requirements</i>	Port and City to cooperate in accommodating bike trail and other public access requirements on Maritime Street, along southern border of the City development area, and elsewhere in OAB area.

Part 6: Other Contractual Issues

21	<i>Binding Legal Agreement</i>	Upon approval of this Term Sheet by the governing bodies of OBRA, ORA, City and Port, the parties’ respective staffs will be directed to negotiate a Memorandum of Agreement (“MOA”) consistent with this Term Sheet, which will be binding upon
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		<p>execution by the parties' duly authorized signatories without further action by their governing bodies. the parties' intent is to execute and deliver the MOA no later than October 31, 2002.</p>
22	<i>Port Utility Systems</i>	<p>West Maritime development to be integrated into Port utility system(s), at City's election and cost, based on actual costs of integrating new development into Port utilities</p>
23	<i>Port Waiver of Reversionary Right</i>	<p>On or before September 30, 2002, Port to deposit into escrow quitclaim deed in favor of Army covering Port's right to acquire portions of the West Maritime Area subject to 1949 Supplemental Agreement between Port and Army, with instructions that deed will be effective only at and upon Army's conveyance of EDC Property to OBRA and the parties' consummation of the transactions contemplated in this Term Sheet (the "Closing").</p>
24	<i>Cost Allocation for Joint Benefit Process Costs</i>	<p>Port and City to each pay half of reasonable costs incurred by either party for (1) Army conveyance (including for example environmental, FOSET, survey and consulting costs); (2) Master Utilities and Infrastructure Planning; (3) State Lands Exchange (including appraisal and survey); and (4) EIR costs. Port and City agree that all transaction costs pertaining to clauses (1) through (4) above be transparent.</p> <p>Port and City to each bear their own costs for staff time and legal counsel.</p> <p>At the Closing referenced in Section 23, either party will pay to the other any differential between the cost actually incurred by each party to date and its one-half share, and thereafter there will be an annual reconciliation and payment, as well as a reconciliation when deed to Port of East Maritime area and Knight Yard becomes effective under Section 6.</p>
25	<i>Force Majeure</i>	<p>Force Majeure conditions will include:</p> <p>Unanticipated conveyances from Army to third</p>

		<p>parties (other than CalTrans') that reduce the acreage available to the City for implementation of the Reuse Plan; and</p> <p>Other standard force majeure conditions (litigation by third parties, acts of God, acts of war, etc.).</p> <p>Neither party will be liable if its failure to perform is due to force majeure. Each party will give notice of a force majeure condition that prevents that party's performance, and will attempt to perform as soon as reasonably possible. Disputes as to force majeure issues are subject to the Dispute Resolution Process in Section 28.</p>
26	<i>City and Port Termination Provisions</i>	<p>The MOA entered into pursuant to Section 21 may be terminated by:</p> <p>(1) Either City or Port, if the Army fails to convey the EDC Property by January 1, 2007, as a result of which the Closing referenced in Section 23 fails to occur by that date;</p> <p>(2) Port, if the final form of any OAB Conveyance Document is modified without the Port's prior written consent from the form of such Document agreed upon by the parties as of the date of this Term Sheet, and such modification is materially adverse to the Port;</p> <p>(3) City, if Port fails to enact the Plan Approvals required of it under Section 17; and</p> <p>(4) Port, if City fails to enact the Plan Approvals required of it under Section 17.</p> <p>Party initiating termination must provide 60 days' advance notice to the other party. Any termination except termination under item (1) above is subject to the Dispute Resolution Process in Section 28.</p>
27	<i>Redevelopment MOU. When the Port Area was first placed within a City Redevelopment Area, the</i>	<p>On or before September 27, 2002, City will deliver to Port the signed Redevelopment MOU substantially in the form dated September 13, 2002.</p>

	<p><i>parties agreed to execute and deliver an MOU confirming the Port's exclusive jurisdiction within the Port Area. The City subsequently expressed concern regarding execution and delivery of the MOU until the EIR for the current redevelopment area was certified. The certification occurred on July 31, 2002.</i></p>	
<p>28</p>	<p><i>Binding Mediation</i></p>	<p>Unless expressly excluded, disputes between the Port and City under the MOA referenced in Section 21 will be subject to a "Dispute Resolution Process" under which a neutral mediator will first mediate between the parties in an attempt to reach a voluntary resolution, but if that fails the mediator will make a binding decision.</p>

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 41

SUBJECT: Resolution endorsing Oakland Measure DD on November 5, 2002 ballot, the "Oakland Trust Fund For Clean Water, Waterfront Parks and Recreation"

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones *HP*

EXECUTIVE OFFICE RECOMMENDATION: *HP*

FACTUAL BACKGROUND:

The Oakland City Council at its July 9, 2002 evening council meeting voted to place a \$198,250,000 general obligation bond measure on the November 5, 2002 election ballot. Measure DD, the "Oakland Trust Fund for Clean Water, Safe Waterfront Parks and Recreation," will help fund a variety of projects at Lake Merritt, the Lake Merritt Channel, Oakland Estuary waterfront, Oakland creeks, as well as at several youth and public recreational facilities. Of particular interest to the Port is \$43.5 million earmarked for a number of projects along the Oakland Estuary. This includes funding for:

- Pedestrian and bicycle trail acquisition and construction along the estuary waterfront to provide continuous public access from Jack London Square to Martin Luther King, Jr. Regional Shoreline
- Public access area for shoreline parks, Martin Luther King Wetlands and trails and city sports fields
- Acquisition and completion of following parks along estuary waterfront:
 - Estuary Park at mouth of Lake Merritt Channel into Estuary
 - Meadows Park at 5th Avenue
 - New park in area of 9th Street Terminal Avenue
 - Union Point Park at 23rd Avenue

ANALYSIS:

Although the bond measure allows the City of Oakland to sell bonds totaling \$198,250,000 for project implementation, this funding is not intended to fully fund projects on the bond measure project list. Indeed, if every project were fully implemented the cost would far exceed the amount contained in the measure. Rather, the \$198,250,000 is intended to provide a down-payment for these capital improvements. In order to complete the full project list, the City of Oakland will need to leverage money secured through Measure DD bond financing by pursuing outside grant funds, state and federal government appropriations, as well as other appropriate funding sources.

FISCAL IMPACT:

The \$198,250,000 in bonds as called for in Measure DD would not be issued at one time, but rather in a series of issuances. The bonds would be paid-off through increases in Oakland homeowners' property taxes. It is estimated that the average tax increase would not exceed \$20 per year for every \$100,000 of assessed property value.

SUSTAINABILITY:

Measure DD provides the opportunity to improve water quality at Lake Merritt, the Oakland Estuary, and Oakland city creeks; enhance biking and walking conditions at the lake, channel, and waterfront; clean-up contaminated sites, improve wildlife habitat; and create new parks and expand existing ones.

RECOMMENDATION:

It is recommended that the Board adopt a resolution endorsing Measure DD.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02318
BOARD ACTION TAKEN Assistant

Shirley Kuyper
SECRETARY OF THE BOARD

SEP 17 2002

DATE

Agenda Sheet

DATE: September 17, 2002

ITEM NO: 42

SUBJECT: Approval of the Fourth Supplemental Agreement with Geac Enterprise Solutions, Inc. to Perform Training and Consulting Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert, Chief Financial Officer

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Board has previously approved the capital budget project for the Port's financial system. The original CIP budgeted project was \$6.2 million. To date the Board has approved, in various resolutions, a total of \$3,325,000 for specific expenditures. These include GEAC for \$2 million, local W/MBE participation budgeted for \$550,000, \$350,000 for backfills, \$225,000 for contingency and \$200,000 for equipment.

As of this date, the general ledger, accounts receivable, accounts payable, purchasing/requisition, and budget/allocation modules have been implemented and are in use. The fixed asset module is currently being completed. Training for staff and end users on these modules will require the assistance of GEAC. By using the company that has been involved with the implementation from the initial installation, there is the benefit of continuity and time savings.

OPTIONS:

1. retain GEAC for training and project completion;
2. locate/hire new firm for training and project completion, resulting in delays and increased costs for educating new firm and integrating with what has been accomplished;
3. complete project with internal staff, resulting in project delays due to lack of sufficient staff resources.

RECOMMENDATIONS:

It is recommended that the Board approve a supplemental agreement with GEAC for training and consulting services not to exceed \$450,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02319

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SECRETARY OF THE BOARD

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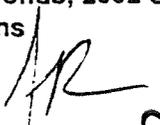
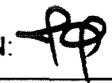
Agenda Sheet

DATE: September 17, 2002ITEM NO: 43

SUBJECT: Approval of Issuance of Port of Oakland
Refunding Revenue Bonds, 2002 Series N (AMT) and
Certain Related Actions

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Fred W. Rickert EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

It is recommended that the Board authorize the issuance of Port of Oakland Refunding Revenue Bonds, 2002 Series N (AMT) with an amount not to exceed \$135,000,000 to refund in part the Port's 1992 Series E Bonds outstanding in the aggregate principal amount of \$135,335,000. The proposed refunding revenue bonds would be issued to take advantage of current interest rates, which are at historic lows. The 1992 Series E Revenue bonds were issued with a TIC of approximately 6.7% and substantial present value savings can be achieved by refunding the bonds at the first call date of November 1, 2002. It is further recommended the Board authorize not to exceed \$16 million of expenditure of cash to defease the remaining portion of the 1992 Series E Revenue Bonds, as well as a notice of redemption for Series E Bonds and the purchase of defeasance securities until the redemption date. (Please see Draft Redemption attached)

As part of the marketing and sales effort for the bonds, the Port's underwriters will circulate a Preliminary Official Statement (POS), including the Feasibility Study of the Port, which was prepared in connection with the recently issued Port Revenue Bonds Series L & M. The POS will include the Port's unaudited consolidated financial statements. The final Official Statement, which will reflect the final size, structure, and interest rates, will be delivered to the actual purchasers of the Bonds. In order for this sales effort to proceed, the Board will need to approve the POS, authorize preparation of and delegate authority to approve the final Official Statement in substantially final form, and authorize the distribution of these documents by the underwriters.

In addition to authorizing the Thirteenth Supplemental Indenture described below, the Port will enter into a Tax Regulatory Agreement (to comply with the provisions of the Internal Revenue Code), a Continuing Disclosure Certificate (to comply with the Securities and Exchange Commission disclosure laws), a Bond Purchase Agreement with the underwriters (Goldman, Sachs & Co.; Salomon Smith Barney; A.G. Edwards & Sons, Inc.; Henderson Capital Partners, LLC; Loop Capital Markets, LLC; Ramirez & Co., Inc.; and M.R. Beal & Company) setting the terms of the purchase and sale of the bonds, and an Escrow Agreement for deposit of certain transferred funds of Series E and proceeds of Series N, plus the Port cash contribution, and certain other related agreements.

The current financing schedule anticipates mailing the Preliminary Official Statement to potential investors on September 18, 2002, pricing the Bonds on September 23 & 24, 2002 with the pre-closing and closing currently scheduled for October 9 & 10, 2002 respectively.

If economic conditions dictate the purchase of bond insurance or surety premiums (in order to fund the debt service reserve fund with a surety bond rather than bond proceeds) at the time of sale, the Port will also enter into a credit agreement with a bond insurer and/or surety provider and the Thirteenth Supplemental Indenture will be appropriately revised to incorporate bond insurance and/or surety premium provisions. At this time,

Approved by Resolution
No.

- MOTION
 RESOLUTION
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it is anticipated that the Port will both purchase bond insurance and look at the Port's best alternative in either obtaining a surety bond or funding the Debt Service Reserve Fund with cash or bond proceeds.

The Board is asked to authorize the financing for a total interest cost (TIC), including all fees and costs, for an amount not to exceed 5.55%. It is anticipated, however, given current market conditions, that the TIC will be lower. For example, on September 5, 2002, the TIC would have been approximately 4.89%, which would have resulted in a potential present value savings of \$16 million or 11.93%. However, tax-exempt bond interest rates have fluctuated significantly over the past six months, and it is prudent to authorize a higher limit given the Port's goal of refunding the Series 1992 E bonds to achieve savings for the Port. As a matter of reference, the upper limit TIC of 5.55% still results in a present value savings of 5% (as a percentage of the refunded bonds) or approximately \$7 million.

The Trustee for the Bonds will be U.S. Bank and the terms and fees in the contract is already executed between the Port and First Trust California as approved by the Board in 1994 for trustee services and will not change for this financing.

RECOMMENDATION:

It is recommended that the Board adopt a resolution authorizing the issuance and sale of the Port of Oakland Refunding Revenue Bonds, 2002 Series N (AMT) in accordance with the parameters set forth above, authorizing the payment of costs of issuance (which will include the underwriters' discount, underwriting fee, feasibility consultants, financial advisory fees, costs of counsel, rating agency fees, insurance and surety provisions if any, from the Bond proceeds), authorizing entering into any bond insurance and/or surety agreements, authorizing a Port cash contribution, authorizing redemption of the 1992 Series E Bonds on or after November 1, 2002, and all other actions and agreements necessary to complete the sale and issuance of the 2002 Series N (AMT).

It is also recommended that the Board authorize the President and any Vice President of the Board, the Executive Director, Deputy Executive Director, Chief Financial Officer, Secretary, and Port Attorney to execute the Bonds, the Preliminary Official Statement, the Official Statement, and enter into the Thirteenth Supplemental Indenture, the Bond Purchase Agreement, the Tax Regulatory Agreement, Escrow Agreement, and all other documents necessary to accomplish the issuance of the Bonds, including execution of any certificates and representatives on the part of the Board.

The Port currently expects to issue approximately \$135,000,000 million aggregate initial principal amount of Series N bonds. The parameters set forth below are not-to-exceed amounts, and final costs of issuance and underwriting discount should be less, following various negotiations currently underway:

- The principal amount of the Series N Bonds does not exceed \$135,000,000;
- Not to exceed \$16 million of Port cash contribution;
- The true interest cost on the bonds does not exceed 5.55% (including costs of issuance, original issue discount (if any), accrued interest, underwriting fee, insurance and surety premiums, if any);
- The costs of issuance do not exceed 2% of the aggregate principal amount of the Bonds (including feasibility consultants and financial advisory fees); and
- The underwriting fee and/or discount does not exceed \$7.50 per \$1,000 bond or .75% of the aggregate principal amount of the bonds (which includes the takedown or sales commission per bond, reimbursement of underwriting syndicate expenses, and management fee).

RESOLUTION AUTHORIZING THE ISSUANCE OF PORT OF OAKLAND REFUNDING REVENUE BONDS 2002 SERIES N (AMT) IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$135 MILLION; AND AUTHORIZING AND APPROVING A THIRTEENTH SUPPLEMENTAL TRUST INDENTURE AND CERTAIN OTHER RELATED ACTIONS AND DOCUMENTS

WHEREAS the Board of Port Commissioners of the City of Oakland (the "Board" or the "Port") is authorized by Section 706(24) of the Charter of the City of Oakland to provide for financing and refinancing of Port facilities through the issuance and sale of debt instruments payable exclusively from revenues, other funds and property of the Port; and

WHEREAS Ordinance No. 2858, adopted by the Board on February 21, 1989 (the "Procedural Ordinance"), provides that the debt instruments shall be issued and sold in such manner and upon such terms and conditions, and contain such provisions and covenants, as the Board shall fix and establish; and

WHEREAS to achieve interest cost savings, the Board desires to refund all of the outstanding Port of Oakland Revenue Bonds 1992 Series E (the "Prior Bonds") of which \$135,335,000 aggregate principal amount is currently outstanding, and has determined that it is in the best interests of the Port to provide funds for such refunding through: 1) the issuance of Port of Oakland Refunding Revenue Bonds 2002 Series N (AMT)(the "Series N Bonds"), and 2) a cash contribution by the Port in an amount not to exceed \$16,000,000; and

WHEREAS there has been presented to this Board a form of Purchase Contract (the "Purchase Contract"), between the Board and Goldman, Sachs & Co. for itself and as representative of the underwriters listed on Exhibit A of that certain Purchase Contract (collectively, the "Underwriters"), with respect to the purchase and sale of the Series N Bonds; and

WHEREAS this Resolution, together with the Trust Indenture dated as of April 1, 1989, (the "Trust Indenture"), between the Board and U.S. Bank, N.A., as successor in interest to Security Pacific National Bank, as trustee (the "Trustee"), as amended and supplemented from time to time, including as supplemented by the Thirteenth Supplement (as hereinafter defined), together constitute a "Resolution of Issue" within the meaning of the Procedural Ordinance; and

WHEREAS a form of the Thirteenth Supplemental Trust Indenture (the "Thirteenth Supplement") between the Board and the Trustee has been presented to this Board, which provides, among other things, for the terms and conditions of the issuance and delivery of the Series N Bonds; and

WHEREAS Section 2.11 of the Trust Indenture requires the preparation by an Authorized Board Representative (as defined in the Trust Indenture and as hereinafter described) of a certificate indicating maximum annual debt service savings as a condition precedent to the issuance of the

Series N Bonds for refunding purposes, and such a certificate shall be delivered in connection with the delivery of the Series N Bonds; and

WHEREAS there has been presented to this Board a form of Preliminary Official Statement, a form of Continuing Disclosure Certificate relating to the issuance of the Series N Bonds, and a form of Escrow Agreement by and between the Board and U.S. Bank, N.A., as escrow agent thereunder (the "Escrow Agent") and as trustee of the Prior Bonds (the "Prior Bonds Trustee") under the Sixth Supplemental Trust Indenture, dated as of June 1, 1992 (the "Sixth Supplement"), by and between the Board and the Prior Bonds Trustee; and

WHEREAS the proposed terms of the Escrow Agreement and the Thirteenth Supplement provide in pertinent part that a certain portion of the proceeds obtained from the sale of the Series N Bonds, plus (i) funds on deposit with the Prior Bonds Trustee under the Sixth Supplement, and (ii) additional cash to be contributed by the Board from its own moneys as authorized herein, shall all be transferred in trust to the Escrow Agent to be held in the Escrow Fund (the "Escrow Fund") created under the Escrow Agreement and used to effect the full refunding of the Prior Bonds on November 1, 2002 as described in the Escrow Agreement; and

WHEREAS the proposed form and terms of the aforementioned documents presented to this Board appear to be appropriate and are satisfactory to the Board, and the Board has determined that it is in the best interests of the Port to refund all of the Prior Bonds; and

WHEREAS the Board desires to authorize certain officers of the Board to authorize the purchase of one or more defeasance securities with certain proceeds of the Series N Bonds and cash contributed by the Board, to be held in the Escrow Fund, as authorized by the Trust Indenture, the Sixth Supplement, the Thirteenth Supplement, the Escrow Agreement and applicable law, to be effective on and after the expected date of delivery of such proposed Series N Bonds in connection with the refunding and defeasance of the Prior Bonds pursuant to the provisions of Articles III of the Sixth Supplement and Sections 2.10 and Articles III and VII of the Trust Indenture; now, therefore, be it

RESOLVED by the Board of Port Commissioners of the City of Oakland, as follows:

1. Recitals. The Board hereby finds and declares that the foregoing recitals are true and correct.
2. Issuance of Series N Bonds. For the purpose of providing a portion of the funds needed to refund all of the outstanding Prior Bonds, the Board hereby authorizes the issuance of its Series N Bonds in an aggregate principal amount not to exceed One Hundred Thirty-Five Million Dollars (\$135,000,000). In addition to the above uses of the proceeds of the Series N Bonds, a portion of such proceeds may be used to pay costs of issuance, to fund a debt service reserve fund for the Series N Bonds (and/or to pay the premium costs associated with a debt service reserve surety bond, if a surety bond is utilized) and to pay the premium costs for a municipal bond insurance policy or other credit or liquidity enhancement (collectively, "Credit Enhancement"), if it is determined that Credit Enhancement results in true interest cost savings to the Board as further described in paragraph 12 of this Resolution.

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Execution and delivery of the Thirteenth Supplement containing the maturities, the principal amounts and the interest rates, within the parameters set forth in this Resolution, shall constitute conclusive evidence of the Board's approval of such maturities, principal amounts and interest rates.

The Series N Bonds shall bear interest at such rates with respect to the various maturities such that the all-in true interest cost for the Series N Bonds does not exceed five and fifty five hundredths percent (5.55%) per annum, and the final maturity of any of the Series N Bonds shall not be later than November 1, 2022. The all-in true interest cost shall be that rate which, when used in computing the present value of all payments of principal and interest to be paid on the Series N Bonds, produces an amount equal to the purchase price of the Series N Bonds taking into account any original issue discount, underwriters' discount or fee, and any and all costs of issuance of the Series N Bonds.

3. Pledge to Secure the Series N Bonds. The Board hereby approves the pledge of the Pledged Revenues (on a parity with the other bonds issued under the Trust Indenture), as such term is defined in the Trust Indenture, to secure the Series N Bonds as set forth in the Trust Indenture and the Thirteenth Supplement.

4. Form of Series N Bonds. The Series N Bonds and the Trustee's Certificate of Authentication to appear thereon shall be in substantially the form or forms set forth in Exhibit A to the Thirteenth Supplement with necessary or appropriate variations, omissions and insertions as permitted or required by the Trust Indenture or the Thirteenth Supplement or as appropriate to adequately reflect the terms of the Series N Bonds and the obligation represented thereby.

5. Execution of Series N Bonds. The Series N Bonds shall be executed by the President or any Vice President of the Board or any Board Member designated by the President or any Vice President and attested by the Secretary of the Board or his authorized designee. Any of such signatures may be placed manually on the Series N Bonds or may be by facsimile, and any facsimile signature shall be of the same force and effect as if such signature were manually placed on such Series N Bonds.

6. Approval of Documents, Authorization for Execution. The form, terms and provisions of the Thirteenth Supplement, the Escrow Agreement (including without limitation the form of Redemption Notice and Defeasance Notice annexed thereto) and the Continuing Disclosure Certificate (collectively, the "Documents") are in all respects approved, and any one or more of the President of the Board, any Vice President of the Board, the Executive Director, the Deputy Executive Director or Chief Financial Officer of the Port, or the authorized designee of any such officer (the Executive Director, Deputy Executive Director or Chief Financial Officer of the Port or the authorized designee of any such officer being referred to as an "Authorized Board Representative"), are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Documents, including counterparts thereof, in the name and on behalf of the Board, subject to the approval of the Port Attorney or his designee. The Documents, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, with such changes therein (including any changes required by a credit enhancer in order to obtain Credit Enhancement with respect to the Series N Bonds) as shall be approved by the officer or officers of the Port executing the same and the Port Attorney or his designee; the execution thereof

shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Documents now before this meeting; and from and after the execution and delivery of the Documents, the officers, agents and employees of the Board are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents.

7. Preliminary Official Statement. The distribution by the Underwriters of the Preliminary Official Statement in connection with the offering and sale of the Series N Bonds in substantially the form of the draft presented at this meeting, with such changes therein as shall be approved by the President of the Board, any Vice President of the Board, or any Authorized Board Representative, is hereby authorized and approved. The President, any Vice President, and any Authorized Board Representative, or any one of them, are hereby authorized and directed to "deem final" said Preliminary Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended.

8. Official Statement. Prior to the delivery of the Series N Bonds, the Port shall provide for the preparation, publication, execution and delivery of an Official Statement relating to the Series N Bonds in substantially the form of the draft Preliminary Official Statement presented to this meeting. The President, any Vice President, and any Authorized Board Representative, or any one of them, are hereby authorized and directed to execute and deliver the final Official Statement in the name and on behalf of the Board, and to make any changes or revisions thereto necessary in order for the final Official Statement to meet the obligations and requirements of the Board under the Purchase Contract, the Documents and this Resolution. The execution and delivery thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the form of the Preliminary Official Statement now before this meeting. The Underwriters are hereby authorized to distribute the Official Statement in such final form.

9. Sale of Series N Bonds. The Board hereby authorizes the sale of the Series N Bonds through a private, negotiated sale to the Underwriters. The Board hereby finds and declares that such sale is exempt from the competitive bid procedures of Port Ordinance No. 1606 by reason of the exception contained therein (Section 5(i)(1)) for the obtainment of professional or specialized services. The Board further finds and declares pursuant to Section 5(i)(4) of said Ordinance 1606 that, giving due regard for market and competitive considerations and being duly advised in the premises, the proposed sale of the Series N Bonds to the Underwriters on a private, negotiated basis is in the best interests of the Port. Any Authorized Board Representative is hereby authorized to approve the final terms of the sale of the Series N Bonds subject to the terms, conditions and restrictions set forth in this Resolution. The Series N Bonds, if sold to the Underwriters, shall be sold with an underwriters' discount and/or underwriting fee as set forth in the Purchase Contract, not to exceed seventy-five one hundredths percent (0.75%) of the aggregate principal amount of the Series N Bonds, and subject to the terms and conditions set forth in the Purchase Contract. The form, terms and provisions of the Purchase Contract now before this Board are in all respects approved, and the President, any Vice President, and any Authorized Board Representative, or any one of them, are hereby authorized and empowered to execute and deliver the Purchase Contract, including counterparts thereof, in the name and on behalf of the Board. The Purchase Contract, as executed and delivered, shall be in substantially the form now before this meeting and hereby approved, with such changes therein as shall be approved by the officer or officers executing the

same and by the Port Attorney or his designee; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the form of the Purchase Contract now before this meeting; and from and after the execution and delivery of the Purchase Contract, the officers, agents and employees of the Board or the Port are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Purchase Contract.

10. Trustee and Escrow Agent. The Board hereby approves and ratifies the appointment of U.S. Bank, N.A., as Trustee under the terms of the Thirteenth Supplement and as Escrow Agent under the terms of the Escrow Agreement.

11. Redemption and Defeasance Notices. Any Authorized Board Representative is hereby authorized and directed to deliver or cause to be delivered any notices required to be given in connection with the redemption and defeasance of the Prior Bonds.

12. Additional Authorization. The President and any Vice President of the Board, any Authorized Board Representative and all officers, agents and employees of the Board or the Port, and any one of them acting alone, for and on behalf of the Board, are hereby authorized and directed to do any and all things necessary to effect the issuance, execution (as appropriate) and delivery of the Series N Bonds, the Documents, a tax and non-arbitrage certificate, the Preliminary Official Statement and final Official Statement and the Purchase Contract and to carry out the terms thereof. In addition, said persons are further authorized to take all actions and execute any and all documents necessary or advisable to arrange for Credit Enhancement for some or all of the Series N Bonds (including any debt service reserve surety bond or bonds), if such Credit Enhancement will, upon the advice of the Port's financial advisors, result in interest cost savings. Said officers and other persons are further authorized and directed, for and on behalf of the Board, to execute all papers, documents, certificates and other instruments that may be required before or after delivery of the Series N Bonds in order to carry out the authority conferred or contemplated by this Resolution, the Thirteenth Supplement and the Trust Indenture. The foregoing authorization includes, without limitation, authority for an Authorized Board Representative to cause not more than \$16,000,000 to be applied to gross fund the Escrow Fund which, when combined with that portion of the proceeds of the Series N Bonds specified in the Thirteenth Supplement and the transfer to the Escrow Fund of all remaining moneys (principally Series E Reserve Fund moneys) held by the Prior Bonds Trustee under the Sixth Supplement, is intended to be sufficient to pay in full on November 1, 2002 the redemption price of the Prior Bonds plus all maturing principal of and accrued but unpaid interest on the Prior Bonds to such date.

13. Investments. The Authorized Board Representatives of the Port, and each one of them acting alone or in combination, are hereby authorized, for and in the name and on behalf of the Port, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, whether before or after the issuance of the Series N Bonds, including but not limited to those described in the various documents and instruments herein approved, which they, or any of them, may deem necessary or advisable and in the best interests of the Port to authorize the purchase of certain specified noncallable Government Obligations as defined in the Trust Indenture and as provided for in the Escrow Agreement in connection with the refunding and defeasance of the Prior Bonds, and otherwise to effectuate the

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purposes thereof and of the documents herein approved in accordance with this Resolution and the transactions contemplated hereby, including, but not limited to, entering into appropriate agreements with a broker to select such investments. The Board hereby finds and determines that any agreements with brokers and/or investment providers will be for professional or specialized services, that obtaining such services without competitive bidding will be in the best interest of the Port, and the Board hereby waives competitive bidding except as otherwise required by applicable federal tax law.

14. Severability. The provisions of this Resolution are hereby declared to be severable and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

15. Effective Date. The effective date of this Resolution shall be its date of adoption.

FURTHER RESOLVED that this Resolution is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. This Resolution approves and authorizes the execution of an agreement in accordance with the terms of this Resolution. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this Resolution, is signed as approved as to form and legality by the Port Attorney, and is delivered to other contracting party, there shall be no valid or effective agreement.

At a _____ meeting held _____, 2002

Passed by the following vote:

Ayes: _____

Noes: _____

Absent: _____

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Agenda Sheet

DATE: September 17, 2002

ITEM NO: 44

SUBJECT : Authorization to Dispense with Standard Bidding Procedures for Furnishing Labor, Materials and Equipment for Paving, Grading and Associated Contractor's Services for Port of Oakland Facilities for the Period Commencing December 1, 2002 and Ending December 31, 2003, 2004 or 2005

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

A Project Manual has been prepared for **Furnishing Labor, Materials and Equipment for Paving, Grading and Associated Contractor's Services for Port of Oakland Facilities for the Period Commencing December 1, 2002 and Ending December 31, 2003, 2004 or 2005**. The work of this annual Contract consists, in general, of on-call grading; construction, rehabilitation and repair of pavements; and miscellaneous general contract work at various Port of Oakland facilities for the period indicated.

Currently, the Port is under contract with a paving Contractor on an annual term contract. The funding for this Contract has been depleted. Therefore it is necessary to let new contracts. It is believed to be in the best interests of the Port to execute contracts with two contractors, thus assuring contractor availability during urgent or emergency situations. The preference would be to execute one of the two contracts with a small local contractor, as defined by the Port's Small/Local Business Utilization Policy (Policy), if a reasonable bid is received from such a contractor. This would allow a small local paving contractor to gain valuable experience in public sector work. It is also believed that to insure small local business participation in this work, it will be necessary to remove this project from the formal bidding procedure, and, in addition to formal advertising, engage in an outreach program by soliciting bids from small local paving contractors. If no such bid is received, contracts will be executed with the two lowest responsible bidders. It is also believed to be in the best interests of the Port to facilitate the bidding process by delegating to the Executive Director the authority to decide bid protests, if any.

The budget for the SBE work is estimated at \$300,000 per year; the annual cost may vary, but in no case will the SBE expenditures exceed \$1,000,000 for the maximum three-year term of the Contract. The budget for the non-SBE work is estimated at \$1,000,000 per year; the annual cost may vary, but in no case will the non-SBE expenditures exceed \$3,000,000 for the maximum three-year term of the Contract unless subsequently approved by the Board of Port Commissioners.

The specifications for these new contracts include a provision allowing the Port to renew each Contract in one-year increments through December 31, 2005. Renewal of a Contract shall only occur if agreed to in writing by both the Executive Director of the Port and the Contractor. Should the Contract be renewed, all provisions of the specifications shall apply and the markup percentages shall be as on the Bid Sheet.

ANALYSIS:

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act and the Port CEQA guidelines pursuant to CEQA 15301, Class 1 (a, c, d and f) maintenance, involving no expansion of use beyond that previously existing.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. A 02321

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

SEP 17 2002

DATE

General Plan

Pursuant to Sec. 727 of the City Charter, the project has been determined to conform to the policies of the Oakland General Plan.

Budget

The expense and capital budgets provide for this work. The budget for the total work is estimated at \$1,300,000 per year. The annual cost may vary, but in no case will the total expenditures exceed \$4,000,000 for the maximum three-year term of the Contract unless subsequently approved by the Board of Port Commissioners.

Sustainability

The work of this contract is subject to the Port's Sustainability Policy implemented in November 2000. In particular, the work of this Contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirement Ordinance, and the Project Manual requires the Contractor to separate salvageable construction material and debris for reuse or sale.

Project Labor Agreement

This project is covered by the provisions of the Maritime and Aviation Project Labor Agreement (MAPLA), however, if a small local contractor submits a successful bid, then that contractor will be exempt from the MAPLA.

RECOMMENDATION:

It is recommended that it be found to be in the best interests of the Port to dispense with standard bidding procedures and authorize the Executive Director to execute two contracts for the above work, one being with a Port-certified SBE contractor. It is further recommended that in case no responsible responsive small local contractor is found, the Executive Director be authorized to execute contracts with the two lowest responsible responsive bidders. ~~Finally, Concerning the bid protest procedures,~~ it is recommended that the authority to decide bid protests, if any, be delegated to the Executive Director Port staff.

Agenda Sheet

DATE: September 2002

SUBJECT: PERSONNEL ITEMS
- Amendment of Salary Schedule Assignments

ITEM NO: 42

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry
EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

**DUPLICATE
OF PRIOR**

CALENDAR MEMO

FACTUAL BACKGROUND:

I. AMENDMENT OF SALARY SCHEDULE ASSIGNMENTS-- Ordinance (2 Readings)

A. It is requested that the Board approve the amendment of the salary schedule assignments for the classification of **Port Insurance Technician and Workers' Compensation Claims Technician** from Salary Schedule 218 (a--\$4006; b--\$4205; c--\$4415; d--\$4682; e--\$4961) to **Salary Schedule 222.66** (a--\$4193; b--\$4403; c--\$4624; d--\$4902; e--\$5196). This salary change will reflect the duties and responsibilities that are commensurate with the classification.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding amendment of salary schedule assignments.

Approved by Ordinance
passed to print

- MOTION
- RESOLUTION
- ORDINANCE
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BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

DATE

SEP 3 - 2002

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

COMMISSIONERS

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PETER URIBE

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, September 3, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

- 1 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 10 matters.
- 2 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9: Name of cases:

City of Oakland v. Gallagher Properties, Inc., United States District Court of the State of California, Case No. C-01-3212 EDL

S.F. Baykeeper, et al., v. City of Oakland, et al., U.S. District Court Case No. C 00 2184 (related to Moby Dick Matter)
- 3 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.

4 CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property:	Oakland Army Base
Negotiating Parties:	Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation:	Price and Terms of Payment

Property:	Pardee Parking Lot
Negotiating Parties:	Port and City of Oakland
Under Negotiation:	Price and Terms of Payment

OPEN SESSION: 4:00 P.M.

READING OF THE MINUTES:

Regular meeting of August 6, 2002

REPORT OF PRESIDENT:

REPORT OF EXECUTIVE DIRECTOR:

READING OF SUMMARY ITEMS: (Marked "s")

4 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11** Approval of New License and Concession Agreement with Cal-Air Aviation Services, Inc. (7683 Earhart Road, North Airport). (Resolution)
- 12** Dispense with Standard Bidding Procedures for the Emergency Replacement for Baggage Carousel #3, Terminal 1 and Authorize a Change Order in Order to Purchase and Install Replacement for Baggage Carousel #4, Terminal 1, Oakland International Airport. (Resolution)
- 13** Authorization to Sign a First Supplemental Agreement with Brown-Buntin Associates, Inc., for Aviation-Related Acoustical Services. (Resolution)
- 14** Authorization to Execute a Memorandum of Understanding (MOU) with the San Francisco Bay Area Rapid Transit District (BART) to Cooperatively Fund and Participate in an Investigative Study of the Group Rapid Transit (CyberTran International, Inc.) Concept. (Resolution)
- 15** Ratification of Submittal of Application to Federal Aviation Administration (FAA) and Authorization to Accept FAA Grant Offer. (Resolution)
- 16** Approval of Fourth Supplemental Agreement with ASC Construction Management for Engineering Services for the Airport Roadway Project, Oakland International Airport. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21** Approval of the Potomac Association Operating Budget for FY 2002-03. (Resolution)
- 22** Approval of an Easement Agreement with Pacific Gas & Electric Granting a Utility Easement Containing 110 Square Feet on Embarcadero Road, Oakland, California. (Resolution)

MARITIME

Maritime Committee Report

- 31** Authorization for Professional Services Agreement to Conduct Maritime Segmentation Analysis and to Develop a Maritime Marketing Strategy. (Resolution)
- 32** Approval to Grant the State of California, Department of Transportation (Caltrans) a Right-of-Entry Agreement and Extension of Existing Right-of-Entry Agreements for Work Relating to Construction of the Eastern Span of the San Francisco/Oakland Bay Bridge (Seismic Safety Project). (Resolution)
- 33** Approval of Plans and Project Manual for Annual Dredging of Port of Oakland Berths for the Period Commencing January 1, 2003 and Ending December 31, 2003, 2004 or 2005. (Resolution)
- 34** Ratification of Change Orders to Contract for Improvement of Yard Lighting, Berth 23, Outer Harbor Terminal – Modifications to the Substation at Building D-851, Including Back-up Generator and Providing Power to the Temporary Trailers. (Resolution)
- 35** Approval of Consultant Agreement for Architectural and Engineering Services for Facilities Redevelopment of American President Lines Middle Harbor Terminal, Port of Oakland. (Resolution)
- 36** Approval to Establish Executive Director's Authority to Authorize Changes in Scope to Agreement with Harris/TRS, a Joint Venture, for Construction Management Services for Construction of Berths 57-59 Container Yard and Gate, Vision 2000. (Resolution)
- 37** **PULLED** ~~Approval to Negotiate and Enter into a Consultant Agreement with Alpha Spectrum Productions, Inc. for Preparation of an Educational Documentary Video; Approval to Dispense with Standard Competitive Bidding Procedures. (Resolution)~~

OPERATIONS

Administration Committee Report

- 41** Approval of Professional Services Agreement with Watson Wyatt to Perform a Competitive Compensation Survey. (Resolutions)
- 42** Personnel Items: Amendment of Salary Schedule Assignments. (Ordinance)
- 43** Approval and Authorization to Revise Administrative Policy 14, Naming of Port Facilities (AP14). (Resolution)
- 44** Renewal of Annual Assistance to the Bay Area World Trade Center. (Resolution)
- 45** Approval for Second Supplemental Agreement to Century Corporate Counsel, Professional Corporation, for Investigations of Discrimination Complaints for FY 02-03. (Resolution)
- 46** Approval and Authorization for a New Lease Agreement for the Port of Oakland Information Center-West Oakland. (Resolution)
- 47** Personnel Items: Salary Adjustment. (Resolution)

Audit, Budget & Finance Committee Report

- 48** Approval of an Agreement with Miles M. Larson to Perform a Specialized Audit on the U.S. Army Corps of Engineers as it Relates to the 42-Foot Mean Lower Low Water Channel Dredging Project. (Resolution)
- 49** Approval of Contact with D2 Business Consulting to Document and Improve Finance Division Processes in Connection with Certification of ISO 9001-2000 Standards. (Resolution)
- 50** Authorization to Sell Replacement Vehicles and Equipment. (Resolution)
- 51** Approval of Supplemental Agreement with Towill, Inc. for On-Call Professional Land Surveying and Mapping Services. (Resolution)
- 52s** Travel Authorizations. (Resolution)

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

RESOLUTIONS:

- 02276 1** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CAL-AIR AVIATION SERVICES, INC. (Airport – 11)
- 02277 2** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR THE REPLACEMENT OF BAGGAGE CAROUSEL #3 AND BAGGAGE CAROUSEL #4, TERMINAL 1, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT LOWEST SEALED BID PROCEDURES AND FOR THE EMERGENCY REPAIR OF BAGGAGE CAROUSEL #3 AND BAGGAGE CAROUSEL #4, TERMINAL 1, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND AUTHORIZING EXECUTION OF CONTRACTS FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport – 12)
- 02278 3** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH BROWN-BUNTIN ASSOCIATES, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 13)
- 02279 4** AUTHORIZING, APPROVING AND EXECUTING MEMORANDUM OF UNDERSTANDING TO COOPERATIVELY FUND AND PARTICIPATE IN AN INVESTIGATIVE STUDY OF THE GROUP RAPID TRANSIT CONCEPT WITH THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT ("BART"). (Airport – 14)
- 02280 5** RATIFYING AND APPROVING THE GRANT APPLICATION TO FEDERAL AVIATION ADMINISTRATION UNDER THE AIRPORT IMPROVEMENT PROGRAM. (Airport – 15)

- 02281 6** FINDING AND DETERMINING THAT A PROPOSED FOURTH SUPPLEMENTAL AGREEMENT WITH ASC CONSTRUCTION MANAGEMENT FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Airport - 16)
- 02282 7** APPROVING THE BUDGET OF THE ASSOCIATION FOR THE PRESIDENTIAL YACHT POTOMAC FOR FISCAL YEAR 2002/2003. (Commercial Real Estate - 21)
- 02283 8** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MARTIN ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 31)
- 02284 9** APPROVING AND AUTHORIZING RIGHT OF ENTRY AGREEMENT AND EXTENSION OF EXISTING RIGHT-OF-ENTRY AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION ("CALTRANS") FOR WORK RELATING TO CONSTRUCTION OF THE EASTERN SPAN OF THE SAN FRANCISCO/OAKLAND BAY BRIDGE (SEISMIC SAFETY PROJECT). (Maritime - 32)
- 02285 10** APPROVING PLANS AND SPECIFICATIONS FOR ANNUAL DREDGING OF PORT OF OAKLAND BERTHS FOR THE PERIOD COMMENCING JANUARY 1, 2003 AND ENDING DECEMBER 31, 2003, 2004, OR 2005, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Maritime - 33)
- 02286 11** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH CALIFORNIA ELECTRIC COMPANY, FOR IMPROVEMENT YARD LIGHTING AT BERTH 23, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA. (Maritime - 34)
- 02287 12** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MOFFATT & NICHOL ENGINEERS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 35)

- 02288 13** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HARRIS & ASSOCIATES AND TRS CONSULTING SERVICES, INC. JOINTLY, FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 36)
- 02289 14** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MARTIN ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 41)
- 02290 15** APPROVING AND ADOPTING AMENDMENT TO ADMINISTRATIVE POLICY AP 14 CONCERNING GUIDELINES AND PROCEDURES FOR NAMING PORT FACILITIES AND LOCATIONS. (Operations - 43)
- 02291 16** APPROVING ASSISTANCE TO THE BAY AREA WORLD TRADE CENTER. (Operations - 44)
- 02292 17** FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH CENTRY CORPORATE COUNSEL P.C. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations - 45)
- 02293 18** APPROVING AND AUTHORIZING EXECUTION OF LEASE FROM KATHRYN PORTER OF PROPERTY LOCATED AT 1448 - 32ND STREET. (Operations - 46)
- 02294 19** APPROVING SALARY ADJUSTMENT OF DIRECTOR OF SOCIAL RESPONSIBILITY. (Operations - 47)
- 02295 20** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MILES M. LARSON FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 48)

- 02296 21** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH D2 BUSINESS CONSULTING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 49)
- 02297 22** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO SELL SURPLUS VEHICLES AND EQUIPMENT AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE BILL OF SALE. (Operations - 50)
- 02298 23** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH TOWILL, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 51)
- 02299 24** CONCERNING CERTAIN TRAVEL. (Operations - 52s)
- ~~02300 25~~ AUTHORIZING COMPROMISE AND SETTLEMENT OF DISPUTES WITH ENRON CORPORATION AND ENRON POWER MARKETING, INC. (Closed Session)
- 02301 26** APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO 1) A DEFENSE FUNDING AND SETTLEMENT AGREEMENT BETWEEN THE PORT AND THE INSURER GROUP (MCGUIRE TERMINAL SITE) (THE "INSURER GROUP DFA"), AND 2) A DEFENSE FUNDING AGREEMENT AND PARTIAL SETTLEMENT AGREEMENT BETWEEN THE PORT AND ZURICH ("THE ZURICH DFA"), ALL CONCERNING THE CITY OF OAKLAND (PORT) V. GATX TERMINAL CORPORATION, ET AL., ACTION NUMBER C-01-2019 WHA AND RELATED ENVIRONMENTAL REGULATORY AGENCY ACTION REGARDING THE BERTH 25/26 AREA. (Closed Session)
- 02302 27** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH GALLAGHER PROPERTIES, INC., CONCERNING CITY OF OAKLAND, A MUNICIPAL CORPORATION, ACTING BY AND THROUGH ITS BOARD OF PORT COMMISSIONERS V. GALLAGHER PROPERTIES, INC. AND DOES 1 THROUGH 25, INCLUSIVE, UNITED STATES DISTRICT COURT OF THE STATE OF CALIFORNIA, CASE NO. C-01-3212 EDL. (Closed Session)

Vote on the following ordinances:

Ayes: Commissioner Ayers-Johnson, Kramer, Protopappas,
Scates, Tagami, Uribe and President Kiang – 7
Noes: None
Absent: None

ORDINANCES:

- 1 ("S")** Port Ordinance No. 3713 being, "AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE MODIFICATION/SUPPLEMENT NO. 5 WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

Final.
- 2 ("S")** Port Ordinance No. 3714 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRICAL POWER AND OTHER UTILITIES PROVIDED BY THE PORT AT THE OAKLAND ARMY BASE."

Final.
- 3 ("S")** Port Ordinance No. 3715 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2392 RELATING TO THE CONFLICT OF INTEREST CODE OF THE BOARD OF PORT COMMISSIONERS OF THE CITY OF OAKLAND."

Final.
- 4** Port Ordinance No. ____ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF EASEMENT DOCUMENTS TO PACIFIC GAS AND ELECTRIC COMPANY (PG&E) FOR LAND AREA BETWEEN AN EXISTING VAULT TO A NEW VAULT TO ACCOMMODATE FUTURE MAINTENANCE."

Commercial Real Estate – 22 to print.
- 5** Port Ordinance No. ____ being, "AN ORDINANCE AMENDING SECTION 5.023 AND 5.0236 OF PORT ORDINANCE NO. 867."

Operations – 42 to print.

REGULAR MEETING
September 3, 2002

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: **The next regular meeting will be held on Tuesday, September 17, 2002 at 3:00 P.M.**

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 11

SUBJECT: Approval of New License and Concession Agreement with Cal-Air Aviation Services, Inc. (7683 Earhart Road, North Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *SG*

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Cal-Air Aviation Services, Inc. (Cal-Air) was granted access only to the Airline Operating Area (AOA) on the North Airport under a License and Concession Agreement dated April 10, 2002 to provide ground-handling services to Northwest Airlines on the premises of the Fixed Base Operator (Kaiser Air). The monthly rent is \$250 or 10% of gross revenues, whichever is greater.

ANALYSIS:

The proposed new License and Concession Agreement would supersede the current agreement to include 456sf of office space in Hangar 9 (Building L-820) on the North Airport. The new Agreement term would commence on July 5, 2002 and end June 30, 2003. Rent would be \$551.76 per month plus 10% of Gross Revenues. The 30-day mutual cancellation clause remains.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply at this time. However, the tenant will be required to certify that should living wage obligations become applicable, the tenant shall comply with all of its obligations.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Cal-Air Aviation Services, Inc. subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

Approved by Resolution
No.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

02276
BOARD ACTION TAKEN Assistant

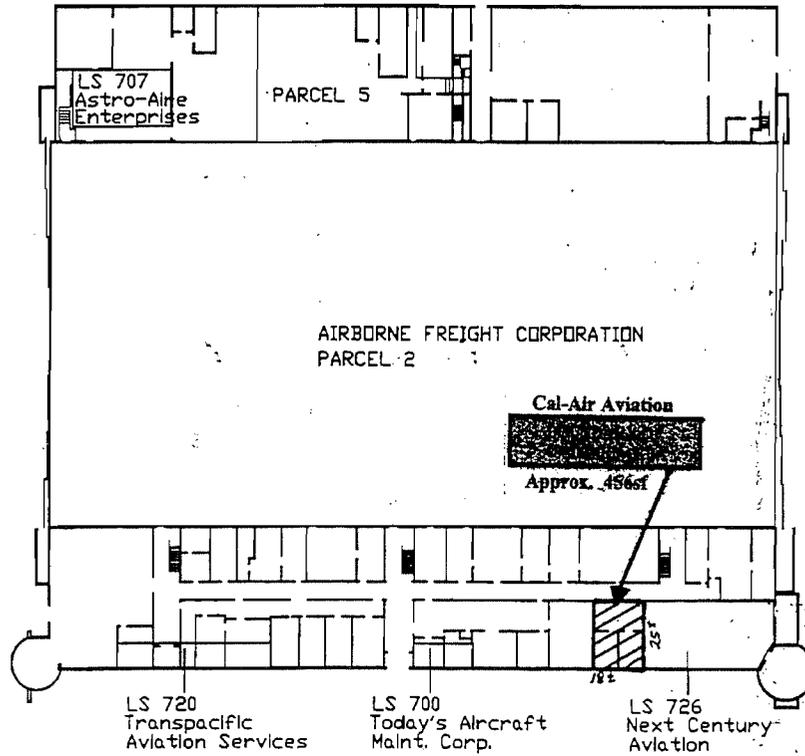
Sharon Kuppel
SECRETARY OF THE BOARD

SEP - 3 2002
DATE

EXHIBIT "A"

Oakland International Airport
North Airport

Old Earhart Road



Agenda Sheet

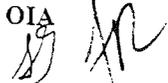
DATE: September 3, 2002

ITEM NO: 12

SUBJECT: Dispense with Standard Bidding Procedures for the Emergency Replacement for Baggage Carousel #3, Terminal 1, and Authorize a Change Order in Order to Purchase and Install Replacement for Baggage Carousel #4, Terminal 1, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Terminal 1, Building M-102, has four baggage carousels that handle luggage for about 80 arriving flights per day. All baggage carousels are in use at the same time for at least 4 hours intermittently every day. Baggage carousel #3 in Terminal 1 was purchased in 1977, and moved and expanded within the terminal facilities at least once. Baggage carousel #4 was constructed in 1992. Preventative maintenance has kept both baggage carousels working and reliable for many years. Recently, regular breakdowns and discontinuation of parts that cause long lead times for custom fabrication have made these conveyors unreliable. In addition, unusually heavy use by passengers that have checked baggage after 9/11 has ended the useful life of these baggage carousels at least one year in advance of their expected need for replacement.

Baggage carousel #3 has been inoperable for more than three weeks, with an additional 12 weeks expected before parts will be ready to fix it to the point where it would be considered reliable. Baggage carousel #4 is expected to fail very soon. Aviation Facilities staff has had to work overtime daily during peak periods to respond immediately to baggage carousel jams and breakdowns. Aviation marketing has received complaints about OIA's baggage claim problems. One airline agent was assaulted last month. The passenger was angry because of baggage claim delays. Safety and customer service are compromised by this problem.

ANALYSIS:

Since 1977 when the baggage carousels were purchased, passengers arriving at OIA have increased approximately 360%. In addition, traveler patterns have changed since 9/11, with up to 40% more passengers checking luggage. Airline tenants and airport staff cannot function with unreliable equipment that jams and breaks down regularly during the baggage handling and claim process. The remaining operable baggage carousels in Terminal 1 cannot absorb the extra demand for baggage processing simultaneously because all of the other carousels are in use. Moreover, during peak periods, baggage claim delays ripple through the airport operations, impacting aircraft "turn around" time and ground transportation circulation.

In order to expedite the fix of broken baggage carousel #3 and replace baggage carousel #4 before it becomes non-operational, staff solicited schedule and price quotes from materials handling systems contractors, conveyor manufacturers, general contractors that are currently working on the Airport. The following describes results of research.

1. The distributor responsible for the original equipment quoted about \$100,000 and 12 weeks for manufacture and delivery of parts to rehabilitate baggage carousels #3 and #4. Rehabilitation would only provide a short-term warranty that would not allow the baggage carousels to last until the new terminals are constructed and operational. Additionally, this bid was considered unsatisfactory because we cannot operate for the next three months without all baggage carousels working and reliable. The Airport would still have old baggage carousels with parts that must be fabricated specially instead of ordered "off-the-shelf."
2. A local business area mechanical engineering firm that specializes in airport baggage conveyor systems provided a quote of \$168,000 to temporarily rehabilitate the existing baggage carousel #3 and to service both baggage carousels through the holidays on a monthly time and materials basis.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No.

02277

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

SEP - 3 2002

DATE

3. Quotes were received from three conveyor suppliers. Two of the equipment suppliers informed the Port that they must manufacture the conveyors and expect to take from two to 12 weeks for delivery. One baggage manufacturer has a model completed and ready for immediate shipment. This model has plastic plates that would not be appropriate for use in the baggage claim area. Long lead times for manufacturing would very likely extend into the busy holiday travel season, possibly causing intractable passenger and airline delays. Quotes ranged from about \$175,000 to \$300,000 per baggage carousel, depending on the speed of delivery, and do not include requirements of the Project Labor Agreement, bonding, insurance, demolition, installation, and night work. In coordination with the airlines, staff determined that the two-week manufacture time quoted by the larger, more established manufacturer that provides only stainless steel plates would be acceptable.
4. Two general contractors already working on terminal projects provided quotes from \$950,000 to \$990,000 to replace both baggage carousels before the holiday season begins.

Given the emergency nature of the problem and need to act quickly, and range of price quotes, we are requesting approval to proceed with a two-prong approach.

1. We believe it is in the best interest of the Port to dispense with standard bidding procedures and to allow staff to solicit change order proposals to replace two baggage carousels with a limit not to exceed \$750,000. Staff envisions a closed bid process with four existing general contractors. Bid items will include manufacture and delivery of each baggage carousel in either two-, three-, or ten-weeks, demolition and hauling of old carousels, and installation of new carousels. This proposed process is recommended to better align general contractor quotes with baggage carousel manufacturing costs.
2. If necessary to obtain competitive quotes in line with equipment manufacture, and after baggage carousel #3 is made operational through maintenance requisition, we believe it is in the best interest of the Port to dispense with standard bidding procedures and to allow staff to enter into a contract with Lloyd W. Aubry Co., a Local Business Area firm with contract amount not to exceed \$68,000 to maintain existing baggage carousels #3 and #4 through the holiday season. This will provide insurance, if necessary, that the Port obtains a competitive price for replacement baggage carousels while providing customer service to airlines and passengers. This is a stopgap measure to allow more time-consuming, economical price quote and manufacturing to be implemented.

Environmental

The project entails replacing two existing baggage carousels that are currently inoperable or in poor working condition. Carousels #3 and #4 would be replaced with equipment that will have substantially the same purpose and capacity as the existing ones. The project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Port CEQA Guidelines, Article 19, Section 15302(c) as adopted by the Board of Port Commissioners on October 8, 1996.

General Plan

The project has been determined to conform to the transportation designation for the site in the City of Oakland General Plan.

Budget

The total cost for replacement of baggage carousels #3 and #4 in Terminal 1 is not to exceed \$818,000. The work is budgeted under CIP Element No. A2.0275.05 and will be funded by Port cash.

Sustainability

A sustainable development strategy has been implemented for the design and construction of this project. For the demolition work, it is anticipated that the contractor will salvage any materials that can be reused or sold. Since this project is located in the public areas of Terminals 1 and 2, impacts during construction may require that certain items of work be performed at night.

Project Labor Agreement

The provisions of the Port Of Oakland Maritime and Aviation Project Labor Agreement (MAPLA), which is currently included in the existing contracts with general contractors currently working at Oakland International Airport, will also apply to the change order work.

OPTIONS:

1. The alternative of replacing baggage carousels #3 and #4 by standard bidding procedures, rather than by change orders, would have resulted in a delay of as much as four months for contracting, and three months for manufacturing and delivery of new units, during which time safety and customer service would be severely compromised.
2. Rehabilitating the existing equipment, as opposed to replacing the equipment, is expensive, would result in a delay of as much as three months for manufacture and delivery of parts, and would not meet the goal of providing reliable baggage carousels. Moreover, this option also would not be economical because the cost to fully rehabilitate is nearly as much as purchasing a new conveyor.
3. Emergency replacement of baggage carousel #3, then using standard bidding procedures for the replacement of baggage carousel #4 could result in two different systems installed with resultant needs to stock many more replacement parts. It is desirable to have two identical systems of the same age for economical preventative maintenance, stocking of replacement parts, and staff maintenance expertise.

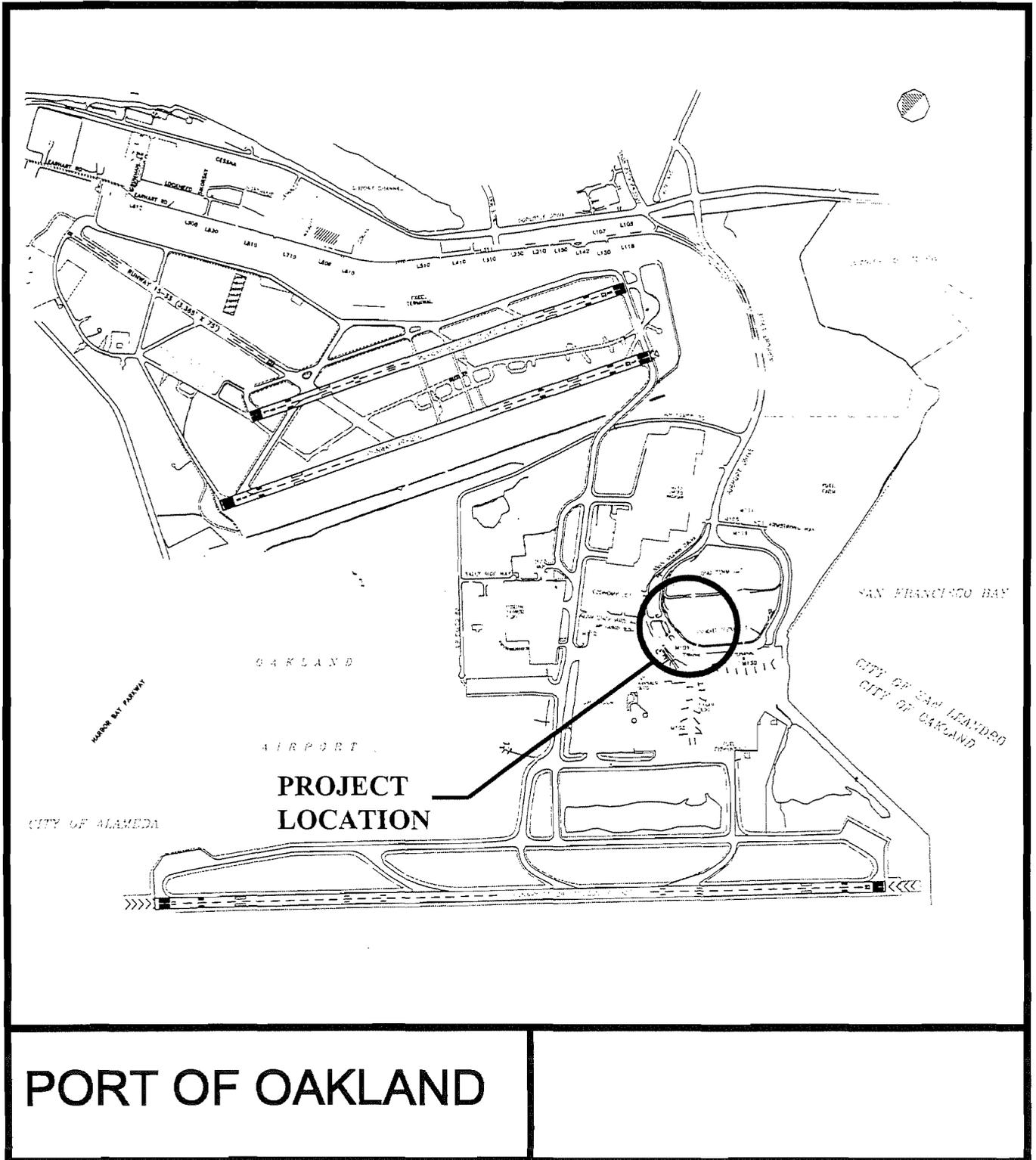
RECOMMENDATION:

It is recommended that the Board find it to be in the best interests of the Port to do the following:

1. Dispense with lowest sealed bid procedures for the replacement of baggage carousels #3 and #4, authorize the Executive Director to negotiate and execute contract change orders with the lowest proposing contractor currently under contract to the Port and/or use other contracting means to perform the work, and ratify the actions taken by staff to perform the work on this project. Additionally, authorize the Executive Director the authority to finally resolve any bid protests per Port Ordinance 1606.
2. Dispense with standard bidding procedures and direct staff to enter into a contract with Lloyd W. Aubry Co., contract amount not to exceed \$68,000 to maintain existing baggage carousels #3 and #4 through the holiday season.

Ratification of Change Order to the Contract for construction of Interim Ticket Counters, Building M-101 and Authorization to dispense with Standard Bidding Procedures for the Expansion of Security Checkpoints in Terminals 1 and 2, OIA

September 3, 2002



PORT OF OAKLAND

...es, and staff believes it is in the best interests of the Port to maintain consistency and retain BBA for another three years since they are so familiar with these ongoing projects.

GENERAL PLAN

This agreement is not subject to the provisions of the City of Oakland General Plan.

BUDGET

The last contract with Brown-Buntin Associates adequately covered the required services and allowed for costs of up to \$50,000 per year. Therefore, it is recommended that this 3-year first supplemental agreement be for a maximum of \$150,000 and that the Executive Director be authorized to provide an additional amount of \$15,000, if needed, to perform unforeseen acoustical services.

SUSTAINABILITY

There are no environmental issues involved in this project.

RECOMMENDATION

It is recommended that the Executive Director be authorized to execute a First Supplemental Agreement with Brown-Buntin Associates, Inc., for the acoustical services defined above, for a maximum amount of \$150,000 for 3 years, and that the Executive Director have authority to provide an additional amount of \$15,000, if needed.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 14

SUBJECT: Authorization to execute a Memorandum of Understanding (MOU) with the San Francisco Bay Area Rapid Transit District (BART) to cooperatively fund and participate in an Investigative Study of the Group Rapid Transit (CyberTran International, Inc.) concept

PROGRAM AREA:

- Airport Operations (checked), Commercial Real Estate, Maritime Operations, Overall Operations

SUBMITTED BY: Steven J. Grossman

Handwritten signature of Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

BACKGROUND:

For several years, Port staff have been in communication with CyberTran International, Inc. (Alameda, CA) about the possibility of connecting the Airport's remote parking lots (long-term, economy, and overflow) and Terminals 1 and 2 using their proposed low-cost, automated guideway / people mover technology.

The GRT concept proposed by CyberTran is unique because (1) the system provides an exceptionally high level of service (e.g., passengers do not have to stop at intermediate stations) and (2) their stated capital and operating/maintenance costs are significantly lower than other, more traditional people mover systems.

The San Francisco Bay Area Rapid Transit District (BART) is also interested in GRT technology as a low-cost way to connect passengers from remote areas (e.g., Livermore, Alameda, etc.) to existing BART stations.

ANALYSIS:

Because both the Port and BART are interested in evaluating GRT technology, it is proposed that the Port and BART jointly conduct an independent technical evaluation (Investigative Study) of the technology, including operational performance and cost analyses in the following areas: operations/maintenance, capital infrastructure, and construction.

To undertake the Investigative Study, it is proposed that BART be the lead agency because their staff are most qualified to evaluate the feasibility of proposed new transit technologies, including the GRT concept. As the lead agency, BART would hire consultants to evaluate the GRT concept as it relates to potential applications at the Airport, as well as potential applications for BART.

BUDGET:

It is proposed that the Port contribute \$15,000 towards this joint Investigate Study. It is proposed that this \$15,000 be charged to the Aviation Division's operating budget (Account Code C331).

- MOTION, RESOLUTION (checked), ORDINANCE, INFORMATION ONLY

Approved by Resolution No.

02279 BOARD ACTION TAKEN

Assistant

Handwritten signature of Secretary

SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Subject: Authorization to execute a Memorandum of Understanding (MOU) with the San Francisco Bay Area Rapid Transit District (BART) to cooperatively fund and participate in an Investigative Study of the Group Rapid Transit (CyberTran International, Inc.) concept

SUSTAINABILITY:

There are no obvious opportunities to improve sustainability with this proposed Board action.

LIVING WAGE:

Based on a review of the terms in the proposed MOU and information provided by BART, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time.

CEQA:

The proposed Board action is determined to be statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Guidelines Section 15262, which exempts feasibility and planning studies.

OPTIONS:

1. Authorize the Executive Director to execute the MOU as described above and contribute \$15,000 towards the joint Investigative Study of GRT technology for potential Airport applications.
2. Do not authorize the Executive Director to execute the MOU as described above and do not contribute \$15,000 towards the joint Investigative Study of GRT technology for potential Airport applications.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to execute a Memorandum of Understanding (MOU) with the San Francisco Bay Area Rapid Transit District (BART) to cooperatively fund and participate in an Investigative Study of the Group Rapid Transit (CyberTran International, Inc.) concept. Further, it is recommended that the Board authorize the payment of \$15,000 to BART upon execution of the MOU.

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 15

SUBJECT: Ratification of Submittal of Application to Federal Aviation Administration (FAA) and Authorization to Accept FAA Grant Offer

PROGRAM AREA:

- Airport Operations C. I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Airport Improvement Program (AIP) was established by the Airport and Airway Improvement Act of 1982, and amended by the Airport and Airway Safety and Capacity Expansion Act of 1987. Under this program, which is administered by the Federal Aviation Administration (FAA), grants are made to public agencies and, in some cases, private owners or entities, for the planning and development of public-use airports. The FAA provides two funding sources to support the AIP: 1) entitlement funds; and, 2) discretionary funds. Entitlement funds are allocated annually based on the number of enplaning passengers and air cargo traffic units per airport; discretionary funds are made available above and beyond the entitlement funding levels for certain projects that the FAA regards as high priority in nature, principally involving improvements to airfield capacity and safety. The FAA notified the Port that approximately \$2.8 million in discretionary funds and \$6.4 million in entitlement funds were available to the Port under the AIP for federal fiscal year 2002 (10/01/01-09/30/02).

ANALYSIS:

In order to ensure that a grant offer can be processed prior to September 30, 2002, the grant application had to be submitted as soon as possible. Therefore, an application for funding for the four projects was submitted by Port staff to the FAA on August 15, 2002.

Terminal 2 Building and Security Improvements

The total estimated cost of the Terminal 2 Building and Security Improvements project is \$15,428,800. On the application, the Port requested \$875,805 of discretionary funds and \$5,891,065 in entitlement funds, for a total amount of \$6,766,870 to fund this project.

Security System Interactive Information Database

The total estimated cost of the Security System Interactive Information Database is \$200,000. On the application, the Port requested \$161,180 in entitlement funds to fund this project.

Overlay of Taxiway U

The total estimated cost of the Overlay of Taxiway U project is \$500,000. On the application, the Port requested \$402,950 in entitlement funds to fund this project.

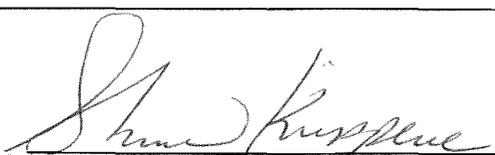
Construction of Overlay of Taxiways D and A and Storm Drain Improvements

The total estimated cost of the Construction of Overlay of Taxiways D and A and Storm Drain Improvements project is \$3,630,000. On the application, the Port requested \$1,967,000 in discretionary funds to fund this project.

A basic condition of the Grant Agreement requires that the Board have knowledge of its content. On August 30, 2002, the FAA provided a draft copy of the Grant Offer, and has approved two projects. The draft Grant Offer has stated that the terms and conditions are identical to AIP-26, which was accepted by the Board on September 20, 2001. It is anticipated that the FAA will release the final offer prior to September 30, 2002. The Manager of the FAA's Airports District Office has indicated to the Port staff that it would be acceptable to the FAA if the Board were to accept the Grant Offer based upon the draft provided.

Approved by Resolution No.

02280



SEP - 3 2002

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

The following shows the total approved funding under this grant:

Project	Estimated Total Project Cost	FAA Share	Port Share
Terminal 2 Building and Security Improvements, South Field, OIA	\$15,428,800	\$7,136,980	\$8,291,820
Construction of Overlay of Taxiways D and A and Storm Drain Improvements, North Field, OIA	\$3,630,000	\$1,967,000	\$1,663,000

Environmental

Terminal 2 Building and Security Improvements

Airport security requirements and procedures necessitate the Terminal 2 building improvements (which are not components of the Airport Development Program). Pursuant to Public Resources Code Section 21060 (b)(7) and California Environmental Quality Act (CEQA) Guidelines Section 15269(c), this project is exempt from CEQA because it is necessary to mitigate an emergency. As a severable and independent basis for approval of this project, the project is exempt from CEQA pursuant to CEQA Guidelines section 15301, because the project consists of minor alterations to an existing structure and facilities, involving negligible expansion of use beyond that existing today. In particular, the project involves the addition of safety devices in conjunction with use of an existing structure and terminal facilities. The Board of Port Commissioners approved this project in May 2002. Pursuant to CEQA, a Notice of Exemption was filed with the County of Alameda in June 2002.

Construction of Overlay of Taxiways D and A and Storm Drain Improvements

These projects have been determined to be categorically exempt pursuant to Section 15301, Class: 1 (a, c, d and f) and Section 15302, Class 2 (b and c) of the California Environmental Quality Act (CEQA) and the Port's CEQA Guidelines.

General Plan

Pursuant to Section 727 of the City Charter, these projects have been determined to conform to the transportation designation for the sites in the Oakland General Plan.

Budget

Terminal 2 Building and Security Improvements

The budget for the CIP work referenced above is included in the bond issuance finance feasibility study. The project is currently in the process of being scoped and will be added to the CIP.

Construction of Overlay of Taxiways D and A and Storm Drain Improvements

This work is included in the CIP Item No. A1.00626.12.

Sustainability

in conformance with the Port's Sustainability Policy implemented in November 2000, the contractor(s) doing construction work under this grant will separate salvageable construction materials and debris for reuse or sale.

Project Labor Agreement

The President's Executive Order prohibits requiring a Project Labor Agreement on federally funded work, but allows the involved Federal agency to grant a waiver from that order. The Port has requested such a waiver from the FAA. If the request for a waiver is granted, the provisions of the Maritime and Aviation Project Labor Agreement will apply to this work.

RECOMMENDATION:

It is recommended that the Board ratify the submittal of the grant application to the Federal Aviation Administration for the above projects. It is further recommended that the Board authorize the Executive Director to accept the Federal Aviation Administration's Grant Offer when finally released, based upon the terms and conditions contained in the draft offer.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1 - Offer

Date of Offer

Oakland Metropolitan Airport/Planning Area

Project No. 03-06-0170-2?

Contract No. DTFA08-01-C-31???

TO: Port of Oakland
(herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated August 15, 2002, for a grant of Federal funds for a project at or associated with the Oakland International Airport/Planning Area which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

WHEREAS, the FAA has approved a project for the Airport or Planning Area (herein called the "Project") consisting of the following:

Rehabilitate Taxiways A and D, including drainage, marking and lighting (approximately 158,080 SF); install security equipment, including video recorder, switcher, server, cameras, monitors and software; construct T2 Concourse Apron, including drainage, marking and lighting (construction phase - approximately 250,000 SF).

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all as more particularly described in the Project Application.

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

To	CHRIS LEE	From	RAY CHUNG
Dept./Agency	PORT OF OAK	Phone #	650 876-2779
Fax #	510 763-8287	Fax #	650 876-2733

N6N 7540-01-317-7388 5099-101 GENERAL SERVICES ADMINISTRATION

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as ded, and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 80.59 percent of the allowable project costs.

The Offer is made on and subject to the following terms and conditions:

Conditions

1. The maximum obligation of the United States payable under this offer shall be \$9,103,980. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 512(b) of the Act, the following amounts are being specified for this purpose:

\$0.00	for planning
\$9,103,980.00	for airport development or noise program implementation.
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The sponsor shall carry out and complete the Project without undue delays and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.
5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.
6. This offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this offer has been accepted by the sponsor on or before September 30, 2002, or such subsequent date as may be prescribed in writing by the FAA.

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7. The sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.
9. **Buy American Requirement.** Unless otherwise approved by the FAA, it will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant.
10. It is understood and agreed by and between the parties hereto that this Grant Offer is made and accepted upon the basis of preliminary plans and specifications; and the parties agree that within 180 days from the date of acceptance of this Grant Offer, the Sponsor shall furnish final plans and specifications to the FAA, that no construction work will be commenced hereunder, and that no contract will be awarded for the accomplishment of such work until the said final plans and specifications have been approved by the FAA; and the parties do further agree that any reference made in this Grant Offer or in the aforesaid Application to plans and specifications shall be considered as having reference to said final plans and specifications as approved.
11. The sponsor agrees to request cash drawdowns on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked.
12. The sponsor agrees to perform the following:
1. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:
 - a. The name of the person representing the sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
 - b. Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of services to be provided.
 - c. Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation, referenced in the contract specifications (D 3666, C 1077).
 - d. Qualifications of engineering supervision and construction inspection personnel.
 - e. A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.
 - f. Procedures for ensuring that the tests are taken in accordance with the program, that they are documented

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daily, and that the proper corrective actions, where necessary, are undertaken.

2. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and reasons for accepting any out-of-tolerance material. An interim test and quality control report shall be submitted, if requested by the FAA.
3. Failure to provide a complete report as described in paragraph 2, or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type of types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.
4. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
WESTERN-PACIFIC REGION

Andrew M. Richards
Manager, Airports District Office

CONFIDENTIAL

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

Executed this _____ day of _____, 20 .

Port of Oakland
(NAME OF SPONSOR)

(SEAL)

By _____
(SPONSOR'S DESIGNATED OFFICIAL REPRESENTATIVE)

Title _____

Attest: _____

Title: _____

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

It is in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of California. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at _____ this _____ day of _____, 20 .

SIGNATURE OF SPONSOR'S ATTORNEY



Agenda Sheet

DATE: September 3, 2002

ITEM NO: 16

SUBJECT: Approval of Fourth Supplemental Agreement with ASC Construction Management for Engineering Services for the Airport Roadway Project, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Airport Roadway Project (Project) is one of the capital improvement projects approved by Alameda County Voters with the passage of Measure B in 1986. The Project will build an arterial roadway from the I-880/98th Avenue interchange in the City of Oakland to the Oakland International Airport, and then to Bay Farm Island in the City of Alameda. The roadway will serve as an alternate route for regional traffic generated by the Airport Cargo Center, the Airport, and Bay Farm Island. It will accommodate projected traffic growth at the Air Cargo Center, the Airport Passenger Terminals, and the Harbor Bay Business Park. The Port of Oakland is the project sponsor listed in Measure B's 1986 Expenditure Plan. The Project is primarily located within the Port Area; however, it is also located within the City of Alameda and within portions of the City of Oakland that are outside the Port Area. Accordingly, the Project partners include the Port, the cities of Oakland and Alameda, and the Alameda County Transportation Authority (ACTA), which is the Measure B administrator.

This project is comprised of three construction contracts, as follows:

- Contract A - Improvements to Harbor Bay Parkway, Air Cargo Road, Airport Drive, and Construction of Taxiway B Bridge. This contract is approximately 50% complete.
- Contract B - Construction of Doolittle Drive and Airport Drive Interchange. This contract is substantially complete.
- Contract C - Widening of 98th Avenue West of I-880. This contract is complete.

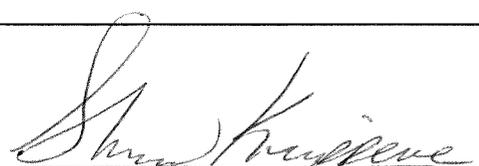
The Port has a professional services agreement with the Allen Group/Sverdrup/Cooper Pugeda Management, Inc., (ASC) to provide construction management services for the Project. The Board approved the selection of ASC on June 1, 1999, by Resolution No. 99235. This resolution authorized the Executive Director to enter into an agreement with ASC for construction management services on the Project, which includes Contracts A, B, and C, for the maximum compensation of \$6,250,000. In addition, on November 21, 2000, the Board approved increasing the maximum compensation to \$7,581,715 to provide Design Support Services during construction. These latter services are necessary due to the bankruptcy of the design consultant, Kaiser Engineers. Also, on April 24, 2001, the Board approved increasing the maximum compensation to \$8,778,428 following negotiations with ASC regarding construction management services for Contract A.

ANALYSIS:

Increased compensation is required for both the design support services during construction and construction management services for the reasons described below.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02281



BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Design Support Services During Construction

The recently completed schematic design of the roadway system proposed for the Airport Terminal Expansion Program (TEEx) has been carefully reviewed to see how well it will fit with the Airport Drive Overpass currently under construction as part of Contract A. It has been determined that in order to avoid both significant disruptions to traffic as well as additional expense in the future, the Airport Drive Overpass should be modified at this time in order to accommodate the planned TEEx roadway system. The modifications will consist of widening the bridge section, together with changing the embankment geometry. Staff has agreed to a proposal from ASC to perform the design of these modifications for \$286,243.

The scope of work for the design support services during construction originally agreed upon consisted of work typically anticipated during construction, including submittal review, responses to information requests, field visits and meetings, etc. Special inspection of the cement deep soil mixing ground improvement work was also called for. Over the course of the project, design support services have been utilized to resolve grading, drainage, and utility conflicts encountered in the field. Also, the effort necessary to provide the inspection of the cement deep soil mixing ground improvement work exceeded that which was originally anticipated. In addition, regulatory requirements from the Regional Water Quality Review Board (RWQCB) regarding the Storm Water Pollution Prevention Plan (SWPPP) necessitated the redesign of the drainage features of the roadway. The total cost of these services is \$259,892.

The total increase in compensation of design support services during construction is \$546,135 (\$286,243 + \$259,892).

Construction Management Services

The budget established for materials testing must be increased. The increase is necessary in part to cover the costs of additional testing requirements of the soil being excavated as part of the Taxiway B bridge structure in order to ensure its suitability for use as embankment fill for the Airport Drive Overpass. In addition, the increase is necessary to cover the costs for the retesting of materials. Materials whose test results do not meet the Specifications require retesting. The Contractor is responsible for retesting costs, which will be a reimbursable expense. The estimated increase in testing services is \$165,000.

ASC brought on additional staff in order to adequately review and respond to claims being submitted by the Contractor. The additional staff was not included in the original staffing plans agreed upon. In addition, the direct costs (duplication, supplies, communications, vehicles, etc.) associated with the construction management services must be increased. The estimated increase in compensation for the staffing changes and direct costs is \$366,100.

In addition, increased compensation is necessary to cover costs for other services not included in the originally agreed upon scope of work. These other services were for security requirements, vibration monitoring of third party properties during pile driving activities, and off-site inspections. The total cost for these services is \$94,625.

The total increase in compensation for construction management services is \$625,725 (\$165,000 + \$366,100 + \$94,625). The total increase in compensation for both construction management services and design support services during construction is \$1,171,860 (\$625,725 + \$546,135).

Staff is also recommending that an additional amount of \$250,000 for potential additional scope changes be approved. Expenditure of this amount would require the Executive Director's approval. The total proposed increase is therefore \$1,421,860.

The following table presents a summary of the original agreement together with the three previous supplemental agreements and proposed 4th supplemental agreement.

DESCRIPTION	BOARD APPROVAL DATE	BOARD AUTHORIZATION AMOUNT
Original Board Approval	June 1, 1999	\$6,250,000
Increased Maximum Compensation for Engineering Services during Construction*	November 21, 2000	\$1,331,715
Increased Maximum Compensation for Contract A Construction Management Services*	April 24, 2001	\$1,196,713
TOTAL APPROVED MAXIMUM COMPENSATION		\$8,778,428
Proposed Increase Including Executive Director Authorization Amount for Potential Additional Scope Changes	Proposed – September 3, 2002	\$1,421,860
TOTAL PROPOSED MAXIMUM COMPENSATION		\$10,200,288

* Please refer to attached agenda sheets for complete descriptions of addition scope of work associated with the increases in maximum compensation

Sustainability

Not applicable.

Budget

This work is budgeted for under CIP Item No. AA.00268.01. The funding sources are Measure B funds administered by the ACTA, and funds from the cities of Alameda and Oakland, and Port cash. However, the current forecasted cost to complete the work, which includes this proposed increase in compensation for ASC, is approximately \$120 million, approximately \$5 million over the \$114,748,152 project budget approved by the Board on September 5, 2000. Staff is working with ACTA to secure additional funding for the project.

The proposed increase in compensation was discussed and agreed to at the August 2002 Policy Advisory Committee (PAC) meeting. The Committee is made up of representatives from all the Project partners.

RECOMMENDATION:

It is recommended that the Board approve the execution of a fourth supplemental agreement with ASC Construction Management for design support services during construction and construction management services, as described above. The proposed total maximum compensation is \$10,200,288.

SUBJECT: Approval of Consultant Agreement for Construction Management Services for the Construction of Airport Roadway Project, MOIA

Date: June 1, 1999

Item No. 2

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION:

[Signature]

FACTUAL BACKGROUND:

The Airport Roadway Project (Project) is one of the capital improvement projects approved by Alameda County voters with the passage of Measure B in 1986. The Project will build an arterial roadway from the I-880/98th Avenue interchange in the City of Oakland to the Oakland International Airport, and then to Bay Farm Island in the City of Alameda. The roadway will serve as an alternate route for regional traffic generated by the Airport and Bay Farm Island. It will accommodate projected traffic growth at the Air Cargo Center, the Airport Passenger Terminals, and the Harbor Bay Business Park. The Port of Oakland is the project sponsor listed in Measure B's 1986 Expenditure Plan. The Project is primarily located within the Port Area; however, portions are also located within the City of Alameda and within areas of the City of Oakland that are outside the Port Area. The plans and specifications for the construction of the Airport Roadway Project have been completed. The selected consultant is to provide construction management services for the construction of the Airport Roadway Project.

Due to the magnitude of the upcoming construction program, the Port's Construction Department needs assistance in managing some of the construction contracts. It is proposed that the selected team provide the following: Constructability review, value engineering, document control, monthly project reports, change orders and payment processing, dispute resolution, compliance with contract documents, and other miscellaneous services to effectively manage the contract.

BASIS OF SELECTION:

One hundred seventy five Requests for Qualifications (RFQs) were sent out on January 12, 1999. The RFQs were sent to engineering firms with offices in the Local Impact Area (LIA) Cities of Oakland, Alameda, Emeryville, and San Leandro. Proposals were received from thirteen teams.

The Port Review Panel reviewed the proposals and determined that three (3) teams were best qualified to be interviewed. They were invited to interviews. They are listed in alphabetical order as follows:

1. Harris & Associates, Inc. / TRS Consultants, Inc.
2. The Allen Group/Sverdrup / Cooper Pugliese Management, Inc.
3. VALI Cooper & Associates, Inc.

The panel interviewed and evaluated the three teams based on the project teams' oral presentations, qualifications, relevant experience of the firms, as well as key project personnel, project teams' technical abilities, project approach, project management abilities, answers to interview questions, and evidence of compliance with the Port of Oakland's Non-Discrimination and Small Business Utilization Policy.

ct... [unclear]

BOARD ACTION REQUIRED

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN _____ DATE _____

SECRETARY OF THE BOARD _____

FOR INFORMATION ONLY

The panel's evaluations of each of the three firms were presented to the Aviation Committee at its May 20, 1999 meeting. Senior staff recommended the Allen Group team, and the Committee approved forwarding that recommendation for consideration by the full Board.

Attached to this letter are Tables showing the consultant team members, their roles and their target shares of the work.

The Port's Office of Equal Opportunity (OEO) participated in all phases of evaluating the consultants and their proposals. OEO has determined that the recommended Firms are responsive to the Port's Non-Discrimination and Local Business Policy.

The EEO-1 Work Force Reports/Professional Services Questionnaires are on file.

It is anticipated that the amount of the agreement will not exceed \$5,000,000, and it is requested that the Executive Director be authorized to approve up to an additional \$250,000 for potential changes in scope. It is necessary to begin work immediately after the final scope and terms are agreed upon in order to meet the project schedule. Therefore, it is proposed that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations.

The work is budgeted under CIP Item Number AA.00268.01 and the funding source is the Measure B Program administered by ACTA and the local matching funds to be provided by the Port, the City of Alameda, and the City of Oakland. The Port's share of local matching funds is a combination of Port cash and the value of the property contributed by the Port for the Project.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the engineering services as described above are professional services; and
2. Authorize negotiations and the preparation and execution of an agreement with the selected consulting team in accordance with the above provisions.

For Information Only

Agenda Sheet

DATE: November 21, 2000

ITEM NO: 3

7D
 SUBJECT: Approval of First Supplemental Agreement with ASC
 Construction Management for Engineering Services
 During Construction for the Airport Roadway Project, OIA

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*EXECUTIVE OFFICE RECOMMENDATION *JKW*

FACTUAL BACKGROUND:

On May 7, 1996, the Port of Oakland entered into a contract with ICF Kaiser Engineers, Inc. ("Kaiser") for professional design services related to the Airport Roadway Project ("ARP"). In the original agreement, Kaiser agreed to provide comprehensive design services, including preliminary investigation, planning, development of plans and specifications, and Engineering Services During Construction ("ESDC"). The agreement was subsequently amended by Supplemental Agreement Nos. 1 and 2 (collectively "Contract"), for a current total design fee of \$7,887,500.

Kaiser filed for bankruptcy protection on or about June 9, 2000, and has since undergone a reorganization and sale to Tyco S.A.R.L. ("Tyco"). Section 11 of the Contract between the Port and Kaiser prohibits any assignment without prior written consent of the Port. Tyco assigned the Contract to Earth Tech (Infrastructure) Inc. ("ETII"). Tyco has since formally requested the Court to interpret their Order in an effort to clarify the responsibility for any pre-assignment defaults by Kaiser.

On September 8, 2000, the Legal Department ("Legal") sent a letter to ETII highlighting the Port's concerns regarding impacts of the assignment of the Contract. Specifically, without consenting to the assignment, the Port requested ETII's confirmation that it intended to deliver ESDC for the on-going ARP at the contractually required level with no change in contract price. Kaiser's negotiated fee for ESDC was originally \$462,000, however, based on various correspondence regarding the appropriate level of ESDC, the allocation of the total contract amount was raised an additional \$300,000 to \$762,000. The total contract amount, however, remained at \$7,887,500.

On October 4, 2000, staff met with representatives of ETII for a discussion regarding the status of the assignment and the cost for ESDC. In that meeting, ETII expressed their disagreement with the Port's interpretation of the amount due Kaiser for ESDC. ETII does not agree with the ceiling amount and believes that it should be higher. They claim that they originally disagreed with the negotiated \$462,000 for ESDC because of the complexity of the project and the potential for problems during construction should the Port execute construction contracts with uncooperative contractors. They said that Kaiser settled on the \$462,000 amount after receiving an agreement from the Port that Kaiser would receive strong support from the Port's field staff, including the assumption of some of the more routine ESDC related work. ETII claims that this did not occur, and instead, claims that Kaiser was required to perform unanticipated coordination work between the contractor, the construction manager, and the Port. Notwithstanding the differing views of the price and related work efforts, the Port and ETII agreed that ETII could present a proposal for completing performance of the Contract by providing all remaining ESDC.

On October 23, 2000, ETII submitted a proposal to provide ESDC, as described in the May 7, 1996, contract, for \$1,582,175. This sum was in addition to the approximately \$400,000 that the Port previously paid Kaiser for these same services and to the approximately \$75,000 worth of work estimated to have been performed while the assignment of the Contract has been under review. Staff found ETII's October 23 proposal unacceptable as it represented a very substantial increase over the current ceiling amount of \$762,000 for ESDC.

On October 25, 2000, ETII and Legal had a discussion, in which, ETII claimed that the terms of the May 7, 1996, agreement were moot because they planned to reject the Contract, rather than accept it with its limitations on further price increases. Anticipating this possible action as a result of the bankruptcy, staff had previously investigated alternative methods to provide ESDC without affecting the on-going progress of the ARP construction. In September,

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staff contacted ASC Construction Management ("ASC"), the firm presently performing the construction management services for the ARP, and requested them to submit a proposal to provide ESDC in accordance with the scope of services on which ETII's proposal was based, in the event that ETII rejected the Contract. ASC subsequently met with the current subconsultants on the Contract in an effort to provide a proposal that included a team that would provide as much continuity to the ARP as possible. ASC submitted a proposal to provide ESDC for \$1,211,715. Both ASC's and ETII's proposals assumed an effective start date of November 1, 2000. ASC's proposal may be modified accordingly, based on the actual start date of services.

ANALYSIS:

ETII is continuing to provide services as specified in the May 7, 1996, contract. It is unclear when ETII may cease performing these services given the current uncertainty regarding the assignment of the Contract, and the potential impact of the Bankruptcy Court's further interpretation of the Court's Order. On October 31, ETII indicated that they were prepared to provide services until such time as the amounts available under the Contract ceiling have been expended. To date, an estimated \$7,800,000 has been earned on the entire Contract, assuming the assignment of the Contract was proper. Included in this amount were additional design efforts associated with post-construction requirements from the RWQCB to capture stormwater runoff, the City of Oakland's 98th Avenue Gateway improvements, additional inspections of the cement deep soil mixed ("CDSM") wall, and other miscellaneous design items.

Based upon the current burn rate, it is expected that ETII will exhaust the remaining \$87,500 (\$7,887,500 - \$7,800,000) by the end of December 2000. It is proposed that once the funds on the Contract are exhausted, or when ETII ceases to perform the services of the May 7, 1996, agreement, whichever occurs first, a new agreement for ESDC with ASC would become immediately effective for a total fee of \$1,211,715, less an adjustment due to starting the work up to approximately two months later than anticipated.

Budget:

This work is budgeted under CIP No. AA-00268-91. The funding sources are Measure B funds administered by the Alameda County Transportation Authority (ACTA), the City of Alameda, the City of Oakland, and Port cash. The funding parties have been advised of the impact.

On June 1, 1999, the Board authorized \$5,000,000 for the original agreement with ASC to provide construction management services for Contracts A, B, & C of the ARP with an additional \$1,250,000 with the Executive Director's approval for potential changes in scope. ASC's fee for this First Supplemental Agreement to provide engineering services during construction is not to exceed \$1,211,715, which will increase the total Board authorized agreement amount to \$6,211,715. It is proposed that the Board authorize the Executive Director to approve an additional \$120,000 for future scope changes.

Item	DESCRIPTION	DATE	AUTHORIZED	PROPOSED
1	Original Agreement Maximum Additional Executive Director Approval Authority	06/01/99	\$5,000,000 \$1,250,000	
2	First Supplemental to the Agreement Additional Executive Director Approval Authority	11/21/00		\$1,211,715 \$ 120,000
3	Proposed Authorized Maximum and Executive Director Approval Authority (Items 1 + 2)	11/21/00		\$6,211,715 \$1,370,000

RECOMMENDATION:

It is recommended that the Board approve the execution of a first supplemental agreement with ASC Construction Management for engineering services during construction as described above, contingent upon any of the following events regarding the original Contract with Kaiser: a) the funds authorized under the Contract are exhausted, b) ETII rejects the Contract, or c) ETII ceases to perform the services of the May 7, 1996, agreement, whichever occurs first. Upon the occurrence of any one of these events, a new agreement for ESDC with ASC would become immediately effective for a total fee of \$1,211,715, less an adjustment due to starting the work up to approximately two months later than anticipated.

It is further recommended that the Board authorize an additional \$120,000 with the Executive Director's approval for potential additional scope changes.

For Information

Agenda Sheet

DATE: April 24, 2001

ITEM NO: 4

^{TP}
JECT: Approval of Increase in Maximum Compensation Under the Agreement with The Allen Group/Sverdrup/Cooper Pugeda Management, Inc., for Construction Management Services for the Construction of the Airport Roadway Project, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

BACKGROUND:

The Airport Roadway Project (Project) is one of the capital improvement projects approved by Alameda County Voters with the passage of Measure B in 1986. The Project will build an arterial roadway from the I-880/98th Avenue interchange in the City of Oakland to the Oakland International Airport, and then to Bay Farm Island in the City of Alameda. The roadway will serve as an alternate route for regional traffic generated by the Airport Cargo Center, the Airport, and Bay Farm Island. It will accommodate projected traffic growth at Air Cargo Center, the Airport Passenger Terminals, and the Harbor Bay Business Park. The Port of Oakland is the project sponsor listed in Measure B's 1986 Expenditure Plan. The Project is primarily located within the Port Area; however, it is also located within the City of Alameda and within portions of the City of Oakland that are outside the Port Area. Accordingly, the Project partners include the Port, the cities of Oakland and Alameda, and the Alameda County Transportation Authority (ACTA), which is the Measure B administrator.

This project is comprised of three construction contracts as follows:

- Contract A: Improvements to Harbor Bay Parkway, Air Cargo Road, Airport Drive, and Construction of Taxiway B Bridge. This contract has just recently commenced.
- Contract B: Construction of Doolittle Drive and Airport Drive interchange. This contract is approximately 40% complete.
- Contract C: Widening of 98th Avenue West of I-880. This contract is substantially complete.

The Port has a professional services agreement with The Allen Group/Sverdrup/Cooper Pugeda Management, Inc., (ASC) to provide construction management services for the Airport Roadway Project. The Board approved selection of ASC on June 1, 1999, by Resolution No. 99235. This Resolution authorized the Executive Director to enter into an agreement with ASC for construction management services on the Airport Roadway Project, which includes contracts A, B, and C, for the maximum compensation of \$6,250,000. In addition, on November 21, 2000, the Board approved increasing the maximum compensation to \$7,581,715 to provide Design Support Services during construction. These latter services are necessary due to the bankruptcy of the design consultant, Kaiser Engineers.

To date, agreements for construction management services for Contract C (\$416,360) and Contract B (\$1,997,954) have been executed. After a delay of almost two years due to environmental issues, Contract A is now underway, and an increase in the maximum compensation under ASC's agreement is necessary in order to properly staff for the management of that work. After lengthy negotiations, Port staff has agreed in principle to a proposal for construction management services on Contract A in the amount of \$5,032,399. This figure represents approximately 12% of the bid price for Contract A. Thus, the recommended new total maximum compensation under the agreement is \$8,778,428, representing a net increase of \$1,196,713 (\$8,778,428-\$7,581,715).

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ANALYSIS:

The original budget for construction management services was approximately 8% of the contract cost. While this figure was considered low, even by the Project partners, there were other contingencies in the budget which were intended to make up for any shortfalls. These contingencies have since been absorbed by other budget line items, including change orders and property acquisition settlements. The original authorization request to the Board was kept to \$6,250,000 in order to stay within the original budget limitations, and was based on contracting for services which were essentially an extension of Port staff. However, shortly after commencing construction on Contract C, it was evident that the design was not as complete as it could have been, and the contractor was very aggressive in pursuing construction claims. Because of this, and the magnitude of the ongoing construction program at the Port, it was decided that a more comprehensive scope of construction management services was required to protect the interests of the Port and its partners.

The scope of services associated with the original budget included employing a full-time project manager that would split his time between inspection and administrative functions on three concurrent contracts. ASC was also to employ part-time specialty inspectors, participate in a limited number of routine meetings, and provide basic notices to FAA and other approval agencies, all with limited overtime and night work. The Port was to provide a bridge engineer to satisfy Caltrans requirements. The proposed increased scope would require ASC to provide the full-time bridge engineer, and would require their Project Manager to handle all coordination with the Port and external agencies, participate in the Terminal Expansion (TEx) planning process, and perform oversight inspection. Additional office engineering and field inspection staff would also be provided by ASC to handle the expected increase in the volume of work, as well as for night-time inspections and overtime to respond to the contractor's recently submitted work schedule.

In addition to the aforementioned changes, the Project duration has increased from approximately 3 years to 4-1/2 years due to delays in environmental documentation and related litigation. As originally planned, all three contracts were to commence at about the same time and would therefore run concurrently. As it is, Contract A did not start until Contract C was nearing completion, and Contract B, having started 9 months after Contract C, was well underway. The resulting staggered start of these contracts eliminates most of the economies of scale for the construction management team that would have been realized had the contracts run concurrently.

BUDGET:

This work is budgeted under CIP Item No. AA.00268.01. The funding sources are Measure B funds administered by the Alameda County Transportation Authority (ACTA), and funds from the City of Alameda, the City of Oakland, and Port Cash.

The proposed fees for Contract A work were discussed at a project Policy Advisory Committee (PAC) meeting. At that meeting, the committee members, including representatives of ACTA, agreed that the proposed fees are in line with industry levels for a project of this complexity and magnitude, and consistent with their experience on other Measure B projects.

The foregoing was presented to the Aviation Committee on April 2, 2001, with favorable response, and the committee approved presenting this item to the full Board for approval.

RECOMMENDATION:

It is recommended that the Board authorize an increase of \$1,196,713 in the maximum allowable compensation under the agreement with The Allen Group/Sverdrup/Cooper Pugeda Management, Inc., a Joint Venture, to provide construction management services on the Airport Roadway Project.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 21

SUBJECT: Approval of the Potomac Association Operating Budget for FY 2002-03

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Association for the Preservation of the Presidential Yacht Potomac (the "Association") is a nonprofit corporation established to raise funds for the preservation and operation of the Presidential Yacht Potomac as a museum and memorial to President Franklin Delano Roosevelt and his era. In 1991, the Presidential Yacht Potomac was named a National Historic Landmark and restoration was officially completed on July 1, 1992. Revenue contributions are raised through private donations and fund-raising events. In addition, revenues are raised through fees charged for dockside tours, educational cruises, and private charters. Upon completion of a wheel chair accessible dock, the Potomac opened to the public in 1995 and currently attracts over 10,000 visitors a year. The Association is a tax-exempt organization in accordance with Section 501(c)(3) of the Internal Revenue Code.

Under the terms of a 25-year agreement that began in 1983, the Association receives significant support, both cash and in-kind from the Port of Oakland, including the assumption of 50% of vessel-related and administrative expenses of the Association. Total Port of Oakland subsidies to the Potomac Association are estimated at \$4,468,724 since 1983 for the refurbishment, operations and related capital improvements. Additional Port of Oakland subsidies from 2002 through the 2008 expiration of the agreement are projected at \$1,608,000 exclusive of potential capital improvement costs. Based upon the estimated actual and projected Port subsidies, the total Port subsidy to the Potomac Association is projected as \$6,076,724. During FY 2001-2002, the Port budgeted cash contribution towards vessel-related and administrative expenses was \$139,300. In addition to the in-kind services of providing 100% of insurance (hull/machinery and protection indemnity) at approximately \$41,000 per year, berthing and utilities in Jack London Square at an estimated combined cost of approximately \$22,000 per year, there are many miscellaneous contributions the Port makes to the Association. Examples are a.) reduced rent for the office and yard area used by the Association in Jack London Square, b.) use of Port Building Services staff and equipment, c.) marketing services d.) reprographics services e.) MIS services and f.) services provided by the Communications Division. Due to budgetary constraints, the Port's FY2002/2003 budget assumes a cash contribution of \$133,565 versus the \$139,300 budgeted last fiscal year, towards vessel-related and administrative expenses.

Pursuant to the terms of the agreement with the Association, their annual operating budget is to be approved by Resolution of the Board of Port Commissioners each year. Attached for your review is a copy of the Association's FY 2002-2003 budget, indicating a projected total income (through donations, memberships and earned income) of \$620,018. The Association budget also includes a contribution from the Port for its share of anticipated administrative and vessel-related costs in the amount of \$189,395. The \$189,395 reflects both in-kind cash contributions from the Port but doesn't include the estimated contribution for berthing and utilities, which are conservatively estimated at \$22,000 per year. The Potomac Association request for Port contribution is approximately \$211,395 versus \$201,565 in FY 02-03 Port budget. Total expenses projected by the Association for FY 2002/2003 is \$620,018.00. Historically the Port has contributed to the Association as noted below exclusive of contributions for refurbishment and capital improvements:

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Approved by Resolution No.

02282 BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

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Year	Port's Contribution	Potomac's Revenue	Port's Contribution/Revenues
1993	\$190,136.00	N/A	?
1994	\$109,274.00	N/A	?
1995	\$161,598.00	N/A	?
1996	\$158,104.00	N/A	?
1997	\$176,458.00	N/A	?
1998	\$199,175.00	\$485,305.00	41%
1999	\$210,509.00	\$547,975.00	38%
2000	\$199,923.00	\$542,083.00	37%
2001	\$202,300.00	\$616,040.00	33%
2002	\$201,565.00*	\$620,018.00*	33%

*FY 02-03 Budget

ANALYSIS:

Since the March 1999 approval and implementation of the CRE Restructure & Development, the Board of Port Commissioners has requested that the Association develop and submit a Strategic Plan consistent with the CRE Restructure & Development Plan with emphasis towards self sufficiency and strategic options for the operations of the Potomac upon the 2008 expiration of the agreement. The Association's "Strategic Plan 2001-2005" was submitted last year and outlined several fundraising strategies, noted below. *Italicized comments reflect actions taken by the Association since the completion of their business plan.*

- Hire a development/marketing specialist to oversee the fundraising effort: *A Director of Fund Raising and Marketing was hired February 2002 and is currently focusing her efforts on increasing revenues through memberships, foundation grants and corporate sponsorships.*
- Emphasis on broadening contributed (non-earned) revenue: *The Association has received a contribution from the Buck Foundation in December 2001.*
- Increase membership base on a national level and broaden public support: *During the past fiscal year there was a 24% increase in memberships and a 26% increase in the average gift amount.*
- A national endowment campaign, focused on securing major gifts, grants and pledges: *The Association has joined The Foundation Center to help identify potential donors across the nation.*
- Board Leadership Fund Campaign, establish a structure for annual gifts and pledges by members of the Board of Governors: *Members of the Board have made their pledges and contributed approximately \$10,000.*
- Identify major donor prospects and fundable projects. Identify specific individuals, corporations, foundations and government sources of funding for specific projects: *The Association has joined The Foundation Center to help identify potential donors across the nation.*
- Increase Earned Income from history cruises, tours, private charters, Ports of call cruises, sale of merchandise, and special fund raising events: *The new Director of Fund Raising and Marketing is in the process of revamping their charter program to increase revenue and reduce costs.*

Based upon our review and analysis of the Potomac Association's Strategic Plan and Budget Proposal, it appears that the Association has begun to implement initiatives to achieve the goal of self-sufficiency, but has not developed a strategy for the funding and operations of the Potomac after the expiration of the agreement with the Port.

In addition, it is not clear that the Potomac Association as now organized and managed, as well as the Strategic Plan, will achieve self-sufficiency and insure the long-term existence of the Potomac. We recommend a radical revision of the Agreement and the Association to increase the chances of the Potomac's long-term existence.

The Association's FY 2002-2003 budget assumes a total contribution by the Port of \$189,395, which is composed of the Port cash contribution towards vessel-related and administrative costs and insurance premiums. The Port's budget assumes a cash contribution of \$133,565, and \$22,000 in berthing and utilities as well as \$46,000 for insurance premiums consistent with Board's budget directives for the year.

OPTIONS:

1. Approve the Association's budget as presented by the Executive Director of the Association. The Port contribution exceeds the amount allocated in the approved Port budget.
2. Do not approve the Association's budget.
3. Approve the Association's budget with conditions that: 1) the Association's Board of Governors revise their budget and acknowledges the reduced funding by the Port; 2) the Association revise the Strategic Plan to address self-sufficiency prior to approval of next year's budget; and 3) a comprehensive review and revisions of the Agreement with the Port and the Potomac Association be implemented prior to submittal and approval of next year's budget.

SUSTAINABILITY:

A "Sustainability Opportunities Toolkit" has been provided to the Executive Director of the Potomac with the intent of reviewing the information and checklist to determine possible opportunities for sustainability in their daily operations.

RECOMMENDATION:

It is recommended approval be given to the FY 02-03 operating budget for the Potomac Association including \$135,565 as a cash contribution and other in-kind donations as outlined above and as approved in the Port of Oakland Operating Budget for FY 02-03 with the conditions outlined in option #3 above.

The Potomac Association
DRAFT BUDGET
FY 02 to 03

INCOME

INCOME	
CONTRIBUTED INCOME	
INDIVIDUAL INCOME	
Membership	\$10,000
Unrestricted Gifts	\$4,000
Restricted Gifts	\$1,000
Board of Governors Contributions	\$10,000
Annual Appeal	\$5,000
TOTAL INDIVIDUAL INCOME	\$30,000
INSTITUTIONAL INCOME	
Corporate	\$10,000
Grant/Foundation	\$40,000
Grant Equiv. Income - Port of Oakland	\$189,395
TOTAL INSTITUTIONAL INCOME	\$239,395
TOTAL CONTRIBUTED INCOME	\$269,395
EARNED INCOME	
PUBLIC PROGRAMS INCOME	
History Cruises (64 cruises / avg. 80 people / avg. \$27 each)	\$140,086
Dockside Tours	\$6,000
Ports-of-Call	\$30,000
Community Education Programs	\$1,500
Father's Day	\$9,000
Veterans Day	\$3,000
Eleanor's Birthday Tea	\$1,000
TOTAL PUBLIC PROGRAMS INCOME	\$190,586
VESSEL INCOME	
Charters	\$65,387
TOTAL VESSEL INCOME	\$65,387
SPECIAL EVENTS INCOME	
Fourth of July	\$15,000
Fleet Week/Blue Angels	\$15,000
Lighted Yacht Parade	\$5,000
Potomac's 20th Anniversary	\$30,000
Opening Day on the Bay	\$10,000
Kaboom	\$15,000
TOTAL SPECIAL EVENTS INCOME	\$90,000
SALES INCOME	
Sale of Merchandise	\$2,500
TOTAL SALES INCOME	\$2,500
ADMINISTRATIVE INCOME	
Interest Income	\$900
Parking Revenues	\$1,000
Uncategorized Income	\$250
TOTAL ADMINISTRATIVE INCOME	\$2,150
TOTAL EARNED INCOME	\$350,623
TOTAL EARNED AND CONTRIBUTED INCOME	\$620,018

Expenses

EXPENSES	
PUBLIC PROGRAMS EXPENSES	
History Cruises	\$3,000.00
Dockside Tours	\$1,000.00
Ports-of-Call	\$1,000.00
Community Programs	\$2,000.00
Student Cruises (36 cruises / 12 days)	\$0.00
Father's Day	\$300.00
Veterans Day	\$0.00
Eleanor's Birthday Tea	\$1,000.00
TOTAL PUBLIC PROGRAMS EXPENSES	\$8,300.00
DEVELOPMENT EXPENSES	
MEMBERSHIP EXPENSES	
Printed Materials	\$2,000.00
Member Reception	\$1,500.00
VIP Reception	\$500.00
TOTAL MEMBERSHIP EXPENSES	\$4,000.00
MARKETING/PUBLIC RELATIONS EXPENSES	
Newsletter	\$4,000.00
Printed Materials	\$3,000.00
Press Event	\$1,500.00
Promotion/Advertising	\$7,000.00
TOTAL MARKETING/PUBLIC RELATIONS EXPENSES	\$15,500.00
SPECIAL EVENTS EXPENSES	
Fourth of July	\$7,700.00
Fleet Week/Blue Angels	\$0.00
Lighted Yacht Parade	\$1,500.00
Potomac's 20th Anniversary	\$10,000.00
Opening Day on the Bay	\$2,600.00
Kaboom	\$6,500.00
TOTAL SPECIAL EVENTS EXPENSES	\$28,300.00
Fundraising Expenses	
Memberships/Dues/Subscriptions	\$1,500.00
TOTAL DEVELOPMENT EXPENSES	\$49,300.00
VESSEL CHARTER EXPENSES	
Charters	\$0.00
Port Related Charters	\$0.00
Dockside	\$0.00
Port Related Dockside	\$0.00
TOTAL VESSEL CHARTER EXPENSES	\$0.00
OPERATIONS & MAINTENANCE EXPENSES	
VESSEL	
Insurance	\$60,000.00
Inspection Fees	\$6,800.00
Sewage & Pump Out	\$500.00
Supplies	\$3,500.00
Miscellaneous Vessel Expenses	\$3,000.00
Parts & Equipment	\$6,000.00
Repair & Maintenance	\$10,000.00
Dry Dock	\$20,000.00
Fuel & Oil	\$11,000.00
Janitorial	\$3,500.00
Crew Training	\$3,520.00
Crew Testing & Certification	\$750.00
TOTAL VESSEL EXPENSES	\$128,570.00

Expenses

VISITOR CENTER	
Utilities	\$3,000.00
Lease	\$21,000.00
TOTAL VISITOR CENTER EXPENSES	\$24,000.00
TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$152,570.00
ADMINISTRATION EXPENSES	
Training	\$2,500.00
Supplies	\$2,500.00
Subscriptions	\$300.00
Food & Beverage	\$3,000.00
Parking	\$3,500.00
Volunteer Recognition	\$6,500.00
Other Employee Benefits	\$5,000.00
Travel/Mileage Reimbursement	\$1,000.00
Recruiting	\$500.00
Audit Costs	\$3,500.00
Bank Service Fees	\$500.00
Bkping/Fin/Legal/Tax Svcs	\$15,895.00
License/Taxes	\$900.00
Memberships/Dues/Subscriptions	\$3,000.00
Office Expense	\$1,500.00
Computer Expense	\$0.00
Misc. Admin. Expense	\$1,000.00
Board of Governors Expense	\$1,000.00
Internet/Web Site Enhancements	\$7,000.00
Telephone/Fax/DSL	\$2,500.00
Training/Conferences	\$3,000.00
Benefits	\$13,500.00
Workers Comp.	\$5,000.00
Payroll Processing Expense	\$1,600.00
Payroll Tax Expense	\$18,150.00
Credit Card Bank Fees	\$6,350.00
Ticket Web	\$250.00
TOTAL ADMINISTRATIVE EXPENSES	\$109,445.00
STAFF SALARIES	
Executive Director	\$62,964.00
Development/Marketing	\$45,360.00
Programs	\$43,200.00
Office Administrator	\$16,848.00
Shipkeeper	\$37,800.00
Ticketing	\$6,000.00
Maintenance	\$10,751.00
Crew	\$67,084.00
TOTAL STAFF SALARIES	\$290,007.00
Reserve	\$10,396.00
TOTAL	\$620,018.00

EXPENSES	Cost	Allocated Ex.	Staff Time	Total
PUBLIC PROGRAMS EXPENSES				
History Cruises	\$3,000.00	\$114,835.50	\$19,944.47	\$137,779.97
Dockside Tours	\$1,000.00	\$0.00	\$5,698.42	\$6,698.42
Ports-of-Call	\$1,000.00	\$21,531.66	\$5,698.42	\$28,230.08
Community Programs	\$2,000.00	\$0.00	\$2,849.21	\$4,849.21
Student Cruises (36 cruises / 12 days)	\$0.00	\$43,063.31	\$19,944.47	\$63,007.78
Father's Day	\$300.00	\$4,485.76	\$1,424.61	\$6,210.37
Veterans Day	\$0.00	\$3,588.61	\$1,424.61	\$5,013.21
Eleanor's Birthday Tea	\$1,000.00	\$0.00	\$0.00	\$1,000.00
TOTAL PUBLIC PROGRAMS EXPENSES	\$8,300.00	\$187,950.184	\$56,984.20	\$252,789.04
DEVELOPMENT EXPENSES				
MEMBERSHIP EXPENSES				
Printed Materials	\$2,000.00	\$0.00		
Member Reception	\$1,500.00	\$0.00		
VIP Reception	\$500.00	\$0.00		
TOTAL MEMBERSHIP EXPENSES	\$4,000.00	\$0.00	\$10,173.60	\$14,173.60
MARKETING/PUBLIC RELATIONS EXPENSES				
Newsletter	\$4,000.00	\$0.00		
Printed Materials	\$3,000.00	\$0.00		
Press Event	\$1,500.00	\$0.00		
Promotion/Advertising	\$7,000.00	\$0.00		
TOTAL MARKETING/PUBLIC RELATIONS EXPENSES	\$15,500.00	\$0.00	\$17,128.80	\$32,628.80
SPECIAL EVENTS EXPENSES				
Fourth of July	\$7,700.00	\$3,588.61	\$5,530.17	\$16,818.78
Fleet Week/Blue Angels	\$0.00	\$4,485.76	\$5,530.17	\$10,015.93
Lighted Yacht Parade	\$1,500.00	\$2,242.88	\$5,530.17	\$9,273.05
Potomac's 20th Anniversary	\$10,000.00	\$4,485.76	\$5,530.17	\$20,015.93
Opening Day on the Bay	\$2,600.00	\$2,242.88	\$5,530.17	\$10,373.05
Kaboom	\$6,500.00	\$2,242.88	\$5,530.17	\$14,273.05
TOTAL SPECIAL EVENTS EXPENSES	\$28,300.00	\$19,288.78	\$33,181.00	\$80,769.78
Fundraising Expenses				
Memberships/Dues/Subscriptions	\$1,500.00	\$0.00	\$26,200.80	\$27,700.80
TOTAL DEVELOPMENT EXPENSES	\$49,500.00	\$19,288.78	\$86,684.20	\$155,272.98
VESSEL CHARTER EXPENSES				
Charters	\$0.00	\$24,532.79		
Port Related Charters	\$0.00	\$8,177.60		
Dockside	\$0.00	\$0.00		
Port Related Dockside	\$0.00	\$0.00		
TOTAL VESSEL CHARTER EXPENSES	\$0.00	\$32,710.39	\$15,528.40	\$48,238.79
OPERATIONS & MAINTENANCE EXPENSES				
VESSEL				
Insurance	\$6,000.00	\$0.00		
Inspection Fees	\$800.00	\$0.00		
Sewage & Pump Out	\$500.00	\$0.00		
Supplies	\$1,000.00	\$0.00		
Miscellaneous Vessel Expenses	\$3,000.00	\$0.00		
Parts & Equipment	\$6,000.00	\$0.00		
Repair & Maintenance	\$2,000.00	\$0.00		
Dry Dock	\$0.00	\$0.00		
Fuel & Oil	\$0.00	\$0.00		
Janitorial	\$0.00	\$0.00		
Crew Training	\$0.00	\$0.00		
Crew Testing & Certification	\$0.00	\$0.00		
TOTAL VESSEL EXPENSES	\$19,300.00	\$0.00	\$36,413.00	\$55,713.00
VISITOR CENTER				
Utilities	\$3,000.00	\$0.00		
Lease	\$21,000.00	\$0.00		
TOTAL VISITOR CENTER EXPENSES	\$24,000.00	\$0.00	\$0.00	\$24,000.00
TOTAL OPERATIONS & MAINTENANCE EXPENSES	\$43,300.00	\$0.00	\$36,413.00	\$79,713.00
ADMINISTRATION EXPENSES				

The Potomac Association
Draft Budget
FY 02 to 03

Training (Vol.)	\$0.00	\$0.00		
Supplies (Vol.)	\$0.00	\$0.00		
Subscriptions (Vol.)	\$0.00	\$0.00		
Food & Beverage (Vol.)	\$0.00	\$0.00		
Parking (Vol.)	\$0.00	\$0.00		
Volunteer Recognition (Vol.)	\$0.00	\$0.00		
Other Employee Benefits	\$5,000.00	\$0.00		
Travel/Mileage Reimbursement	\$1,000.00	\$0.00		
Recruiting	\$500.00	\$0.00		
Audit Costs	\$3,500.00	\$0.00		
Bank Service Fees	\$500.00	\$0.00		
Bkping/Fin/Legal/Tax Svcs	\$15,895.00	\$0.00		
License/Taxes	\$900.00	\$0.00		
Memberships/Dues/Subscriptions	\$3,000.00	\$0.00		
Office Expense	\$1,500.00	\$0.00		
Computer Expense	\$0.00	\$0.00		
Misc. Admin. Expense	\$1,000.00	\$0.00		
Board of Governors Expense	\$1,000.00	\$0.00		
Internet/Web Site Enhancements	\$7,000.00	\$0.00		
Telephone/Fax/DSL	\$2,500.00	\$0.00		
Training/Conferences	\$3,000.00	\$0.00		
Benefits	\$0.00	\$0.00		
Workers Comp.	\$0.00	\$0.00		
Payroll Processing Expense	\$0.00	\$0.00		
Payroll Tax Expense	\$0.00	\$0.00		
Credit Card Bank Fees	\$0.00	\$0.00		
Ticket Web	\$0.00	\$0.00		
TOTAL ADMINISTRATIVE EXPENSES	\$46,295.00	\$0.00	\$0.00	\$46,295.00
STAFF SALARIES				
Executive Director	\$0.00	\$0.00	\$18,889.20	
Development/Marketing	\$0.00	\$0.00	\$0.00	
Programs	\$0.00	\$0.00	\$0.00	
Office Administrator	\$0.00	\$0.00	\$8,424.00	
Shipkeeper	\$0.00	\$0.00	\$0.00	
Ticketing	\$0.00	\$0.00	\$0.00	
Maintenance	\$0.00	\$0.00	\$0.00	
Crew	\$0.00	\$0.00	\$0.00	
TOTAL STAFF SALARIES	\$0.00	\$0.00	\$27,313.20	\$27,313.20
Reserve				\$10,396.00
TOTAL	\$46,295.00	\$299,504.00	\$222,923.00	\$620,018.00

Agenda Sheet

DATE: September 3, 2002

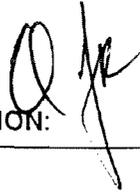
ITEM NO: 22

SUBJECT: Approval of Easement Agreement with PG&E granting a utility easement containing 110 square feet on Embarcadero Road, Oakland

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Construction on the 81-room expansion to the Embarcadero Executive Inn commenced February 2002 and should be completed by the end of this year.

In conjunction with the expansion project, Pacific Gas & Electric (PG&E) will install a new electrical service for the hotel addition. The work would involve the re-routing of cable from an existing off-site utility vault, the installation of a 3'5" x 3'6" "splice box" vault within the lease premises, and the pulling of new electrical cable from the existing to the new vault.

ANALYSIS

PG&E has requested that the Port grant a permanent utility easement between the existing vault to the new vault to accommodate future maintenance. The proposed easement would include the new splice box area, and would contain approximately 110' of land area (5' x 22' strip of land), in the northeast corner of the expansion site.

The Port's land surveyor has prepared a legal description of the proposed easement area, which will be incorporated into an Easement Agreement. CRE staff recommends approval of the proposed Easement Agreement.

SUSTAINABILITY

There is no sustainability opportunity associated with this proposed utility easement.

OPTIONS

- 1) Approve the proposed PG&E utility easement as outlined above
- 2) Do not approve the proposed utility easement

CEQA

In compliance with the California Environmental Quality Act (CEQA), the Port prepared an Initial Study/Mitigated Negative Declaration for the Executive Inn Expansion Project, which was approved by the Board of Port Commissioners on February 20, 2001. Granting a permanent utility easement to accommodate future repair and maintenance of the utilities installed for the Project is within the scope of the environmental analysis, as described in Section 2.6: Construction and Operation/Maintenance of the Initial Study/Negative Declaration for the Project. No further environmental action is required.

RECOMMENDATION

It is recommended that the Board approve the PG&E utility easement as outlined above, and authorize the Executive Director to execute the Easement Agreement on behalf of the Port, provided it is in a form acceptable to the Port Attorney.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

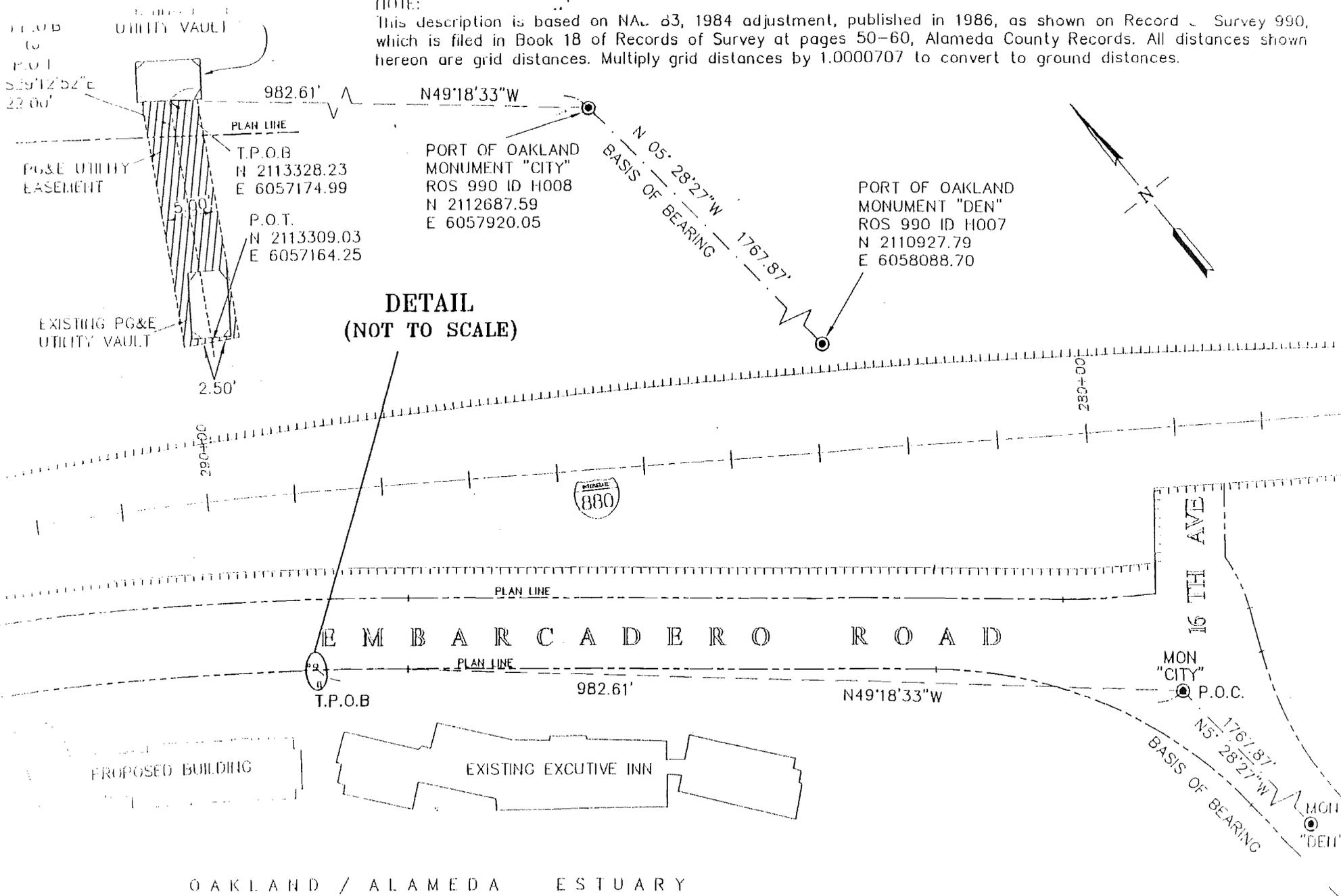
BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

SEP - 3 2002
 DATE

NOTE:

This description is based on N.A. 83, 1984 adjustment, published in 1986, as shown on Record of Survey 990, which is filed in Book 18 of Records of Survey at pages 50-60, Alameda County Records. All distances shown hereon are grid distances. Multiply grid distances by 1.0000707 to convert to ground distances.



PORT OF OAKLAND
 LAND SURVEYS AND MAPPING
 530 Water Street
 Oakland, California

EXHIBIT "A"
 Plat to Accompany Legal Description
 Pacific Gas & Electric Utility Easement

DRAWN BY: KP	Field Bk: 11A
CHECKED BY: FAR	Wrk. Ord: 104361
SCALE: 1" = 150'	Date File: 11A
DATE: 6/18/02	Revision: 1
SHEET 1 OF 1	Rev. date: 6/18/02
ATTACHMENTS: Port base Maps	
FILE LOC.: > Ex--inn_vlt_R1.dwg	

Agenda Sheet

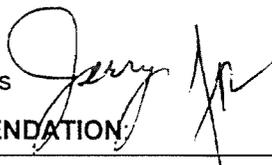
DATE: September 3, 2002

ITEM NO: 31

SUBJECT: Authorization for Professional Services Agreement to Conduct Maritime Segmentation Analysis and to Develop a Maritime Marketing Strategy

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Maritime Division staff routinely monitors Oakland's market share of U.S. West Coast containerized cargo and finds that it has remained fairly constant at approximately 10.5 to 11 percent for the past five years. During this period the combined market share for the ports of Los Angeles and Long Beach increased by almost seven percentage points to approximately 71.6 percent while indications are that the Seattle/Tacoma gateway lost approximately 5 percentage points, handling about 15.5% of the West Coast market.

A Request for Proposal ("RFP") was authorized by the Board on June 18, 2002 which was subsequently released to develop an analysis that would:

- Identify competitive advantages Oakland has over other gateways
- Interview key rail, ocean carrier and terminal operator senior management to determine future infrastructure needs and their long term strategies
- Query top logistics personnel of major importers to identify inbound cargo opportunities, warehousing/distribution systems need and major factors which influence gateway selection

Identify key commodities the Port should target

- Ascertain key facility and technology requirements that will facilitate more cargo activity
- Develop and recommend a comprehensive marketing strategy

The market analysis and development of a plan that will better promote Oakland's maritime capacity over other West Coast ports requires a clear understanding of the dynamics which shape today's maritime industry. Our Maritime Division has limited resources to conduct a well-timed and comprehensive market study that will generate a plan with meaningful tactics. The Maritime Division is therefore requesting an agreement for professional services to provide this expertise.

ANALYSIS:

Maritime staff has reviewed submittals from several consultants. None of the firms are located within the Local Impact Area ("LIA") but two are located in the Local Business Area ("LBA"). Another consultant, Martin Associates, a nationally recognized transportation/economics consulting firm headquartered in Lancaster, PA, has extensive working knowledge of the West Coast container market, and has submitted a proposal in conjunction with Burgess Transportation Logistics and Transsolve LLC of Moraga, California, which are based in the LBA. Maritime staff feels Martin Associates is the best qualified to conduct the desired marketing study. Martin Associates has been conducting the economic impact analysis for the Port since 1991. As a result of these studies they have in-depth familiarity with the Port's maritime customers, including the terminal operators, truckers, railroads, steam ship lines and freight forwarders. In a more recent study for the Port, they conducted a detailed identification of the Port's container importers and exporters. Martin Associates has also conducted economic studies for the ports of Seattle, Tacoma, Portland and Vancouver, WA.. They

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02283

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

SEP - 3 2002

DATE

have also developed long term container throughput forecasts, by terminal, for the ports of Long Beach and Los Angeles. We have informed the Social Responsibility Division of our selection of Martin Associates and have their concurrence.

FINANCIAL IMPACT:

Cost of the maritime marketing analysis is estimated at \$70,000.00 and will take approximately 22 weeks to complete.

SUSTAINABILITY FINDINGS:

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into a contract with Martin Associates for professional services to perform a maritime market segmentation analysis and to develop a maritime marketing strategy, at a cost not to exceed \$70,000.00. It is further recommended that the Executive Director be authorized to increase the compensation under the proposed contract by an amount not to exceed \$10,000.00, if he determines that additional compensation is necessary to complete the project.

Agenda Sheet

DATE: September 3, 2002

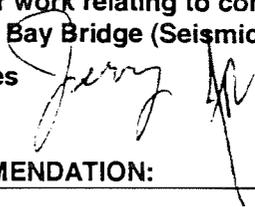
ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval to grant the State of California Department of Transportation (Caltrans) a Right-of-Entry Agreement and Extension of Existing Right-of-Entry Agreements for work relating to construction of the eastern span of the San Francisco/Oakland Bay Bridge (Seismic Safety Project).

SUBMITTED BY: Jerry Bridges



EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The State of California, Department of Transportation (Caltrans) is in the process of replacing the eastern span of the San Francisco/Oakland Bay Bridge (Seismic Safety Project). Implementation of the eastern span project requires Caltrans' acquisition of rights in 15 separate Port-owned parcels. In order to expedite construction Caltrans has requested rights of entry for these parcels in the Outer Harbor area as indicated on the attached map.

In 1941 the Port granted fee title to Caltrans in 4 of these parcels (1B,1G, 1H, and 1I) with restrictive language that may not include the work presently planned for the Seismic Safety Project. In 2001 the Port granted Caltrans a one-year right of entry for 2 of the other parcels (1A and 1J) scheduled to expire 10/15/02. The Director of Maritime last August issued Caltrans a right of entry for 5 of the parcels (1K-A, 1K-B, 1K-C, 1K-D, and 1L) for a limited 45-day period that will expire 9/26/02, for environmental mitigation purposes. The Port has not yet granted rights to Caltrans in the other 4 parcels (1C, 1D, 1E, and 1F). Caltrans wants fee title in 7 of the parcels (1B, 1I, 1G, 1H, 1J, 1A, and 1C), and already has restricted fee title in 4 of the 7 (1B, 1I, 1G, and 1H). Caltrans wants a permanent drainage easement in Parcel 1D, and wants temporary construction

The Port and Caltrans are negotiating an exchange of permanent and temporary rights in favor of Caltrans in the Port owned properties covered in the rights of entry for Caltrans conveyance of property rights to the Port in certain properties near Grand Avenue and adjacent to Wood Street which are the subject of pending litigation with Caltrans.

ANALYSIS:

These rights of entry to Caltrans will allow Caltrans to meet its construction and mitigation schedules while the Port and Caltrans negotiate the exchange of property rights. It is in the public's interest for the Port and Caltrans to cooperatively work together to further the Seismic Safety Project and the Port's interest in acquiring the Grand Avenue and Wood Street parcels from Caltrans. The Grand Avenue and Wood Street properties provide a considerable benefit to the Port's Maritime operations as a connection point to the Joint Intermodal Terminal and also provide the Port with significant development flexibility. It is contemplated that when Caltrans and the Port reach agreement on the proposed property exchange, the Board will adopt an ordinance authorizing permanent and long term grants of property rights to Caltrans in the subject Port parcels.

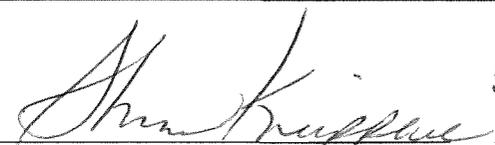
SUSTAINABILITY:

There are no sustainability opportunities involved.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02284
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

SEP - 3 2002

DATE

ENVIRONMENTAL:

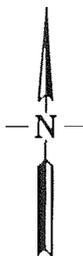
The subject Rights-of-Entry will allow CalTrans access to Port property in support of the Seismic Safety Project. The work being conducted by CalTrans is exempt from CEQA through legislation to allow timely seismic repairs and retrofit. In addition, the Right-of-Entry is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines Section 15301 (p) which provides for execution of license and concession agreements where the premises or license activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

BUDGET:

Not applicable, no monetary exchange.

RECOMMENDATION:

It is recommended that the Board pass a resolution extending the two existing Port rights of entry for the seven parcels (1A, 1J, 1K-A, 1K-B, 1K-C, 1K-D and 1L) to Caltrans for a one-year period and approve a new right of entry to Caltrans for the other 8 parcels for a one-year period all subject to a 120-day revocation by the Port, at the sole option and discretion of the Port. The right of entry for parcels 1C, 1D, and 1E will reserve access rights to the Port and its tenants for the billboard and monopoles located on parcel 1E; and the right of entry on parcel 1F will reserve access rights to the Port and its tenants for utility purposes.



"EMERYVILLE FLATS"



STATE OF CALIF.
PARCEL "B"
4186 O.R. 156

PARCEL 1J

PARCEL 1I

PARCEL 1B

PARCEL 1A

PARCEL 1C

PARCEL 1G

PARCEL 1S

STATE OF CALIF
PARCEL 1S
DOC-82-045169

CITY OF OAKLAND;
DOC. 79-034788

STATE OF CALIF
PARCEL 1S
4186 O.R. 156

CITY OF OAKLAND
DOC. 79-034788

OAKLAND ARMY BASE
TRACT 14, PARCEL 1
RE:032 IM:660

STATE OF CALIFORNIA ELLER MEDIA
3625 O.R. 252 (PORT TENANT)

GTE MOBILENET
(PORT TENANT)
NEXTEL COMMUNICATIONS
(PORT TENANT)

PARCEL 1F
CITY OF OAKLAND
STAT. 1911, CH. 657

STATE OF CALIF.
PARCEL "A"
4186 O.R. 156

U.S.A.
PORTION OF TRACT 14, PARCEL 1
RE:032 IM:660
TRANSFERRED TO G.S.A.

KEY

- I.  LANDS GRANTED TO THE STATE OF CALIFORNIA IN 1941 THAT CALTRANS IS REQUESTING RIGHT OF ENTRY DUE TO RESTRICTIVE LANGUAGE CONTAINED IN THE CONVEYANCE.
- II.  RIGHT OF ENTRY PREVIOUSLY GRANTED TO CALTRANS IN CONNECTION WITH REPLACEMENT OF THE EASTERN SPAN OF THE SAN FRANCISCO-OAKLAND BAY BRIDGE
- III.  45 DAY RIGHT OF ENTRY GRANTED TO CALTRANS FOR ENVIRONMENTAL MITIGATION ACTIVITIES BY THE DIRECTOR OF THE MARITIME DIVISION OF THE PORT OF OAKLAND
- IV.  ADDITIONAL RIGHTS OF ENTRY SOUGHT BY CALTRANS IN CONNECTION WITH REPLACEMENT OF THE EASTERN SPAN OF THE SAN FRANCISCO-OAKLAND BAY BRIDGE

RIGHT OF ENTRY AREA	SQUARE FEET	ACRES	KEY ITEM
PARCELS 1B,1C,1H & 1I	3,592,031 ±	84.462	I
PARCELS 1A & 1J	2,961,695 ±	67.991	II
PARCEL 1K-A	84,551 ±	1.941	III
PARCEL 1K-B	84,551 ±	1.941	III
PARCEL 1K-C	84,551 ±	1.941	III
PARCEL 1K-D	84,551 ±	1.941	III
PARCEL 1L	1,702,958 ±	39.095	III
PARCEL 1C,D & E	102,290 ±	2.348	IV
PARCEL 1F	14,420 ±	0.331	IV

NOTE: ALL AREAS ARE BASED UPON CALTRANS RIGHT OF WAY ACQUISITION MAPS AND GROUND LEVEL DISTANCES.

PORT OF OAKLAND

LAND SURVEYS AND MAPPING

530 Water Street
Oakland, California



EXHIBIT B

RIGHTS OF ENTRY CONNECTED WITH REPLACEMENT OF
THE EASTERN SF. OF THE S.F./OAKLAND BAY BRIDGE

DRAWN BY: JRM/dam	Field Bk:
CHECKED BY:	Wrk. Ord:
SCALE: 1"= 800'	Data File:
DATE: 7/31/02	Revision: 2
SHEET 1 OF 1	date: 8/20/02
ATTACHMENTS: PORT OF	PHOTOS
FILE LOC.> ..\103644\INTERIM-ROE.DWG	

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 33

^{TD}
SUBJECT: Approval of Plans and Project Manual for Annual Dredging of
Port of Oakland Berths for the Period Commencing
January 1, 2003 and Ending December 31, 2003, 2004, or 2005

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for **Annual Dredging of Port of Oakland Berths for the Period Commencing January 1, 2003 and Ending December 31, 2003, 2004, or 2005, Oakland, California**, and are hereby submitted for approval and authorization to advertise for bids.

The Port performs periodic maintenance dredging (redredging) at most of its marine terminal berths in order to maintain required water depths for shipping operations. The tides, weather conditions, and ship berthing activities sometimes result in difficult to predict siltation buildup and migration of silt deposits, causing rapid shoaling and inadequate berth depths, either in localized areas or as a general condition. To allow quicker response to redredging needs, it is proposed that an on-call contract be executed, similar to our current on-call dredging contract.

ANALYSIS:

Bidders will provide unit price quotes for redredging and disposal of removed material. The duration of the contract would be for twelve months with an option to renew the contract twice for an additional twelve months each if mutually agreed to by the Port and the Contractor.

Environmental

The proposed project is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with State CEQA Guidelines Section 15304 Class 4. Class 4 exempts minor alterations to land, including maintenance dredging. The Port has a permit from the Dredge Materials Management Organization (DMMO) for maintenance dredging at the Port for a 5-year period. The DMMO is a coalition of regulatory agencies that includes the Corps of Engineers, Environmental Protection Agency, the Bay Conservation and Development Commission, the Regional Water Quality Control Board, the State Lands Commission, and the California Department of Fish and Game.

General Plan

Pursuant to Section 727 of the Oakland City Charter, this project has been determined to conform to the transportation designation for this area in the Oakland General Plan.

Budget

The budget for the total work is estimated at \$860,000 per year. Any amount remaining in the previous years will be rolled over to the following year. The total amount over the three years shall not exceed \$2,580,000. The cost for the annual maintenance dredging is included in the annual Operating Budget.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02285

BOARD ACTION TAKEN

Assistant

Shirley Kuyper
SECRETARY OF THE BOARD

SEP - 3 2002
DATE

Sustainability

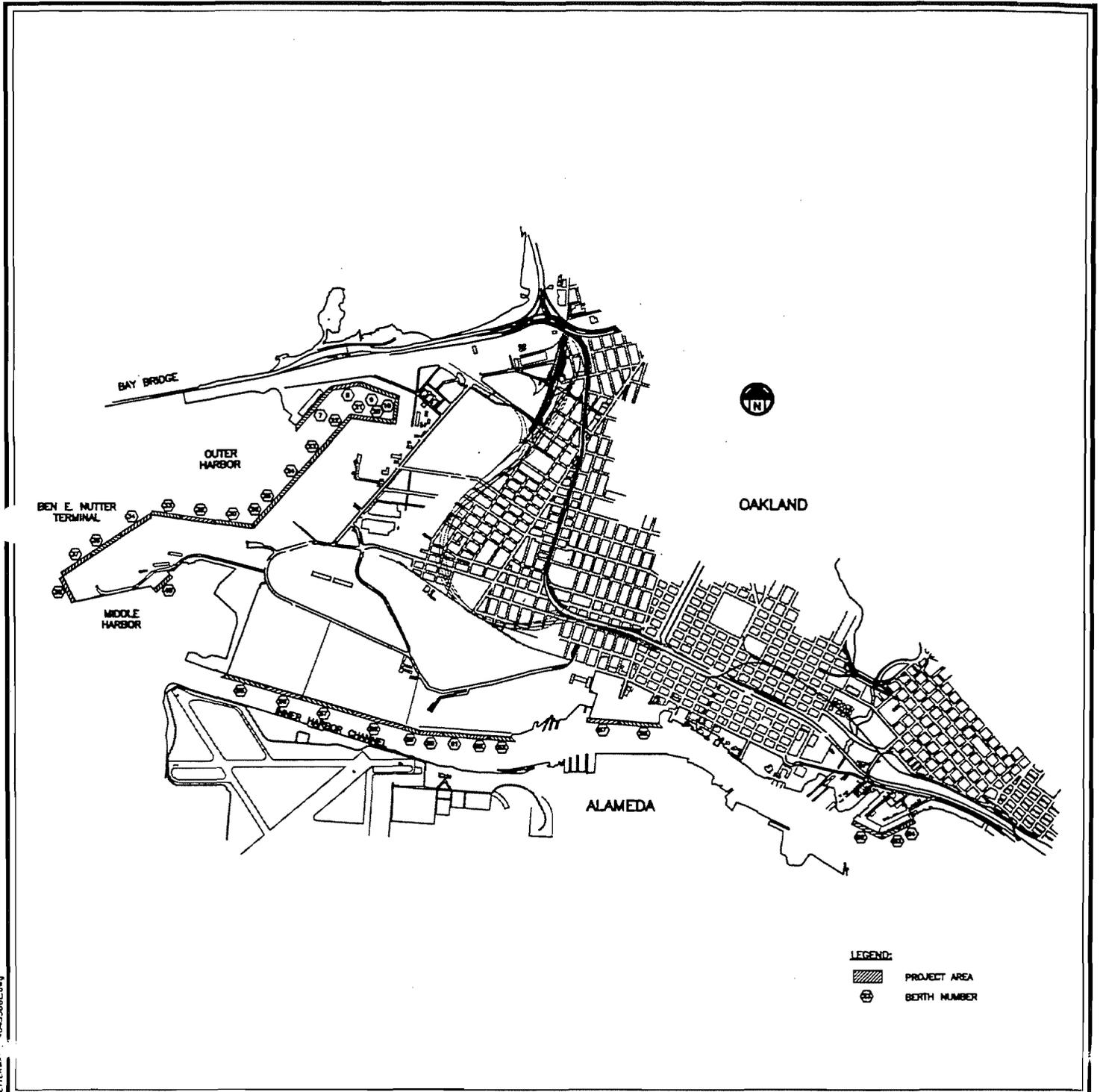
N/A

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that the Plans and Project Manual be approved and authorization be given to advertise for bids to be received on October 9, 2002.



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PORT OF OAKLAND

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

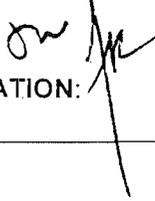
^{TD}
SUBJECT: Ratification of Change Orders to the Contract for Improvement of Yard Lighting, Berth 23, Outer Harbor Terminal – Modifications to the Substation at Building D-851 Including Back-Up Generator and Providing Power to the Temporary Trailers

DATE: September 3, 2002

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port has a contract with California Electric Company for the IMPROVEMENT OF YARD LIGHTING AT BERTH 23, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA, that became effective on February 6, 2001, at lump sum and unit prices of \$158,603.

The Port's current Change Order Ordinance allows the Board to approve or ratify new change order work on contracts previously authorized by the Board. The Board's power in this regard is not limited to approving or ratifying particular change orders, provided a basis in finding is established that the Port's best interests are served by the new change order.

ANALYSIS:

As part of the construction of the terminal at Berths 57-59 for Stevedoring Services of America Terminals, the Port is modifying Building D-851 to serve as their temporary office building. Subsequent to the execution of the contracts for the modifications to Building D-851 and construction of the container yard, the tenant's needs have changed. These changes were driven by the additions of customers on site that were not expected for another three years. The Board was previously informed of the customer's changes and the impact on other parts of the terminal in actions in April 2002. To accommodate the customer's additions, the Port agreed to install a series of trailers to serve the various needs. In doing the additional engineering studies necessary for the installation of the trailers, it has been determined that the existing substation needs to be modified. Additionally, there then arose the need for a back-up generator for the tenant's main office. The back up generator will be used in the future when the new terminal office building is constructed.

The timing of these changes with respect to the needs of the terminal operation is such that there were few options to modify the substation, to furnish and install the back-up generators and to provide power to the trailers and auto lot guardhouse in a timely manner. Staff explored opportunities to accomplish this work within the previous Board authorizations, but found that though the dollars were available, the scheduling constraints of the contractors on site precluded the work being done in a timely manner. Staff then looked at other contractors in the vicinity of the project who are capable of doing the work within the given constraints.

California Electric Company is familiar with the project, having done work as a subcontractor for the Building D-851 modification contractor and other work in the vicinity. They were very willing to accomplish the work within the schedule constraints. Accordingly, staff issued change orders to California Electric Company to do the work and is hereby requesting ratification by the Board, since their existing contract is not for work directly related to the Berths 57-59 terminal project. The value of the three change orders is \$350,000.

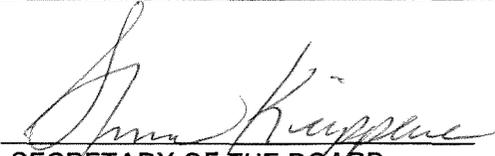
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02286

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD



SEP - 3 2002

DATE

At this time, it is requested that the Board ratify three change orders to California Electric Company's contract with the Port as follows:

- \$125,000 for furnishing and installing the back-up generator,
- \$100,000 for providing power to the temporary trailers and auto lot guardhouse, and
- \$125,000 for the D-851 substation modifications.

Budget

This work is budgeted under CIP Item No. M6.00585.02 and M6.00585.03. The funding source is Port bonds.

RECOMMENDATION:

It is recommended that the Board ratify the following change orders:

- \$125,000 for furnishing and installing the back-up generator,
- \$100,000 for providing power to the temporary trailers and auto lot guardhouse, and
- \$125,000 for the D-851 substation modifications.

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 35

SUBJECT: Approval of Consultant Agreement for Architectural and Engineering Services for Facilities Redevelopment of APL Middle Harbor Terminal, Port of Oakland

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On June 4, 2002, by Resolution No. 02175, the Board authorized the creation of a certified list of qualified consultants for As-Needed Marine Terminal and Gate Planning and Design over the next three years. The Board-certified list includes the following prime consultants: Cash & Associates; CH2M Hill, Inc.; DMJM+Harris, Inc.; Han-Padron Associates, LLP; and Moffatt & Nichol Engineers. These five firms would be available over the next three years to enter into contracts for supplying planning and/or engineering design services at the Port's Marine Terminals. At the time the list was created, there were two projects identified including the Reconstruction of Berths 32/33 and the American President Lines (APL) Terminal Improvement project.

The Facilities Redevelopment of APL Middle Harbor Terminal is currently ready for the preparation of Plans and the Project Manual. The work consists of the overlay and/or replacement of existing asphalt concrete pavement, construction of rubber tired gantry crane runways parallel to the existing dock, grading and drainage to allow for various terminal operations, installation of grounded reefer outlets, equipment and automobile parking, signage, striping, lighting, security fencing and infrastructure improvements such as fire protection, air, water, sewer, pressurized air, storm drainage, and gas supply systems. A Marine Operations Building, Maintenance and Repair Facility, and Gate Complex modifications are also included in the Project.

ANALYSIS:

Basis of Selection

The five firms on the certified consultant list are all qualified to perform the tasks on this Project. However, one firm, Moffatt & Nichol Engineers (M&N), has had extensive experience working directly with APL on their proposed terminal improvements, and has also had extensive experience working with the Port on a variety of other maritime projects. M&N also assisted APL in preparing the scope of work for this Project during the lease negotiations. Accordingly, staff believes M&N should perform the above design services. Staff will not execute a contract for these services until the Port and APL finalize negotiations and the Board authorizes the execution of an agreement for the proposed improvements.

Furthermore, given M&N's familiarity with this Project, as well as their construction management experience on other similar construction projects, M&N is well suited to also perform the construction management services. Consequently, staff expects to return to the Board, once a construction contractor is selected, to request approval to negotiate a supplemental agreement with M&N to perform the construction management services.

Environmental

On January 29, 2002 the Board approved a Non-Exclusive Preferential Assignment with American President Lines. In that action, the Board agreed to \$45 million dollars of upgrades. A Categorical Exemption was adopted for this project as stated below:

Based on the repairs and upgrades contemplated at this time, this project has been determined to be exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 2 (Guidelines Section 15302), which consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on

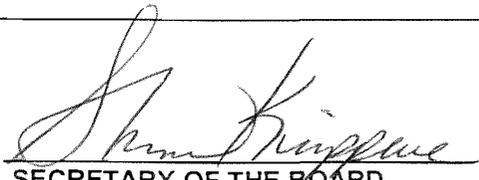
- MOTION
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02287

BOARD ACTION TAKEN

Assistant



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DATE

the same site as the structure replaced and will have substantially the same purpose and capacity; Class 4, which consists of minor public or private alterations of land... including but not limited to (a) grading on land with a slope less than 10%... and (b) new gardening or landscaping. The Board of Port Commissioners adopted the Categorical Exemption on January 29, 2002. However, as the exact details of the work are refined, the degree of work contemplated at this time could potentially change significantly; should this occur, further environmental review may be required. Prior to entering into a construction contract for any proposed construction upgrades and improvements, the Board may need to make new findings under CEQA.

The upgrades and improvements that are anticipated under this agreement will not increase the terminal capacity. This statement is made based on the discussion on terminal capacity in the 1997 San Francisco Bay Seaport Plan. Further, a study conducted in 1999 by a consultant to the Port describes its analysis and forecast on throughput capacity as conservative and estimated maximum reasonable throughput capacity under the current terminal operating economics. According to this analysis, the throughput capacity, analyzed on a TEU per acreage basis, may be increased by performance improvements, increased storage capacities and reduced dwell time. Improved performance at the terminals, including the deepening of the channels to allow for bigger ships, can only account for a marginal growth (estimated at 1% per year) because the economics of the container storage and even more the land-side transport of the containers is the bottle-neck at the Port of Oakland. (Jordan Woodman Dobson report; Container Movement Growth Scenario, Vision 2000 Developments Through 2010; March 8, 1999; pg. 3)

General Plan

Pursuant to Sec. 727 of the City Charter, the project has been determined to conform to the policies of the Oakland General Plan.

Budget

Staff is currently developing a scope of work and negotiating fees with Moffatt & Nichol Engineers. It is anticipated that the maximum compensation for these services will not exceed \$3,500,000. It is recommended that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations. In addition, it is requested that the Executive Director be authorized to approve up to an additional \$350,000 for potential changes in scope.

This work is budgeted under CIP Element No. M3.00678.01 and the funding source is Port cash. The Project Schedule and Project Budget Detail are attached.

Living Wage

The Port's living wage ordinance applies. All firms will be required to comply if not already in compliance.

Sustainability

The project design will conform to the latest editions of applicable codes and regulations, and also incorporate the Port of Oakland's sustainable development strategy.

Project Labor Agreement

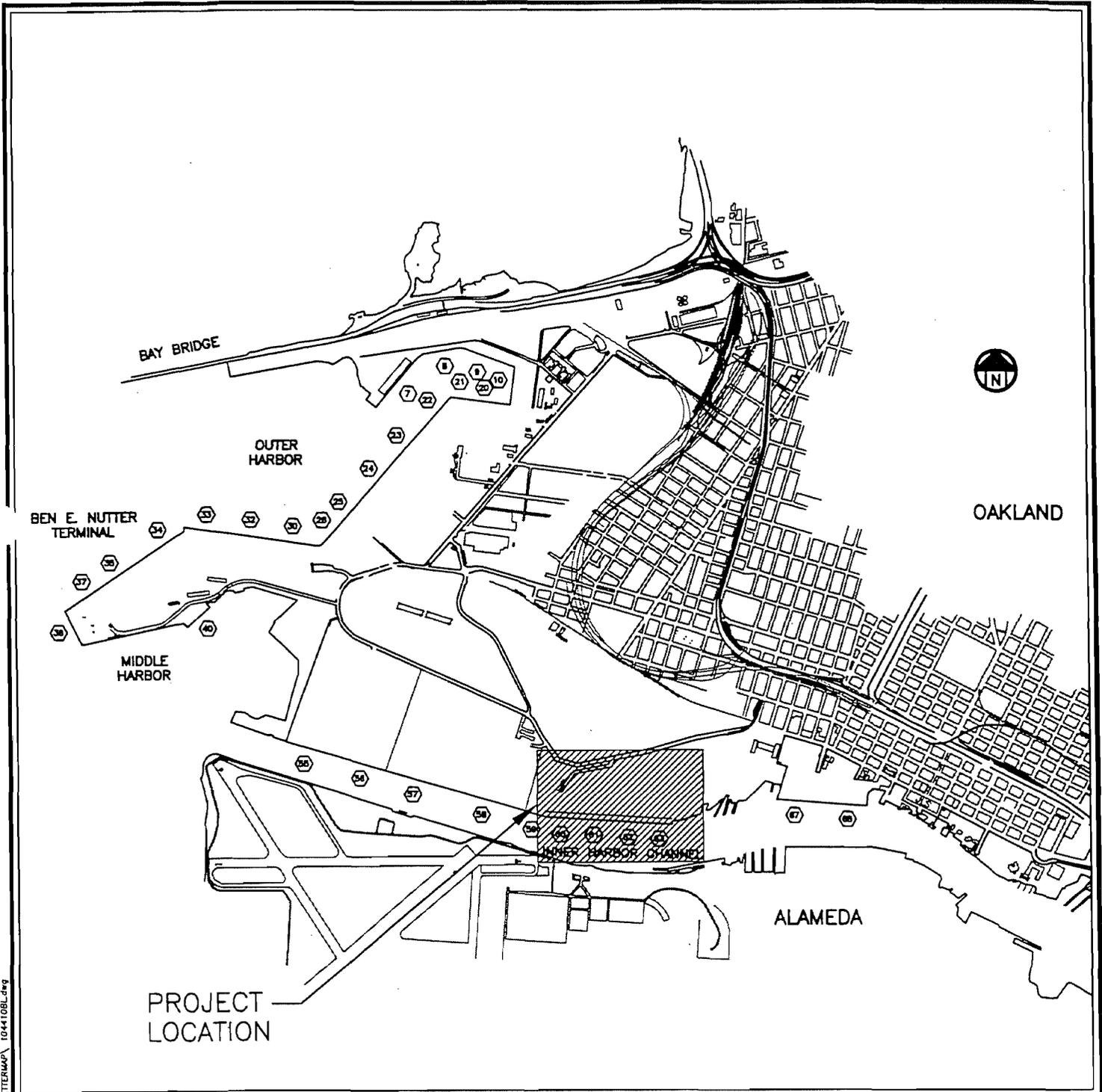
The provisions of the Port of Oakland's Maritime and Aviation Project Labor Agreement do not apply to this agreement.

OPTIONS:

Negotiate a Professional Services Agreement with one of the other four consultants on the certified list. That would delay the project to allow time for this other Consultant to become familiar with the APL facilities and possibly Port procedures

RECOMMENDATION:

It is recommended that the Board determine that the services described above are Professional Services; and authorize the Executive Director to execute a Professional Services Agreement with Moffatt & Nichol Engineers for the work described above for a total amount not to exceed \$3,500,000. It is also recommended that the Executive Director be authorized to approve up to an additional \$350,000 for unforeseen changes in scope.

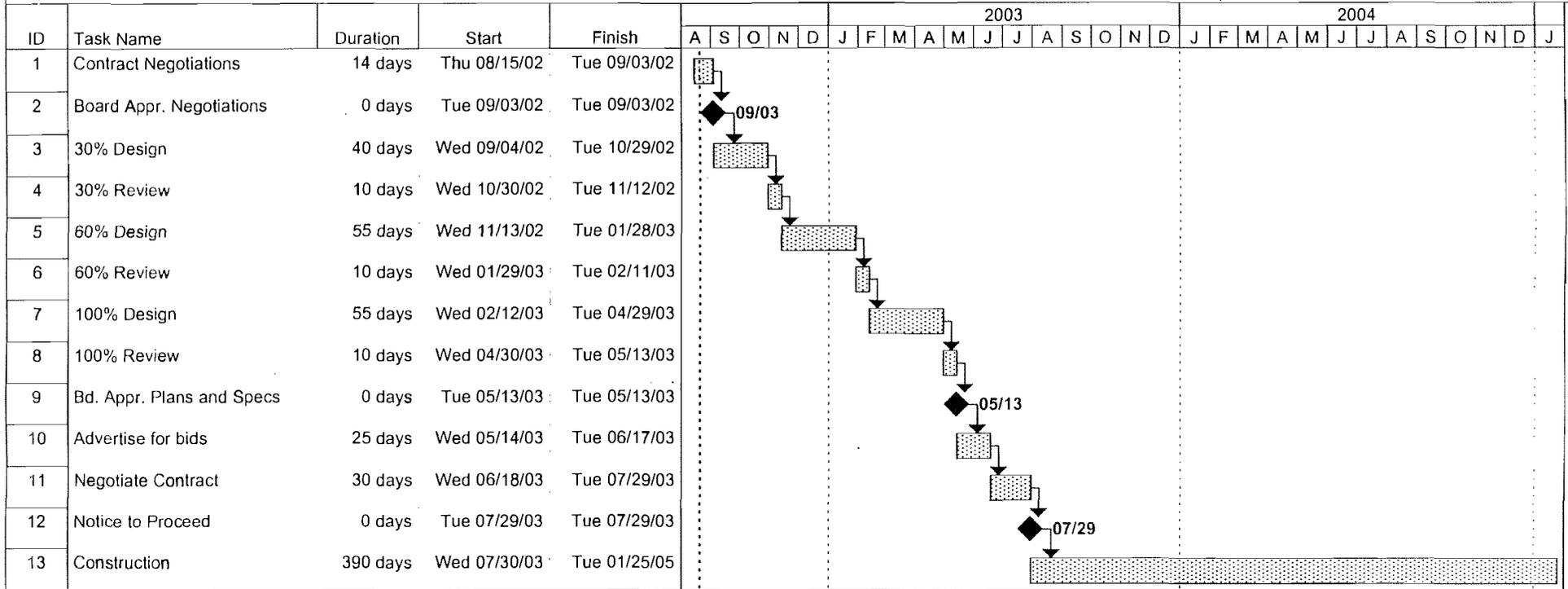


PROJECTMAP 104410BL.dwg

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PORT OF OAKLAND

APL Facilities Redevelopment



Project: APLsched Date: Tue 08/20/02	Task		Summary		Rolled Up Progress	
	Split		Rolled Up Task		External Tasks	
	Progress		Rolled Up Split		Project Summary	
	Milestone		Rolled Up Milestone			

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

August 15, 2002

PROJECT TITLE: Facilities Redevelopment of APL Middle Harbor Terminal, Port of Oakland

CIP NO: M3.00678.01

W.O. #'s: 104410

PROPOSED FUNDING SOURCES: Port cash

Narrative: The Project will redevelop APL's facilities at their marine terminal on Middle Harbor Road. The work consists of overlay and/or replacement of existing asphalt concrete pavement, construction of gantry crane runways, grading and drainage, installation of grounded reefer outlets, equipment and automobile parking, signage, striping, lighting, security fencing, and infrastructure improvements. Construction of a Marine Operations Building, Maintenance and Repair facility, and Gate Complex modifications are also included in the Project.

Budget: The Facilities Redevelopment of APL Middle Harbor Terminal are included in the CIP Element # M3.00678.01. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M3.00678.01

Project Components	Port Labor, Fringe & O/H	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allow. & Contrib.	Contingency	Tenant Const. Cost	Totals
APL Development	850	4,750.	41,400.							47,000.

Remarks/Notes:

1. This report provides a budget "snapshot" for review by the Director of Eng, Port Commissioners, etc.
2. Refer to WMS report by Work Order for direct cost data.
3. OCIP budget not shown (per S. Blinn).
4. CC: to Director of Eng's Secretary {Ivy keeps copies of all PDS(s)}.

Agenda Sheet

DATE: June 4, 2002

SUBJECT: Approval of List of Consultants to Provide As-Needed Marine Terminal Yard and Gate Planning and Design at the Port of Oakland

ITEM NO: _____

SUBMITTED BY: Joseph K. Wong

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In order for the Port to provide timely project turn-around to its tenants and to supplement the Port's expertise and present resources, the Port solicited proposals from engineering consultant firms for **As-Needed Marine Terminal Yard and Gate Planning and Design**. The intention is to create a certified list of consultants to provide planning and/or design services for upcoming yard improvement projects over the next three years.

Currently, the Capital Improvement Program (CIP) includes two major yard improvement projects over this three-year period, Reconstruction of Berths 32/33 Yard and APL Terminal Improvements. Furthermore, there is the possibility that additional yard improvement projects within Berths 22/25 area may also be scheduled within this three-year period. The exact timing of when these projects will be designed is unknown at this time. Consequently, it is desirable to have a list of prequalified engineering consultant firms that are capable of performing this type of engineering design work as and when it is needed, as well as an additional firm, or two, that can perform other container yard improvement design work that may surface over the three year period.

BASIS OF SELECTION:

On February 20, 2002, the Port mailed Requests for Proposals to 232 firms listed in the Port's Social Responsibility Division (SRD) database. On March 14, 2002, the Port conducted a pre-proposal meeting to answer questions concerning submission of proposals, types of projects anticipated, the Port's Non-Discrimination and Small Local Business Utilization Policy, and insurance requirements.

Proposals were received from 11 design teams on March 29, 2002.

A panel made up of Port staff, including a representative from SRD, reviewed the 11 proposals and determined that 9 design teams were qualified to be interviewed. The 9 design teams that were invited to make oral presentations and be interviewed were as follows:

No.	COMPANY NAME	ADDRESS
1	A-N West, Inc.	4123 Lakeside Drive Richmond, CA 94806
2	Cash & Associate	155 Filbert Street, Suite 254 Oakland, CA 94607
3	CH2M HILL, Inc.	155 Grand Avenue, Suite 1000 Oakland, CA 94612
4	Concept Marine Associates, Inc.	1853 Embarcadero Oakland, CA 94606
5	DMJM+HARRIS, Inc.	1330 Broadway, Suite 1001 Oakland, CA 94612
6	Han-Padron Associates, LLP	1939 Harrison Street, Suite 730 Oakland, CA 94612

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No.	COMPANY NAME	ADDRESS
7	Moffatt & Nichol Engineers	160 Franklin Street, Suite 300 Oakland, CA 94607
8	Parsons Brinckerhoff Quade & Douglas, Inc.	1000 Broadway, Suite 250 Oakland, CA 94607
9	TranSystems Corporation	2100 Reston Parkway, Suite 202 Foston, VA 20191

The panel interviewed the 9 design teams and prepared a ranking based on each design team's oral presentations, qualifications, relevant experience of the firms, key project personnel, design team's technical and project management abilities, and answers to interview questions, as well as SRD scores.

As a result of the evaluations and based on the above factors, staff recommends that Cash & Associates, CH2M HILL, Inc., DMJM+HARRIS, Inc., Han-Padron Associates, LLP and Moffatt & Nichol Engineers be prequalified for the Port's upcoming yard projects. This list of certified engineering consultant firms will be valid for a period of three years.

RECOMMENDATION:

It is recommended that the Board certify Cash & Associates, CH2M HILL, Inc., DMJM+HARRIS, Inc., Han-Padron Associates, LLP, and Moffatt & Nichol Engineers, for consideration to provide engineering planning and/or design services for yard improvement projects at the Port of Oakland for a period not to exceed three years.

For Information

Agenda Sheet

^{TD}
SUBJECT: Approval to Establish Executive Director's Authority to Authorize Changes in Scope to Agreement with Harris/TRS, a Joint Venture, for Construction Management Services for Construction of Berths 57-59 Container Yard and Gate, Vision 2000

DATE: September 3, 2002

ITEM NO: 36

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port's Vision 2000 Program consists of Container Terminals (Berths 55,56,57,58,59), the Realignment of 7th Street and Construction of "New Road", the Joint Intermodal Terminal (JIT), and the Middle Harbor Shoreline Park (MHSP). Due to the magnitude of the Program, the Port's Construction Department hired consultant firms to provide construction management services for the projects.

The Port of Oakland (Port) has a current professional services agreement with **A Joint Venture Consisting of Harris & Associates and TRS Consultants, Inc. for Construction Management Services for the Construction of Berths 57-59 Container Yard and Gate, Vision 2000, Oakland, California.** The Board authorized a maximum compensation of \$3,700,000, with no provision for an additional amount for the approval of the Executive Director for additional, unforeseen work.

ANALYSIS:

Subsequent to the agreement with Harris/TRS, the scope of the work services was added to the project. Some of these services have been accomplished within the original contract while others will need additional funds. The increase in services affecting the funding is as follows:

- Management of six additional construction contracts for the construction of Longshore Buildings D-132, D-133 and D-134, Chassis Maintenance and Power Shop, Clerk/Cashier's Building, Crane Maintenance Building and Crane Parts Storage Building; all within the Berths 57-59 yard area.
- The period of Construction Management Services was extended by approximately five months.
- Management of two new major change orders, construction of five additional bays at the Chassis Maintenance Building, and addition of Chem-crete asphalt concrete to the paved areas.
- Management of additional change order work for Berth 59 Yard.
- Management of tenant requested changes to the terminal.
- Additional costs to comply with revised PLA regulations.

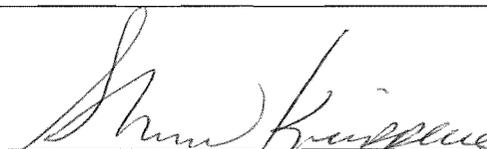
The establishment of the Executive Director's \$425,000 authority will allow the Port to fund these changes and any other unforeseen changes as the projects are closed out.

The consultant team has been working diligently with the Port staff and the design consultant to manage these projects in a very cost effective manner. They have responded quickly to the changes in field conditions and tenant driven changes and issues.

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No. 02288

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BUDGET ANALYSIS:

The work is budgeted under CIP Item Nos. M6.00585.02 and M6.00585.03. The funding Source is Port bonds.

A summary of the proposed compensation changes is provided below:

	DESCRIPTION	DATE	AUTHORIZED	PENDING
1	Original Board Authorization Maximum Allowable Compensation	10/22/99	\$3,700,000	
2	Proposed Board Authorization – Executive Director's Authority for Changes in Scope	9/3/02		\$425,000
3	Proposed Maximum Possible Allowable Compensation			\$4,125,000

RECOMMENDATION:

It is recommended that the Board authorize the establishment of the Executive Director's authority to authorize changes-in-scope to the agreement with Harris/TRS, a Joint Venture, for construction management services

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

August 19, 2002

PROJECT TITLE: Construction of Berths 57-59 Container Yard and Gate, Vision 2000, Oakland, California

SUBJECT: Approval of First Supplemental Agreement with Harris/TRS, a Joint Venture for Construction Management Services for Construction of Berths 57-59 Container Yard and Gate, Vision 2000 Program

CIP NO: M6.00585.02 and M6.00585.03

W.O. #'s: 103526, 103812

PROPOSED FUNDING SOURCES: Port cash, bonds

Narrative: The Construction of Berths 57-59 Container Yard and Gate is being tracked under work order # 103526 and 103812.

Budget: This project is included in the CIP Element # M6.00585.02 and M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02 and M6.00585.03.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.02	1182	1881	57977	7469						68509
M6.00585.03	216	368	8074	500						9158
Total =	1398	2249	66051	7969						77667

Remarks:

AK

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of Consultant Agreement for Construction Management Services for the Construction of the Container Yard 1B at Berths 57/58

Date: October 22, 1999

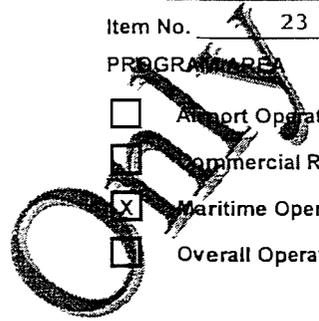
Item No. 23

PROGRAM ARE:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*



FACTUAL BACKGROUND:

The Port's Vision 2000 Program consists of Container Terminals (Berths 55, 56, 57, 58), the Realignment of 7th Street and Construction of "New Road", the Joint Information Terminal (JIT), and the Middle Harbor Shoreline Park (MHSP). Currently the Container Terminals at Berths 55/56, the Roadway, JIT, and MHSP are in design and will be going out to bid in the near future. The plans and specifications for the Construction of Berths 55/56 Container Yard Phase II, are being finalized and are scheduled to be submitted to the Board for approval. Due to the magnitude of the upcoming construction program, the Port's Construction Department needs assistance in managing some of the construction contracts. The proposed consultant will provide construction management services for the Construction of the Container Yard 1B at Berths 57/58. It is proposed that the selected team provide the following: constructability review; value engineering; document, schedule and cost controls; monthly project reports; change order and payment processing; dispute resolution; assurance of contractor compliance with contract documents; and other miscellaneous services to effectively manage the contract.

Basis of Selection:

One hundred seventy five (175) Statements of Qualifications (SOQs) were sent out on January 12, 1999. The SOQs were sent to engineering firms with offices in the Local Impact Area (LIA) cities of Oakland, Alameda, Emeryville, and Fremont. Proposals were received from the following twenty-one (21) teams listed in alphabetical order.

1. AGS
2. The Army Group (TAG)
3. Biller-McCall Builders, Inc.
4. Chaney, Warner, McCall, Turner Construction Co.
5. CMTS
6. Concept Marine Associates, Inc.
7. Consolidated CM
8. Coverall Engineering & Construction, Inc.
9. CH2M Hill
10. Estranco/Gannett Fleming Kal Krishnan Construction Services, Inc.
11. EJC/HNTB/Pacific 17
12. F.E. Jordan/Bovis
13. GKO Messinger
14. Harris/TRS

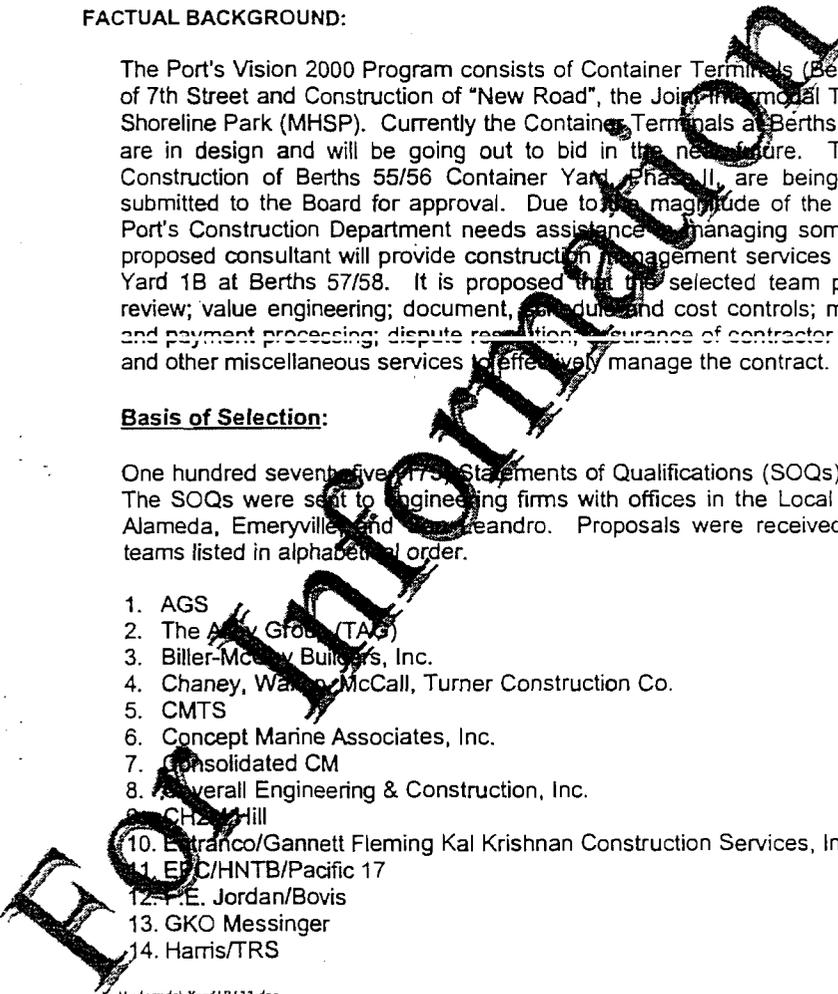
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BOARD ACTION REQUIRED:

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15. MK Centennial
15. Montgomery Watson
16. O'Brien Kreitzberg
17. Parsons Brinkerhoff Construction Services, Inc.
18. Parsons Infrastructure and Technology Group/Mendoza & Associates
19. URS Greiner/Kleinfelder
20. V2000 Associates

The Port panel reviewed the proposals and determined that four (4) teams were best qualified to be interviewed:

1. Entranco/Gannett Fleming Kal Krishnan Construction Services, Inc.
2. Harris/TRS
3. MK Centennial
4. O'Brien Kreitzberg

The panel interviewed and evaluated the four teams on the following criteria: oral presentation, qualifications, approach, answers to panelist's questions, team makeup and evidence of compliance with the Port's Non-Discrimination and Small Local Business Utilization Policy.

The Port panel determined that two teams demonstrated the best qualifications to perform the work:

1. Harris/TRS
2. MK Centennial

Staff recommended Harris/TRS to the Maritime Committee at its September 23, 1999, meeting. The Committee approved submitting the recommended team to the full Board.

Harris/TRS requested that they be allowed to substitute Consolidated Engineering Laboratories (CEL) and Construction Clerical Unlimited (CCU) for Kleinfelder and CCS Planning and Engineering. The substituted firms had conflicts of interests because of their work on the design of the project.

Attached to this letter are tables taken from the SOQs submitted by the above short-listed teams which provide information about each team and team members, including LIA/LBA and/or MWBE status.

The Port's Office of Equal Opportunity (OEO) participated in all phases of the evaluation of the consultants and their proposals. OEO has determined that the recommended team is responsive to the Port's Non-Discrimination and Small Local Business Utilization Policy.

The EEO-1 Workforce Reports/Professional Services Questionnaires are on file.

It is anticipated that the amount of the agreement will not exceed \$3,700,000. It is necessary to begin work immediately after the final scope and terms are agreed upon in order to meet the project schedule. Therefore, it is proposed that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations.

The work is budgeted under CIP element M6.00585.02 and will be billed in accordance with time worked on the relevant portions of the project. The funding source will be Port bonds.

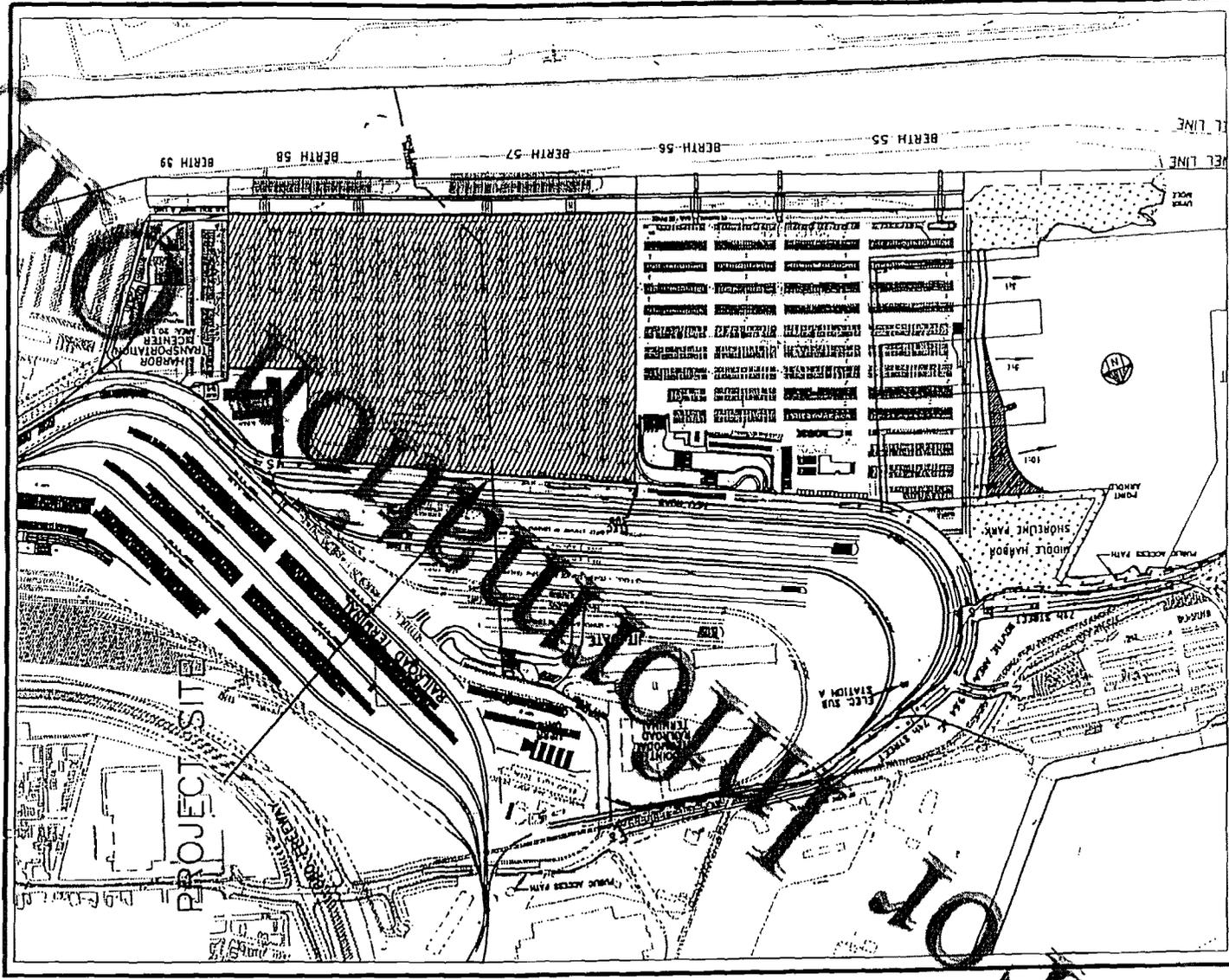
RECOMMENDATION:

It is recommended that the Board:

1. Determine that the engineering services as described above are professional services; and
2. Authorize negotiations and the preparation and execution of an agreement with the selected consulting team in accordance with the above provisions.

Approval of Consultant Agreement for
Construction Management Services for
Construction of the Container Yard 1B
at Berth 57/58

October 22, 1999



PORT OF OAKLAND

Agenda Sheet

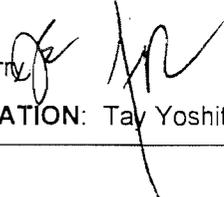
DATE: September 3, 2002

ITEM NO: 41

SUBJECT: Approval of Professional Services Agreement with Watson Wyatt to perform a Competitive Compensation Survey

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND

It is accepted human resources practice to periodically conduct a comprehensive compensation survey to compare an organization's compensation levels and practices with the competitive labor market. Any such survey performed previously by or for the Port is now beyond its useful life accuracy. It is urgent that a survey be conducted expeditiously to provide the compensation information necessary to effectively negotiate new wage rates for the represented positions in current and upcoming negotiations. The survey results will also be invaluable as the need arises to evaluate the compensation of other positions at the Port.

ANALYSIS:

It is imperative that we have current, valid compensation information before negotiating new wage rates for various positions. We need this information to make sure that the Port's economic offer is reasonable, fair and competitive. This survey can also serve as the first step in the review and possible revision of the comprehensive compensation philosophy and program for the Port.

Watson Wyatt is a well-known and respected leader in human resources and compensation consulting. Watson Wyatt consultants possess the skills and experience to efficiently and effectively conduct the survey, and its database of competitive compensation information will give the survey results the accuracy and credibility necessary to overcome challenges in negotiations and elsewhere. Watson Wyatt has consulted with the Port previously, and has provided outstanding service and product.

In order to contain the cost of the survey, Port Human Resources staff will assist Watson Wyatt in the information-gathering phase of the survey. Watson Wyatt will be responsible for design of the survey, and the compilation and analysis of the information and the validity of the results.

BUDGET

The cost of the survey, including all professional fees and expenses, is not to exceed \$50,000. Due to the time sensitive nature of the survey, staff has retained Watson Wyatt under a \$15,000 Purchase Order to do preliminary work pending Board approval. The \$50,000 contract will be inclusive of the initial \$15,000.

SUSTAINABILITY

No environmental issues or opportunities have been identified.

RECOMMENDATION:

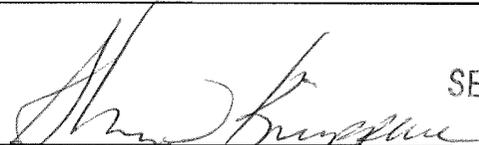
It is recommended that the Board approve a Professional Services agreement with Watson Wyatt to perform a competitive compensation survey for a cost, including all professional fees and expenses, not to exceed \$50,000.

- MOTION
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Approved by Resolution
No. 02289

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Assistant


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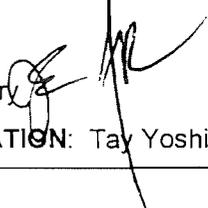
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Agenda Sheet

DATE: September 3, 2002

SUBJECT: PERSONNEL ITEMS
- Amendment of Salary Schedule Assignments

ITEM NO: 42

SUBMITTED BY: Joseph D. Echelberry 
EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

FACTUAL BACKGROUND:

I. AMENDMENT OF SALARY SCHEDULE ASSIGNMENTS-- Ordinance (2 Readings)

- A. It is requested that the Board approve the amendment of the salary schedule assignments for the classification of **Port Insurance Technician and Workers' Compensation Claims Technician** from Salary Schedule 218 (a--\$4006; b--\$4205; c--\$4415; d--\$4682; e--\$4961) to **Salary Schedule 222.66** (a--\$4193; b--\$4403; c--\$4624; d--\$4902; e--\$5196). This salary change will reflect the duties and responsibilities that are commensurate with the classification.

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding amendment of salary schedule assignments.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN

Assistant


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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 43

SUBJECT: Approval and Authorization to Revise Administrative Policy 14, Naming of Port Facilities (AP14) (Resolution)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones, Director of Communications

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Communications Division, as requested by the Port's Naming Review Committee (NRC), is requesting approval to revise Administrative Policy Naming of Port Facilities (AP14) as follows:

PROPOSED REVISIONS:

1. AP14, Section III, C.1 (p. 14.3): Anyone ~~can~~ **may** recommend a name **for consideration. at any time.** All nominations (including place names, historic names and functional names, in addition to personal names) should be submitted to the Executive Director and should include....
2. AP14, Section III, C.2 (p. 14.4): The Board of Port Commissioners shall approve all names by Ordinance, upon due consideration and recommendation of the Board's Administration Committee, and after a public hearing. The Board **may retains the full authority to** accept, reject or alter any nominated name **and, under special circumstances, may deem specific naming request(s) as appropriate.**

ANALYSIS:

Administrative Policy 14: *Naming of Port Facilities (AP14)* was established by the Oakland Board of Port Commissioners on November 6, 2001. The Naming Review Committee (NRC), represented by Port staff from various divisions and departments throughout the organization, is charged with implementing a clear and consistent process to guide the consideration and selection of naming Port facilities and roadways. As part of this process, the NRC is responsible with making recommendations to the Executive Director and in turn to the Administrative Committee based on substantive research and evaluation based on policy.

Policy (AP14) was proposed to assist the Port in its deliberations and to provide the Board with a set of guidelines and suggested criteria for the naming of facilities. In order to accomplish this purpose, the NRC proposes language changes in Section III, C.1 and C.2 as noted above.

FISCAL IMPACT:

There is no fiscal impact other than staff time to upload the revisions to the Administrative Policy manual.

SUSTAINABILITY OPPORTUNITIES:

The Port's primary mission is to provide quality facilities and resources for our tenants so that we can create economic vitality, be environmentally responsible and contribute to social equity as good

- MOTION
- RESOLUTION
- ORDINANCE

Approved by Resolution No.

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BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

DATE

neighbors to those communities nearest the Port area in the greater Oakland Bay Area region. The Port's outreach to its neighbors for their involvement in naming Port facilities contributes to community sustainability by reinforcing local values and honoring community leaders.

LIVING WAGE:

Amendment of AP14 is not subject to the Port's Living Wage Ordinance No. 3666 requirements nor is it subject to the City of Oakland's Charter requirements.

RECOMMENDATION:

It is recommended that the Board approve the revisions to AP14.

NAMING OF PORT FACILITIES

SECTION: Basic Policy

POLICY NUMBER: AP 14

INITIAL DATE PREPARED: November 6, 2001

LAST DATE REVISED:

PROPOSED REVISIONS TO AP14 (09.03.02)

I. PURPOSE

To establish standards and procedures for the Board of Port Commissioners and the staff to ensure a clear and consistent process to guide the consideration and application of names to Port facilities, as set forth in Port Resolution No. 01429 (November 6, 2001).

II. POLICY

The Port of Oakland endorses naming specific facilities and features of the Port as a means of commemorating those individuals, historic events, sites or activities that have influenced the development of the Port and the City of Oakland. In choosing names of Port facilities, the Board of Port Commissioners will ensure that names honor the ideals of Oakland residents and reflect the wide spectrum of cultural diversity, natural and man-made features and historic activities that make Oakland unique.

The decision to name a specific Port facility or feature and the choice of names shall be at the discretion of the Board of Port Commissioners. The Board will ensure that choosing names for Port features is carried out fairly, in a consistent and unambiguous manner.

III. GUIDELINES & PROCEDURES

A. Overall Guidelines

1. This Administrative Policy should apply to any effort to name or re-name:
 - a. Grounds, sites, areas, or portions thereof
 - b. Specific features, (e.g., streets and roads, bridges, buildings, terminals, piers and wharves, hangars, parks and plazas, marinas, basins, etc.)
 - c. Non-structural features (e.g., creeks, beaches, gardens, etc.)
 - d. Other real property belonging to the Port (e.g., cranes, ferries, fountains, collections, etc.)

NAMING OF PORT FACILITIES

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LAST DATE REVISED:

2. Use of the following categories of names is appropriate:

- a. Personal names (e.g., Jack London Square, FDR Pier, Martin Luther King Shoreline, Earhart Road, etc.)
- b. Place names (e.g., Middle Harbor Road, Embarcadero Cove, Estuary Park, etc.)
- c. Functional names (e.g., Airport Drive, Maritime Street, Port View Park, etc.)
- d. Historical names (e.g., Embarcadero, Broadway, Brooklyn Basin, Water Street, etc.)

Use of numbers for names (e.g., 4th Street) should be discouraged.

3. Application of names to specific features should:

- a. Establish meaningful associations with the historic events, significant sites, illustrious individuals and activities that led to the development of the Port and City of Oakland.
- b. Highlight physical features, landmarks or attributes that are unique or indigenous to Oakland.
- c. Reflect the cultural diversity of Oakland.
- d. Be logical and appropriate for the facilities' use, function and setting.
- e. Not duplicate (or be likely to be confused with) existing names in nearby areas.
- f. Be short, simple and easy to pronounce and spell.

B. Additional Guidelines for Use of Port Names

1. Use of personal names should be reserved for honoring individuals who have provided notable and distinguished service to the Port of Oakland. These include:
 - a. **Port Leaders:** Individuals who undertook significant and direct leadership roles that have resulted in long-term, enduring benefits to the Port. Examples include:
 - i. Former Port commissioners
 - ii. Former Port employees
 - iii. Port-based private business leaders

NAMING OF PORT FACILITIES

SECTION: Basic Policy

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INITIAL DATE PREPARED: November 6, 2001

LAST DATE REVISED:

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- b. **Port Supporters:** Individuals not directly associated with the Port, but whose deeds have had significant positive impact on the Port, the City of Oakland, State of California, or the United States. Examples include:
 - i. Illustrious Oakland city officials and community leaders
 - ii. Private-sector leaders or benefactors whose works or philanthropy have demonstrably enhanced the quality of life in Oakland
 - iii. Oakland residents or natives who have attained national or international prominence
 - iv. Individuals from beyond Oakland who have actively supported Port interests on a state or national level.
 2. Facilities should be named in honor of the deceased. Names of living persons shall not be used unless **all** of the following considerations are met:
 - a. Individual meets qualifications identified in Sections III A.2, A.3 and B.1, above;
 - b. Honoree's accomplishments are acknowledged to be compelling, and his or her legacy is firmly established; and
 - c. Consensus exists that the honoree would be honored posthumously.
 3. Names that should not be used under any circumstances include:
 - a. Persons currently holding elective offices in any state, or family members thereof.
 - b. Current Port Commissioners, employees, or family members thereof.
 4. Names should not be considered until at least five years after the individual's last association with the Port.

C. Process for Picking a Name

1. Anyone ~~can~~ *may* recommend a name *for consideration*. ~~at any time~~. All nominations (including place names, historic names and functional names, in addition to personal names) should be submitted to the Executive Director and should include:

NAMING OF PORT FACILITIES

SECTION: Basic Policy

POLICY NUMBER: AP 14

INITIAL DATE PREPARED: November 6, 2001

LAST DATE REVISED:

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- a. Name, address and contact information of the nominator
 - b. A statement of the qualifications and rationale of the nominated name
 - c. Documentation of the name's significance (e.g., a resume, other biographical and historical information, other qualifications, etc.)
 - d. A signature petition or other instrument that demonstrates support for the nominated name among adjacent property owners, neighborhood organizations, Port tenants, and others who might have a direct interest in the name.
2. The Board of Port Commissioners shall approve all names by Ordinance, upon due consideration and recommendation of the Board's Administration Committee, and after a public hearing. The Board ~~may~~ *retains the full authority to* accept, reject or alter any nominated name *and, under special circumstances, may deem specific naming request(s) as appropriate.*
 3. To assist in Board deliberations, the Executive Director should provide staff assistance as necessary to:
 - a. Authenticate nominations
 - b. Confer with and seek approval of postal, emergency response and taxing authorities, etc.
 - c. Confer with and seek approval of local historical, cultural and ethnic community experts
 - d. Assess economic and budgetary impacts
 - e. Keep records and archives of approved names.

D. Implementation

It is necessary to follow through on the naming exercise and to ensure that public understanding of the names is maximized, confusion is minimized, and financial hardship is mitigated.

1. The staff should recommend specific guidelines and measures to ensure that naming Port-owned facilities will include high-quality signage at the site, or public information tools to identify the facility and educate the public of its significance.

NAMING OF PORT FACILITIES

SECTION: Basic Policy

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INITIAL DATE PREPARED: November 6, 2001

LAST DATE REVISED:

Signs, brochures, plaques, statues, busts and other commemorations are appropriate. The Port's Design Review Committee shall review specific commemorations for content and design considerations.

2. Procedures for establishing new names should include reasonable transition periods that will allow the Port, Port tenants and area property owners to amortize the cost and inconvenience of changing existing signs or address records.

E. Corporate Sponsorship

Recently, a new property management practice has emerged which has had a significant impact on facility naming. "Corporate sponsorship" is the "payment of money or provision of goods or services by a business to assist the Port in the development of facilities or services, in exchange for promotion of the sponsors' name or products." Public agencies, in an effort to increase revenue, sometimes sell the right to name facilities to corporate sponsors.

This often results in the facility being named after the sponsor, or incorporating the sponsor's name, logo or product line into the facility name. Local examples are plentiful: Network Associates Coliseum (Oakland), Pacific Bell Ballpark (San Francisco), Compaq Arena (San Jose), etc.

1. The practice of selling naming rights or naming facilities by corporations in exchange for simple recognition of financial sponsorship negates the ability to promote the unique attributes of the community. It should not be practiced at the Port of Oakland.
2. Another form of sponsorship stems from business ventures between the Port and its tenants to occupy or jointly develop terminals, commercial space and other facilities (e.g., Maersk Terminal, Alaska Airlines hangar, the Landing at Jack London Square, the Tribune Building, etc.) The Port recognizes the importance to tenants of name recognition and consistency of marketing when conducting business from Port facilities. It is appropriate for Port tenants to identify themselves to the public and to apply their business' names to their facilities as a means of advertising provided that:
 - a. The name used is the name under which business is conducted.
 - b. It is applied only to the site or premises controlled by the tenant/developer.

NAMING OF PORT FACILITIES

SECTION: Basic Policy

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- c. The naming right is included as a specific provision of an enforceable lease, or other entitlement and is in effect for the term of the entitlement only.

Agenda Sheet

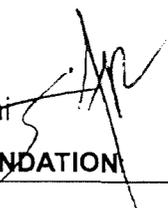
DATE: September 3, 2002

ITEM NO: 44

SUBJECT: Bay Area World Trade Center

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Tay Yoshitani 

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The mission of the Bay Area World Trade Center (BAWTC - formerly known as the Greater Oakland International Trade Center) is to promote and support regional economic growth through international trade and commerce. The strategic plan focuses on trade services to small and medium size businesses; international trade advocacy with an emphasis on educating the region on the importance of trade to the Bay Area economy; organization of regional trade missions and trade shows; development and organization of trade related seminars and events; and design and maintenance of a comprehensive international web site.

Because of their trade promotion activities that directly benefit international commerce, the Port of Oakland has for the past seven years provided a variety of assistance to the BAWTC, and their operations currently occupy 3,574 square feet of office space on the 7th floor of the Port's 530 Water Street building.

During Fiscal Year 2001/02, the Port provided \$100,000.00 in financial assistance to the BAWTC for their operations. This amount was comprised of \$20,402.00 paid directly to the BAWTC, and \$79,597.71 paid directly to Oakland Portside Associates as back-rent owed by the BAWTC for their 7th floor office space. The BAWTC is currently billed approximately \$7,219.48 per month. Subsequent rental payments are currently delinquent and the Port is now owed approximately \$28,877.92 in back-rent due for the months of April, May, June, and July.

It is the intention of the Executive Office to maintain its commitment to the BAWTC, and to assist them in continuing their service to the Northern California marketplace. While it is the Executive Office's objective to assist the BAWTC in maintaining their operations, it is not feasible that the Port can solely carry this responsibility. The BAWTC themselves will ultimately assure their success through their own efforts. The BAWTC is currently initiating both revenue generation and cost cutting measures to implement a viable business plan.

At this time the BAWTC operations do not fully utilize the available floor space of their 7th floor office, and the rental payments have been an on-going burden. The other Port tenants on the 7th floor have expressed a desire to enlarge their offices, which presents an opportunity to decrease the BAWTC's overhead and at the same time to increase the 7th floor space rental payments to market rates.

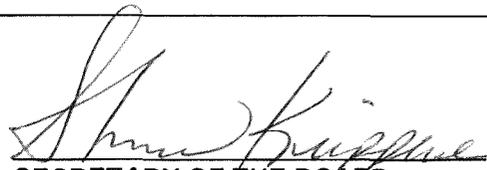
Therefore, we propose that as soon as practical the BAWTC operations be relocated from the 7th floor to new office space on the 1st floor of the Port's building and be reduced to approximately 672 square feet. We believe it will be possible to re-locate the BAWTC on or before October 1, 2002. Although the specific lease terms remain to be negotiated with the BAWTC, we would suggest a rental flat rental rate of \$2,500.00 per month under a one-year lease term. Build-out costs are estimated to be between \$14,000

- MOTION
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No. 0229

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and \$20,000 and will be absorbed by the Port.

After this re-location, the current 7th floor tenants will expand their offices by a total of approximately 1,800 square feet (increasing their office space to 6,538 square feet and 6,847 square feet respectively). The Port will reclaim approximately 1,774 square feet on the 7th floor including the large training/conference room, entry, and kitchen.

PORT ASSISTANCE FY 2002/03: For Fiscal Year 2002/03, the Executive Office has again budgeted \$100,000.00 in financial assistance to the BAWTC. To allow the BAWTC to continue operations, several concurrent strategies will be implemented.

RENTAL ARREARS: As of July 31, 2002 the BAWTC owed approximately \$28,877.92 in back-rent due for the months of April, May, June, and July. We suggest that this existing debt be waived.

RENTAL PAYMENTS: The BAWTC has advised they are willing to re-locate their offices to the new space immediately in order to reduce their rental payments. However, the new office space will not be available until approximately October 1, 2002. We therefore suggest the BAWTC rental payments be reduced to the re-located rate of \$2,500.00 rate effective July 1, 2002 to enable the BAWTC to take advantage of these cost savings. We further suggest that the rental payments for twelve months from July 1, 2002 through June 30, 2003 totaling \$30,000.00 be prepaid from the cash subsidy.

CASH SUBSIDY: After deducting the rental prepayment through June 30, 2003, \$70,000.00 in cash subsidy will be available to the BAWTC during this Fiscal Year. We suggest that this amount be made immediately available to the BAWTC for their on-going operations.

7th FLOOR CONFERENCE ROOM SPACE: From time to time the BAWTC will require meeting or reception space for their operations. We suggest the BAWTC be allowed full access to this space at no cost for the purposes of organizing international symposiums, educational seminars, networking receptions, and other uses as may be required.

ALTERNATIVES:

Forego Assistance: Without the financial and in-kind assistance of the Port, the BAWTC would probably not be able to continue operations.

Create An Alternative Assistance Package: At the Board's direction, the Executive Office can suggest other alternative assistance combinations within the \$100,000.00 budgeted for BAWTC operations.

RECOMMENDATION:

Approval of assistance to the BAWTC in accordance with the above.

Agenda Sheet

DATE: September 3, 2002

SUBJECT: Approval for Second Supplemental Agreement to Century Corporate Counsel, P.C. for Investigations of Discrimination Complaints for FY 02-03

ITEM NO: 45

SUBMITTED BY: Cheryl Perry League, Director of Equal Opportunity

PROGRAM AREA:

EXECUTIVE OFFICE RECOMMENDATION:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

FACTUAL BACKGROUND:

Century Corporate Counsel, P.C. is a management consulting firm providing services such as discrimination complaint investigation and mediation. Century Corporate Counsel, P.C. has over twenty years of experience in labor and employment law. Century Corporate Counsel, P.C. Provides assistance for private and public employers in development and implementation of programs in the areas of mediation, alternative dispute resolution, equal employment opportunity, and sexual harassment prevention. Century Corporate Counsel, P.C. has worked with the Office of Equal Opportunity in the past assisting the Director of Equal Opportunity under Purchase Order PS1223 for \$15,000, Contract No. 01480 for \$35,000 during the FY 01/02 and a First Supplemental Agreement raising the maximum possible payment to \$50,000 in FY 02/03.

The Office of Equal Opportunity wishes to continue the services of Century Corporate Counsel to investigate discrimination complaints. Staff recommends that a Second Supplemental Agreement be negotiated with Century Corporate Counsel, P.C. in the amount of \$30,000, that amount is covered by the Office of Equal Opportunity's budget for FY 02/03. Total fees for investigative services shall not exceed the maximum amount of compensation of \$80,000.

RECOMMENDATION:

It is recommended that the Board authorize the preparation and execution of a Second Supplemental Agreement with Century Corporate Counsel, P.C. for professional services as described above, increasing the maximum compensation under the agreement by \$30,000, for a total allowable compensation of \$80,000.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 0292
 BOARD ACTION TAKEN

Sharon Kruggel
 Assistant SECRETARY OF THE BOARD

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DATE

Agenda Sheet

DATE: **September 3, 2002**

ITEM NO: 46

SUBJECT: Approval and Authorization for a New Lease Agreement for the Port of Oakland Information Center-West Oakland (Resolution)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones, Director of Communications

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Communications Division is requesting approval of a new lease agreement for the Port of Oakland Information Center-West Oakland, previously referred to as the Port's Information Annex West. The office space is located at 1448 - 32nd Street, Oakland, California 94608. The original lease agreement commenced on June 1, 1999 and was to continue until May 31, 2002. The Port has continued to occupy the premises under the hold over provisions of the original agreement. The building owner is willing to enter into a new one-year lease for the premises but is not willing to agree to allow the Port to occupy the premises on a month-to-month basis. The current rent is \$1,650 per month. The landlord has agreed to a one-year lease at \$1,700 per month. Under the new lease, the Port will have the right to sublease the premises if the Port decides to relocate the West Oakland Information Center during the term of the lease.

During the two years the office has been open, it has served many functions and has helped facilitate the Port's commitment to its Good Neighbor Program in West Oakland. At its inception, the West Oakland Information Center was planned as a strategically located facility in the community with three primary purposes in mind. First and foremost, the center serves as a key location in the community providing the latest information on Port activities, especially those affecting West Oakland, our closest neighbor to the Port's maritime activity. The center is a place to receive information on the Vision 2000 Program, schedules and printed material about all aspects of Port activity. The office is also equipped with three guest computers that allow visitors to access information on line.

Secondly, the information center was designed to provide increased access to Port resources. While staff at the center may not have all the answers, they are able to locate needed resources and provide that information to the visiting public. Staff at the center represents the face of the Port and has gained significant positive exposure in the West Oakland community as such.

Finally, the information center is a physical expression of the Port's commitment to the West Oakland community. The Port's commitment to being a "Good Neighbor" rings true with the physical presence in the neighborhood where much of the Port's work takes place, and where those affected by our work live.

A representative of the Community Relations Department, Communications Division staffs the office approximately 3 days per week. As anticipated, when the Port initially entered into the original lease agreement, the close proximity of the office to multiple West Oakland neighborhood and community-based organizations has greatly enhanced the Port's visibility and reinforced the Ports efforts to be involved and aware of community issues and concerns in West Oakland.

OPTIONS:

1. Enter into a new Lease.
2. Identify an alternative site to the one currently in operation.

- ACTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02293

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ASSISTANT SECRETARY OF THE BOARD

BOARD ACTION TAKEN _____ DATE _____

3. Abandon the concept of a Port of Oakland Information Center – West Oakland.

ANALYSIS:

The option to abandon the Port of Oakland Information Center – West Oakland is not recommended. The Good Neighbor Policy adopted by the Board in 1999 has been implemented by maintaining a physical presence in the West Oakland community. Several outreach programs including some job placement assistance programs are in place and are being expanded upon. A physical presence in the community enhances and strengthens the Port's visibility and relationship with the West Oakland community while demonstrating a goodwill commitment to our neighbors.

The option to identify and evaluate an alternative site is not recommended at this time. Community Relations Department staff originally conducted an exhaustive search of suitable West Oakland sites and found very few that met budget, accessibility and location objectives. The current facility was selected and is in close proximity to various community organizations, including the Clawson Neighborhood where West Oakland Neighbors Association is based. It is strategically situated to promote the Port's intention to be a good neighbor. It should also be noted that significant renovations have been made to the structure to make it compliant with the Americans with Disabilities Act (ADA). The Port could not realize the benefits of that investment if the site was to be abandoned without a suitable alternate site and without a tenant ready to assume the lease. Over the past months, Community Relations Department staff investigated the possibility of relocating the information center and did not identify another site in the West Oakland area, which met the goals of location, price and ADA accessibility. Community Relations Department staff will continue to evaluate the viability of relocating to another facility during the term of the new lease, if approved.

FISCAL IMPACT:

The original lease agreement provided for payment of \$1,650 per month. The new lease agreement increases the monthly rent to \$1,700 for one year. The property owner is not willing to enter into a shorter-term agreement for less than \$1,850 per month.

SUSTAINABILITY OPPORTUNITIES:

The Port's primary mission is providing quality facilities and resources for our tenants so that we can create economic vitality, be environmentally responsible and contribute to social equity as good neighbors to those communities nearest the Port area in the greater Oakland region. The Port's commitment to being a good neighbor by striving to listen, educate and involve the community in our planning process as well as provide resources that create benefits and value to the community is working to make our neighborhoods a better and safer place in which to live and work. The Port Information Center located in West Oakland is a core feature of the Good Neighbor Program and clearly addresses the social justice component of sustainability in the West Oakland community and should continue its presence.

LIVING WAGE:

Kathryn Porter, property owner for premises located at 1448 – 32nd Street, Oakland, California 94608 is not subject to the Port's Living Wage Ordinance No. 3666 requirements nor is she subject to the City of Oakland's Charter requirements.

RECOMMENDATION:

It is recommended that the Board approve the new lease agreement.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

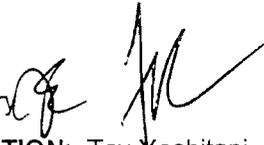
ITEM NO: 47

SUBJECT: PERSONNEL ITEMS

Salary Adjustment

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND:

I. SALARY ADJUSTMENT -- Resolution (1 Reading)

A) It is requested that the Board approve the salary adjustment for **Bernida Reagan, Director of Social Responsibility** from \$9,188 per month to \$10,417 per month. This action will result in internal equity with other Unit H employees (Directors).

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding salary adjustment.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02294

Assistant
BOARD ACTION TAKEN


SECRETARY OF THE BOARD

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 48

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of an agreement with Miles M. Larson to perform a specialized audit on the U.S. Army Corps of Engineers as it relates to the 42-Foot MLLW Channel Deepening Project.

SUBMITTED BY: Douglas Waring

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port and the U.S. Army Corps of Engineers are required to share costs as it relates to the 42-Foot MLLW dredging project. An audit is required to ensure that the incurred costs were shared appropriately. Miles M. Larson has 25 years of specialized experience providing audit-consulting services for the Defense Contract Audit Agency (DCAA) and is knowledgeable of federal regulations, auditing standards and principles. The contract amount will not exceed \$55,000.

He is to provide professional services to assist Port staff with completing the review of Corps of Engineers' books, records, documents and other such evidence of costs related to the Deepening of the Oakland Harbor Channels to -42 feet, MLLW. Fees will be paid on a "time and material" basis not to exceed \$55,000 as outlined in the attached memo from Miles Larson to Douglas Waring, Port Auditor, dated June 19, 2002.

ANALYSIS:

Familiarity with the Corps of Engineers record keeping systems and procedures is a very specialized area and to my knowledge he is the only professional in the Bay Area available with this level of expertise. The cost of this contract is subject to the Project Cost Sharing agreement between the Port and the Corps of Engineers such that 75% of the fee (\$41,240) is reimbursable by the Corps of Engineers to the Port.

ALTERNATIVES:

The alternative is not to perform the audit due to the specialized knowledge required. This would mean that the Port would forego any potential cost savings as a result of findings that support inappropriate charges by the Corps of Engineers to the 42-Foot MLLW Channel Deepening Project. The total cost incurred by the Corps of Engineers with respect of the project is \$34 million. The Port would be entitled to 25% of such savings.

BUDGET STATUS:

This is budgeted under professional services.

LIVING WAGE: This contract is subject to the Living Wage ordinance.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to enter into a Professional Services contract with Miles M. Larson with a maximum compensation in the amount of \$55,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02295

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

SEP - 3 2002

DATE

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memo from m. larson

Date: 6/19/02
To: Douglas Warring
From: Miles M. Larson
RE: Audit of Corps of Engineers

Dear Mr. Warring:

Thank you for putting me in touch with Mr. Ralph Gin. He was knowledgeable and helpful. The information he provided was invaluable in preparing a cost estimate.

As I told you over the telephone the Corps is unaccustomed to being audited, it is an extremely poor record keeper, and its accounting and financial system have undergone so many recent major changes there are few people within its organization that can explain what was expensed to what specific projects.

Given this background, and the fact that some of the costs relate to effort performed in the 1980s, it is improbable that the Corps will be able to provide all of the documents necessary to support what it claims to have been incurred on the Oakland project.

Due to the uncertainty of associated with obtaining needed records, I prefer to work on a Time and Material basis charging \$95 an hour. I believe, however, that I can complete the audit at a total cost of somewhere between \$37,500 and \$55,000 depending on just how many records the Corps eventually provides. If you select me to perform the audit, I suggest that we write up a contract stating that the Port of Oakland will pay \$95 an hour based on hours worked up to a ceiling amount of \$55,000. If the hours worked at the \$95 rate exceed \$55,000, the audit will be completed at no additional charge to the Port. This limits the Port's total outlay to \$55,000.

I will be out of the State for the period June 21 to July 1 but will be available after July 2 to answer any questions you may have regarding my bid. I can be reached at the following addresses or telephone numbers:

6/19/02

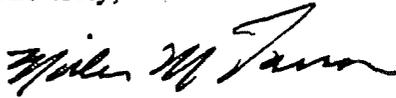
Memo From M. Larson: Audit of Corps of Engineers

PO Box 2097, Windsor, CA 93492

Tel. No. 707-838-2620, Fax No. 707-838-2820

Email: miles.larson@worldnet.att.net

Sincerely,

A handwritten signature in cursive script that reads "Miles M. Larson".

Miles M. Larson

MML

Agenda Sheet

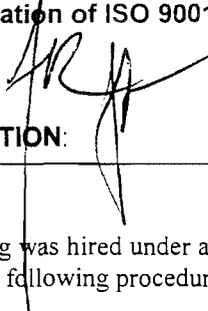
DATE: September 3, 2002

ITEM NO: 49

SUBJECT: Approval of Contract with D2 Business Consulting to Document and Improve Finance Division Processes in Connection with Certification of ISO 9001-2000 Standards

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In fiscal year 2002, D2 Business Consulting was hired under a Port purchase order, maximum compensation of \$15,000, to assist Port staff with accounting procedures. The following procedures were completed:

- Capital Improvement Plan (CIP) Policies and Procedures
- Revised Rate of Return on Projects Spreadsheet
- Invoice Processing and Payment Policies and Procedures
- Finance Division Organizational Structure Recommendations
- Management Communication on Accounting Internal Controls

Subsequent to completing these procedures, Port Management has decided to implement a Quality Management System Port-wide starting with the Financial Services and Maritime Divisions. The goal is to establish process standards leading to certification under ISO 9001-2000. This standard requires the organization to establish, document, implement, and maintain a quality management system and continually improve its effectiveness in accordance with the standards. More specifically, the organization shall:

- Identify the processes needed for the quality management system and their application through out the organization,
- Determine the sequence and interaction of these processes,
- Determine criteria and methods needed to ensure that both the operation and control of these processes are effective,
- Ensure the availability of resources and information necessary to support the operation and monitoring of these processes,
- Monitor, measure and analyze these processes, and
- Implement actions necessary to achieve planned results and continual improvement of these processes.

Identifying customer requirements and documenting the key processes is an integral part of the quality management system. Port staff has identified the following Financial Services Division processes as the most significant in meeting customer needs:

- Accounts Payable
- Accounts Receivable/Collections
- Financial Reporting
- General Ledger
- Enterprise Risk Management
- Purchasing
- Financial Planning

The Board of Port Commissioners has previously approved World Wide Quality Assurance, Ltd. to assist with ISO 90001-2000 certification; however, further assistance is needed in documenting the above financial processes. Implementing the quality management system will not only lead to improved process efficiency, but also provide a high degree of assurance and integrity in the Port's internal control system. Port staff has chosen D2 Business Consulting to assist with this project because of their demonstrated professionalism, overall business experience, and performance on previous Port projects.

RECOMMENDATION

It is recommend the Board approve a contract with D2 Business Consultants, not to exceed \$50,000 to document key financial processes and assist with the implementation of the Quality Management System.

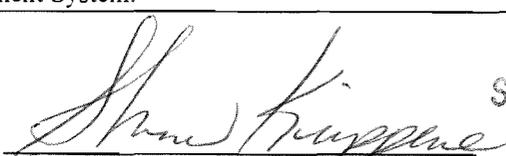
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02296

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 50

SUBJECT: AUTHORIZATION TO SELL REPLACEMENT VEHICLES AND EQUIPMENT

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: FRED W. RICKERT

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Engineering Facilities staff have determined the following equipment and replacement vehicles to be obsolete, inadequate, and/or worn out and request that the Executive Director authorize the sale of these vehicles and equipment at open market to the highest bidder(s):

1. 1993 Ford Ranger has a bad transmission which have been replaced at least three times
2. 1998 Toyota T100 Sweeper has been in three separate accidents with each accident resulting in substantial damage making it more costly to repair and therefore declared a total loss by Risk Management
3. 1987 Navistar S2375 3-Axle Tractor and 1969 40-foot Low Boy Trailer, both received as surplus equipment from the US Navy
4. AFFF truck mount foam unit, Air Jack and Lincoln Portable Arc Welder, which are all obsolete and not working miscellaneous equipment.

RECOMMENDATION:

It is recommended that the Board declare the above equipment and replacement vehicles as inadequate, obsolete, and/or worn out under Section 5.13(a) of the Port's Master Indenture and authorize the Executive Director to sell the above equipment and replacement vehicles at open market to the highest bidder(s).

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02297

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 51

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of Supplemental Agreement with Towill, Inc., for On-Call Professional Land Surveying and Mapping Services

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Since 1987, the Port of Oakland has regularly engaged a consultant to supplement our land surveying and mapping services, and currently has a professional services agreement with Towill, Inc., for this purpose. This program is critical to the Port's Capital Improvement Program (CIP), and the Board has approved the current consulting team, as it has evolved over the years from a more traditional consulting arrangement. Since August of 1996, a consortium of East Bay land survey and mapping firms has provided employees and equipment to work in Port facilities under the supervision and direction of Port staff. The program, by contract, includes a mentoring component and provides attractive opportunities for many local subconsultants. The Port has a core team of experienced professionals from the Prime Consultant, Towill, Inc., that not only provides outstanding service, but also helps train the employees of local subconsultants. This helps to ensure that we have all of the capacity that we need while maintaining our technical capabilities at a high level.

In May 2001, the Board approved a new contract with Towill, Inc., with a maximum budget of \$2,000,000, along with the stipulation that an annual performance report is made to the Administrative Committee prior to seeking Board authorization to enter into a Supplemental Agreement for additional funds. That report has been prepared and sent to the Administrative Committee for discussion at the Committee's meeting on August 27.

ANALYSIS:

The increased contract performance accountability that was required by the Administrative Committee in May 2001, has resulted in a better awareness of all of the performance issues by both staff and the consultant. This is a unique arrangement resulting in a symbiotic relationship between full-time employees and consulting staff and, in this particular case, we see positive performance enhancements that have evolved as a direct result of this annual evaluation process.

DESCRIPTION	DATE	AUTHORIZED AMOUNT
Original Agreement Authorized by the Board	May 8, 2001	\$2,000,000
Proposed Amount - First Supplemental Agreement	Proposed	\$3,000,000
TOTAL PROPOSED MAXIMUM COMPENSATION	Proposed	\$5,000,000

Environmental

The procurement of this service contract has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines. Any projects for which services are performed subsequent to this procurement will be evaluated for CEQA compliance.

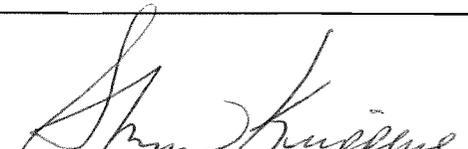
General Plan

Not applicable.

- MOTION
- RESOLUTION
- ORDINANCE
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Approved by Resolution No. 02298

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Budget

The vast majority of the survey and mapping services performed are in support of the Port's Capital Improvement Program (CIP), and resulting costs are budgeted in the various project budgets. For the projected 3–4% of those services that are expense related, \$70,000 has been included in the existing Construction Department's operating budget to cover such contingencies.

Sustainability

Not applicable.

Project Labor Agreement

The work performed under the existing contract and proposed supplemental agreement is covered by the Port of Oakland Maritime and Aviation Project Labor Agreement, as applicable.

Living Wage

The proposed agreement is for professional and premium technical services at compensation rates that are substantially higher than those that are outlined in the Living Wage Ordinance. There are no entry-level positions associated with this proposed agreement.

OPTIONS:

One option is to abandon the existing arrangement and send out an RFP to firms in the area to try to find other resources. However, we have surveyed all of the potential land surveying and mapping firms in Alameda and Contra Costa Counties. Knowing the makeup of the local industry and the general demand for competent land surveyors, it is extremely unlikely that any other firm will be able to provide either similar capabilities or similar capacity to the degree that we need to employ them. Moreover, the loss of institutional memory could not be made up in the short term. This conclusion is based upon many informal conversations with potential consultants at association meetings and professional gatherings.

Another option, as outlined in our Succession Plan for the Survey Section, is the proposed creation of one professional position and three technical positions as full-time employees to work alongside the consultant staff, thereby decreasing the need for outside resources. It has been determined from an analysis of the last ten years of consultant utilization that additional full-time staff is required to retain institutional memory. Towill, Inc., is prepared for the possibility of one or more of its employees phasing out as we hire Port staff to perform these functions. More importantly, that is an active part of our proposed business plan over the next three years. Although creating new positions and hiring new employees is part of the long-term solution, it is not a near-term solution. These vacant positions were recently cut to help reduce our expense budget.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the services described above are professional services; and
2. Authorize the preparation and execution of a supplemental agreement to the existing contract with Towill, Inc., for land surveying and mapping services for an amount not to exceed \$3,000,000, increasing the maximum compensation under the agreement to \$5,000,000.

Agenda Sheet

DATE: May 8, 2001

ITEM NO: 34SUBJECT: Approval of Consultant Agreement for On-Call
Professional Land Surveying and Mapping Services

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Joseph K. Wong EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland regularly engages a consultant to supplement our land surveying and mapping services, and currently has a professional services agreement with Towill, Inc., for this purpose. This program is critical to the Port's Capital Improvement Program (CIP), and the Board has approved the current consulting team, as it has evolved over the years from a more traditional consulting arrangement. For the last four years, a consortium of East Bay land survey and mapping firms has provided employees and equipment to work in Port facilities, under the supervision and direction of Port staff. The program, by contract, includes a mentoring component and provides attractive opportunities for many local subconsultants. We have a core team of experienced professionals from the mentor firm, Towill, Inc., that not only provides outstanding service, but also helps train the employees of local protégé firms. This helps to ensure that we have all of the capacity that we need while maintaining our technical capabilities at a high level.

One of the strengths of the program is that we have a core group of professionals who have acquired the experience and institutional memory to function in the organization as though they were full-time employees. By the same token, one disadvantage to the program is our very dependence on this core group because of the institutional memory they possess and which may be lost to the Port if another consultant replaced them.

The current agreement for performance of these services will expire soon. It is therefore proposed that a new agreement be entered into with Towill, Inc., so that we may continue to provide the required services. Based upon discussions with the Administrative Committee it is proposed that the Port enter into to a contract for these services for an amount not to exceed \$2,000,000 over a one year period. This represents money that has already been budgeted in the CIP. Most of our survey work is extremely time sensitive and is both labor and management intensive, because work requests usually come in at the construction phase when production delays affect the most critical parts of the project budget. Because of the critical nature of our work, we have determined that our land surveys and mapping operations would be severely impacted if we were to contract with a different consultant.

ALTERNATIVES:

One solution would be to send out a Request for Proposal to all firms in the area to try to find other sources of the relatively scarce human resources that we need. However, we have surveyed all of the potential land surveying and mapping firms in Alameda and Contra Costa Counties. Knowing the makeup of the local industry and the general demand for competent land surveyors, it is extremely unlikely that any other firm will be able to provide either similar capabilities or similar capacity to the degree that we need to employ them. Moreover, the loss of institutional memory could not be made up in the short term.

Another solution, as outlined in our Succession Plan, would be the proposed creation of one professional position and three technical positions as full-time employees to work alongside the consulting firm. It has been determined from an analysis of the last ten years of consultant utilization that additional full-time staff is required to retain institutional memory and for more economical operations. The mentor firm is prepared for the possibility of one or more of its employees phasing out as we hire Port staff to perform these functions. More importantly, this concept is an active part of our proposed business plan over the next three years. It is also proposed in the new agreement that additional opportunity for local Protégé firms and subconsultants be provided for. However, while creating new positions and hiring new employees is part of the long-term solution, it is not a near-term solution.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

The alternative that was discounted by staff is that we could elect to perform only those services that we could accomplish with our existing full-time staff. However, we do not consider that alternative to be in line with the overall objectives of the Port, in that we would not be able to keep up with the current levels of design and construction support. Further, we need to maintain flexible staffing so that we can respond to all of the project demands that vary on a weekly basis.

We are, therefore, recommending a sole source procurement of services with Towill, Inc. In addition, we are recommending that the Executive Director be authorized to negotiate and execute a new agreement with Towill, Inc., for professional land survey and mapping services for an amount not to exceed \$2,000,000. After 1 year, Staff will report to the Board on expenditures and will request approval to execute a supplemental agreement for up to two additional years, for an amount yet to be determined based upon cost projections at that time.

RECOMMENDATION:

It is recommended that the Executive Director be authorized to negotiate and execute a 1-year \$2,000,000 agreement with Towill, Inc., for the above-described services.

For Information

ONLY

Agenda Sheet

DATE: September 3, 2002

ITEM NO: 52s

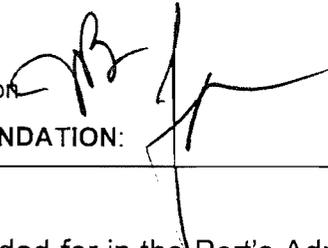
SUBJECT: TRAVEL AUTHORIZATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton

EXECUTIVE OFFICE RECOMMENDATION:



As provided for in the Port's Administrative Manual, it is recommended that the Board ratify the travel of Jerry Bridges, Director of Maritime, Sal DiGrande, Manager, Maritime Business Development and Marketing, and Thomas Clark, Assistant Port Attorney, who visited Taipei, Taiwan, on or about August 10th to 14th, 2002, to meet with Evergreen executives.

Also, ratify the travel of Alvin Kan, Port Assistant Electrical and Mechanical Engineer, to Rugby, England, on or about August 24th to 31st, 2002 and approve additional travel on or about September 15th to 22nd, 2002, to witness factory tests for the Surface Movement Guidance Control Systems (SMGCS) before delivery of the Control System to South Field, Oakland International Airport.

Further, approve the travel of Tay Yoshitani, Executive Director, to Rotterdam, Holland, on or about September 3rd to 5th, 2002, to accompany the Mayor of Oakland on a visit to the Port of Rotterdam to observe environmentally sustainable Port operations.

It is recommended that the Board approve the travel of George Turner, Manager, Aviation Marketing & Communications, to Hong Kong, China, on or about September 10th to 24th, 2002, to attend the Air Cargo Forum and to Athens, Greece to attend the Routes 2002 Airlines/Airports Conference, and to schedule visits in route with potential passenger and cargo airlines as the opportunity arises.

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02299

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

SEP - 3 2002

DATE

Alex Kuppine

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

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TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Adjourned Regular Meeting of the Board of Port Commissioners
Tuesday, October 22, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 7 matters.

2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9.

City of San Leandro, et al v. Port of Oakland, et al., California Court of Appeal Case Nos. A086708/A087959/A089660

City of Oakland v. GKO & Associates, et al., Alameda County Superior Court Case No. 824540-7

3 CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and Terms of Payment

Property: Berths 60-63
Negotiating Parties: Port and American President Lines
Under Negotiation: Price and Terms of Payment

Property:	Pardee Parking Lot
Negotiating Parties:	Port and City of Oakland
Under Negotiation:	Price and Terms of Payment

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Deferred - Regular meeting of October 1, 2002

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11 Approval of Access Agreement for Survey and Exploration with United States of America, Department of the Army (One Parcel Bounded by Grumman, Earhart Road, and Doolittle Drive, North Airport. (Resolution)
- 12 Authorization to Execute a Professional Services Agreement with Jakes Associates, Inc. to Provide As-Needed Consulting Services for a Planned People Mover Connector Between BART and Oakland International Airport. (Resolution)
- 13 Ratification of Addenda and Award of Contract for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California. (Resolution)
- 14 **PULLED** ~~Approval of Project Manual for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2003 and Ending December 31, 2003. (Resolution)~~
- 15 Authorization to Exceed \$50,000 Limit for Remaining Fiscal Year on Travel Planner Printing. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21 Termination of Port Participation in Special Services MOU.
(Resolution)

MARITIME

Maritime Committee Report

- 31 Approval to Increase Executive Director's Authority to Authorize Changes in Scope to Moffat & Nichol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program. (Resolution)
- 32 Approval of Hearing Officer's Recommendation to Reject Protest of Award of Contract for Demolition of Central Wing and Core of Building D-833, Vision 2000. (Resolution)

OPERATIONS

Audit, Budget and Finance Committee Report

- 41 Approval to Purchase Annual Software Licenses for Upgrading the Port's Standard Workstation Software from Windows 95/98 to Windows XP Platform. (Resolution)
- 42 Authorization to Establish Open Account Agreements for FY 2002-03.
(Resolution)

Administration Committee Report

- 43 Personnel Items: Title Changes. (Ordinance)
- 44 Approval of Consultant Agreement with Margaret Vasey to Develop Compliance Mechanisms for Project Labor Agreement.
(Resolution)
- 45 Authorization to Prepare and Execute Agreements with Design Teams for On-Call Architecture and Engineering Services for Projects at the Port of Oakland. (Resolution)
- 46 Authorization to Enter into a Contract with The Oldani Group for Human Resources Consulting Services. (Resolution)

SUMMARY ITEMS: (Marked "s")

3 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

BUILDING PERMIT APPLICATIONS: ("s")

APL Ltd., installation of a new electric gantry crane to replace two older diesel-electric cranes at the American President Lines Terminal, Berth 60-63. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 2, Section 15302 (b).

Avis Rent A Car Systems Inc., construction of a 31,000 square foot overflow parking lot with asphalt paving, security fencing, guard booths and lighting at Erbert Road and Ryan Street, North Field, OIA. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301 (a).

Vote on the following resolutions:

Ayers: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami and President Kiang – 6
Noes: None
Absent: Commissioner Uribe - 1

RESOLUTIONS:

- 02348 1** APPROVING AND AUTHORIZING EXECUTION OF AN ACCESS AGREEMENT FOR SURVEY AND EXPLORATION WITH THE UNITED STATES OF AMERICA, DEPARATMENT OF THE ARMY. (Airport – 11)
- 02349 2** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH JAKES ASSOCIATES, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 12)

- 02350 3** RATIFYING AND APPROVING ADDENDUM TO PLANS AND SPECIFICATIONS FOR AIRCRAFT SOUND INSULATION PROGRAM, PHASE 2, A.I.P. 3-06-0170-26 AND PHASE 3, 4 AND 5, BAY FARM ISLAND, ALAMEDA, CALIFORNIA; EXTENDING DATE SET FOR RECEIVING BIDS THEREFOR; AND AWARDED CONTRACT TO WEST BAY CONTRACTORS, INC., AND FIXING THE AMOUNT OF BONDS. (Airport – 13)
- 02351 4** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO AWARD THE CONTRACT FOR THE PRINTING OF THE OAKLAND AIRPORT TRAVEL PLANNER, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS. (Airport – 15)
- 02352 5** TERMINATING PORT PARTICIPATION IN SPECIAL SERVICES MEMORANDUM OF UNDERSTANDING.
(Commercial Real Estate – 21)
- 02353 6** FINDING AND DETERMINING THAT A PROPOSED FOURTH SUPPLEMENTAL AGREEMENT WITH MOFFATT & NICHOL ENGINEERS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime – 31)
- 02354 7** APPROVING HEARING OFFICER'S RECOMMENDING TO REJECT PROTEST OF AWARD OF CONTRACT FOR DEMOLITION OF CENTRAL WING AND CORE OF BUILDING D-833, VISION 2000, OAKLAND, CALIFORNIA; AND REJECTING SOIL ENTERPRISE INC.'S BID PROTEST. (Maritime – 32)
- 02355 8** FINDING AND DETERMINING THAT PROPOSED AGREEMENTS TO OBTAIN SERVICES AND CAPITAL EQUIPMENT CONSTITUTE PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENTS.
(Operations – 41)
- 02356 9** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO WAIVE COMPETITIVE BIDDING AND TO PROCURE CERTAIN GOODS AND SERVICES ON THE OPEN MARKET AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS FOR SAME. (Operations – 42)

- 02357 10** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MARGARET VASEY FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 44)
- 02358 11** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH RPR ARCHITECTS FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 45)
- 02359 12** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GUTERREZ/ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 45)
- 02360 13** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH C. J. TYLER ARCHITECTURE FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 45)
- 02361 14** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH OLDANI GROUP FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 46)
- 02362 15** GRANTING AMERICAN PRESIDENT LINES, LTD., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02363 16** GRANTING AVIS RENT A CAR SYSTEM, INC., PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02364 17** AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE NOVEMBER 7, 2000 SETTLEMENT AGREEMENT BETWEEN THE PORT OF OAKLAND AND THE CITY OF SAN LEANDRO TO ALLOW THE PORT TO PROVIDE EARLY FUNDING, FOR A PORTION OF SAN LEANDRO'S RESIDENTIAL AIRPORT NOISE INSULATION PROGRAM.
(Closed Session)

02365 18 APPROVING AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH EVERGREEN ENVIRONMENTAL HOLDINGS, INC., EVERGREEN HOLDINGS, INC., AND EVERGREEN OIL, INC. (COLLECTIVELY "EVERGREEN") CONCERNING THE GIBSON ENVIRONMENTAL SITE IN BAKERSFIELD, CALIFORNIA.
(Closed Session)

Vote on the following ordinances:

Ayers: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami and President Kiang – 6
Noes: None
Absent: Commissioner Uribe - 1

ORDINANCES:

1 ("s") PULLED ~~Port Ordinance No. 3718 being, "AN ORDINANCE AMENDING SECTION 5.016 OF PORT ORDINANCE NO. 867."~~

~~Final.~~

2 ("s") Port Ordinance No. 3719 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3666 TO CONFORM PORT OF OAKLAND LIVING WAGE REQUIREMENTS THEREIN TO REQUIREMENTS SET FORTH IN SECTION 728 OF THE CHARTER OF THE CITY OF OAKLAND, ENTITLED, "LIVING WAGE AND LABOR STANDARDS AT PORT-ASSISTED BUSINESSES" AND ADDING PROVISIONS MAKING EFFECTIVE APPLICATION OF SECTION 728 OF THE CHARTER TO CERTAIN MONTH-TO-MONTH TENANCIES."

Final.

3 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES."

Operations – 43 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next regular meeting will be held on Tuesday, November 5, 2002 at 3:00 P.M.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 11

SUBJECT: Approval of Access Agreement For Survey and Exploration with United States of America, Department of the Army (One Parcel Bounded by Grumman, Earhart Road, and Doolittle Drive, North Airport)

PROGRAM AREA:

- Airport Operations ci
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Under a one-year Access Agreement For Survey and Exploration (Access Agreement), the United States of America, Department of the Army, conducted investigations to prepare for possible removal of underground fuel storage tanks located on two sites on the North Airport. The Corps of Engineers (COE) directed this Naval Auxiliary Air Station Oakland Project in cooperation with the City of Oakland, as part of the Defense Environmental Restoration Program for former defense sites. The Access Agreement term was June 1, 2001 through May 31, 2002. No rent was charged.

ANALYSIS:

The proposed Access Agreement would commence upon Board approval and end one year later. This would allow the COE adequate time to continue its investigations on one-site only (Assessors Parcel No. 042-4404-03), which will include surveys, test probings, sampling of ground water and soils and exploratory work. The scope of work would also include sampling and minor construction, which may include potholing and minimal excavation and-or-emergency removals as required to comply with State and Federal environmental guidelines. Upon completion of probing efforts, and underground fuel storage tank removals (if necessary), the COE will backfill the holes per State of California requirements and give the Port all test results. Given the cost savings to the Port, the Department of the Army would pay the Port no rent.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15306, Class 6, information collection and research activities that do not result in a serious or major disturbance to an environmental resource.

OPTIONS:

Not applicable.

SUSTAINABILITY:

The survey will provide valuable information that will may result in the removal of underground storage tanks that will in turn, minimize or remove any soil contamination.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because United States of America, Department of the Army is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Access Agreement For Survey and Exploration with the United States of America, Department of the Army subject to the Port Attorney's review and approval of the Access Agreement.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

Approved by Resolution No.

02348

BOARD ACTION TAKEN

Sharon Kruppel

Assistant SECRETARY OF THE BOARD

OCT 22 2002

DATE

Subject: Authorization to execute a Professional Service Agreement with FIRM X to provide preliminary engineering consulting services for a planned People Mover Connector between BART and the Airport

Jakes Associates, Inc. (San Jose, CA):
CCS Planning and Engineering, Inc. (Oakland, CA)
NBA Engineering, Inc. (Oakland, CA)

It is proposed to execute a Professional Services Agreement with Jakes Associates, Inc. at agreed billing rates (including sub-consultant billing rates) on a time-and-materials basis in a total amount not to exceed \$1,142,000.

BUDGET:

The cost for these consulting services will be covered by a \$1,142,000 grant provided by the Federal Highway Association (FHWA) / California Department of Transportation (Caltrans).

SUSTAINABILITY:

Supporting and promoting development of a people mover connection to Oakland International Airport will likely increase transit ridership to the airport. There are no other obvious opportunities to improve sustainability with this proposed Board action.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that:

- (1) the Port's Living Wage Ordinance (Port Ordinance No. 3666) applies to this agreement because the agreement is a service contract for a value of \$25,000 or greater and will employ 5 or more employees as defined under the Ordinance;
- (2) the living wage requirements set forth in Section 728 of the Charter of the City of Oakland do not apply to this agreement because the contractor employs fewer than 21 employees working on Port-related work. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

CEQA:

The proposed Board action is determined to be statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Guidelines Section 15262, which exempts feasibility and planning studies.

OPTIONS:

- Authorize the execution of a Professional Services Agreement with Jakes Associates, Inc. for oversight and engineering consulting services for a planned People Mover Connector between BART and the Airport.
- Do not authorize the execution of a Professional Services Agreement for oversight and engineering consulting services for a planned People Mover Connector between BART and the Airport and return the grant to FHWA/Caltrans.

RECOMMENDATION:

It is recommended that the Board authorize the Executive Director to execute a Professional Services Agreement with Jakes Associates, Inc. for people mover connector consulting services on a time-and-materials basis. It is recommended that the Board authorize a Professional Services Agreement (i.e., scope of work and budget) in a total amount not to exceed \$1,142,000.

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 13

^{TD}
 SUBJECT: Ratification of Addenda and Award of Contract for Aircraft Sound Insulation Program, Phase 2, A.I.P. 3-06-0170-26 and Phases 3, 4, and 5, Bay Farm Island, Alameda, California

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for* 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

One bid was received and opened on August 21, 2002, for the Award of Contract for Aircraft Sound Insulation Program, Phase 2, A.I.P., 3-06-0170-26 and Phases 3, 4 and 5, Bay Farm Island, Alameda, California. The following bid was received:

BIDDERS	LOCATION	TOTAL BASE BID PRICE (Phase 2 Only)	TOTAL BID PRICE (Phases 2, 3, 4 and 5)
West Coast Contractors, Inc.	Fairfield, CA	\$2,961,000.00	\$10,929,481.00

A copy of the bid canvass is on file.

The Total Base Bid Price stated above is for the construction of Phase 2 of the work. The Port has the option to engage the Contractor to also complete Phases 3, 4 and 5. The Total Bid Price stated above is for the completion of Phases 2, 3, 4 and 5.

On April 2, 2002, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on June 12, 2002. Addendum No. 1 was issued on June 7, 2002, changing the bid dates, as well as making certain minor clarifications. There were no changes to the physical work. Two bids were received – one from M.A. Lindquist, Co., Inc., and one from West Coast Contractors, Inc., (West Coast). Both bids were rejected due to errors on the submitted non-collusion documents, as well as the failure of M.A. Lindquist, Co., Inc., to satisfy bonding and insurance requirements. On July 16, 2002, the Board authorized the Executive Director to negotiate a contract for the work based upon the receipt of informal proposals requested from the two bidders whose bids were rejected. Accordingly, Re-Bid Addendum No.1 was issued on August 9, 2002, setting a new bid date, as well as clarifying certain bonding commitments. There were no changes to the physical work.

ANALYSIS:

Option to Perform Phases 3, 4 and 5 of the Work

Award of the Contract for the Aircraft Sound Insulation Program includes the authorization for the Executive Director to exercise an “option” to engage the Contractor to complete Phases 3, 4, and 5 of the work. The “option” includes language that allows the Port to issue separate Notices to Proceed for each of these three subsequent phases of work. The purpose of structuring the Contract in this manner is to first confirm that Federal Airport Improvement Program (A.I.P.) funds and funds from Passenger Facility Charges (PFCs) are available prior to beginning the work of each phase.

Thus, under the contract with West Coast, the Port is bound only for the work of Phase 2. However, during the 12-month option period, the Port may elect to proceed with Phases 3, 4 and 5 at prices that are already fixed in West Coast’s bid.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 07350

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

OCT 22 2002

DATE

Social Responsibility Division Evaluation

Since the funding for this project includes Federal money, the Federal Disadvantaged Business Enterprise (DBE) regulations apply. The DBE participation goal for this contract is 8.0% of the Total Base Bid Price. The only bidder, West Coast, listed three subcontractors with their bid. The DBE participation was 0.0%. In response to the Social Responsibility Division's inquiry, West Coast has provided written assurance that they will meet the minimum 8.0% DBE goal.

Based on this assurance, it is recommended that West Coast be considered to be a responsible responsive bidder for the purpose of this contract.

Federal Aviation Administration Evaluation

The Federal Aviation Administration (FAA) has reviewed the bid canvass and the bid of West Coast. They concur with the Port's recommendation to award the Contract to West Coast.

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA guidelines pursuant to CEQA 15301, Class 1 (a and f).

General Plan

Not applicable, the project is in Alameda and subject to building permits from the City of Alameda.

Subcontractor Listing

West Coast listed the following subcontractors with their bid. The remainder of the work will be performed by West Coast.

SUBCONTRACTOR Type of work to be done	LOCATION	DBE	\$ AND % OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
George E. Masker, Inc. Painting	Oakland, CA		\$115,000/3.9%
Allen - Simmons Heating & Sheet Metal Co. HVAC	Suisun, CA		\$225,000/7.6%
Service Plastering, Inc. Plaster	San Leandro, CA		\$ 87,000/2.9%

Budget

This project is budgeted under CIP Item No. AA.03291.02. The Project Budget Summary is attached. Phase 2 will be funded by A.I.P. 3-06-0170-26. The costs of Phases 3 through 5 will be partially funded by A.I.P. 3-06-0170-28 and Passenger Facility Charges. Further funding will be from future Federal A.I.P. Grants and future PFCs.

Sustainability

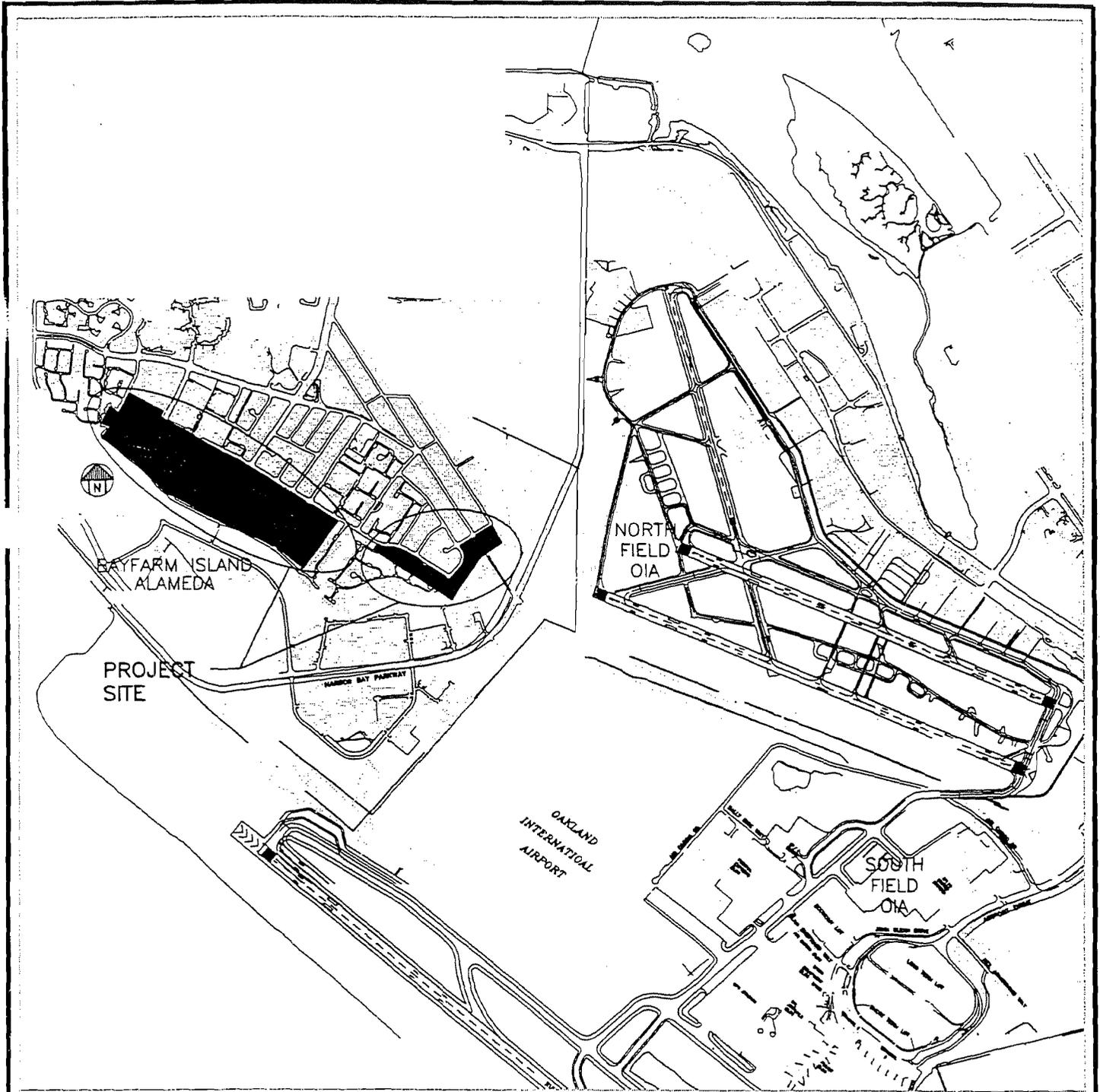
The work of this contract is subject to the Port's Sustainability Policy implemented in November 2000. In particular, the work of this Contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirements Resolution, and the Project Manual requires the Contractor to separate salvageable construction material and debris for reuse or sale. Further, in addition to reducing interior noise, the sound insulation materials will serve to reduce the homeowners' year-round energy use.

Project Labor Agreement

This project is covered by the provisions of the Maritime and Aviation Project Labor Agreement (MAPLA).

RECOMMENDATION:

It is recommended that West Coast Contractors, Inc., be found to be a responsible responsive bidder, and that the Contract for Phase 2 of the subject work be awarded to West Coast Contractors, Inc., for the amount of its bid. It is further recommended that the Board authorize the Executive Director to exercise the "option" to perform Phases 3, 4, and 5 based on the provisions described above.



PORT OF OAKLAND

**Port of C. and
Aircraft Sound Insulation Program**

Revised Bid and Construction Schedule

ID	Task Name	Duration	Start	Finish	ary 1	September	May 1	January 1	September	May 1	January 1	Septem		
					3/31	7/28	11/24	3/23	7/20	11/16	3/14	7/11	11/7	3/6
1	OASI - 02, 03, 04, 05	0 days	Wed 8/21/02	Wed 8/21/02										
2	PROJECT SCHEDULE	0 days	Wed 8/21/02	Wed 8/21/02										
3	Re-Bid Open	1 day	Wed 8/21/02	Wed 8/21/02										
4	Bid Review	14 days	Thu 8/22/02	Tue 9/10/02										
5	Port Board Approval of Contract	1 day	Tue 10/22/02	Tue 10/22/02										
6	Pre-Construction Meeting	1 day	Wed 10/23/02	Wed 10/23/02										
7	Construction - Phase 2	240 days	Thu 10/24/02	Wed 9/24/03										
8	Issue Notice to Proceed	1 day	Thu 10/24/02	Thu 10/24/02										
9	Submittals	14 days	Fri 10/25/02	Wed 11/13/02										
10	Measurement Verifications	30 days	Thu 11/14/02	Wed 12/25/02										
11	Material Order & Delivery	3 mons	Thu 11/21/02	Wed 2/12/03										
12	Construction	158 days	Mon 2/17/03	Wed 9/24/03										
13	Construction - Phase 3	240 days	Thu 9/25/03	Wed 8/25/04										
14	Issue Notice to Proceed	1 day	Thu 9/25/03	Thu 9/25/03										
15	Construction	240 days	Thu 9/25/03	Wed 8/25/04										
16	Construction - Phase 4	240 days	Thu 8/26/04	Wed 7/27/05										
17	Issue Notice to Proceed	1 day	Thu 8/26/04	Thu 8/26/04										
18	Construction	240 days	Thu 8/26/04	Wed 7/27/05										
19	Construction - Phase 5	240 days	Thu 7/28/05	Wed 6/28/06										
20	Issue Notice to Proceed	1 day	Thu 7/28/05	Thu 7/28/05										
21	Construction	240 days	Thu 7/28/05	Wed 6/28/06										
22	Project Close Out	30 days	Thu 6/29/06	Wed 8/9/06										

Project: OASI-02 Schedule
Date: Wed 10/2/02

Task



Milestone



External Tasks



Split



Summary



External Milestone



Progress



Project Summary



Deadline



**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET SUMMARY
October 1, 2002**

PROJECT TITLE: Aircraft Sound Insulation Program, Phase 2, and Phases 3, 4 and 5, Bay Farm Island, Alameda, California

CIP NO: AA.03291.02

W.O. #'s: 106399, 106405 and 106605

PROPOSED FUNDING SOURCES: FAA Fund, PFC

Narrative: The Engineering Support for Aircraft Sound Insulation Program was tracked under work order 106405. The Phase 1 of the Aircraft Sound Insulation Program is being tracked under work order #106399. The Phases 2, 3, 4 & 5 of the Aircraft Sound Insulation Program are being tracked under work order #106605.

Budget: The Aircraft Sound Insulation Program is included in the CIP Element No. AA.03291.02. The overall budget is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Engineering Support for Aircraft Sound Insulation Program W.O.#106405	280	475	2,686								3,441
Aircraft Sound Insulation Program, Phase 1 W.O.#106399				2,083		150					2,233
Aircraft Sound Insulation Program, Phase 2, W.O.#106605				3,000		100					3,100
Aircraft Sound Insulation Program, Phases 3,4&5 W.O.#106605				6,041*		352					6393
Total =	280	475	2,686	11,124	0	602	0	0	0	0	15,167

* Additional funding will be obtained for Phases 4 & 5

Agenda Sheet

SUBJECT: Authorization to Exceed \$50,000 Limit for Remaining Fiscal Year on Travel Planner Printing

DATE: October 22, 2002

ITEM NO: 15

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

Aviation Marketing distributes the 28-page Oakland Airport Travel Planner airline flight timetable five times per year, with two 3-month issues and three 2-month issues. The size and scope of this printing job are beyond the current internal printing capacity of Port Reprographics. Due to an increase in demand from frequent flyers, corporate travel managers, and passengers at Oakland International, the quantity of Travel Planners demanded increased just over 11% in FY01/02. This level of quantity has pushed the project's cost of printing over \$50,000 per year.

The airline schedule information in this publication is extremely time-sensitive. The quantity (30,000 – 45,000 depending on two vs. three-month issue), and complexity of the production process requires a publisher to use a web press high-capacity printing machine to fulfill our order in a reasonable period of time. There are a limited number of firms in the Bay Area that have this equipment. In the past, Aviation Marketing has attempted to work with smaller publishing companies with lower capacity Heidelberg Press equipment and have gotten poor results. Due to the volume of printing and complexity of double-folding and saddle stitching the publication (which smaller firms must outsource), the Travel Planner's reliability suffered.

ANALYSIS

Bids were requested from Alonzo Printing, American Lithographers, Delta Web Printing, George Printing, SJ Graphics, and Wallace. We received proposals from Alonzo Printing, American Lithographers, Delta Web Printing, and Wallace. The lowest bid came from Alonzo Printing.

Vendor	Location	Bid Amount
Alonzo Printing	Hayward	\$48,162
Wallace	San Ramon	\$50,985
American Lithographers	Hayward	\$76,398
Delta Web Printing	Marysville	\$71,318
SJ Graphics	Point Richmond	Bid received after deadline
George Printing	Burlingame	No response

OPTIONS

- 1) Authorize Aviation Marketing to spend up to \$53,000 on printing cost with Alonzo Printing for the Travel Planner in FY02/03. This will allow the Travel Planner to continue to be published with the highest degree of control over quality and timeliness.
- 2) Do not authorize Aviation Marketing to spend up to \$53,000 on printing costs with Alonzo Printing for the Travel Planner in FY02/03. Option #2 is not recommended because it would require re-bidding the project to include small firms that would require significantly increased production time to print the Travel Planner on lower capacity printing equipment. Further, the smaller firms do not have the ability to fold and stitch the Travel Planner in-house. Having a vendor outsource part of the project would reduce Aviation Marketing's ability to control the Travel Planner's timeliness and production quality.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02351

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

OCT 22 2002

DATE

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to this agreement because the contractor employs fewer than 5 employees working under the contract and fewer than 21 employees working on Port-related work as defined by Port Ordinance No. 3666 and Charter Section 728. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

CEQA:

California Environmental Quality Act (CEQA) Guidelines Section 15378(2), Project, states that "Project" means the whole of an action, which has a potential for resulting in either direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Awarding a contract to Alonzo Printing and authorizing Aviation Marketing to spend up to \$53,000 to include the costs of printing and a ten-percent contingency is therefore not a project under CEQA. The general rule in Section 15061(b)(3) of the CEQA Guidelines, additionally, states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that authorizing Aviation Marketing to spend \$53,000 on printing costs and awarding a contract to Alonzo Printing may have a significant effect on the environment; therefore, the proposed activity is not subject to CEQA.

SUSTAINABILITY:

Alonzo Printing is an environmentally friendly company that uses 33% post-consumer-content recycled paper and soy ink. Further, Alonzo has been certified a "Green Company" by the Alameda County Green Business Program.

RECOMMENDATION:

It is recommended that the board adopt a resolution to award the contract to Alonzo Printing and authorize Aviation Marketing to spend up to \$53,000 to include the costs of printing and a ten-percent contingency.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Termination of Port Participation in Special Services MOU

DATE October 22, 2002

ITEM NO: 21

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

BACKGROUND:

In February of 2000, the Port and City approved an alteration of the Port Area Line and authorized execution of the Special Services Memorandum of Understanding (MOU) which required that the Port pay the City \$240,000.00 for the next two fiscal years (2000-2001, 2001-2002) in exchange for the provision of expedited development permit processing, in the form of planning and legal staff services, for projects located in the area covered by the Estuary Policy Plan. The Port and City subsequently executed the MOU, and the Port has paid \$240,000.00 to the City for the past two fiscal years (2000-2001 and 2001-2002) for these services. The MOU provisions require that at the end of the first two years, the City and Port meet to determine an appropriate payment amount for continuing these services for the subsequent fiscal year (2002-2003).

ANALYSIS:

As of March of 2002, one of the two planner positions funded through this MOU payment has been vacant, and as indicated in the quarterly reports submitted from the City identifying the current planner's workload, the number of development projects actually proposed on Port property within the Estuary Plan area during the past two years which have required development permit processing from the City has been relatively few. Thus, in light of the minimal number of Port projects requiring City processing to date and the challenges posed by the upcoming fiscal year at the Port, the MOU payment to the City for the upcoming fiscal year was eliminated from the Port budget. In order to maintain consistency between the adopted Port operating budget and eliminate any future obligations of payment for the MOU services, termination of the Port's participation in the MOU is necessary.

However, in an effort to address potential delays in City development permit processing that could occur as a result of the elimination of the Port's participation in the MOU, an alternative approach to providing this form of expedited permit processing service has been proposed by Port staff. Staff has encouraged private development applicants with impending development permit applications on Port property within the Estuary Plan area (Jack London Square Partners, Harbor Bay Partners, etc.) to consider direct payment of additional planning process fees to the City, or the provision of supplemental planning services to the City, in exchange for expedited processing of their land use entitlement applications. The developers have expressed interest in pursuing this approach, and this solution is being utilized in at least one other instance on non-Port property within the City, and has been utilized in other communities throughout the Bay Area. Thus, if well implemented, this alternative approach could yield the same benefits for the Port and the development community intended by the original MOU, but without utilizing Port funds.

Environmental Determination

Not applicable to the proposed action.

General Plan Conformity

Not applicable to the proposed action.

Budget Implications

There is no fiscal impact associated with the recommended termination of the MOU, as this is consistent with the adopted Port budget for fiscal year 2002-2003.

Sustainable Opportunities

Not applicable to the proposed action.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02352
BOARD ACTION TAKEN

Sharon Kruppel
Assistant SECRETARY OF THE BOARD

OCT 22 2002
DATE

Living Wage/Project Labor Agreement

Not applicable to the proposed action.

OPTIONS:

The following options are available:

1. Terminate Port participation in the Special Services MOU as of July 1, 2002, consistent with the adopted Port budget for fiscal year 2002-2003;
2. Continue Port participation in the Special Services MOU at the existing level of financial contribution at \$240,000.00 for fiscal year 2002-2003 or at some other level of financial contribution to be determined. This option would require an amendment to the Port adopted budget for fiscal year 2002-2003 to allocate appropriate funds.

RECOMMENDATION:

It is recommended that the Board adopt a resolution terminating Port participation in the Special Services MOU, effective July 1, 2002.

Agenda Sheet

^{TD}
SUBJECT: Approval to Increase Executive Director's Authority to Authorize Changes in Scope to Moffatt & Nichol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program

DATE: October 22, 2002

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for HA*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

On May 4, 1999, the Board adopted Resolution No. 99178, which authorized the Port of Oakland (Port) to enter into an Agreement with Moffatt & Nichol Engineers (MNE) for \$2,000,000 for **Engineering Design Services for the Container Yard and Gate Facilities at Berths 57 and 58, Inner Harbor Channel**. Resolution No. 99178 also allowed for an additional expenditure of \$450,000 for change of scope work with the approval of the Executive Director, making \$2,450,000 the maximum authorized compensation under Resolution No. 99178.

On May 19, 1999, the Port entered into the initial Agreement with MNE. Subsequent to the original Agreement, the Port and MNE entered into a First Supplemental Agreement, dated August 11, 2000. Additionally, the Port issued a series of Change in Scope letters. The total cost of these actions was within the Board's initial authorization of \$2,450,000. The First Supplemental Agreement was used to provide engineering consulting services for the design of a groundwater treatment system needed to treat contaminated groundwater that had been identified within the Berths 57-59 Yard project area on the former Union Pacific Railroad site known as the Trailer-On-Flat-Car (TOFC) facility. The TOFC treatment facility design was needed in order to meet the Berths 57-59 Yard project schedule and comply with the requirements of the Regional Water Quality Control Board and Alameda County.

On March 6, 2001, the Port entered into a Second Supplemental Agreement with MNE for an amount of \$995,000. The Second Supplemental Agreement was used to provide engineering consulting services to design the additional container yard area adjacent to the Berth 59 wharf and, accordingly, modify the terminal boundaries, underground utilities, rail spur, and drainage. Design of this area could not proceed until environmental clearance had been obtained.

On April 2, 2002, the Port entered into a Third Supplemental Agreement with MNE for an amount of \$960,000. The Third Supplemental Agreement was used to provide consulting engineering services to make various modifications to the original design of the Berths 57-59 terminal and buildings. These design modifications were driven primarily by a change in tenants from Maersk to SSA Terminals (SSAT) and a decision by Matson to move into the Berths 57-59 terminal this year, rather than wait for up to three years.

ANALYSIS:

Numerous changes to the original design of the yard and buildings have come about during the construction of the terminal. These changes have been focused on boundary and terminal facility revisions intended to improve the efficiency of terminal operations. In addition, design revisions were also needed to address the handling of unanticipated soil contamination. The Vision 2000 department has requested that the designer work more directly with the Contractor so as to minimize coordination issues.

Based on the foregoing, we are requesting \$225,000 to cover Change in Scope to the design agreement with NE to provide funding when needed.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02353

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

OCT 22 2002

DATE

A summary of the proposed compensation changes is provided below:

Item	Description	Date	Authorized Amount.	Proposed Amount
1	Original Board Authorization: \$2,000,000 Change-in-Scope Authorization: \$450,000	5/14/99	\$ 2,450,000	
2	Second Supplemental Agreement \$995,000	3/6/01	\$ 3,445,000	
3	Third Supplemental Agreement \$960,000	4/2/02	\$ 4,405,000	
4	Proposed Change in Scope Authorization \$225,000	10/22/02		\$ 225,000
5	TOTAL PROPOSED BOARD AUTHORIZATION			\$4,630,000

uigei

The budget for this project is funded under CIP Item Nos. M6.00585.02 and M6.00585.03. The funding source is Port bonds. All costs associated with these improvements, have been accounted for and are expected to be fully recovered through the compensation terms for the Berth 57-59 SSAT Agreement.

Sustainability

The concepts of the Sustainability Policy have been incorporated by the designer into the project plans and specifications.

Project Labor Agreement

Not applicable to design agreements

RECOMMENDATION:

It is recommended that the Board approve an increase to the Executive Director's authority to authorize changes-in-scope with MNE as described above, increasing the maximum compensation to \$4,630,000.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

October 4, 2002

PROJECT TITLE: Construction of Berths 57-59 Container Yard and Gate, Vision 2000, Oakland, California

SUBJECT: Approval to Increase Executive Director's Authority to Authorize Changes in Scope to Moffatt & Nichol Engineers for Engineering Design Services for the Container Yard and Gate at Berths 57 and 58, Inner Harbor Channel, Vision 2000 Program

CIP NO: M6.00585.02 and M6.00585.03

W.O. #'s: 103526, 103812

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of Berths 57-59 Container Yard and Gate is being tracked under work order # 103526 and 103812.

Budget: This project is included in the CIP Element # M6.00585.02 and M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.02 and M6.00585.03.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.02	1182	1881	58977	7469						69509
M6.00585.03	216	368	9253	500						10337
Total =	1398	2249	68230	7969						79846

Remarks:

Agenda Sheet

^{TD}
SUBJECT: Approval of Hearing Officer's Recommendation to Reject
Protest of Award of Contract for Demolition of Central Wing and
Core of Building D-833, Vision 2000

DATE: October 22, 2002

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: ^{for} Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

PURPOSE:

On August 6, 2002, the Board authorized staff to dispense with standard bidding procedures for the Demolition of Central Wing and Core of Building D-833, Vision 2000. This action allows the staff to award the construction contract to the responsible bidder without a separate action by the Board. However, the August 6 Board action did not delegate to staff the authority to respond to bid protests in accordance with recent policy. The purpose of this agenda item is to request Board approval of the Hearing Officer's recommendation on the bid protest for the above project.

FACTUAL BACKGROUND:

On September 18, 2002, the Port of Oakland ("Port") received informal bids for the above-referenced project. On September 23, 2002, the Port notified the proposers that the apparent successful bidder was Joseph J. Albanese, Inc.

On September 23, 2002, Soil Enterprises Inc. (SEI), submitted a letter protesting the award of the contract to Joseph J. Albanese, Inc. (JJA), for the following reasons.

1. The Bid Bond, Document 00411, submitted by Joseph J. Albanese Inc., was signed by Mr. David V. Alaimo, the company's Treasurer/CFO, and not by the Chairman, President or Vice President as stipulated in the project manual, nor was there any signature for Secretary, Assistant Secretary/CFO or Assistant Treasurer on the following line.
2. The Non-Collusion Affidavit, Document 00481-1, states John L. Albanese, being first duly sworn, deposes and says that he or she is President of Joseph J. Albanese, Inc. whereas the signature line for principal was signed by David V. Alaimo and not John L. Albanese as it should have been, and was notarized in error by Joann Rizzuto, Notary Public, and she submitted an All Purpose Acknowledgement form without the description of the attached document or of the capacity claimed by signer.

SEI further alleges that the State of California Contractors License Board, as of 09-20-2002, shows John L. Albanese as the Responsible Managing Officer (RMO/P) for the C-8 license and Kevin Joseph Albanese as Responsible Managing Employee (RME) for the A License, which seems in contradiction.

3. Document 00910, addenda, states "Addenda issued by Port in accordance with Section 11 of Document 00200, Instructions to Bidders, shall be listed below and attached to this Document. Addenda are part of the Contract Documents." JJA did not supply either of these forms; however, they did acknowledge the Addenda on 00400 Item 3 (a) that also states in bold "Attach additional pages if necessary", which they did not.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02354
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

OCT 22 2002

DATE

On September 24, 2002, the Port provided written notice, to all bidders, of a hearing to receive information from the bidders regarding the protest and the award of the contract. On October 2, 2002, at 1:30 p.m., Chief Engineer, John Aidoo, convened a bid protest hearing, which was attended by representatives from Joseph J. Albanese, Inc., Soil Enterprises, Inc., the second proposer, as well as Port staff. The Hearing Officer's Report and Recommendation are attached.

ANALYSIS:

An analysis of the reasons for the protest stated above indicates that JJA essentially fulfilled the requirements for submitting a responsible bid.

1. Examination of the Bid Bond reveals that the bond was duly signed by the Attorney-in-Fact for the Surety Company and Mr. Alaimo. Mr. Alaimo has the authority to sign bonds in the name of and on behalf of JJA. There were no significant and material flaws in the bid bond submitted by JJA.
2. Given the fact that John Albanese could not be present to sign the Non-Collusion Affidavit, and Mr. Alaimo has authority to act on his behalf, the affidavit was properly executed and notarized.

Based on the information available from the State's Contractors License Board, there is no apparent contradiction with the listing of John L. Albanese as the Responsible Managing Officer (RMO) and Kevin J. Albanese as the Responsible Managing Employee (RME) for the company.

3. JJA's failure to submit Document 00910, Acknowledgement of Addenda Issued, was a minor irregularity that did not affect the time, price or quality of the work to be furnished under the contract.

The alleged errors in the bid documents, as described in this letter, were immaterial and did not affect or will not affect the time, price or quality of the proposed work by Joseph J. Albanese, Inc.

RECOMMENDATION:

It is recommended that the Board approve the recommendation of Hearing Officer John Aidoo and reject SEI's bid protest.



PORT OF OAKLAND

October 10, 2002

Mr. John L. Albanese
Joseph J. Albanese, Inc.
840-70 Parker Street
Santa Clara, CA 95050

Dear Mr. Albanese:

**BID PROTEST - DEMOLITION OF CENTRAL WING
AND CORE OF BUILDING D-833, VISION 2000,
OAKLAND, CALIFORNIA.
CONTRACT NO. X2002-08-M1
HEARING OFFICER'S REPORT AND RECOMMENDATION**

On September 18, 2002, the Port of Oakland ("Port") received bids for the above-referenced contract. On September 23, 2002, the Port notified each bidder that Joseph J. Albanese, Inc. was the Apparent Successful Bidder. The Port received a letter on September 23, 2002 protesting award of the contract from Soil Enterprises, Inc. (SEI) on these grounds:

1. The Bid Bond, Document 00411, submitted by Joseph J. Albanese Inc., was signed by Mr. David V. Alaimo, the company's Treasurer/CFO and not by the Chairman, President or Vice President as stipulated nor was there any signature for Secretary, Assistant Secretary/CFO or Assistant Treasurer on the following line.
2. The Non-Collusion Affidavit, Document 00481-1 states John L. Albanese being first duly sworn, deposes and says that he or she is President of Joseph J. Albanese Inc. whereas the signature line for principal was signed by David V. Alaimo and not John L. Albanese as should have been and was notarized in error by Joann Rizzuto, Notary Public, and she submits an All Purpose Acknowledgment form without the description of attached document or of the capacity claimed by signer.

SEI also alleges that the State of California Contractors License Board, as of 09-20-2002, shows John L. Albanese as the RMO/P for the C-8 license and Kevin Joseph Albanese as the RME for the A License, which seems in contradiction.

3. Document 00910, addenda, states "Addenda issued by Port in accordance with Sec. 11 of Document 00200, Instructions to Bidders shall be listed below and attached to this Document. Addenda are part of the Contract Documents." Jos. J. Albanese did not supply either of these forms, however they did acknowledge addenda one on 00400 item 3 "(a) that also states in bold "Attached additional pages if necessary", which they did not.

On September 24, 2002, the Port sent written notice, to all bidders, of a hearing to receive information from the bidders regarding the protest and the award of the contract. The protest hearing was convened on October 2, 2002 by John F. Aidoo, Chief Engineer, as the hearing officer. The following representatives were in attendance:

Soil Enterprises, Inc.: Jack Cook
Jos. J. Albanese, Inc.: Jack Miller
Port: Imee Osantowski, Marius Neacsu, Lee Loveall, Christopher Alonzi

The following exhibits were received and copies are attached to this report:

1. Letter dated September 20, 2002, from Ken Manning, President, Soil Enterprises, Inc. (SEI) to the Port.
2. Letter dated September 23, 2002, from Thomas H. Daniels of the Port, to Joseph L. Albanese, Inc., Soil Enterprises, Inc., Evans Brothers, Inc., Silverado Contractors, Inc., Altma Government Services Corporation, and Thomas D. Eychner Co. Inc. formally notifying them, as bidders, that Joseph J. Albanese, Inc. is the Apparent Successful Bidder.
3. Letter dated September 24, 2002, from Joseph K. Wong to John L. Albanese, Ken Manning, Joseph M. Apriola, Christopher R. Smith, Thomas D. Eychner, and Dan Evans, regarding Notice of Hearing Regarding Bid Protest.
4. Letter dated September 25, 2002 from Thomas H. Daniels of the Port to John L. Albanese requesting Jos. J. Albanese, Inc. to provide written response to each of the issues stated in the Bid Protest.
5. Letter dated September 27, 2002 from Jack Miller of Jos. J. Albanese, Inc. to Thomas H. Daniels of the Port, stating that Soil Enterprises, Inc. did not include and complete certain documents in its bid.
6. Letter dated September 30, 2002 from Jack Miller of Jos. J. Albanese, Inc. to Thomas H. Daniels of the Port, responding to the issues stated in the Bid Protest.

The hearing began at 9:12 a.m. and was adjourned at about 10:30 a.m. Each party was afforded an opportunity to present arguments and ask questions. No party objected to the timing or procedures at the hearing. The party(s) to have submitted a timely protest were those listed above; therefore any other bid protest has been waived. The hearing was not recorded.

DISCUSSION:

1. Signature on the Bid Bond (Document 00411).

Mr. Miller of Jos. J. Albanese (JJA) confirmed that Mr. Alaimo signed the Bid Bond in his dual capacity as the Vice President and Chief Financial officer of JJA. The President of JJA, Joseph L. Albanese, was in the hospital recuperating from surgery and could not be present to sign the Bid Bond. On October 2, 2002 JJA submitted a copy of its corporate charter establishing that David Alaimo holds two offices in the company: 1) vice-president and 2) CFO. Therefore, his signature on the bid bond is adequate under California Law. (Cal. Civ. C. §313.)

Examination of the Bid Bond reveals that the bond was duly signed by the Attorney-In-Fact for the Surety company and Mr. Alaimo.

Mr. Cook of SEI agreed that the signature of the Surety company would imply that the Surety company would stand by the bid bond.

Mr. Alaimo has the authority to sign bonds in the name of and on behalf of JJA. The Surety company accepted Mr. Alaimo's authority to bind JJA and signed the bid bond. There were no significant and material flaws in the bid bond submitted by JJA.

2. (a) Signature and Notarization of the Non-Collusion Affidavit (Document 00481-1)

JJA's response to the charge that John L. Albanese's name was typed on this form but it was signed by David Alaimo was that John Albanese was absent from work on September 18th. David Alaimo, who is authorized to sign documents on behalf of JJA as discussed in (1) above exercised his authority and signed the document instead of John Albanese.

The Notary Public, Joann Rizzuto, declared in the California All-Purpose Acknowledgement form that David Alaimo was personally known to her, and that by his signature(s) on the Person(s), or the entity upon behalf of which he acted, executed the instrument. Given the fact that John Albanese could not be present to sign the document, and Mr. Alaimo has authority to act on his behalf, the affidavit was properly executed and notarized.

Under California law, a person may do by agent any act which he might do himself. Albanese furnished evidence demonstrating that Alaimo was expressly authorized to execute the Non-Collusion Affidavit on behalf of the corporation. There is no contention that the signature on the Non-Collusion Affidavit is not that of David Alaimo. Therefore, the document was properly executed and submitted with the bid.

2. (b) Information From California Contractor's License Board.

Information from the website of the State's Contractors License Board shows that Joseph J. Albanese, Inc. is licensed, in good standing, by the State with License No. C-8AHIC C29, and lists John L. Albanese as the Responsible Managing officer (RMO) for the C8 license and Kevin J. Albanese as the Responsible Managing Employee (RME) for the A license.

There is no apparent contradiction.

3. Acknowledgement of Addenda Issued (Document 00910).

Jos. J. Albanese (JJA) acknowledged receipt of Addenda #1 issued by the Port but failed to list same in Document 00910. Only one addendum was issued and JJA acknowledge receipt of it. The purpose of Document 00910 was fulfilled.

Port Ordinance No. 1606, Section 5(e) authorizes the Board to waive any informalities or minor irregularities in the bids. Paragraph 21 of the Instructions to Bidders contains the same authority. A defect may be waived as minor if the defect cannot have affected ultimate result of the competitive bid process, e.g. the variance would not affect the time, price or quality of the work. Jos. J. Albanese listed the proper addenda on its Bid Form (Doc. 00400). Therefore, its failure to submit Document 910 was a minor irregularity that did not affect the time, price or quality of the work to be furnished under the contract.

4. Conclusion and Recommendation:

Joseph J. Albanese, Inc. essentially fulfilled the requirements for submitting a responsible bid. The alleged errors in the bid documents were immaterial and did not affect or will not affect the time price or quality of the proposed work.

Accordingly, I recommend that the Board rejects Soil Enterprises, Inc's bid protest and award the subject contract to Joseph J. Albanese, Inc. This recommendation will not be a final decision until ratified by the Board of Port Commissioners.



John F. Aidoo
Chief Engineer

- Cc: Tay Yoshitani
John Glover
David Alexander

Joe Wong
Chris Alonzi
Tom Daniels
Jerry Serventi
Carl Nagata
Imee Osantowski
Marius Neacsu
Lee Loveall

FOR INFORMATION ONLY

Agenda Sheet

DATE: October 22, 2002

SUBJECT: Approval To Purchase Annual Software Licenses For Upgrading
The Port's Standard Workstation Software From Windows 95/98 to
Windows XP Professional

ITEM NO: 41

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: 

BACKGROUND

During July of 2002, the Management Information Services Division was exploring the cost of upgrading the Port's standard workstation software. The State of California has a contract with Compu Com, which would allow the Port to purchase entity wide licenses of Windows XP Professional at discounted rates. When the Port received the quote of \$210,400.00, we were informed that this price was only good through July 31, 2002. After August 1st, Microsoft would no longer honor this upgrade price and the Port would have to pay full version price estimated at \$434,000.00. Senior Management made the decision to purchase the licenses.

The request for approval of the purchase was included in a Board Letter to be presented to the Audit, Budget & Finance Committee in their August meeting. The letter was subsequently pulled from the agenda pending further discussion on items, other than this contract, that were included in the board Letter. Port MIS staff did not realize that the approval procedure for this type of contract has changed and that it had not been approved until the Accounts Payable Section brought it to their attention.

The MIS Division's capital equipment request (see attachment) for FY2003 in the amount of \$1,122,900.00 was included in the approved CIP budget and the Series L&M feasibility study. In addition, MIS will be contracting with various firms to perform computer system maintenance. These expenditures of \$350,000.00 were included in the FY2003 operating budget.

SOURCE OF FUNDS:

Funds are available in the approved FY2003 Operating and CIP budgets.

RECOMMENDATION:

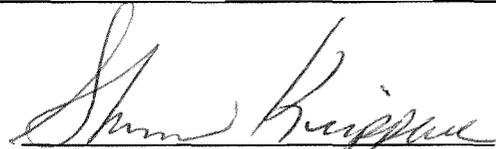
Therefore, it is recommended that the Board authorize the Executive Director to execute a contract in the amount of \$210,400.00 with Compu Com for a Port wide license to install Windows XP Professional software. It is also recommended that the Board authorize the Executive Director to execute the contracts necessary to complete the remaining \$912,500.00 of the MIS Division's FY2003 capital program and \$350,000.00 of maintenance expense.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02355

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

OCT 22 2002

DATE

MIS Expenditures To Be Included In Board Resolutions

Capital Equipment Project	Vendor	QTR3_02	QTR4_02	QTR1_03	QTR2_03
Windows XP Rollout - Upgrade of Port standard workstation software from Windows 95/98 to Windows XP Professional. This entails annual software licenses and support agreements, an one-time workstation installation and user training costs	CompuCom	210,400			
Port Storage Area Network (SAN) - MIS would like to design and implement a disaster recovery and high availability solution for PC LAN network. Network services must include Novell and Microsoft technology. The solution would contain assessment, planning, design and implementation of disaster recovery and high availability for all PC network services. The first phase would be the purchase and installation of a centralized network storage area device (SAN) to provide high speed storage, back-up and recovery capabilities.	Novell, Compaq	50,000	100,000	100,000	30,000
Network Diagnostic & Test Equipment-network diagnostic devices that we used to track down many of the problems responsible for our slow and misbehaving network. These devices are also indispensable for network troubleshooting, fine tuning, and as an aid in regular weekly maintenance and problem prevention.	Fluke Networking		56,500		
GEAC Terminal Servers - Install three terminal servers to support Smartstream community of 250 users. Hardware cost is estimated at \$75,000 (\$25,000 per server including Windows 2000 server software). Annual client software cost for Microsoft Terminal Server is estimated at \$5,000. (\$20x250, assuming Windows XP pro is installed).	Compaq				80,000
Network Switch Upgrades - Recent office relocations, planned moves, and proposed upgrades to the Internet/Intranet have placed greater loads and demands on the network switching at 530 Water Street. To meet this demand and plan for proposed office relocations during the upcoming year, our central switch needs to be expanded and upgraded to provide additional capacity. Changes include 6509 memory modules, additional fiber modules, GBIC modules, and associated CiscoWorks software.	SBC	10,000	50,000	16,000	
Local Server Replacement - Replacement of 20 existing Novell and Microsoft NT servers and 530 Water Street. Existing servers support all areas of the Port, across all activities.	Compaq	20,000	50,000	100,000	100,000
Remote Server Replacement - Replacement of twelve remote router, CSU/DSU modules, and related equipment. Replacement of six Compaq network servers servicing remote Port offices.	Compaq		50,000	50,000	50,000
Capital Equipment Sub-Total	1,122,900	290,400	306,500	266,000	260,000
MIS Operating Budget					
C265 Computer Systems Maintenance	Novell, Compucom and Others	350,000			
TOTAL	1,472,900	640,400	306,500	266,000	260,000

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 42

SUBJECT: AUTHORIZATION TO ESTABLISH OPEN ACCOUNT AGREEMENTS FOR FY 2002-03

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

SUBMITTED BY: FRED W. RICKERT *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Each year, the Purchasing Department develops a procurement plan to address the supply, equipment, and selected service requirements of Port of Oakland departments. It covers budgeted expenditures already approved by the Board. The objective is to ensure the timely and efficient procurement of Port required supplies, equipment, and services. The plan coincides with the requirement set forth in the Port's procurement manual to report annually to the Board.

The plan is a projection of procurement requirements based on historical buying patterns and input from user departments and the vendor community. The purpose is to guide vendor selection and evaluation; achieve discounts based on quantity and cooperative buying; simplify the procurement of routine supplies; and assess our outreach strategies for equal opportunity, local, and small business participation.

The major component of the procurement plan addressed by this Board letter is open account agreements the Port maintains with selected vendors. Open account agreements allow selected users to deal directly with suppliers, subject to overall annual expenditure limits set forth in purchase orders or contracts pre-approved by the Port Attorney as to form and legality, making it convenient to immediately acquire products and services that enable Port staff to meet the service requirements of tenants and clients in a timely manner. Upon approval by the Board, the total amount which may be expended on open account agreements may not exceed \$3.64.1 million, or such other amount as approved by the Board. Such approval is inclusive of taxes (sale and use), shipping and handling and other charges incidental to procurements made in accordance with the Board's approval hereunder. The approval requested by this letter is for new procurement of goods and services, going forward, not ratification of procurements already completed or undertaken. The approval requested by this letter does not include approval of financing agreements, which shall be submitted to the Board separately when staff recommendations support such approval.

The open accounts generally address maintenance, repair and operations related goods and services. Typically, the exact scope, nature, and timing of Port requirements for these products and services are either not known in advance or require quick turn around times. Open account service agreements permit retention of services on an on-call as-needed basis. Agreements with supply vendors, permit a broad cross-section of suppliers within respective commodity classes to be called on an as-needed basis ensuring that the diverse array of maintenance supply requirements can be quickly and conveniently met.

Vendors are evaluated and selected on the basis of an informal procedure of competitive evaluations of price quotes, proposals or price lists and are made based upon expertise, product price or, for vendor procurement of a class of products (for example, paper supplies), based on a sampling of relative market based prices, performance, user feedback and timeliness of services, and made either on the basis of best price or best overall value.

Open account vendors, as part of the approval process, complete a standard information package that includes: (1) price list and discount schedule; (2) risk management and insurance coverage requirements; (3) invoicing questionnaire and instructions; (4) Port provided list of employees

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02356

BOARD ACTION TAKEN

[Signature]
SECRETARY OF THE BOARD

Assistant

OCT 22 2002

DATE

authorized to place orders or make purchases and verification procedure and (5) and the Port's newly updated comprehensive set of terms and conditions developed by the Legal Department which, in most cases, vendors are required to sign. In addition, selected vendors participate in a group orientation session with user department personnel and accounts payable and purchasing staff. The vendor information package and orientation session clearly set forth Port performance requirements and standards and are the basis used to monitor account activity to ensure vendor performance and compliance with Port requirements.

The specific commodity groupings covered by the open account agreements are: maintenance services, maintenance supplies, and other services and supplies. The aggregate dollar amounts and a listing of vendor names are provided on a summary sheet, on file with the Secretary. The vendor names are provided for approval. This request includes a recommendation to authorize the Executive Director or designee, to substitute vendors or specific goods or services when requested by the Division Director initiating the procurement, when it is in the best interest of the Port to meet the changing needs of Divisions or to obtain equal or better supplies or services, provided the overall expenditure for goods and services in the respective commodity classifications are within the Port's approved budget, and the substitution complies with established fiscal and legal controls and procurement requirements (e.g.: cancellation of outstanding order, appropriate finding that the change is demonstrated on the basis of best price or value and approval of the Port Attorney of the terms and conditions set forth in the new or reissued purchase order or contract).

It is also recommended that the Board authorize the Executive Director to approve the use of the Port's ~~P-Card~~ (under the ~~extended~~-P-Card pilot program extended to December 31, 2002) to satisfy the Port's obligation on accounts payable invoices under terms and conditions of contracts or purchase orders, approved by the Port Attorney as to form and legality, ~~by means of the Port's p-card~~ for certain open account vendors, including: Kerry's Office Supply, Waste Management, Xerox, and others, as determined by the Executive Director, when doing so may enhance Port productivity and can be accomplished within appropriate fiscal and legal controls.

OPEN ACCOUNT OPTIONS:

The supply related open account agreements enable the Port to forego maintaining extensive spare parts inventories and thereby avoid the associated direct and indirect costs, loss risks. An alternative would be to maintain and operate a parts warehouse. The service related open accounts provide for prompt response for maintaining port facilities and operations. An alternative would be to procure each service separately when required, but would put the work in jeopardy of timely completion when not required to satisfy emergency needs.

PURCHASE OF POLICE INTERCEPTOR CARS:

The Port entered into an ~~"Agreement to Provide Law Enforcement Services to the Port of Oakland/Airport Landside Operations"~~ agreement which requires the Port to provide police interceptor cars to the Alameda County Sheriff's Office. Six such cars are currently to be furnished by the Port at an estimated cost of \$148,200, plus taxes and fees. Staff plans to utilize the State of California contract, as this provides the best quantity discount.

PURCHASE OF ASPHALT PAVING MACHINE:

The Board has previously authorized the purchase of an asphalt paving machine (Port Resolution No. 01251), along with seven other pieces of specialized equipment for a total estimated amount of \$668,000, plus taxes and fees. All of the equipment except the paving machine has been procured at a total cost of \$600,010, excluding taxes and fees. The original estimate for the paving machine was \$40,000. This amount did not include a trailer unit that is required for transportation. The cost to purchase the paving machine with a trailer is \$66,000, bringing the total expenditure to \$666,010. Staff is recommending that we proceed with the purchase of the paving machine with a trailer.

LOCAL BUSINESS UTILIZATION POLICY and LIVING WAGE:

To the extent possible, procurement personnel will endeavor to meet the Port's procurement needs by placing their orders or entering into contracts for services with small local business enterprises. Vendors with whom service contracts are entered into will be subject to Living Wage requirements when applicable.

RECOMMENDATION:

It is recommended that the Board find and determine that it is in the best interest of the Port to waive competitive bidding for the reasons set forth above, for procurements of goods and services described above in the specified dollar amounts that individually or in aggregate exceed the bid limit and authorize the Executive Director to substitute specified procurements or vendors provided the overall expenditures for goods and services do not exceed the total authorization(s) within said category of procurements as described above to meet the Port's needs, such funds have been included in the annual budget approved by the Board of Port Commissioners, contracts or purchase orders have been approved as to form and legality by the Port Attorney, and the procurements comply with applicable fiscal and legal controls and requirements. It is further recommended that the Board authorize the Executive Director to purchase six police interceptors at an estimated cost of \$148,200 and one previously authorized asphalt paving machine at an estimated cost of \$66,000, (due to the an addition of a trailer), plus taxes and fees.

ATTACHMENT

LISTING OF OPEN ACCOUNTS BY TYPE:

MISCELLANEOUS VENDORS OF MAINTENANCE SUPPLIES (INCLUDING, BUT NOT LIMITED TO THOSE IDENTIFIED BELOW). ESTIMATED EXPENDISURES: 1.4 MILLION	LOCATION	RATIONALE
ELECTRICAL DISTRIBUTORS: \$500800,000		(A)
Alameda Electric	LIA - Alameda	
Omega Pacific	LBA - Richmond	
San Leandro Electric	LIA - San Leandro	
Wesco	LIA - San Leandro	
OTHER INDUSTRIAL DISTRIBUTORS: \$700600,000		(A)
Artisan Manufacturing	LIA - Oakland	
Bearing Engineering	LIA - Emeryville/ San Leandro	
Burke Engineering	LIA - Oakland	
Cal Steam	LIA - San Leandro/ Emeryville	
Cresco Equipment Rental	LIA - Oakland	
Falcon Industrial	LIA - Oakland	
United Rentals	LIA - Oakland	
VS Supply	LIA - Oakland	
WW Grainger	LIA - Oakland/ Emeryville	

MISCELLANEOUS VENDORS OF MAINTENANCE SERVICES (INCLUDING, BUT NOT LIMITED TO THOSE LISTED BELOW). ESTIMATED EXPENDITURES: 1.3-4 MILLION		
REPAIR MAINTENANCE AND OPERATIONS: \$700,000 Encompass (License C-10, 20, 36, and 43)	LIA-San Leandro	(B)
Mathews Mechanical (License C-36 and D-21)	LBA - Newark	
Monterey Mechanical (License A, B, C-4, 12, 16, 20, 36, 42, and 43)	LIA - Oakland	
Stanley Access (License C-61)	LBA- Livermore	
Tucker Technology (License C-7)	LIA - Oakland	
OTHER (SPECIAL CIRCUMSTANCES) \$600,000		(D)
East Bay Conservation Corp	LIA - Oakland	Not for profit
Davis Street Transfer	LIA - San	Franchise
Waste Management (P-CARD)	LIA-San Leandro	Franchise
MISCELLANEOUS VENDORS FOR OFFICE-RELATED SUPPLIES AND SERVICES (INCLUDING, BUT NOT LIMITED TO THOSE LISTED BELOW). ESTIMATED EXPENDITURES: 1.2-3 MILLION	LOCATION	RATIONALE
COPIERS: \$600,000		(C)
Crystal Data Systems*	LIA - OAKLAND	
Xerox (P-CARD)	LIA - Oakland	
COPYING: \$300,000		(A)
East Bay Blue Print	LIA - Oakland	
Elite Reprographics	LIA - Oakland	
Ford Graphics	LIA - Oakland	
OFFICE SUPPLIES: \$300,000		(A)
Give Something Back	LIA - Oakland	
Kerry's Office Supply (P-CARD)	LIA - Oakland	

*The City selects copiers according to pre-determined volume counts. The Port selects copiers according to equipment features and productivity.

OPEN ACCOUNT RATIONALE:

- (a) The Port's actual demand for the supplies cannot be accurately predicted in advance, due to the varied types of components incorporated into facilities owned and operated by the Port and the unique parts and supplies requirements of manufacturers to maintain, replace or repair their respective building systems (electrical, plumbing, etc.). Consequently, Purchasing Department's experience demonstrates that when these items are competitively bid, based on assumptions of annual contract requirements, vendors include significant contingency amounts in their sealed bids to account for the uncertainty that respective overhead cost to manufacture, warehouse and maintain inventory to meet the order requirements of the Port may not cover minimum vendor profitability requirements or expectation, with the result that the Port pays a higher unit price than necessary. Purchasing the parts, supplies and equipment at market rate as the need arises results, more often than not, in an annual savings to the Port, attributed to lower unit price. However, the usual competitive bidding procedural requirements to obtain the parts and supplies when and as needed involves significant turn around time from requisition request, advertising for bids, opening same, obtaining Board approval for award and placing the order, with impacts on productivity and efficiency. The alternative, authorizing procurement on the open market based upon informal quote or proposal, as recommended herein, has the benefit of avoiding disadvantages, such as, the Port having to maintain excessive or unusable inventory (to reduce turn around time), while providing benefits to the Port, such as, the ability to obtain best market price when and as parts, supplies and equipment are needed, as well as providing the Port with multiple supply channels to

ensure timeliness and/or promote efficient and more productive use of Port labor resources, with associated savings from such improved productivity, if not from the unit price of products themselves. Under this circumstance, it is in the Port's best interest to waive competitive bidding to meet this procurement need.

- (b) The Port's actual demand for this service cannot be accurately predicted in advance due to the varied types of requirements to service, maintain, or repair components and building systems incorporated into facilities owned and operated by the Port (electrical, plumbing, etc.). As with supplies described above, Purchasing Department's experience indicates that when these services are competitively bid based on annual assumptions of contract requirements, vendors include significant contingency amounts in their sealed bids to account for the uncertainty that respective overhead cost from services procured by the Port may not cover minimum vendor profitability requirements or expectation, with the result that the Port pays a higher unit price than necessary. Purchasing the services at market rates as the need arises, more often than not, results in an annual savings to the Port. But, as discussed above, the procedural requirements to competitively bid the service when and as needed involves significant turn around time from requisition request, advertising for bids, opening same, obtaining Board approval for award and commencing work, with impacts on productivity and efficiency. The alternative, authorizing procurement on the open market based upon informal quote or proposal, has the benefit of avoiding such disadvantages (to reduce turn around time), while providing benefits to the Port such as the ability to obtain best market price when and as services are needed as well as provide the Port with multiple supply channels to ensure timeliness and/or promote efficient and more productive use of Port labor resources, with associated savings from such improved productivity, if not from the labor or billed rate ~~unit price of products~~ services themselves. Under this circumstance, it is in the Port's best interest to waive competitive bidding for this transaction.
- (c) It is in the best interest of the Port to waive competitive bidding and to obtain the products and services on the open market from one or more vendors who agrees to supply same at rates equal to or better than rates quoted to other comparable public entities (such as the City of Oakland or City of Los Angeles) or the State of California.
- ~~(d)~~ The products or services are proprietary, exclusively provided under franchise agreement(s), required to maintain existing proprietary equipment, or are provided as part of a training program by a not-for-profit organization. For this reason competitive bidding is unavailing or impractical, and it is in the best interest of the Port to waive competitive bidding for same.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: PERSONNEL ITEMS

DATE: October 22, 2002

ITEM NO: 43

Title Changes

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. TITLE CHANGES – Ordinance (2 Readings)

It is requested that the Board approve a title change for the following classifications. The new titles are designed to achieve more internal consistency in the Port's titling practices. The new titles will not result in a change in salary.

CURRENT TITLE	NEW TITLE
Airport Security Manager	Aviation Security Manager
Port Personnel Clerk	Port Human Resource Clerk

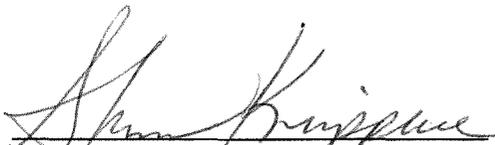
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding title changes.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant



SECRETARY OF THE BOARD

OCT 22 2002

DATE

Agenda Sheet

DATE: October 22, 2002

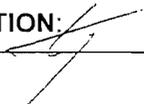
ITEM NO: 44

SUBJECT: Approval of Consultant Agreement with Margaret (Meg) Vasey to develop compliance mechanisms for Project Labor Agreement.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED Bernida Reagan 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Social Responsibility Division (SRD) has responded to an urgent need to revamp its oversight of the Project Labor Agreement, including setting up systems for receipt, tracking, and monitoring of payroll records, and tracking Social Justice Trust Fund contributions. SRD has also identified the need for training for SRD staff and a process for communication between SRD and other Port divisions involved in the implementation of the PLA. These functions have not been successfully integrated into the assignments of current staff, nor does current staff have the capacity to take on these tasks given existing job duties and responsibilities. Therefore SRD has retained consulting services for many of these tasks for SRD on a part time basis since June 2002, under a purchase order contract. Simultaneously, SRD has developed job specifications, posted a job opportunity notice and received applications to fill a permanent Contract Compliance Officer position to enforce compliance with the PLA.

ANALYSIS:

The consultant, Meg Vasey, has completed many of the tasks set forth in her contract since she began work in June. While much progress has been made in developing a compliance system for the PLA, much work remains to be done. We are seeking approval of a contract to continue our consulting contract with Ms. Vasey so that a more complete system will be in place when the permanent Contract Compliance Officer comes on board. The Scope of Services will include completion of a system for receipt, maintenance and review of payroll records, compliance data and other contractors' reports related to Port construction and other vendor contracts.

In addition to ensuring compliance with the PLA, many of these systems will be useful to SRD in enforcement of other Port policies, such as the Hire Area Residents Program (HARP), the DBE program and the Small Business program. SRD expects to complete the hiring process for the Contract Compliance Officer by the end of November, 2002.

Ms. Vasey is uniquely qualified to provide these services in that she has worked with various stakeholders on the Port of Oakland's Project Labor Agreement for over three years, including as a community monitor for Davillier-Sloan, Inc. She is an attorney as well as a twenty-year member of the International Brotherhood of Electrical Workers and has served for fifteen years as a Trustee of the Contra Costa Electrical Worker's Union.

OPTIONS:

1. Retain current SRD consultant to assist with the Social Justice Trust Fund, Local Hire Compliance and other projects until the Contract Compliance Officer position is filled.
2. Cease work on these tasks until the Contract Compliance Officer position is filled.
3. Reassign other SRD staff from their current activities to continue these projects until staff position is filled.

BUDGET:

There are sufficient funds in the current SRD budget to cover the cost of this agreement.

RECOMMENDATIONS:

It is recommended that the Board approve an agreement with Meg Vasey for consulting services not to exceed \$35,000.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02357

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

OCT 22 2002

DATE

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 45

SUBJECT: Authorization to Prepare and Execute Agreements with Design Teams for On-Call Architecture and Engineering Services for Projects at the Port of Oakland

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *for* 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Due to the limited design fee available for the current on-call contracts, staff is proposing to use the results of an earlier solicitation for On-Call Architecture and Engineering Services to hire new on-call consultants to provide supplemental design services.

On September 18, 2000, by Resolution No. 20165, the Board authorized the execution of agreements with four consultant teams to provide on-call architectural and engineering services to assist the Port with projects in the Aviation, Maritime, and Commercial Real Estate Divisions. The teams, each led by a prime architect, included subconsultants in the civil, structural, electrical, and mechanical engineering disciplines. Letters of Interest were solicited from 63 local prime architects and 77 subconsultants that had not recently done significant work for the Port, were certified by the Port's Office of Equal Opportunity (currently Social Responsibility Division), and were located in the Local Impact Area (LIA). A Request for Proposals, including a list of interested subconsultants, was sent to 63 architectural firms; proposals were received from 14 consultant teams. The Port interviewed a short-list of seven of the most qualified teams and selected four to enter into a contract for on-call architectural and engineering services. The selection process is further described in the attached Agenda Sheet dated April 18, 2000.

The term of the contracts for the four teams were for a period of three years and fees were not to exceed \$1,000,000. There are approximately ten months remaining for these four contracts. The amounts of fees not yet committed and available for future projects are as follows:

Shah Kawasaki Architects	0
Charles F. Jennings Architects	0
Y. H. Lee Associates	\$295,000
Colland Jang Architects	\$361,000

ANALYSIS:

In order for the Port to provide supplemental design services for the Port's three revenue divisions on a continuing basis, and to comply with the Board's direction to spread the work around, it is recommended that the Port hire new on-call consultant teams. Staff considered requesting proposals from interested firms and selecting new firms using the procedures explained above. However, these procedures are costly and would take 3-5 months to complete. As an alternative to soliciting proposals from local firms, staff proposes to enter into contracts with the three firms that were short-listed during the last selection process but were not offered contracts. Of the 14 architectural firms that submitted proposals, these firms are the last three of the seven most qualified firms. The three firms that Port staff is proposing to ask to enter into on-call Architectural/Engineering contracts are:

1. C. J. Tyler Architecture
2. Gutierrez/Associates
3. RPR Architects

Staff has confirmed that the electrical, mechanical, civil, and structural subconsultants originally proposed and evaluated are still part of the prime consultant's design teams or new Port-certified local firms have been proposed. The make-up of the teams are as follows:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02358, 02359
02360

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

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Team Members	Location	Role
Gutierrez/Associates AIA	Oakland	Prime Consultant
GKO Messinger & Associates	Oakland	Structural
McCracken & Woodman	Oakland	Mechanical
Mariscal Engineering	Oakland	Civil

Team Members	Location	Role
RPR Architects	Oakland	Prime Consultant
Cistran Engineers	Oakland	Civil
R. P. Gallagher Associates	Oakland	Structural
McCracken & Woodman, Inc.	Oakland	Mechanical
Ray I. Juachon & Associates	Oakland	Electrical

Team Members	Location	Role
C. J. Tyler Architecture	Oakland	Prime Consultant
Chow Engineering, Inc.	Oakland	Electrical
GKO Messinger & Associates	Oakland	Civil, Structural Engineering
David Penny Company	Alameda	Mechanical

The terms for the proposed contracts with each of the above three firms will be for a period of two years, renewable by the Board each year, for an authorized annual fee of \$500,000, but not to exceed \$1,000,000 over the two-year period.

The funding source for each assignment to be performed under these proposed contracts will be in accordance with the Capital Improvement Program (CIP) or expense budgets as appropriate for the assignment.

RECOMMENDATION:

It is recommended that the Board determine that the services, as described above, are professional services, and authorize the preparation and execution of agreements with the above three design teams in accordance with the above provisions.

Agenda Sheet

DATE: April 18, 2000

ITEM NO: 31

JHW
SUBJECT: Authorization to Prepare and Execute Agreements with Design Teams for On-Call Architectural and Engineering Services for Projects at the Port of Oakland

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port's Maritime, Aviation, and Commercial Real Estate Divisions are all in need of ongoing design services for modifications, additions and repairs to their facilities. In addition, all three divisions are in the beginning of major expansion programs that will require design services to support these programs for the Commercial Real Estate and Maritime Divisions and interim growth projects for the Aviation Division. In order to assist with this work, the Engineering Division determined that the most effective solution is to supplement its staff with consultant teams that are immediately available and have the experience and expertise to assist in performing studies, cost estimates, design development, and preparation of construction documents.

In the past, the Port has entered into contracts with architectural consultants hired on an "On-Call" basis to provide a portion of this experience and expertise. Unlike the earlier "On-Call" contracts, the Engineering Division, with the input from members of the Board's Administrative Committee, has structured the recent Request for Proposal (RFP), such that the respondents would assemble a full service "On-Call" architectural and engineering support team. These teams would be led by prime architectural firms that have not done significant work for the Port recently and are certified by the Port's Office of Equal Opportunity (OEO) as a Small Business Enterprise (SBE). Furthermore, the teams would include major subconsultants in the disciplines of electrical, mechanical, civil, and structural engineering, with the goal of each of these major subconsultants being SBEs.

BASIS OF SELECTION:

Initially, the Port solicited Letters of Interest in acting as a subconsultant on such a team from over 140 electrical, mechanical, civil, and structural engineering firms. These Letters of Interest were sent to firms with offices in the Local Impact Area (LIA) and who have expressed interest in providing engineering services to the Port. Twenty-nine (29) letters of interest were received. The Port then solicited proposals for "On-Call" design services as the prime consultant from 33 architectural firms with offices in the LIA. The names of those interested in being major subconsultants were included in the RFP to encourage the participation of local firms in the formation of the design teams. Proposals were received from 14 design teams.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

panel made up of Port staff, including a representative of the OEO, reviewed the 14 proposals and determined that 7 design teams were best qualified to be interviewed. The 7 design teams that were invited to make oral presentations and be interviewed were as follows:

1. C. J. Tyler Architecture
2. Charles F. Jennings Architects
3. Colland Jang Architect/Ed Fernandez Architects
4. Gutierrez/Associates
5. RPR Architects
6. Shah Kawasaki Architects
7. Y. H. Lee Associates, Architects

The panel interviewed the 7 design teams and prepared a ranking based on each design team's oral presentations; qualifications; relevant experience of the firms, as well as key project personnel; design teams technical abilities and project management abilities; and answers to interview questions. Evidence of the team's compliance with the Port of Oakland's Non-Discrimination and Small Local Business Utilization Policy was also considered.

The panel's evaluation of each of the 7 firms was presented to the Aviation Committee on April 3, 2000:

RANK	DESIGN TEAM
1	Shah Kawasaki Architects
2	Charles F. Jennings Architects
3	Y. H. Lee Associates, Architects
4	Colland Jang Architect/Ed Fernandez Architects
5	RPR Architects
6	C. J. Tyler Architecture
7	Gutierrez/Associates

The Aviation Committee approved Staff's proposal to negotiate consultant agreements with the four top-ranked design teams and that the agreements be for a term of three years and an amount not to exceed \$1,000,000 per team.

To further utilize LIA firms, any major subconsultant that is listed on two or more teams will be asked to indicate which team they wish to be on and they will be dropped from other teams. The prime consultant that loses one or more of its major subconsultants in this manner will be asked to indicate a replacement from the Port's list of qualified subconsultants. The selection process will be negotiated between the prime architectural consultant and the Port.

In order to encourage other local firms to become familiar with the Port's consulting procedures, the Committee also approved Staff's proposal to offer each of the remaining three design teams one "On-Call" project over the next three years on an as needed-basis. These firms would be asked to make proposals on specific projects, and the Port would negotiate a consultant agreement that does not exceed \$100,000.

The four top-ranked design teams for the "On-Call" architectural and engineering services are as follows:

Team Member	Location	EEO Status	Role
Shah Kawasaki Architects	Oakland	MBE	Prime Consultant
Pacific Engineering	Oakland		Electrical
McCracken & Woodman	Oakland		Mechanical
Jefferson Hilliard	Oakland	MBE	Civil
Structus	Oakland	MBE	Structural

Team Member	Location	EEO Status	Role
Charles F. Jennings Architects	Oakland		Prime Consultant
F. W. Associates	Oakland	MBE	Electrical
McCracken & Woodman	Oakland		Mechanical
Concept Marine	Oakland		Civil
GKO/Messinger	Oakland	MBE	Structural

Team Member	Location	OEO Status	Role
Y. H. Lee Associates, Architects	Oakland	MBE	Prime Consultant
Pacific Engineering	Oakland		Electrical
I & M Mechanical Group	Oakland	MBE	Mechanical
Mariscal Engineering	Oakland	MBE	Civil
Fratessa, Forbes, Wong	Oakland		Structural

Team Member	Location	OEO Status	Role
Colland Jang Architect/ Ed Fernandez Architects	Oakland	MBE	Prime Consultant
TEI Engineers	Oakland	MBE	Electrical
TEI Engineers	Oakland	MBE	Mechanical
GKO/Messinger	Oakland	MBE	Civil
GKO/Messinger	Oakland	MBE	Structural

MBE = Minority Business Enterprise

Due to the nature of the proposed "On-Call" consultant agreements, the percentage of work anticipated for each team member is unknown. However, it is expected that the prime consultant will perform 50-60% of the work, including team administration, and the balance will be performed by the subconsultants.

The three remaining short-listed design teams, which are C. J. Tyler Architecture, Gutierrez/Associates, and RPR Architects, are all located in the LIA and the majority of team members are M/WBE firms.

OEO participated in all phases of evaluating the consultants and their proposals. OEO has determined that the recommended teams are responsive to the Port's Non-Discrimination and Local Business Policy.

The EEO-1 Workforce Force Reports/Professional Questionnaires are on file for each team member.

Terms for the proposed contracts with the four top-ranked design teams would be as follows:

1. Maximum of \$1,000,000 per team in fees for design services.
2. Each assignment would be individually authorized and subject to a maximum compensation.
3. As compensation for the work, up to the maximum for each project, the consultant would be reimbursed for the direct salaries of personnel performing work on the project, fringe benefits, overhead costs, profit and other direct costs required to do the work.
4. The agreements would be effective, when signed by the Port, for a period of three years.

The funding source for each assignment to be performed under these proposed contracts will be in accordance with the CIP or expense budget as appropriate for that assignment.

RECOMMENDATION:

It is recommended that the Board determine that the services, as described above, are professional services, and authorize the preparation and execution of agreements with the above four top-ranked design teams in accordance with above provisions. It is further recommended that the Board authorize the preparation and execution of specific project agreements with the three remaining short-listed design teams in accordance with the above provisions.

FOR INFORMATION ONLY

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 46

SUBJECT: Authorization To Enter Into A Contract With The Oldani Group For Human Resources Consulting Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

FACTUAL BACKGROUND

In the fall of 2001, Tay Yoshitani was appointed Executive Director of the Port of Oakland, following the retirement of Charles Foster. Previously, Mr. Yoshitani was the Deputy Executive Director. John Glover, the Director of Strategic and Policy Planning and a long time employee of the Port, agreed to serve as Deputy Executive Director for a transitional period until a professional search could be conducted to fill that position. Having successfully completed the searches for several other key senior management positions, it is now timely and appropriate to conduct the search for Deputy Executive Director.

Administrative Policy No. 427 provides, in part, that the Executive Director appoint an executive search consulting firm to recruit candidates for a vacant senior manager position. The Oldani Group specializes in providing executive search and human resources consulting service to the public sector and has a successful track record recruiting candidates of diversity for executive level positions. Recently, The Oldani Group conducted the Port's successful search for the Director of Maritime position.

ANALYSIS

A successful search for a high level executive position requires the professional ability and attention of an executive recruiting firm. Such firms have ready access to relevant data bases and are skilled in researching and screening candidates. The Oldani Group is an executive recruiting firm, specializing in public sector and diversity recruiting. It also has an extensive list of port authority clients, including a recent assignment with the Port of Oakland. The Oldani Group will provide the Port with a professionally conducted search and selection for the position of Deputy Executive Director.

BUDGET

The Oldani Group proposes to conduct the Deputy Executive Director search for \$19,500, plus expenses (not to exceed \$12,500). This is a reduced professional fee for utilizing its services within a twelve-month period from the Director of Maritime search.

SUSTAINABILITY

No sustainability issues or opportunities have been identified.

DIVERSITY

The Oldani Group has a strong track record of finding and placing qualified candidates of diversity in executive positions.

RECOMMENDATION

It is recommended that the Board of Port Commissioners authorize entering into a contract with The Oldani Group to conduct the search for the Deputy Executive Director position with the Port of Oakland.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02361

BOARD ACTION TAKEN

Assistant

Shane Kippner

SECRETARY OF THE BOARD

OCT 22 2002

DATE

Agenda Sheet

DATE: October 1, 2002

SUBJECT: PERSONNEL ITEMS
Creation of Classification/Position

ITEM NO: 43

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry *[Signature]*
EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

FACTUAL BACKGROUND:

I. CREATION OF CLASSIFICATION/POSITION - Ordinance (2 Readings)

A) It is requested that the Board approve the creation of the classification **Administrative Analyst I**. The classification is being created to downgrade and replace a vacant Port Equal Opportunity Specialist position, which was approved as a result of the FY 2002/2003 Staffing Plan. The salary is to be placed at Salary Schedule 232.2 (a--\$4,611; b--\$4,842; c--\$5,084; d--\$5,389; e--\$5,713).

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Administrative Analyst I	OPER	OEO	1	D	232.2 (a--\$4,611; b--\$4,842; c--\$5,084; d--\$5,389; e--\$5,713)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding creation of classification/position.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

[Signature]

OCT - 1 2002

DATE

Agenda Sheet

DATE: October 1, 2002

SUBJECT: APPROVAL TO CONFORM PORT ORDINANCE NO. 3666 REQUIREMENTS TO THE REQUIREMENTS OF OAKLAND CITY CHARTER SECTION 728, ENTITLED "LIVING WAGE AND LABOR STANDARDS AT PORT-ASSISTED BUSINESSES
SUBMITTED BY: Bernida Reagan

ITEM NO: 44

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C. I.

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

**DUPLICATE
OF PRIOR**

FACTUAL BACKGROUND:

CALENDAR MEMO

On November 16, 2001, the Port of Oakland Board of Commissioners passed Ordinance No. 3666, entitled "An Ordinance Establishing a Living Wage Requirement." Ordinance No. 3666 requires that specified service contractors with the Port of Oakland and specified Port financial assistance recipients ("PFARs") pay their non-exempt employees a Living Wage rate and provide such employees with at least 12 compensated days off per year. Specifically Port Ordinance No. 3666 applies to service contractors with Port contracts worth more than \$25,000, that have 5 or more employees spending 25% or more of their total work time under the contract, and PFARs that receive \$100,000 or more in financial assistance from the Port that employ 5 or more employees working on the project that is the subject of the financial assistance. Port Ordinance No. 3666 provides incentives for covered employers to provide health benefits to their covered employees, gives the Port power to monitor compliance, and gives employees the rights to bring private actions in court against covered employers in violation of the Ordinance.

On March 5, 2002, the voters in the City of Oakland passed Measure I, adding to the City Charter Section 728 ("§728") entitled "Living Wage and Labor Standards at Port-assisted Businesses." §728 requires Port Aviation and Maritime businesses that meet specified minimum threshold requirements to pay all non-exempt employees a Living Wage rate established by City Ordinance and adjusted annually based on the Consumer Price Index for the San Francisco, Oakland and San Jose area. Specifically, §728 applies to Port contractors and financial assistance recipients with the Aviation or Maritime divisions that have contracts worth more than \$50,000 and that employ more than 20 employees who spend more than 25% of their time on Port-related work. §728 also provides covered employers with incentives to provide health benefits to employees, establishes a worker retention policy, requires covered employers to submit quarterly payroll reports and requires covered employers to allow Port representatives access to payroll records in order to monitor compliance and labor organization representatives access to workforces during non-work time and on non-work sites. The California Secretary of State accepted and filed §728 on April 25, 2002, making §728 effective for contracts entered into after that date (i.e., contracts entered into on April 26, 2002 or thereafter). Covered employers are responsible for complying with the provisions of §728 from the date the covered contract is entered into.

ANALYSIS:

Port Ordinance No. 3666 and City Charter §728 pertain to the same issues and are meant to address the same concerns. Port Ordinance No. 3666 and §728 overlap on several key points and there are circumstances where both may apply to an employer. They are also, however, divergent on other points that make the administrative task of reconciling the two, determining whether either, neither or both apply to a particular contract and monitoring compliance when one or both do apply difficult and time-consuming. Reconciling the two would functionally make for one Port policy regarding the Living Wage that would be easier to understand for employers seeking notice of what the law requires, and easier to enforce.

The proposed ordinance would amend Port Ordinance 3666 by making the Ordinance applicable to Service Contracts

Approved by Ordinance
passed to print

- MOTION
- RESOLUTION
- ORDINANCE

[Signature]

OCT - 1 2002

with any Port Division, changing the minimum requirements to contracts or financial assistance grants worth more than \$50,000, and employers with more than 20 employees working on Port-related work. The proposed ordinance would also conform §728 to Port Ordinance No. 3666 compensation rates by requiring Port-Assisted Businesses, as defined in §728, and month-to-month tenants covered by §728 per Board policy, to provide to employees at least twelve compensated days off per year as is currently required of services contractors and financial assistance recipients subject to Port Ordinance No. 3666. To assure no adverse affect to employees currently receiving Living Wage compensation rates pursuant to the requirements of the Port's Ordinance, the Ordinance amendment is proposed to apply prospectively so as not to exempt from coverage under the Port's Ordinance those currently covered.

Port staff currently has policies and procedures in place to account for the differences between Port Ordinance No. 3666 and §728. The differences between the two Living Wage policies make the procedures necessarily difficult and create extraneous paperwork. Reconciling these differences would cut the paperwork in half, and would make it clearer to employers when the law applies and what is expected of them when they are covered. Conforming the Port Ordinance No. 3666 provisions pertaining to employer obligations and employee compensation rates with the analogous provisions in §728, including conforming minimum compensation rates of Port Ordinance No. 3666 to §728 as described above would also assist employees in making the terms of coverage clearer.

RECOMMENDATION:

It is the recommendation of the Port Staff that the Board approve the proposed amendment to Port Ordinance No. 3666.

BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
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Executive Director
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PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, October 1, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

- 1** CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 3 matters.
- 2** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9.
City of Alameda et al v. Port of Oakland, et al., California Court Of Appeal Case Nos. A086708/A089660
- 3** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.
- 4** CONFERENCE WITH REAL PROPERTY NEGOTIATOR, as provided under Government Code Section 54956.8, under negotiations:

Property:	Oakland Army Base
Negotiating Parties:	Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation:	Price and Terms of Payment

Property:	Berths 60-63
Negotiating Parties:	Port and American President Lines
Under Negotiation:	Price and Terms of Payment

Property:	Pardee Parking Lot
Negotiating Parties:	Port and City of Oakland
Under Negotiation:	Price and Terms of Payment

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Regular meeting of September 17, 2002

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11** Approval of Lease Modification/Supplement with the United States of America to Extend Lease Term (Grumman Street in the Vicinity of Earhart Road, North Airport). (Resolution)
- 12** Approval of License and Concession Agreement with Wells Fargo Bank, N.A. for the Operation of ATM Machines (#1 Airport Drive, South Airport). (Resolution)
- 13** Authorization to Dispense with Standard Bidding Procedures, Accept Informal Proposals, Negotiate and Award of a First Level Maintenance Contract to Endymion Systems Inc. for the MUSE and FIDs Systems of Oakland International Airport. (Resolution)
- 14** Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with SCIS Air Security Corporation, (#1 Airport Drive, South Airport). (Resolution)
- 15 PULLED** ~~Authorization to Exceed \$50,000 Limit for Remaining Fiscal Year on Travel Planner Printing. (Resolution)~~

- 16 Cont'd 10/22** Ratification of Hearing Officer's Recommendation to Reject Protest of Award of Contract for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing July 1, 2002 and Ending June 30, 2004, 2005, or 2006, South Airport, OIA. (Resolution)
- 17** Ratification of Change Order to Contract for Construction of Interim Ticket Counters, Building M-102, OIA - Furnish and Install International Ticket Counter Inserts and Data Cabling and Additional Signages. (Resolution)
- 18** Ratification of Change Order to Contract for Construction of 3rd Curbside Improvements, Terminals 1 and 2, OIA - Modify 3rd Curbside Signage and Install Permanent Fencing. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21** Approval of Sponsorship Funding for the 2002 International Economic Development Council (IEDC) in the Amount of \$50,000.00. (Resolution)
- 22 PULLED** ~~First Amendment to the Purchase and Sale Agreement with Doug Rohn and Elizabeth Zenger for the Property Located at Edgewater Drive and Pardee Road. (Resolution)~~

MARITIME

Maritime Committee Report

- 31** Ratification of Submittal of Application for MARAD/TSA Federal Security Grants and Authorization to Execute Grant Awards; Delegation of Authority to Resolve Bid Protests. (Resolution)
- 32** Authorization to Apply for a Permit from the San Francisco Bay Conservation and Development Commission and Approval of an Agreement with APL, Ltd. for Placement of New Crane at Middle Harbor Terminal. (Resolution)
- 33** Modification to "Approval of Consultant Agreement for Architectural and Engineering Services for Facilities Redevelopment of APL Middle Harbor Terminal, Port of Oakland" to Provide for 30% Design. (Resolution)
- 34 PULLED** ~~Authorization to Dispense with Standard Bidding Procedures for Removal of Alliance Cranes X-441 and X-442 at American President Lines Terminal, Oakland, California. (Resolution)~~

- 35** Authorization for Procurement of Sheet Pile for the Construction of Berths 32/33 Wharf Rehabilitation Project, Outer Harbor. (Resolution)
- 36** Approval to Establish Executive Director's Authority to Authorize Changes in Scope to Agreement with Consolidated CM for Construction Management Services for Construction of Berths 57-59 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000. (Resolution)
- 37** Ratification of Change Orders to Contract for Replacement of Domestic Water Lines to Buildings B-319, B-322 and Ships Water Supply at Berths 20, 21 and 22 – Replace Domestic Water Line Under Wharf at Berth 20. (Resolution)
- 38** Approval to Negotiate and Enter into a Consultant Agreement with Alpha Spectrum Productions, Inc. for Preparation of an Educational Documentary Video; Approval to Dispense with Standard Competitive Bidding Procedures. (Resolution)

OPERATIONS

Administrative Report

- 41** Approval of Port Assistance Policy Program and Staffing. (Resolution)
- 42** Approval of Communications Consulting Services with L. Washburn and Newsmaker Media Inc. (Resolution)
- 43** Personnel Items: Creation of Classification/Position. (Ordinance)
- 44** Approval to Conform Port Ordinance No. 3666 Requirements to the Requirements of Oakland City Charter Section 728, Entitled "Living Wage and Labor Standards at Port-Assisted Business." (Ordinance)
- 45** Travel Authorization. (Resolution)
- 46** Local Agency Investment Fund. (Resolution)

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas,
Tagami, Uribe and President Kiang – 6
Noes: None
Absent: Commissioner Scates – 1

RESOLUTIONS:

- 02324 1** AUTHORIZING, APPROVING AND EXECUTING A LEASE SUPPLEMENT WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION. (Airport – 11)
- 02325 2** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH WELLS FARGO BANK, N.A. (Airport – 12)
- 02326 3** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ENDYMION SERVICES, INC. FOR MAINTENANCE OF THE MULTI-USER SYSTEM EQUIPMENT (MUSE), OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 13)
- 02327 4** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH SCIS AIR SECURITY CORPORATION. (Airport – 14)
- 02328 5** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH STEVELLE CONSTRUCTION COMPANY, FOR CONSTRUCTION OF INTERIM TICKET COUNTERS, BUILDING M-102, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 17)
- 02329 6** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH MCGUIRE AND HESTER, FOR CONSTRUCTION OF THIRD CURBSIDE IMPROVEMENTS, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 18)
- 02330 7** APPROVING SPONSORSHIP FUNDING FOR THE 2002 INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL. (Commercial Real Estate – 21)

- 02331 8** RATIFYING SUBMITTAL OF APPLICATION FOR MARAD/TSA FEDERAL SECURITY GRANTS; AUTHORIZING EXECUTION OF GRANT AGREEMENTS; AND DELEGATING AUTHORITY TO RESOLVE BID PROTESTS. (Maritime - 31)
- 02332 9** AUTHORIZING PORT STAFF TO CO-APPLY WITH AMERICAN PRESIDENT LINES, LTD. ("APL") FOR A PERMIT FROM THE BAY CONSERVATION AND DEVELOPMENT COMMISSION ("BCDC"), FOR THE REMOVAL OF TWO DIESEL-BURNING CRANES AND THE PLACEMENT OF A NEW ELECTRIC GANTRY CRANE AT APL'S MIDDLE HARBOR TERMINAL AND APPROVING AND AUTHORIZING EXECUTION OF AN AGREEMENT WITH APL HOLDING THE PORT HARMLESS FROM ANY LIABILITY ARISING THEREFROM. (Maritime - 32)
- 02333 10** AMENDING PORT RESOLUTION NO. 02287 APPROVING ARCHITECTURAL AND ENGINEERING CONSULTING SERVICES FROM MOFFATT & NICHOL ENGINEERS FOR FACILITIES REDEVELOPMENT OF APL MIDDLE HARBOR TERMINAL. (Maritime - 33)
- 02334 11** AUTHORIZING PURCHASE OF SHEET PILES FOR THE CONSTRUCTION OF THE BERTHS 32/33 WHARF REHABILITATION PROJECT, OUTER HARBOR, OAKLAND, CALIFORNIA. (Maritime - 35)
- 02335 12** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH CONSOLIDATED CM FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime - 36)
- 02336 13** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH BELIVEAU ENGINEERING CONTRACTORS, INC., FOR REPLACEMENT OF DOMESTIC WATER LINES TO BUILDINGS B-319, B-322 AND SHIPS WATER SUPPLY AT BERTHS 20, 21 AND 22, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA. (Maritime - 37)
- 02337 14** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ALPHA SPECTRUM PRODUCTIONS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Maritime - 38)

- 02338 15** APPROVING AND ADOPTING PORT ASSISTANCE POLICY. (Operations - 41)
- 02339 16** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH LAURA WASHBURN FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 42)
- 02340 17** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH NEWSMAKER MEDIA, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations - 42)
- 02341 18** CONCERNING CERTAIN TRAVEL. (Operations - 45)
- 02342 19** AUTHORIZING INVESTMENT OF CERTAIN BOND PROCEEDS IN THE STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND. (Operations - 46)
- 02343 20** DETERMINING THAT NEED TO TAKE IMMEDIATE ACTION IS NECESSARY TO PREVENT SERIOUS INJURY TO THE PUBLIC INTEREST IF ACTION WERE DEFERRED AND THAT THE NEED FOR SUCH ACTION SAME TO THE ATTENTION OF THE BOARD SUBSEQUENT TO THE AGENDA BEING POSTED (RELATING TO INVESTMENT OF BOND PROCEEDS IN THE LOCAL AGENCY INVESTMENT FUND). (Operations - 46)
- 02344 21** AUTHORIZING THE PORT'S EXECUTIVE DIRECTOR TO EXECUTE A PHASE 2 SETTLEMENT AGREEMENT AND SUPPLEMENTAL PHASE 2 AGREEMENT IN THE CONSOLIDATED BERKELEY KEEP JETS OVER THE BAY COMMITTEE, ET. AL. V. PORT OF OAKLAND, ET. AL. (Closed Session)
- 02345 22** APPROVING AND AUTHORIZING THE EXECUTION OF A TOLLING AGREEMENT WITH FEDERAL EXPRESS CORPORATION, A DELAWARE CORPORATION, CONCERNING CONTAMINATED SOIL AT THE OAKLAND INTERNATIONAL AIRPORT. (Closed Session)

REGULAR MEETING
October 1, 2002

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas,
Tagami, Uribe and President Kiang – 6
Noes: None
Absent: Commissioner Scates – 1

ORDINANCES:

1 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING SECTION 5.016 OF PORT ORDINANCE NO. 867."

Operations – 43 to print.

2 Port Ordinance No. ____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3666 TO CONFORM PORT OF OAKLAND LIVING WAGE REQUIREMENTS THEREIN TO REQUIREMENTS SET FORTH IN SECTION 728 OF THE CHARTER OF THE CITY OF OAKLAND, ENTITLED, "LIVING WAGE AND LABOR STANDARDS AT PORT-ASSISTED BUSINESSES" AND ADDING PROVISIONS MAKING EFFECTIVE APPLICATION OF SECTION 728 OF THE CHARTER TO CERTAIN MONTH-TO-MONTH TENANCIES."

Operations – 44 to print

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next adjourned regular meeting will be held on Tuesday, October 22, 2002 at 3:00 P.M.

Agenda Sheet

DATE: October 1, 2002

SUBJECT: Approval of Lease Modification/Supplement with the United States of America to Extend Lease Term (Grumman Street in the vicinity of Earhart Road, North Airport)

ITEM NO: 11

PROGRAM AREA:

- Airport Operations C. I.
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The United States of America, Department of Transportation, Federal Aviation Administration (FAA) entered into a Lease, commencing July 1, 1997, for approximately 2.9247 acres of land on Grumman Street near Earhart Road on the North Airport, used by the FAA at no cost for its Bay Terminal Radar Approach Control facility. The Lease term was extended through June 30, 2002 via two Lease Modification/Supplements effective July 1, 1998 and July 1, 1999.

ANALYSIS:

The FAA proposes to amend this Lease via Lease Modification/Supplement No. 3 which would extend the term of the Lease for five (5) years, from December 1, 2002 through November 30, 2007. A holdover provision has been included to cover the period FAA was without an extension (July 1, 2002 through November 30, 2002). During the term of the lease, if the aeronautical use of the facility ceases for up to 90 days, the lease may be terminated at the Port's option by giving the FAA 30 days written notice.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project. This is an extension of an existing lease and no project is proposed.

LIVING WAGE:

~~Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because this agreement does not involve payments to or from the Port and does not meet the minimum requirements of either Section 728 or Port Ordinance 3666. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.~~

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the United States of America, Department of Transportation, Federal Aviation Administration is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

OPTIONS:

Not applicable.

RECOMMENDATION:

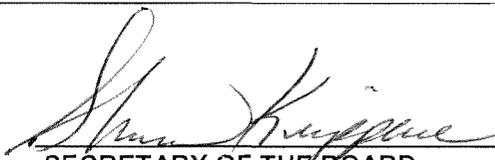
It is recommended that the Board pass an Ordinance approving the above-described Lease Modification/Supplement to extend the lease term with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval of the Lease Modification/Supplement to extend the lease term as to form.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02324

BOARD ACTION TAKEN

Assistant

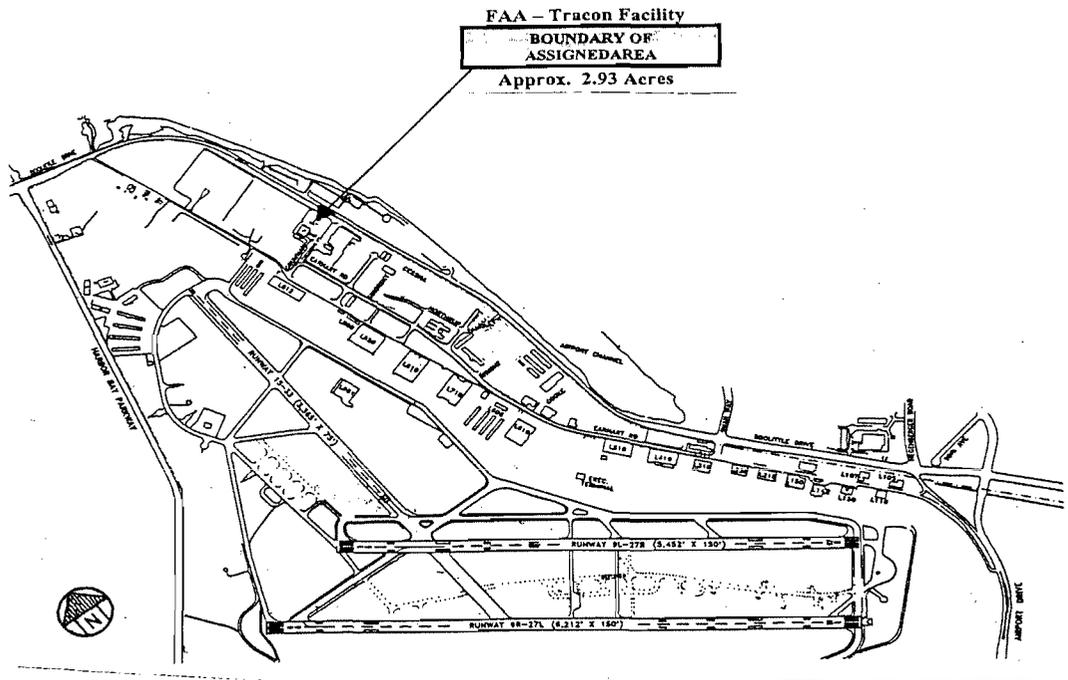

SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Board of Port Commissioners
Calendar Item

Approval of Lease Modification/Supplement with the United States of America to Extend Lease Term (Grumman Street in the vicinity of Earhart Road, North Airport)



Airport Properties

Port of Oakland

**Oakland
International Airport
North Airport**

Map Not to Scale

Agenda Sheet

DATE: October 1, 2002

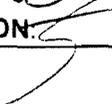
SUBJECT: Approval of License and Concession Agreement with Wells Fargo Bank, N.A. for the Operation of ATM Machines (#1 Airport Drive, South Airport)

ITEM NO: 12

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Approval is requested to enter into a License and Concession agreement with Wells Fargo Bank, N.A. (Wells) to operate automated teller machines (ATMs) at the Airport. Wells will initially operate two machines, but may, with prior approval from the Airport, add additional machines during the term of the Agreement. Wells will pay the Port rent in the amount of \$800.00 per month, per machine. This is a non-exclusive agreement.

ANALYSIS:

The Airport currently has six automated teller machines operated by a total of three financial institutions. All the existing ATM contracts are on a month-to-month basis. In evaluating ATM service requirements, the Airport developed the following objectives: (1) provide ATMs with a recognizable brand name; (2) provide ATMs affiliated with financial institutions utilized by a large number of passengers; (3) increase the number of ATM machines available at the Airport; and (4) increase the revenue to the Airport. The Airport established a rental rate of \$800.00 per machine per month, and invited the three existing financial institutions to enter into new agreements and continue operations at the Airport. Negotiations are progressing with those three institutions and new agreements will be presented to the Board for approval at a later date.

Wells was contacted and invited to install ATM machines in part due to the large number of requests from passengers to provide Wells ATMs. Negotiations have concluded with Wells, and Wells is prepared to move forward with installation of the ATMs upon receipt of Board approval of the License and Concession Agreement.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

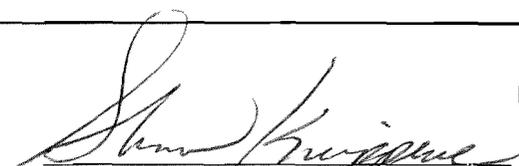
There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the Port's Living Wage Ordinance (Port Ordinance No. 3666) does not apply at this time because the agreement is a tenancy agreement. Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the requirements set forth in Section 728 of the Charter of the City of Oakland, do not apply at this time because Wells Fargo has fewer than 21 employees working on Port-related work. However, the tenant will be required to certify that should living wage obligations become applicable, the tenant shall comply with all of its obligations.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02325

BOARD ACTION TAKEN Assistant  SECRETARY OF THE BOARD

001 - 1 2002

DATE

Subject: Approval of License and Concession Agreement with Wells Fargo Bank, N.A. for the Operation of ATM Machines (#1 Airport Drive, South Airport)

Page - of 2

OPTIONS:

1. Issue a competitive Request For Proposals for the selection of an ATM provider. This method may produce slightly higher revenue to the Port, but would result in limiting the choices for our passengers. Further, it may not satisfy the objectives of having a brand name financial institution that is utilized by a high number of passengers.
2. Approve the License and Concession agreement with Wells. The agreement is non-exclusive and provides opportunities for other providers should passenger demand warrant inclusion of an additional brand.

RECOMMENDATION:

It is recommended that the Board approve a resolution authorizing the Executive Director to sign a License and Concession Agreement with Wells Fargo Bank N.A., as described above, subject to the Port Attorney's review and approval of the final documents.

Agenda Sheet

DATE: October 1, 2002

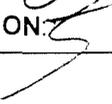
ITEM NO: 13

SUBJECT: Authorization to Dispense with Standard Bidding Procedures, Accept Informal Proposals, Negotiate and Award of a First Level Maintenance Contract to Endymion Systems Inc. for the MUSE and FIDs systems of Oakland International Airport

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

In the Board meeting of March 5, 2002, the Commissioners approved the resolution to award contracts related to the expansion of the common systems architecture at Oakland International Airport (OAK). This expansion encompasses the increase in the number of the MUSE counter computers to include all of the ticket counters in Terminal 1 as well as provisioning an Airport-wide Flight Information Display System (FIDs). While the resolution stated that ARINC would be providing the Hardware Maintenance at OAK, based upon the language of the Board Letter, it is to the best interest of the Port that staff contract directly with the service providers of hardware maintenance. The Board letter also stated that the annual cost of the hardware maintenance would be approximately \$450,000.00 per year.

ANALYSIS:

When the Common Systems platform was first installed in the Airport the contractual agreement with Arinc was for the provision of first level support, meaning the troubleshooting and maintenance of the computer systems and their peripheral hardware components, for the annual cost of \$86,524.00. This service level agreement (SLA) stipulated a response time of 2 hours during normal business times and a 4-hour response on weekends and holidays. However, the Airline partners at OAK required that the Airport provide better service than what was provided through the contract with Arinc. Consequently, what was once an off-site personnel resource allocation has now become an on-site 1 to 2 personnel per 8-hour shift requirement. Currently the Airline partners at OAK now enjoy a 6 to 10-minute response time to their help desk calls. While this level of response is expensive, it has become a necessary cost in the proper support of the carriers on a real-time basis and is consistent with the experience of other Airports operating in the common systems environment.

Staff has found that while the level of service, under the current provision through ARINC, has been adequate, the ability to deploy the outsourced resources as needed at OAK will be compromised by a continued third party contractual arrangement. OAK staff need to be able to use the contracted resources when and where a given situation requires without having to consult with a third party that actually administers the contract to determine whether or not the task is within the contract scope of work. The current cost for the ARINC provided hardware maintenance and support of MUSE at OAK is \$346,812.00. This cost provides the Airline customers of MUSE with a maximum 10-minute response, Monday through Friday, during their normal working hours, as well as providing 2-hour response on holidays and weekends. The staffing required for that level of service is 2 technicians, one per 8-hour shift on-site at the Airport and 1 on-call technician. The current expansion of MUSE and the installation of an Airport-wide FIDs platform at OAK will require a doubling of those outsourced resources. However the economy of scale will keep the cost of those services to \$450,000.00 per year with an inflationary adjustment consistent with local economy each year. The initial term of the contract will be for a 2-year period with the option to renew solely at the Port's discretion for 3 consecutive 1-year options for a 5-year maximum.

Informal bids were solicited from five service providers; ARINC, Decision One, ServiceTec, Endymion Services Inc (ESI) and Enterprize Support Services (ESS). The proposals ranged from \$360,000 to \$450,000. Staff has selected to negotiate with ESI for a contract for the level one-support services for the common systems at Oakland International Airport. ESI is the incumbent supplier of those services and has been providing excellent response to the specific needs of our Airline customers in supplementing current Airport staff for those support scenarios. Should staff fail to successfully negotiate a satisfactory contract with ESI, staff will negotiate with one of the other five providers for a contract for level one-services.

GENERAL:

It is intended that in the Port acceptance of informal bids, staff should be able to successfully negotiate and award a level one-service contract. However, should the Port be unable to negotiate a contract with ESI, another local contractor, who is

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02326

Assistant Secretary of the Board  SECRETARY OF THE BOARD

OCT - 1 2002

DATE

in compliance with the service level agreement (SLA) requirements, will be selected and awarded the contract to perform the work. The funding for the maintenance costs of the MUSE platform will be from Port cash with those costs refunded back to the Port through the carrier rates and charges on the year proceeding from the incident of the costs.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301 (a) which exempts interior and exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances, and Section 15061 (b) (3) which renders projects not subject to review for exemption under CEQA where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that:

- (1) the Port's Living Wage Ordinance (Port Ordinance No. 3666) applies to this agreement because the agreement is a service contract for a value of \$25,000 or greater and will employ 5 or more employees as defined under the Ordinance;
- (2) the living wage requirements set forth in Section 728 of the Charter of the City of Oakland do not apply to this agreement because the contractor employs fewer than 21 employees working on Port-related work. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

SUSTAINABILITY:

The MUSE system allows for the more efficient use of current facilities and thus reduces the need to expend resources on new construction.

RECOMMENDATION:

It is recommended that it be found in the best interest of the Port, that informal bids for a 2-year maintenance contract, with 3 1-year options for annual renewal, for the MUSE platform be accepted and a contract with ESI for those services be approved by the Board of Commissioners. The initial cost for the two year contract is not to exceed \$900,00.00 per year with an additional \$450,000 per year, plus inflation, through the remaining 1-year extensions for a total five-year term of the contract.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: October 1, 2002

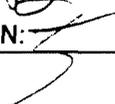
ITEM NO: 14

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with SCIS Air Security Corporation, (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

SCIS Air Security Corporation. (SCIS) was granted access to the South Airport under a Right-of-Entry and Indemnity Agreement from December 1, 2001 through August 31, 2002 to monitor in flight catering operations provided to the airlines by LSG SkyChefs. No premises are occupied by SCIS under the agreement. The monthly rent is \$250 or 10% of gross revenues, whichever is greater. The Port receives approximately \$7,000 per month as a percentage of gross revenues.

ANALYSIS:

The proposed Agreement to Extend Right-of-Entry and Indemnity Agreement (Extension Agreement) would have a one-year term commencing September 1, 2002 with a mutual 30-day termination provision and authorize continued access to the South Airport to monitor in-flight catering operations. No premises would be occupied by SCIS under the Extension Agreement. The monthly rent would remain \$250 or 10% of gross revenues, whichever is greater.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the Port's Living Wage Ordinance (Port Ordinance No. 3666) does not apply because this is a tenancy agreement and is exempted from Port Ordinance No. 3666 coverage.

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the living wage requirements set forth in Section 728 of the Charter of the City of Oakland does not apply to this agreement because the tenant employs fewer than 20 employees working on Port-related work. However, the tenant will be required to certify that should living wage obligations become applicable, the tenant shall comply with all of its obligations.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02327
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

OCT - 1 2002
DATE

**Approval of Agreement to Extend Right-of-Entry and
Indemnity Agreement with SCIS Air Security Corporation
(#1 Airport Drive, South Airport)**

OPTIONS:

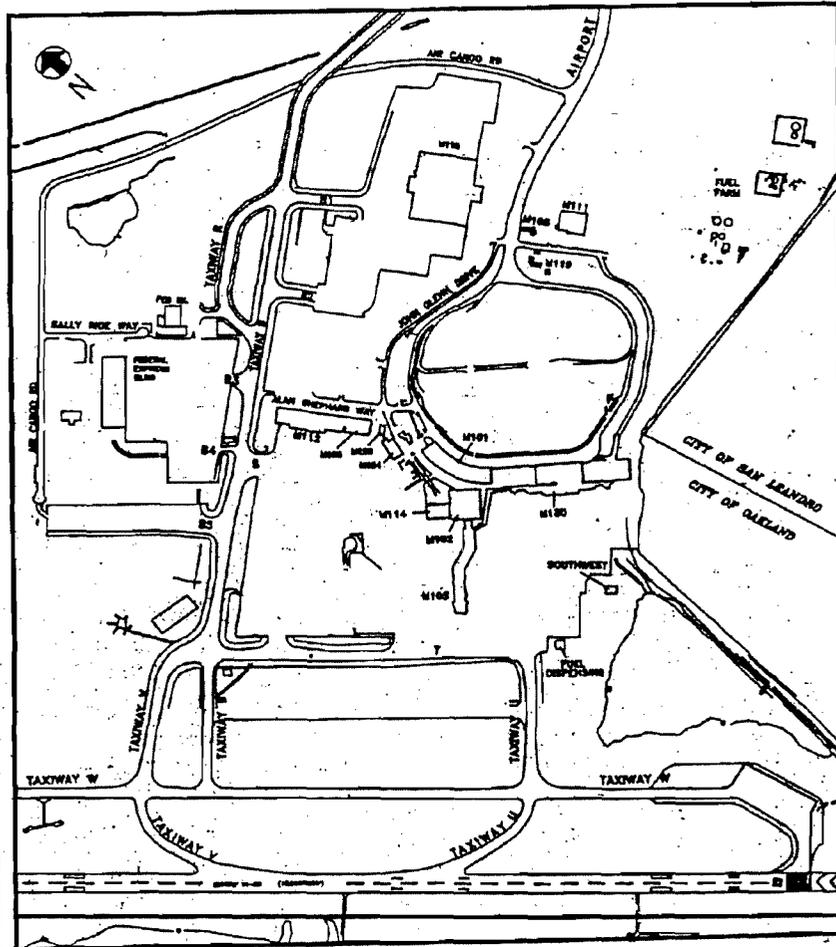
Not applicable.

RECOMMENDATION:

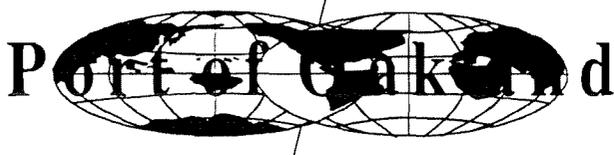
It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with SCIS Security Corporation subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

Board of Port Commissioners
Calendar Item

Approval of Agreement to Extend Right-of-Entry
and Indemnity Agreement with SCIS Air Security
Corporation (#1 Airport Drive, South Airport)



Airport Properties



Oakland
International Airport
North Airport

Map Not to Scale

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 17

SUBJECT: Ratification of Change Order to Contract for Construction of Interim Ticket Counters, Building M-102, OIA - Furnish and Install International Ticket Counter Inserts and Data Cabling and Additional Signage

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: *JKW for* Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port has a Contract with Stevelle Construction Company, Inc., (Stevelle) for **CONSTRUCTION OF INTERIM TICKET COUNTERS BUILDING M-102, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA**, which was awarded on February 5, 2002, for lump sum and unit prices totaling \$1,866,889. The project consists of demolition of existing structures; the construction of 20 new ticket counters; airline ticket offices, and baggage handling equipment in Terminal 1, Building M-103.

ANALYSIS:

To date, Port staff has issued \$163,782.22 in change orders. This Contract change, amounting to \$75,908.70, will raise the total of all change orders to \$239,690.92, which exceeds the 10% allowance for staff-approved change orders provided by Ordinance 1606.

This installation of the international ticket counter inserts and data cabling was originally intended to be built as a part of the Expansion of Multiple User System Equipment (MUSE) System project. However, the Expansion of the MUSE Systems will not be complete in time for the anticipated grand opening of the new international ticket counters. In order to have the MUSE equipment operational in time for the grand opening of the international terminals on July 18, 2002, the inserts and data cabling portion of work were removed from the MUSE project and Stevelle was asked to do the work as a change order to this contract. Stevelle agreed to do this work at a cost of \$42,063.

In addition as a result of the security changes implemented following the September 11, 2001, terrorist acts, the Airport has experienced severe passenger congestion in Building M-102 due to slower processing times at the security checkpoint and the associated increase in queuing activity. The Port undertook an emergency project to expand the security checkpoints prior to Memorial Day 2002. These issues necessitated changing the signs at the new international/charter ticket counters (which were already under construction by then) to better guide international/charter passengers to the new ticket counter area (starting from the curbside) and to identify key destinations, such as the meeter/greeter waiting area. Stevelle was asked to do this work and agreed to do it for a cost of \$33,835.70.

The contractor was directed to do both the redirected MUSE work and the signage work at the request of the Aviation Division in order to meet the schedule for the grand opening of the international ticket counters.

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Approved by Resolution
No. 02328

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Change Order Type	No. of Items	Cost	% of Contract	% of Total C.O.s
Claim Settlement - Additive	1	\$25,368.64	1.4%	10.6%
Claim Settlement - Deductive	1	-\$3,000.00	0.2%	1.3%
Design Modifications - Additive	7	\$36,295.69	1.9%	15.1%
Design Modifications - Deductive	1	-\$46,422.35	2.5%	19.4%
Project Enhancements	6	\$110,054.14	5.9%	45.9%
Field Changes	1	\$393.75	0.02%	0.2%
Omissions	3	\$3,558.50	0.2%	1.5%
Regulatory/ Outside Agency Changes	2	\$1,270.50	0.1%	0.5%
Unforeseen Conditions	3	\$12,502.35	0.7%	5.2%
Value Engineering - Deductive	1	-\$825.00	0.04%	0.3%

Budget

This work is budgeted under CIP Element No. A2.00251.07. The source of funds is Passenger Facility Charges.

OPTIONS:

This work could have been done as planned under the MUSE equipment project, but would not have been completed in time for the grand opening of the international terminals on July 18, 2002, and passengers would have been forced to rely on existing signages or lack thereof, creating additional confusion and congestion to both inside and outside (curbside) of Terminal 1.

RECOMMENDATION:

It is recommended that the Board ratify this change order to furnish and install International Ticket Counter Inserts and Data Cabling and Additional Signage for a total of \$75,908.70, as described above.

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

September 19, 2002

PROJECT TITLE: CONSTRUCTION OF INTERIM TICKET COUNTERS, BUILDING M-102, OIA

CIP NO: A2.00251.07

W.O. #'s: 106568, 106593, 106594, and 106623

PROPOSED FUNDING SOURCES: Port Cash

Narrative- The feasibility study and planning were tracked under Work Order No. 106568. The construction of the new Interim Ticket Counters is being tracked under Work Order Nos. 106593 and 106594.

Budget- The Construction of Interim Ticket Counters and Relocation of CA-One Services are included in the CIP Element No. A2.00251.07. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary (1000's) for CIP Element A2.00251.07

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Cost	Totals
Study of Interim Ticket Counter W.O.#106568			\$80								\$80
Planning Ticket Counters W.O.#106593	\$1	\$2				\$5					\$8
Purchase Trailers & Site-work W.O.#106623	\$80	\$135	\$70	\$335		\$360					\$980
Design and Construct Ticket Counters W.O.#106594	\$269	\$463	\$400	\$2,500		\$300					\$3,932
Totals =	\$350	\$600	\$550	\$2,835	\$0	\$665	\$0	\$0	\$0	\$0	\$5,000

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.
 2. Refer to WMS report by Work Order for direct cost data.
 3. OCIP budget not shown (per S. Blinn).
- CC: to Director of Eng's Secretary {Ivey keeps copies of all PDS(s)}.

Agenda Sheet

SUBJECT: Ratification of Change Order to Contract for Construction of
3rd Curbside Improvements, Terminals 1 and 2, OIA - Modify
3rd Curbside Signage and Install Permanent Fencing

DATE: October 1, 2002

ITEM NO: 18

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

JHW for
 SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: *5*

FACTUAL BACKGROUND:

The Port has a Contract with McGuire & Hester (McGuire) for **CONSTRUCTION OF 3rd CURBSIDE IMPROVEMENTS, TERMINALS 1 AND 2, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA**, which was awarded on March 14, 2002, for lump sum and unit prices totaling \$843,115. The project consists of demolition of existing structures; the construction of a new rental car return roadway; construction of a new 3rd Curbside roadway with 10 new bus shelters; new lighting and signage.

ANALYSIS:

To date, Port staff has issued \$79,229.04 in change orders to address unforeseen site conditions and Aviation requested enhancements. Additional project enhancements were subsequently requested during the construction of this project. These include modified signage and permanent fencing around the project area. Port staff directed the Contractor to complete this work and has negotiated the costs of these changes for a total of \$27,189.75.

This Contract change, amounting to \$27,189.75, will raise the total of all change orders to \$106,418.79, which exceeds the 10% allowance for staff-approved change orders provided by Ordinance 1606.

Change Order Type	No. of Items	Cost	% of Contract	% of Total C.O.s
Administrative	1	\$0.00	0.0%	0.0%
Design Modifications	4	\$5,254.63	0.6%	4.9%
Project Enhancements	7	\$40,870.51	4.9%	38.4%
Field Conditions	2	\$9,658.29	1.2%	9.1%
Omissions	2	\$34,608.15	4.1%	32.5%
Unforeseen Conditions	4	\$16,027.21	1.9%	15.1%

Budget

As explained above, the signage modifications and permanent fencing were not anticipated in the original Contract. This \$27,189.75 Change Order represents 3.2% of McGuire's contract bid price (\$843,115) for the construction of the 3rd Curbside Improvements project.

The construction of the 3rd Curbside Improvements is budgeted in CIP Element No. A2.00756.01. The funding source is Port cash.

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Approved by Resolution
 No. *02329*

Shirley Krueger
 BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

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OPTIONS:

The option of not making the requested changes would force the Airport to operate the 3rd curbside in a less than desirable format, and would make the transit operation inefficient and inconvenient and potentially unsafe for the Airport and its customers.

RECOMMENDATION:

It is recommended that the Board ratify this change order to the Contract for \$27,189.75, as described above.

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

September 19, 2002

PROJECT TITLE: DESIGN AND CONSTRUCTION OF THIRD CURBSIDE AND ROADWAY IN FRONT OF TERMINALS 1 & 2, OIA

CIP NO: A2.00756.01

W.O. #'s: 106523 (Design and Construction), 106445 (Planning and Study)

PROPOSED FUNDING SOURCES: Port Cash

Narrative- Construction of a third vehicle curbside in front of Terminals 1 and 2 is required to accommodate increasing commercial vehicle operations. The existing commercial vehicle curbside is currently functioning near capacity, with no unused space to accommodate growing demands for passenger pickup and drop-off by both commercial and private vehicles. Significant increases in shuttle buses will be generated by the relocation of rental car facilities to the North Field and by changes in parking lots resulting from terminal expansion. The third curbside requirement has been determined through a formal study of terminal access requirements. The project is part of the North Field Rental Car Facility Development Program.

Budget- The design and construction work are included in Element No. A2.00756.01. The total budget for the element is shown in Table 1:

Table 1: Overall Budget Summary for CIP Element A2.00756.01 (1000's)

Project Components	Port Labor & Fringes	Portwide OH	Consultant	Const. Cost	Misc. Other	Totals
Study of Third Curbside (W.O. 106445)			\$67			\$67
Design and Construction of Third Curbside (W.O. 106523)	\$112	\$188	\$298	\$1,103	\$12	\$1,713
Totals	\$112	\$188	\$365	\$1,103	\$12	\$1,780

Remark-

1. Assumes in-house CM.

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 21

SUBJECT: Approval of Sponsorship Funding for the 2002 International Economic Development Council (IEDC) in the amount of \$50,000

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Between September 21 and 25, 2002, over 1,000 top decision-makers from real estate development organizations, consulting firms, financial institutions, public-private sector partnerships, chambers of commerce, major corporations, utility companies, colleges and universities, as well as city, county, state and federal economic development officials will be attending the International Economic Development Council (IEDC) at the Oakland Convention Center.

IEDC was created in May 2001, from the merger of the two largest national economic development organizations – the American Economic Development Council (AEDC) and the Council for Urban Economic Development (CUED). AEDC was founded in 1926 and has represented and nurtured the economic development field as a meeting of Chamber of Commerce professionals dedicated to industrial development, while CUED originated in 1966 founding of the Helping Urban Businesses (HUB) Club, a loosely-federated group of city development officials concerned about the flight of businesses from their cities. In their previous manifestations, and as IEDC, the organizations have provided top quality training and conference opportunities to economic development professionals from across the country. IEDC also offers consulting services to cities and public agencies on such topics as strategic planning, economic development research and analysis, neighborhood development, and technology-led economic development.

In addition, IEDC offers courses in economic development and, upon completion and successful examination, certifies individual proficiency as a qualified economic development professional. IEDC collects, analyzes and publishes numerous professional papers and disseminates best practices information to member individuals and government organizations. The association also represents the interests of the membership before the U.S. Congress and the Administration, as well as before state and city legislative bodies.

This will be the first annual conference of IEDC following the merger. Annual conferences are held each September in a major U.S. city. Cities compete for these conferences and selections are made three years in advance. Last year's conference was held in Philadelphia and the last West Coast conference was held in San Diego in 1998. Typically, the conference provides a showcase for the host city to demonstrate its economic development achievements and opportunities. In addition to economic development practitioners, attendees include real estate developers, representatives of financial institutions, industrial location specialists, and federal government officials.

Topics for the upcoming conference will encompass global, national, regional and local issues, including; business attraction, expansion and retention; technology development; workforce development; e-commerce; community development; redevelopment and reinvestment; financing; and export growth and foreign investment attraction. The attendees will be touring various neighborhoods and project areas in Oakland. Evening events will be held in several locations in the city, including the Rotunda, the new Shorestein building at 555 - 12th Street, and the Chabot Space and Science Center.

ANALYSIS:

The upcoming IEDC Conference provides a welcome opportunity to highlight the many assets of the City to business professionals from across the country. Coming not long after Oakland's designation as the 8th best city for doing business in the USA, the conference will surely be attractive to many interested in learning how Oakland is being sustained so successfully during the economic downturn. The City of Oakland through the efforts of Bill Claggett, CEDA Executive Director and Clint Bolden, former CEDA Director of Redevelopment as board members of IEDC laid the groundwork to bring the event to Oakland.

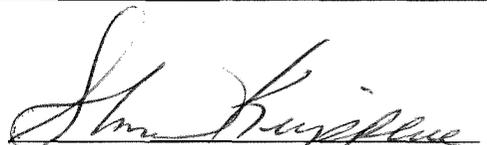
Hosting the conference in Oakland represents a tremendous opportunity to highlight the many advances Oakland has made in developing its local economy. Part of the conference will include local tours of projects and programmatic efforts underway in Oakland, from the waterfront to neighborhood-oriented efforts. Not only will there be numerous professionals from around the

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02330
BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

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DATE

city and world witnessing Oakland's progress, but staff has solicited a number of smaller, local sponsors (developers, consulting, Oakland based firms, commercial brokerage firms) and attendees. The conference will provide these local and regional attendees additional information, testimonials, contacts and resources to enable them to showcase Oakland and to solicit and generate private investment here. It is anticipated that the opportunities for financial return to the City and Port of Oakland brought about by the IEDC conference will outweigh the sponsorship expenditure over time.

In connection with this event, the City and Port of Oakland have committed \$50,000 each. The City of Oakland City Council has already passed a resolution supporting the event and their respective commitment.

In connection with our sponsorship, the Port will receive a number of benefits including participation, attendance and advertising throughout the event period.

In addition, the 1,000+ attendees conference will be a welcome boost to the City's transient occupancy tax revenues which have seen a downturn since September 2001. The Oakland Conventions and Visitors Bureau conservatively estimate that the 1,800 room nights currently reserved will generate \$28,116. Considering all the other expenditures related to the conference, the total economic impact is projected at \$556,920 for the event.

The funding of the sponsorship will come from the CRE land and property sales.

SUSTAINABLE OPPORTUNITIES:

IEDC and its parent organizations have been committed to economic development in urban centers since their conception. The conference will feature a number of workshops addressing sustainability.

LIVING WAGE:

Not applicable.

RECOMMENDATION:

It is recommended that the Port of Oakland Board of Port Commissioners approve the \$50,000 sponsorship contribution.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: October 1, 2002

SUBJECT: Ratification of Submittal of Application for MARAD/TSA Federal Security Grants and Authorization to Execute Grant Awards; Delegation of Authority to Resolve Bid Protests.

ITEM NO: 31

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges

J.A. Bridges

EXECUTIVE OFFICE RECOMMENDATION:

As previously reported, the Port received partial funding from the Transportation Security Administration [TSA] and the Maritime Administration [MARAD] for 3 security enhancement projects totaling \$4,867,071, and on August 6th the Board approved dispensing with standard bidding procedures to expedite furnishing and installing these enhancements at our terminal facilities.

The application process utilized by MARAD/TSA was significantly different than procedures normally used by the Federal Aviation Administration and other federal agencies involved in grant application and awards. This process was essentially a web-based "paperless" approach. The time requirements for submittal of applications were extremely tight and application information was submitted utilizing a special website and "fill-in form" process created by MARAD/TSA. Announcements of grant awards were made in the same way, by accessing the web site and downloading the information. Written acceptance and execution of grant awards was also not handled in the traditional manner.

ANALYSIS

Port Engineering staff is finalizing the bid documents for the security enhancements and we expect the bid packages to be available for issue the week of September 19th. Based on current schedules, the projects will be completed by May 1, 2003, within the timeframes specified by the MARAD/TSA Grant Award. One of the conditions of the Grant is that the Port certifies that it will perform all the activities and projects as set forth and comply with all terms and conditions of the Grant. This requires that the Board ratify the submittal of the grant application, authorize acceptance of the grant award, and authorized execution of grant agreements with the federal government. There is also the possibility of follow-on grant awards in the future utilizing the new "paperless" process.

Because the rapid completion of security improvements at the Port maritime terminals is a matter of substantial public safety, the Port's best interest requires minimizing any delay in awarding and executing construction contracts. Moreover, an extended delay in completion could jeopardize the availability of federal funding for the presently planned projects, or future follow-on projects. A protracted bid protest may cause such a delay. Therefore, the Board should delegate to the Executive Director its authority to resolve any protests in this matter pursuant to Port Ordinance No. 1606, Section 22.

SUSTAINABILITY

In accordance with Resolution no. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying a product or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy does not apply to actions included in the agenda sheet item.

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Approved by Resolution No.

02331

BOARD ACTION TAKEN

Sharon Kuyper

Assistant SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Ratification of Submittal of Application for MARAD/TSA Federal Security Grants and Authorization to Execute Grant Awards; Delegation of Authority to Resolve Bid Protests.

October 1, 2002

Page 2 of 2.

PROJECT LABOR AGREEMENT:

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply to this work.

RESOLUTION:

It is recommended that the Board ratify the submittal of the grant applications submitted to the federal Maritime Administration as well as the acceptance of the Grant Award, dated June 7, 2002, including execution of any necessary agreements with the federal government.

It is further recommended that the Board authorize additional applications for security grants should federal grant monies become available in the future. Finally, it is recommended that the Board delegate to the Executive Director its authority under Port Ordinance No. 1606, Section 22, with respect to any bid protests that arise in connection with the award of contracts for this Project.

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 32

SUBJECT: Authorization to Apply for a Permit from the San Francisco Bay Conservation and Development Commission and Approval of an Agreement with APL, Ltd. for Placement of New Crane at Middle Harbor Terminal.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges ^{For} *M. Buitz*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

APL, Ltd. (APL) has ordered a new electric gantry crane to replace two older diesel-burning cranes at their terminal. The new crane is scheduled for delivery in December, 2002. to be delivered in November of 2002. The placement of the new crane requires a permit from the San Francisco Bay Conservation and Development Commission (BCDC). As the owner of the property it is necessary for the Port to be a co-applicant with APL, Ltd. for the permit. As part of the BCDC permit application, the Port will also be seeking appropriate approvals from the Federal Aviation Administration and the San Francisco Bay regional Water Quality Control Board.

APL will sign a "Bill-to-Others" work order to reimburse the Port for administrative and other costs associated with acquiring the permit. APL will also enter into an agreement with the Port that will require APL to be responsible for meeting all of the conditions and requirements of the permit and to indemnify and hold the Port harmless for any liabilities arising from the permit.

ANALYSIS:

This is an administrative action that will allow the tenant to replace older cranes with a modern state-of-the-art crane that will increase their efficiency and productivity and reduce air emissions.

BUDGET:

The permit work is estimated to cost \$17,000. All costs associated with the BCDC permit and the delivery and placement of the crane will be paid by APL.

ENVIRONMENTAL:

The Port Environmental Compliance Group has determined that the project is exempt from CEQA under section 15302 (b) as a "replacement and reconstruction of a commercial structure with a new structure of substantially the same size, purpose and capacity."

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the staff to co-apply, with APL, for a BCDC permit that will allow APL to replace container cranes at Middle harbor Terminal with a new crane. Further, it is recommended that the Board authorize the Executive Director to enter into an agreement with APL, Ltd. that will indemnify and hold the Port harmless from any liability arising from

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Approved by Resolution No. 02332

BOARD ACTION TAKEN

Shawn Bruggins
Assistant SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 33

SUBJECT: Modification to "Approval of Consultant Agreement for Architectural and Engineering Services for Facilities Redevelopment of APL Maritime Harbor Terminal, Port of Oakland" to provide for 30% design.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges *Jerry*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On September 3, 2002, the Board passed Resolution No. 02287, authorizing to contract for design services from Moffatt & Nichol Engineers for proposed new improvements at the Berths 60-63 terminal facilities presently operated by American President Lines ("APL") under long-standing agreements with the Port. Resolution No. 02287, in accordance with the September 3 Board Agenda Sheet Item No. 35 and the recommendation of the Maritime Committee, provided that the authority to contract for the design services was conditioned upon the Port and APL first entering into a new agreement for the Berths 60-63 facilities. The Board had previously adopted Ordinance No. 3683 on February 19, 2002 (based on the February 5, 2002 Board Agenda Sheet Item No. 23) approving and authorizing the execution of a new Non-Exclusive Preferential Assignment Agreement with APL (the "New Agreement"), which would replace the several different agreements with APL which presently cover Berths 60-63. The New Agreement has not been executed because the Port and APL first want to see the results of a 30% design completion so it is clear what can be constructed by the Port within the Port's \$45 million budget. Estimated cost for the 30% design for improvements to the terminal that would be done by Moffatt & Nichol Engineers is approximately \$750,000, but could reach \$1,000,000.

ANALYSIS:

The New Agreement under negotiation provides for a substantial increase in revenue relating back to August 1, 2001 upon execution of a finalized contract document. However, the Port and APL are not able to finalize that document due to the uncertainty of the level of improvements that can be constructed within the budget restrictions.

The Port has already done extensive estimating of costs. The request to perform this additional design work up to the 30% design level will build upon this preliminary work and is necessary to define and definitively evaluate the benefits of the anticipated improvements for the APL Terminal.

While the Port is advancing the cost for this additional design, it should be noted that APL has purchased a new gantry crane costing approximately \$7,000,000 and expects to have the new crane delivered in October.

OPTIONS:

None. Both parties need the additional information to ensure the most cost effective expenditure of the improvement construction budget.

ENVIRONMENTAL:

Based upon the repairs and upgrades contemplated to the APL Terminal at this time, the project has been determined to be exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 2 (Guidelines Section 15302), which consists of 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; Class 4, which consists of minor public or private alterations of land...including but not limited to (a) grading on land with a slope less than 10%...and (b) new gardening or landscaping. However, as the exact details of the work are refined, the degree of work contemplated at this time could potentially change significantly; should this occur further environmental review may be required. Prior to entering into a construction contract for any proposed construction upgrades and improvements, the Board may need to make new findings under CEQA.

The upgrades and improvements that are anticipated for the project will not increase the terminal capacity. This statement is based on the discussion on terminal capacity in the 1997 San Francisco Bay Seaport Plan. Further, a study

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Approved by Resolution
No. 02-333

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD OCT - 1 2002
DATE

Modification to "Approval of Consultant Agreement for Architectural and Engineering Services for Facilities Redevelopment of APL Middle Harbor Terminal, Port of Oakland" to provide 30% design.

conducted in 1999 by a consultant to the Port describes its analysis and forecast on throughput capacity as conservative and estimated maximum reasonable throughput capacity under the current terminal operating economics. According to this analysis, the throughput capacity, analyzed on a TEU per acreage basis, may be increased by performance improvements, increased storage capacities and reduced dwell time. Improved performance at the terminal, including the deepening of the channels to allow for bigger ships, can only account for a marginal growth (estimated at 1% annually) because the economics of the container storage and even more the land-side transport of containers is the bottle-neck at the Port of Oakland. (Jordan Woodman Dobson report; Container Movement Growth Scenario, Vision 2000 Developments through 2010; March 8, 1999; pg. 3).

BUDGET

Work for the 30% design to improvements is budgeted under CIP Element No. M3.00678.01 and the funding source is Port cash; included in the Board's September 3, 2002 authorization for consultant architectural and engineering services for the APL Terminal.

LIVING WAGE

The Port's living wage ordinance applies. All firms will be required to comply if not already in compliance.

SUSTAINABILITY

The project design will conform to the latest editions of applicable codes and regulations, and also incorporate the Port's sustainable development strategy.

PROJECT LABOR AGREEMENT

The provisions of the Port's Maritime and Aviation Project labor Agreement do not apply to this proposed contract.

RECOMMENDATION:

It is recommended that the Board amend Resolution No. 02287 to authorize contracting for 30% design work by Moffatt & Nichol Engineers, as outlined above.

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 35

SUBJECT: *A* Authorization for Procurement of Sheet Piles for the Construction of Berths 32/33 Wharf Rehabilitation Project, Outer Harbor

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: *JKW for* Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION: *5*

FACTUAL BACKGROUND:

The existing Berths 32/33 wharf is 100 feet wide, a combined total of 1532 feet long, with 34-foot gage crane rails. In its present condition, it is not capable of handling the current generation of container ships. Consequently, the Maritime Division of the Port has requested that appropriate improvements be constructed. Matson Terminal, which currently occupies Berths 32/33, may vacate the terminal as early as November 2002, which will provide the ideal opportunity to rehabilitate the wharf.

Proposed improvements include extending the Berths 32/33 wharf to align with the face of the adjacent Berth 30, constructing a new wharf structure to fill-in the existing 240-foot gap between Berth 32 and Berth 30, embankment improvements to facilitate dredging for future deeper draft ships, retrofitting the wharf to support 100-foot gage cranes, and relocating associated utilities. In order to stabilize the embankment in preparation for the future -50 foot deepening of the berths, sheet piles must be installed along the face of the wharf.

Analysis

Procurement of sheet piles is a time consuming process that typically takes 3 to 4 months from the time of ordering the materials to the time of receipt. In order to avoid construction delays to the upcoming Berths 32/33 Wharf Rehabilitation project, it is proposed that the Port purchase the sheet piles ahead of time. Approximately 80,000 square feet of sheet piles are proposed for this project. The Port plans to obtain bids from qualified suppliers and award a contract to the lowest responsive responsible bidder.

Environmental

A Negative Declaration for the project has been prepared and is being circulated for public review. The Board will make a final environmental determination when the project is approved.

General Plan

Not applicable at this time. General Plan Conformity Review will be conducted at the time of installation.

Budget

The purchase of the sheet piles is budgeted in CIP Element No. M2.00408.01. The cost for the fabrication and delivery of the sheet piles is estimated to be approximately \$1,800,000. The funding source is Port cash. The Project Budget Summary is attached.

Sustainability

N/A

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Approved by Resolution

No. OR 334

BOARD ACTION TAKEN

Assistant

Ann Kruppel
SECRETARY OF THE BOARD

OCT - 1 2002

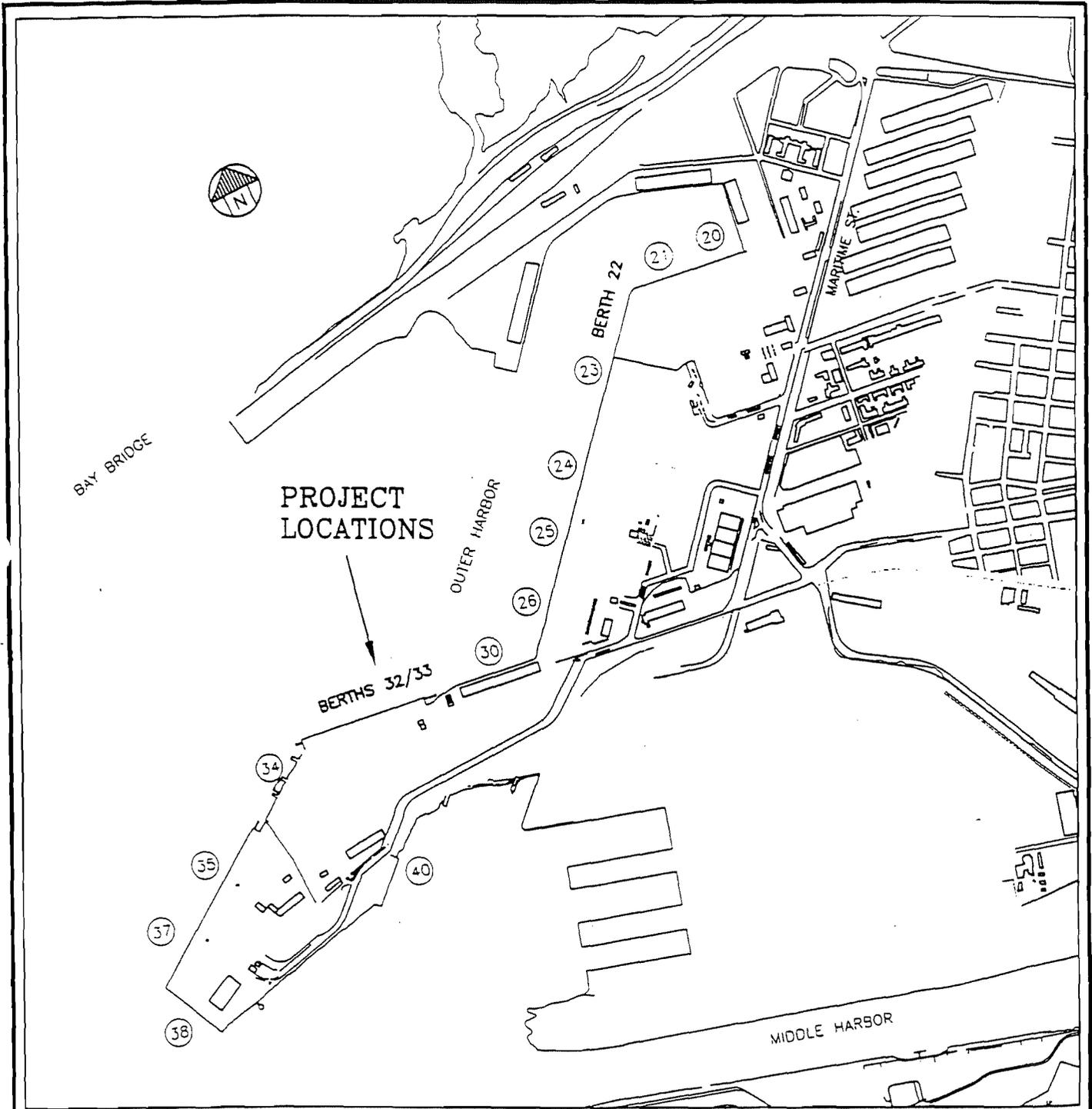
DATE

Project Labor Agreement

The sheet piles will be installed as part of Berths 32/33 Wharf Rehabilitation Project, which will be subject to the Project Labor Agreement.

RECOMMENDATIONS:

It is recommended that the Board find it to be in the best interests of the Port to purchase the sheet piles for the construction of Berths 32/33 Wharf Rehabilitation; and that authorization be granted to advertise for bids to be received on October 16, 2002.



PORT OF OAKLAND

PRELIMINARY SCHEDULE:
BERTHS 32 & CONSTRUCTION

ID	Task Name	Duration	Start	Finish	Qtr 1			Qtr 2, 2002			Qtr 3, 2002			Qtr 4, 2002			Qtr 1, 2003			Qtr 2, 2003			Qtr 3			Qtr 4, 2003		
					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
1	PHASE 1 - Preliminary Design Phase	39 days	Tue 01/22/02	Fri 03/15/02	- Preliminary Design Phase 03/15																							
6	PHASE 2 - Design Development Phase	29 days	Tue 03/26/02	Fri 05/03/02	PHASE 2 - Design Development Phase																							
7	Design Development Phase	29 days	Tue 03/26/02	Fri 05/03/02	Design Development Phase																							
8	PHASE 3 - Construction Document Phase	136 days	Mon 05/06/02	Mon 11/11/02	PHASE 3 - Construction Document Phase 11/11																							
9	Construction Document Phase 65%	61 days	Mon 05/06/02	Mon 07/29/02	Construction Document Phase 65%																							
10	Construction Document Phase 95%	56 days	Mon 08/26/02	Mon 11/11/02	Construction Document Phase 95%																							
11	PHASE A - Upgrade Study	119 days	Fri 03/01/02	Wed 08/14/02	PHASE A - Upgrade Study 08/14																							
21	PHASE 4 - Bidding and Award Phase	77 days	Tue 11/19/02	Wed 03/05/03	PHASE 4 - Bidding and Award Phase 03/05																							
22	Bid, Award	47 days	Tue 11/19/02	Wed 01/22/03	Bid, Award																							
23	Execute Contract	30 days	Thu 01/23/03	Wed 03/05/03	Execute Contract																							
24	PHASE 5 - Construction Phase	302 days	Tue 10/01/02	Wed 11/28/03	PHASE 5 - Construction Phase																							
25	Procurement of Sheet Pile	100 days	Tue 10/01/02	Mon 02/17/03	Procurement of Sheet Pile																							
26	Construction	190 days	Thu 03/06/03	Wed 11/26/03	Construction																							

Revised: 4-10-02
Printed: Tue 09/17/02, 4:00 PM

Task: Progress: Summary: Rolled Up Critical Task: Project Summary:

Critical Task: Milestone: Rolled Up Task: Rolled Up Progress:

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL
September 13, 2002

PROJECT TITLE: Berths 32/33 Wharf Rehabilitation
CIP NO: M2.00408.01
W.O. #'s: 104098
PROPOSED FUNDING SOURCES: Port Cash

Narrative: The Berths 32/33 Wharf Rehabilitation is being tracked under work order No. 104098.

Budget: This project is included in the CIP Element No. M2.00408.01. The project budget totals approx. \$23,908,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M2.00408.01

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	OPA	Totals
Berths 32/33 Wharf Rehabilitation	1,123	1,908	1,857	17,200	0	0	0	0	0	0	22,088
Procurement of Sheet Pile	7	13	0	1,800							1,820
Total =	1,130	1,921	1,857	19,000	0	0	0	0	0	0	23,908

Remarks/Notes:

1. This report provides budget "snapshot" for Director of Eng, Port Commissioners, etc.

Agenda Sheet

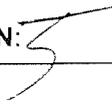
^{TD}
SUBJECT: Approval to Establish Executive Director's Authority to Authorize Changes in Scope to Agreement with Consolidated CM for Construction Management Services for Construction of Berths 57-59 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000

DATE: October 1, 2002
ITEM NO: 36

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations C. I.
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port's Vision 2000 Program consists of Container Terminals (Berths 55,56,57,58,59), the Realignment of 7th Street and Construction of "New Road", the Joint Intermodal Terminal (JIT), and the Middle Harbor Shoreline Park (MHSP). Due to the magnitude of the program, the Port's Construction Department has hired consultant firms to provide construction management services for the projects.

The Port has a current Professional Services Agreement with Consolidated CM to provide construction management services for the **Construction of Berths 57-59 Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, California**. The Board authorized a maximum compensation of \$4,500,000, with no provision for an additional amount that may be approved by the Executive Director for additional change in scope work.

ANALYSIS:

Subsequent to the agreement with Consolidated CM, the scope of the work was increased in these areas:

- Management of additional construction contracts for the Construction of Product Recovery and Groundwater Treatment System at Union Pacific Trailer-On-Flatcar site.
- The period of Construction Management Services was extended by approximately eight months.
- Management of major change orders to add the construction of the Berth 59 wharf and backlands valued at approximately \$9 million.

Port staff worked with the consultant to rearrange staff to minimize the impact of these changes on the contract. However, additional funds are needed to complete the construction management work. The establishment of the Executive Director's ~~\$90,000~~ \$290,000 authority will allow the Port to fund these changes and any other unforeseen changes as the projects are closed out. The consultant has been working diligently with Port staff and the design consultant throughout.

Budget

The work is budgeted under CIP element No. M6.00585.01. The funding source is Port bonds.

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No. 02335

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A summary of the proposed compensation changes is provided below:

	DESCRIPTION	DATE	AUTHORIZED	PENDING
1	Original Board Authorization Maximum Allowable Compensation	10/22/99	\$4,500,000	
2	Proposed Board Authorization – Executive Director's Authority for Changes in Scope	10/1/02		\$90,000 <u>\$290,000</u>
3	Proposed Maximum Possible Allowable Compensation			\$4,590,000 <u>\$4,790,000</u>

RECOMMENDATION:

It is recommended that the Board authorize the establishment of the Executive Director's authority to authorize changes-in-scope to the agreement with Consolidated CM for construction management services, as described above, in the amount of ~~\$90,000~~ 290,000.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET DETAIL

September 19, 2002

PROJECT TITLE: Construction of Berths 57/59 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, California

SUBJECT: Approval to Establish Executive Director's Authority to Authorize Changes in Scope to Agreement with Consolidated CM for Construction Management Services for Construction of Berths 57-59 Container Wharf, Fill and Middle Harbor Shoreline Modifications, Vision 2000 Program

CIP NO: M6.00585.01

W.O. #: 103527

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of Berths 57-59 Container Wharf, Fill and Middle Harbor Shoreline Modifications is being tracked under Work Order No. 103527.

Budget: This project is included in the CIP Element No. M6.00585.01 budget, which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.01.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.01	1056	1682	49460	7567						59765
Total =	1056	1682	49460	7567						59765

Remarks:

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

September 19, 2002

PROJECT TITLE: Replace Domestic Water Lines at Berths 20, 21 & 22

CIP NO: M1.00501.10

W.O. #: 103994

PROPOSED FUNDING SOURCES: Port cash

Narrative: The Project to Replace Domestic Water Lines at Berths 20, 21 & 22 is being tracked under work order # 103994. The total estimated construction cost includes two change orders pending board approval.

Budget: This project is accounted for under CIP Element # M1.00501.10. The project budget totals \$1,495,431 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element M1.00501.10

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	LERRS	Allowance & Contributions	Contingency	Tenant Const. Costs	Totals
Project Design	200	340	33	819.4	0	103	0	0	0	0	1,495.
and Construction											
Total =	200	340	33	819.4	0	103	0	0	0	0	1,495.

Remarks/Notes:

1. OCIP budget not shown. Estimated insurance costs included in Construction Cost estimate.

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 38

SUBJECT: Approval to Negotiate and Enter into a Consultant Agreement with Alpha Spectrum Productions, Inc. for Preparation of an Educational Documentary Video; Approval to Dispense with Standard Competitive Bidding Procedures

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry Bridges *for* *Michael Butzoff*

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten mark]*

FACTUAL BACKGROUND:

In 1999, the U.S. Army Corps of Engineers, San Francisco District, determined that the Berths 55-58 Project (Project) would have an adverse effect on the Oakland Inner Harbor Jetties and Federal Channel, a property determined by consensus to be eligible for the National Register of Historic Places. After consultation with the California State Historic Preservation Officer (SHPO), the Oakland Landmarks Preservation Advisory Board, and the staff of the Oakland Cultural Heritage Survey, the Board of Port Commissioners adopted the stipulations of a Memorandum of Agreement (MOA) regarding the effects of the Project on cultural resources.

As part of the construction of Middle Harbor Shoreline Park (MHSP) and in compliance with the above-mentioned MOA, the Port of Oakland (Port) will relocate, reconstruct and preserve along the shoreline of MHSP a section of the North Jetty not less than fifty (50) yards long. This reconstruction will be performed in accordance with recommendations obtained from the Dry Stone Masonry Conservancy. Construction will begin on this component of the project in September 2002.

The MOA for the Project also contains a Community Education component, stipulating that the "Port shall furnish funds for and cooperate with local organizations to develop an education program to provide Oakland students with the opportunity to observe and understand the reconstruction of the North Jetty, including the unique properties of dry stone masonry and its place in the development of Oakland Harbor. Special attention shall be directed toward familiarizing students with engineering concepts and to providing guidance in pursuing careers in engineering."

In order to comply with the Community Education stipulation in a manner that will reach the largest number of students, Maritime Division staff has proposed production of an educational documentary video that will provide the above-mentioned educational opportunities to the community in conjunction with interpretive efforts in MHSP and outreach to the Oakland Public Schools. The video would use archival photographs and maps as well as interviews with project participants and community members and would focus on the story of the reconstruction of the training wall, while providing a historical perspective on harbor engineering and how 19th century ideas relate to engineering in the 21st century. Based on the content of interviews and documentary material, a script would be developed in consultation with the Oakland Landmarks Preservation Advisory Board, Oakland Unified School District, Port engineers, and the dry stone masons.

After consultation with Caltrans staff, who produced a similar documentary video, and consultation with the Oakland Landmarks Preservation Advisory Board, Port staff has identified Bill Levinson of Alpha Spectrum Productions, Inc., an Oakland-based video production company, as the most qualified candidate to prepare the documentary video. Alpha Spectrum Productions collaborated with Caltrans and the Anthropological Study Center to produce a documentary video on the archaeological excavations at the Cypress Replacement Project in 1999. Because of his unique experience, Mr. Levinson has developed a relationship with the local historic preservation community and as already accumulated extensive resources that can be directly applied to producing the dry stone masonry video. Mr. Levinson has submitted a proposal to complete a 15-minute educational documentary on videotape about the relocation and reconstruction of the North Jetty by the dry stone masonry method along the shoreline of the Middle Harbor Shoreline Park. The program will incorporate approximately six location interviews with the principal individuals involved in the project in addition to historical photographs and artifacts, and live action. The program will be narrated by a professional voice-over talent and will incorporate approximately four minutes of music and character generated graphics.

ANALYSIS:

Maritime staff only recently became aware of the schedule for the North Jetty reconstruction. Dry stone masons associated with the Dry Stone Masonry Conservancy are expected to begin work in late September 2002. Work on the

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No. 02337

BOARD ACTION TAKEN

Assistant

[Signature]
SECRETARY OF THE BOARD

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DATE

relocated jetty is expected to take six to eight weeks. Therefore, there is a limited time frame within which video footage of the actual reconstruction as well as interviews with the participants in the project can be obtained. In order to save time in identifying a qualified documentary video production company, Port staff consulted with Caltrans staff. Through Alpha Spectrum Productions work on the Caltrans archaeological documentary video, Mr. Levinson has developed an established record of filming on an active construction site and an ability to communicate the unique nature and significance of historic resources, such as the North Jetty, to the public. Since standard bidding and contracting procedures would be expected to extend beyond the construction period for the reconstructed jetty, Port staff recommends that those procedures be waived for this project.

Environmental

The Board of Port Commissioners certified an Environmental Impact Report (EIR) and Revisions the EIR (collectively, the Final EIR) for the Berths 55-58 Project and adopted a Mitigation Monitoring and Reporting Program (MMRP) in 1999. The video project will satisfy one of the mitigation requirements of the MMRP.

General Plan

Not applicable

Budget

The budget for the video project is \$20,000. The work is budgeted under CIP Element No. M6.00546.03 for Vision 2000/Berths 55-59 historic mitigation. The funding source is Port cash and/or bonds.

Sustainable Opportunities

By completing an interpreted video documentation of the relocation and reconstruction of the North Jetty by the Dry Stone Masonry method, the Port will preserve the knowledge and make it available to a wide audience.

roject Labor Agreement

Not applicable.

OPTIONS:

1. Authorize the Executive Director to execute a contract with Alpha Spectrum Productions, Inc., dispensing with standard competitive bidding procedures.
2. Take no action. Direct staff to procure consultant services using standard bidding procedures. The project would be delayed substantially, the window of time for recording the reconstruction of the North Jetty would be missed, and another approach would need to be formulated to complete the mitigation measure.

RECOMMENDATION:

It is recommended that the Board adopt a resolution to:

- Determine that the services described above are professional services;
- Find that it is in the best interest of the Port to award the contract for preparation of an educational documentary video without standard competitive bidding procedures;
- Approve and authorize execution by the Executive Director of a Consultant Agreement with Alpha Spectrum Productions, Inc. for preparation of an educational Documentary Video.

Agenda Sheet

DATE: October 1, 2002

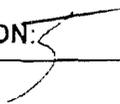
ITEM NO: 41

SUBJECT: Approval of Port Assistance Policy, Program and Staffing (Resolution)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones, Director of Communications 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

On June 25, 2002, the Oakland Board of Port Commissioners' Administrative Committee convened its regular meeting and approved a proposed policy, staffing and process for Port in-kind and cash assistance.

A copy of the proposed Port of Oakland Assistance Policy is attached (Attachment A).

In Spring 2001, the Board's Administrative Committee charged the Communications Division with the responsibility of developing a contributions program that would provide for strategic giving and effective tracking of dollars and in-kind activities by the Port for the direct benefit of the community. June 2001, the Committee accepted the policy in concept, however expressed an interest in greater participation by the Board as well as the review of different forms of giving including establishment of a foundation, endowment, and/or a combination of agency and foundation giving.

Over the past year, the policy has been used as a working document in making decisions on Port assistance. It is now time to implement a formal process that will allow for better coordination and strategic giving.

Process:

A) Process Flow

Effective FY02-03, the following process is being followed (Outlined below are the key elements of the process):

Application Received → Program staff receives/prepares for Review →
Port Assistance Review Committee → Decision Implemented by Program staff (process release of funds/in-kind services or forward decline letter) → Monthly Summary Report submitted to the Board's Administrative Committee.

B) Creation of One Account

The Committee and Executive office have agreed to create one Port general account that will hold the funds for Port assistance. Effective FY02-03, all monies itemized in the G230 accounts (Community/Public Relations) will be designated and available for disbursement through the Port Assistance program and will be monitored by the Communications Division. The Communications Director will manage the account under the direction of the Port's Assistance Review Committee. The Communications Division will have no independent access to this fund. Mechanisms will be in place to provide for easier tracking of types of Port giving and overall contributions.

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 Assistant SECRETARY OF THE BOARD

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C) Calendar

Creation of a web-based calendar for coordination, tracking and notification of events is in development.

ANALYSIS:

The Communications Division has been in consultation with the Strategic Planning and Finance Divisions along with the Port Attorney's office and other agencies and organizations in development of this policy and process.

Several corporate, municipal and quasi-municipal agencies were contacted during the process of preparing this policy. They included: Shell Oil, Lucent Technologies, AT&T Communications, Wells Fargo, the Port of Long Beach, San Diego Unified Port District, the Clorox Company, AC Transit and East Bay Municipal Utility District (EBMUD). Most agencies do not have formal policies regarding charitable giving, but have established guidelines and practices. Some determine support on a case-by-case basis. Others have a formal process with specific criteria for giving requiring that all requests be submitted as a written proposal.

The Port of Long Beach has adopted guidelines formalizing their process for giving. In addition to their regular giving, Long Beach has established a relationship with four (4) organizations that it supports annually through sponsorship. Each organization has some maritime or trade connection. They are the Steamship Association, Foreign Trade Association, the Propeller Club and the International Business Association.

The Port of Long Beach also contributes \$10,000 annually to the Global Logistics Specialist Program at Long Beach State University. All other requests for donations are forwarded to a committee of the board for review and decision-making.

The San Diego Unified Port District (District a.k.a. Port of San Diego) has a formal 10-page application process to assist with review of requests received for financial assistance. Applications are received once a year for consideration and award. Each request must include evidence that at least 25% of the total budget of the proposed event, exclusive of in-kind services, is being provided by sources other than the District. Important elements of their assessment of each request considers promotion of the Port in the furtherance of its public relations goals, development of the regions economy, and the opportunities the request presents regarding furthering the Port's trade development and marketing goals. Organizations receiving financial assistance in one year, does not guarantee financial assistance in any subsequent year.

The Clorox Company limits its giving to health and education initiatives. It does not support events or provide sponsorship, but instead offers one time mini-grants to organizations.

Citing its status and as a public agency, AC Transit does not make contributions of any kind.

East Bay Municipal Utilities District (EBMUD) has what it calls a "practice" rather than a policy relative to donations and sponsorship. The distinction being there is no formal policy that has been drafted and adopted by its board. The practices are based upon the organizational emphasis on economic development, which serves as a guide for donations and sponsorship. Donations are consistent with the promotion of economic development. In the area of donation of surplus goods, the agency says it follows established laws governing this area.

The proposed Port of Oakland Assistance Policy, provides for a uniform guideline for awarding assistance to local organizations. The objective of the Port Assistance Policy is to provide monetary or in-kind assistance to those agencies and organizations from the local community that contribute to the furtherance of the Port's public relations goals, its trade development and marketing, and the development of the local economy.

Port assistance will focus on the enhancement of our greater Oakland community. It will also provide a set of uniform guidelines for ensuring that the Port Assistance program creates value for the greater Oakland community and promotes the goals and objectives of the Port's maritime, aviation, and commercial real estate divisions. The long-term goal is to ultimately establish a foundation that will enable the Port to raise its own money to afford the community goodwill that it provides the greater Oakland community today.

FISCAL IMPACT:

The establishment of a policy that provides for a coordinated and strategic giving program will prevent budget overruns and better budget management in the area of Port assistance.

Staffing:

Effective implementation and maintenance of this program will require a part-time (.5) staff person to assist in preparation and coordination of requests, meetings, correspondence, process of checks, etc. It is proposed that this position would be funded through strategic coordination, effective tracking and timely delivery of the program. Annual cost would be approximately \$38k for such a contract position. It is proposed that upon the conclusion of one year, the Committee will evaluate the effectiveness of this position and determine whether ongoing funding should continue.

SUSTAINABILITY OPPORTUNITIES:

The Port's primary mission is development and management of efficient cargo and passenger transport, but it is also a member of a large and diverse community. The Port's commitment to being a good neighbor by providing resources in support of community programs that create benefits and value to the community contributes to sustainability.

LIVING WAGE:

Funding of a proposed contract position for the Port Assistance Program would comply with both the Port's Living Wage Ordinance No. 3666 requirements and City of Oakland's Living Wage Charter requirements.

RECOMMENDATION:

It is recommended that the Board accept this report, adopt the Port Assistance Policy and approve funding for a contract administrative position and program outlined in this report.

Attachment: **A-** Port Assistance Policy



PORT OF OAKLAND

PORT ASSISTANCE POLICY

POLICY

The Port of Oakland, through its Port Assistance Policy, may elect to award assistance to local organizations. The objective of the Port Assistance Policy is to provide monetary or in-kind assistance to those agencies and organizations from the local community that contribute to the furtherance of the Port's public relations goals, its trade development and marketing, and the development of the local economy.

The Port Assistance Policy will focus on the enhancement of our greater Oakland community. The policy's objective is to provide a set of uniform guidelines for ensuring that the Port Assistance program creates value for the greater Oakland community and promotes the goals and objectives of the Port's maritime, aviation, and commercial real estate divisions.

CRITERIA

The criteria shall be considered in all Port Assistance decisions. To be eligible for consideration, the applicant must meet the following criteria:

- Organizations must be located or serve communities in Oakland or the Local Impact Areas of Alameda, San Leandro and/or Emeryville
- Formal application must be submitted
- The request must be consistent with and further the goals and objectives of the Port's mission as set forth by City Charter

EVALUATION

A Port Assistance Review Committee has been established to review and act on all completed applications with careful consideration. All requests require the completion of the Port Assistance application and must be received in the Port's Community Relations office at least two months prior to your event. All incomplete applications will not be considered and will be returned. Requests exceeding \$2500 will require special review and approval. Additional materials such as binders and videos should not be included with the application and will not be returned.

LIMITATIONS

The following will NOT be considered for funding:

- For-Profit Entities
- Direct Assistance to Individuals
- Religious Organizations
- Existing Debts, Obligations or Deficits
- Political Parties, Candidates or Activities
- Incomplete applications and those that do not meet the prescribed criteria will not be considered and will be returned
- Requests prohibited by any charter or administrative policy restriction that may prevent Port assistance (i.e. Oakland City Charter, federal grants, state law, and all other applicable laws)

Sponsorship and/or assistance will be limited to available funds

Agenda Sheet

DATE: October 1, 2002

ITEM NO: 42

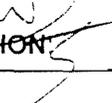
SUBJECT:

Approval of Communications Consulting Services with Washburn and Newsmaker Media Inc.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

The Port of Oakland is the subject of a wide range of issues requiring public communication of positions and action taken. Often, issues are prompted by the media, which, then become time sensitive and require immediate response and/or action. That external response is to a number of audiences. Local businesses and community, the media, special interests such as environmental and legal, local, state, and federal government, etc; each require focused attention and/or response.

The Port's strategic communications plan has been developed and addresses the needs of education and informing a wide and diverse audience. It is the responsibility of the Communications Division to keep the public continuously informed and advised about the Port, its programs, and operations. A number of initiatives have been undertaken over the past year that have greatly enhanced the public's understanding of the Port, its mission and operations. It is an ongoing responsibility to keep the public educated and informed. Recent issues continue to generate public interest in security and safety. Numerous legislative and policy actions have also been taken that require increased external communication.

Public awareness of the Port and its mission has been significantly enhanced by these efforts but must continue to be cultivated and maintained. For the past six months, the Communications Division has focused primarily on needs such as: a cohesive message, a unified look, and increased outreach to transportation partners, elected officials, private sector stakeholders, and the public.

The Division produced a six-minute Port information/promotional video, a quarterly Port magazine, undertook a more strategic approach to external relationships and communications; produced several Portwide educational and advocacy events, as well as implemented the Board's Port Assistance program, a program for naming port facilities, and increased legislative advocacy at the state and federal levels. The next phases of the Communications strategy are ready for implementation.

ANALYSIS:

In general, the Port has entered an unprecedented era and the need for increased communication and public awareness continues at an even higher level.

The Communications Division requests the ability to draw upon the professional expertise and services of individuals who can augment the existing communications staff and resources. The Division has identified two consultants to provide communications consulting services in the implementation of the next phases of its communications strategy.

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No. 023397

02340 BOARD ACTION TAKEN

Assistant

Sharon Kuppas SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Subject:

Approval of Communications Consulting Services with Laura Washburn and Newsmaker Media Inc.

Page 2 of 2

Laura Washburn:

Laura Washburn has worked with the Communications Division over the past year and would assist in the overall development and creative presentation of our Annual Report and the Report to the Community. She would also be a key support to the Division in implementation of the Port's public art policy. Ms. Washburn has developed a tremendous base of knowledge about the Port and would be able to effectively move forward on a number of key Division projects, including the important next step in Port identity and logo development. She is able and qualified to assist in a number of critical areas.

Newsmaker Media Inc:

Another individual/firm who has worked closely with the Division and would assist in furthering the communications strategy is Newsmaker Media (Kathleen Baca). Newsmaker Media will provide the following services as it relates to further implementation of the Division strategy: Assistance in evaluation of media plan, creating proactive opportunities, outreach, and development of an editorial calendar. Newsmaker Media would provide ongoing consultation and assistance in planning long-term media goals and projects for the Media and Public Relations Department. Another critical area would be assistance in developing an advertising budget and calendar based on Division goals and timing. Newsmaker Media would provide direct assistance in helping to launch the identity project, initiating analysis and evaluation of the current strategy and public perception.

Both consultants will work closely with Communications staff in evaluation and revision of the existing Communications Plan.

FISCAL IMPACT:

The total cost of these services is estimated to be not more than \$100,000. This amount is included within the Communications Division Operating Budget for FY 02-03. It is proposed that an agreement for \$50,000 be executed w. Laura Washburn and a separate agreement be executed w. Newsmaker Media for \$50,000.

SUSTAINABILITY ANALYSIS:

Time and use of resources will be sensitive to the Port's sustainability policies and will be monitored to insure economic efficiencies, social equity, and reducing environmental impacts.

LIVING WAGE ANALYSIS:

These agreements will be in full compliance with both the Port's Living Wage Ordinance and the City of Oakland's Living Wage Charter Amendment.

RECOMMENDATION:

It is recommended that the Board:
Determine that the consulting services, as described, are professional services and; authorize preparation and execution of separate consultant agreements with Laura Washburn and Newsmaker Media (Kathleen Baca).

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: October 1, 2002

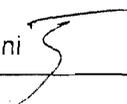
ITEM NO: 43

SUBJECT: PERSONNEL ITEMS
Creation of Classification/Position

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF CLASSIFICATION/POSITION – Ordinance (2 Readings)

A) It is requested that the Board approve the creation of the classification **Administrative Analyst I**. The classification is being created to downgrade and replace a vacant Port Equal Opportunity Specialist position, which was approved as a result of the **FY 2002/2003 Staffing Plan**. The salary is to be placed at **Salary Schedule 232.2** (a--\$4,611; b--\$4,842; c--\$5,084; d--\$5,389; e--\$5,713).

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Administrative Analyst I	OPER	OEO	1	D	232.2 (a--\$4,611; b--\$4,842; c--\$5,084; d--\$5,389; e--\$5,713)

RECOMMENDATION

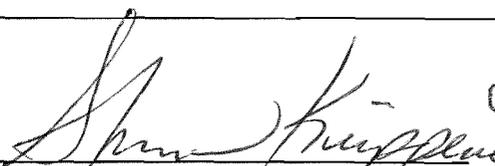
It is recommended that the Board of Port Commissioners approve the preceding creation of classification/position.

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BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Agenda Sheet

DATE: October 1, 2002

SUBJECT: APPROVAL TO CONFORM PORT ORDINANCE NO. 3666 REQUIREMENTS TO THE REQUIREMENTS OF OAKLAND CITY CHARTER SECTION 728, ENTITLED "LIVING WAGE AND LABOR STANDARDS AT PORT-ASSISTED BUSINESSES

ITEM NO: 44

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations **C. I.**

SUBMITTED BY: **Bernida Reagan**

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

On November 16, 2001, the Port of Oakland Board of Commissioners passed Ordinance No. 3666, entitled "An Ordinance Establishing a Living Wage Requirement." Ordinance No. 3666 requires that specified service contractors with the Port of Oakland and specified Port financial assistance recipients ("PFARs") pay their non-exempt employees a Living Wage rate and provide such employees with at least 12 compensated days off per year. Specifically Port Ordinance No. 3666 applies to service contractors with Port contracts worth more than \$25,000, that have 5 or more employees spending 25% or more of their total work time under the contract, and PFARs that receive \$100,000 or more in financial assistance from the Port that employ 5 or more employees working on the project that is the subject of the financial assistance. Port Ordinance No. 3666 provides incentives for covered employers to provide health benefits to their covered employees, gives the Port power to monitor compliance, and gives employees the rights to bring private actions in court against covered employers in violation of the Ordinance.

On March 5, 2002, the voters in the City of Oakland passed Measure I, adding to the City Charter Section 728 ("§728") entitled "Living Wage and Labor Standards at Port-assisted Businesses." §728 requires Port Aviation and Maritime businesses that meet specified minimum threshold requirements to pay all non-exempt employees a Living Wage rate established by City Ordinance and adjusted annually based on the Consumer Price Index for the San Francisco, Oakland and San Jose area. Specifically, §728 applies to Port contractors and financial assistance recipients with the Aviation or Maritime divisions that have contracts worth more than \$50,000 and that employ more than 20 employees who spend more than 25% of their time on Port-related work. §728 also provides covered employers with incentives to provide health benefits to employees, establishes a worker retention policy, requires covered employers to submit quarterly payroll reports and requires covered employers to allow Port representatives access to payroll records in order to monitor compliance and labor organization representatives access to workforces during non-work time and on non-work sites. The California Secretary of State accepted and filed §728 on April 25, 2002, making §728 effective for contracts entered into after that date (i.e., contracts entered into on April 26, 2002 or thereafter). Covered employers are responsible for complying with the provisions of §728 from the date the covered contract is entered into.

ANALYSIS:

Port Ordinance No. 3666 and City Charter §728 pertain to the same issues and are meant to address the same concerns. Port Ordinance No. 3666 and §728 overlap on several key points and there are circumstances where both may apply to an employer. They are also, however, divergent on other points that make the administrative task of reconciling the two, determining whether either, neither or both apply to a particular contract and monitoring compliance when one or both do apply difficult and time-consuming. Reconciling the two would functionally make for one Port policy regarding the Living Wage that would be easier to understand for employers seeking notice of what the law requires, and easier to enforce.

The proposed ordinance would amend Port Ordinance 3666 by making the Ordinance applicable to Service Contracts

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

[Signature]

OCT - 1 2002

DATE

with any Port Division, changing the minimum requirements to contracts or financial assistance grants worth more than \$50,000, and employers with more than 20 employees working on Port-related work. The proposed ordinance will also conform §728 to Port Ordinance No. 3666 compensation rates by requiring Port-Assisted Businesses, as defined in §728, and month-to-month tenants covered by §728 per Board policy, to provide to employees at least twelve compensated days off per year as is currently required of services contractors and financial assistance recipients subject to Port Ordinance No. 3666. **To assure no adverse affect to employees currently receiving Living Wage compensation rates pursuant to the requirements of the Port's Ordinance, the Ordinance amendment is proposed to apply prospectively so as not to exempt from coverage under the Port's Ordinance those currently covered.**

Port staff currently has policies and procedures in place to account for the differences between Port Ordinance No. 3666 and §728. The differences between the two Living Wage policies make the procedures necessarily difficult and create extraneous paperwork. Reconciling these differences would cut the paperwork in half, and would make it clearer to employers when the law applies and what is expected of them when they are covered. Conforming the Port Ordinance No. 3666 provisions pertaining to employer obligations and employee compensation rates with the analogous provisions in §728, including conforming minimum compensation rates of Port Ordinance No. 3666 to §728 as described above would also assist employees in making the terms of coverage clearer.

RECOMMENDATION:

It is the recommendation of the Port Staff that the Board approve the proposed amendment to Port Ordinance No. 3666.

Agenda Sheet

DATE: October 1, 2002

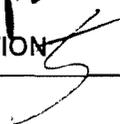
ITEM NO: 45

SUBJECT: TRAVEL AUTHORIZATION

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: John T. Betterton 

EXECUTIVE OFFICE RECOMMENDATION 

As provided for in the Port's Administrative Manual, it is recommended that the Board approve the travel of Steve Grossman, Director of Aviation, to Tokyo, Japan, on or about October 4 to 12, 2002 to attend the ACI World Conference.

Further it is recommended that the Board approve the travel of Commissioners David Kramer, Darlene Ayers-Johnson, John Protopappas, Jerry Bridges, Director of Maritime, Sal Di Grande, Manager, Maritime Business Development and Marketing, and David Adams, Chief Wharfinger, to London, England, Rotterdam, Holland, Copenhagen, Denmark, and Hamburg, Germany, on or about October 5 to 14, 2002 for purposes of trade promotion.

RECOMMENDATION:

It is recommended that the Board pass a resolution authorizing the above travel and reimbursement of appropriate expenses associated with the travel.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02341

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Agenda Sheet

DATE: October 1, 2002

ITEM NO 46

SUBJECT: RECOMMENDATION TO PASS RESOLUTION FINDING THAT THERE IS A NEED TO TAKE IMMEDIATE ACTION AUTHORIZING TEMPORARY INVESTMENT OF 2002 SERIES L & M CONSTRUCTION PROCEEDS TO THE CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF) BECAUSE OF INFORMATION RECEIVED AFTER THE AGENDA WAS POSTED.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

BACKGROUND:

Port staff has determined that the California Treasurer's Office Local Agency Investment Fund (LAIF) provides flexibility and potentially higher interest rates for the temporary investment of a portion of the 2002 Series L & M construction funds. This investment facility and plan of investment for a portion of the Series L & M proceeds was reviewed with the Audit, Budget, & Finance Committee and is a permitted investment under the Port's indenture authorizing the issuance of the Series L & M Revenue Bonds. However Port staff was advised only on September 25, 2002 that the State of California Office of the State Treasurer requires a separate Board resolution for investing funds in LAIF.

The general requirement of the Sunshine Ordinance, that items on which action is proposed be posted 10 days before action is taken, cannot be satisfied if the Board wishes to consider and take action on this matter today. Accordingly, staff recommends that the Board pass a resolution today in which it makes the necessary findings under the Sunshine Ordinance to consider and take action today on this matter.

RECOMMENDATION:

Recommend that the Board of Port Commissioners pass a resolution in which it finds by a vote of two-thirds of the members present and not less than four affirmative votes that (A) the need to take immediate action on this matter as recommended in this Agenda Sheet Item is necessary to invest a portion of the 2002 Series L & M Construction Fund proceeds and that it is not financially prudent to defer action to a subsequent special or regular meeting, and (B) that the need for such action came to the attention of the Board subsequent to the Agenda being posted for the October 1, 2002 Board meeting.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02342 +
02343

BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

OCT - 1 2002

DATE

Secretary of the Board

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

COMMISSIONERS

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President

JOHN PROTOPAPPAS
First Vice President

PATRICIA A. SCATES
Second Vice President

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PETER URIBE

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, November 5, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.
Pursuant to subdivision (a) of Section 54956.9. Name of cases:

City of Oakland v. GKO & Associates, et al., Alameda County
Superior Court Case No. 824540-7

Land Studio, et al. v. GKO-Messinger & Associates, et al., U.S.
District Court of California, N.D. Case No. C 99 4386 DLJ

City of Oakland v. Pacific Insurance Company, Ltd., Alameda County
Superior Court Case No. 2002064450

City of Oakland, et al. v. Mardeco, Inc., et al., U.S. District Court of
California, N.D. Case Number C 02 0702 EDL

2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED
LITIGATION. Significant exposure to litigation pursuant to subdivision
(b) of Section 54956.9: 2 matters

3 CONFERENCE WITH REAL PROPERTY NEGOTIATOR.
Government Code Section 54956.8.

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of
Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and terms of payment

Property:	Berths 60-63
Negotiating Parties:	Port and American President Lines
Under Negotiation:	Price and terms of payment
Property:	Pardee Parking Lot
Negotiating Parties:	Port and City of Oakland
Under Negotiation:	Price and terms of agreement
Property:	Berths 55-56, Terminal Facilities
Negotiating Parties:	Port of Oakland and Total Terminals International, LLC
Under Negotiation:	Price and Terms of Payment

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Regular meeting of October 1, 2002; and adjourned regular meeting of October 22, 2002.

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11 **PULLED** ~~Approval to Conduct Market Research Surveys of the Oakland International Airport Restrooms. (Resolution)~~
- 12 Authorization to Procure CNG Shuttle Buses through State of California Procurement Contract 1-02-23-15 and Related Vehicle Maintenance Agreement (#1 Airport Drive, Oakland, CA). (Resolution)
- 13 Authorization to Negotiate on the Open Market to Procure Modular Buildings for Aviation Division and Related Installation, Renovation, and Relocation Services (#1 Airport Drive, Oakland, CA). (Resolution)

REGULAR MEETING
November 5, 2002

- 14 Approval of License and Concession Agreement with Airborne Express, Inc. for Air Cargo Space (7683 Earhart Road, North Airport). (Resolution)
- 15 First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Middle Marker (#1 Airport Drive, South Airport). (Ordinance)
- 16 First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Glide Slope (#1 Airport Drive, South Airport). (Ordinance)
- 17 First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/use Permit at Oakland International Airport (#1 Airport Drive, South Airport). (Ordinance)
- 18 Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with West Coast Contractors, Inc. (100 Airport Drive, South Airport). (Resolution)
- 19 Approval of Lease Amendments for Extension of Lease with the United States Postal Service (7201 Earhart Road, North Airport). (Ordinance)
- 20 Award of Contract for Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA. (Resolution)

MARITIME

Maritime Committee Report

- 31 Approval of Agreement with East Bay Regional Park District for Management of Middle Harbor Shoreline Park. (Resolutions)
- 32 Ratification of Change Orders to Contract for Construction of Berth 25 Yard Expansion, Outer Harbor – Unforeseen Site Conditions and Design Changes. (Resolution)

OPERATIONS

Audit, Budget and Finance Committee Report

- 41 Approval of a Contract Extension for Professional Services with Lance R. Bateman to Provide Financial Planning Services. (Resolution)

- 42 Approval of Extension of Contract with D2 Business Consulting to Implement ISO 9000 Standards for the Maritime and Financial Services Divisions. (Resolution)
- 43 Authorization To Enter Into a Contract for BLT Associates For Human Resources Consulting Services (Resolution)
- 44 **PULLED** ~~Approval of Revised Administrative Policy AP 109, Driving on Port Business and Use of Port Vehicles. (Resolution)~~

Administration Committee Report

- 45 Personnel Items: Creation of Salary Schedule and Creation of Classifications/Positions. (Ordinance)
- 46 Approval of As-Needed Environmental Compliance Consulting Services. (Resolutions)

SUMMARY ITEMS: (Marked "s")

2 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

BUILDING PERMIT APPLICATIONS: ("s")

Parsons Transportation Group, rearrangement of the security checkpoint area in Terminal 2 OIA to accommodate United States Department of Transportation, Transportation Security Administration passenger screening requirements. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301 (a).

Vote on the following resolutions except Number 20:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7
Noes: None
Absent: None

Vote on Number 20:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Tagami, Uribe and President Kiang – 6
Noes: None
Abstained: Commissioner Scates – 1
Absent: None

RESOLUTIONS

- 02366 1** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PROCURE CNG SHUTTLE BUSES AND OBTAIN RELATED VEHICLE MAINTENANCE SERVICES TO MEET AIRPORT PARKING LOT SHUTTLE BUS REQUIREMENT WITHOUT COMPETITIVE BIDDING AND AUTHORIZING SAME THROUGH STATE CONTRACT OR OPEN MARKET PROCUREMENT. (Airport – 12)
- 02367 2** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PROCURE MODULAR BUILDINGS AND OBTAIN RELATED RENOVATION, RELOCATION AND INSTALLATION SERVICES FOR THE AVIATION DIVISION WITHOUT COMPETITIVE BIDDING AND AUTHORIZING SAID PROCUREMENT ON THE OPEN MARKET. (Airport – 13)
- 02368 3** APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH AIRBORNE EXPRESS, INC. (Airport – 14)
- 02369 4** APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH WEST COAST CONTRACTORS, INC. (Airport – 18)
- 02370 5** AWARDING CONTRACT TO R-E CORPORATION DOING BUSINESS AS RELIANCE ENTERPRISES FOR UPGRADE OF HVAC SYSTEM AND REPLACEMENT OF COOLING TOWER NO. 1 AND CHILLER NO. 2, BUILDING M-104, SOUTH FIELD, OAKLAND INTERANTIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport – 20)
- 02371 6** APPROVING AND AUTHORIZING EXECUTION OF A MANAGEMENT AGREEMENT WITH EAST BAY REGIONAL PARK DISTRICT ("PARK DISTRICT") AND PAYMENTS TO THE PARK DISTRICT REGARDING MANAGEMENT OF MIDDLE HARBOR SHORELINE PARK. (Maritime – 31)

- 02372 7** APPROVING AND AUTHORIZING EXECUTION OF MEMORANDUM OF AGREEMENT WITH EAST BAY REGIONAL PARK DISTRICT ("PARK DISTRICT") REGARDING LEASES OF PORT PROPERTY OF PARK-RELATED PURPOSES. (Maritime – 31)
- 02373 8** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH McGUIRE AND HESTER, FOR CONSTRUCTION OF BERTH 25 YARD EXPANSION, OUTER HARBOR, OAKLAND, CALIFORNIA. (Maritime – 32)
- 02374 9** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLULEMENTAL AGREEMENT WITH LANCE R. BATEMAN FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPOARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 41)
- 02375 10** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLULEMENTAL AGREEMENT WITH DAVID J. DAVIS, AN INDIVIDUAL, DOING BUSINESS AS D SQUARE BUSINESS CONSULTING FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPOARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 42)
- 02376 11** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH BLT ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPOARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 43)
- 02377 12** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GEOMATRIX CONSULTANTS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPOARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 46)
- 02378 13** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SCIENTIFIC APPLICATIONS INTERNATIONAL CORPORATION FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPOARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 46)

- 02379 14** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH TREADWELL & ROLLO FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 46)
- 02380 15** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH URS CORPORATION FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 46)
- 02381 16** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH WEISS ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Operations – 46)
- 02382 17** GRANTING PARSONS TRANSPORTATION GROUP PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02383 18** APPROVING APPOINTMENT OF SPECIAL COUNSEL. (Closed Session)
- 02384 19** APPROVING SETTLEMENT AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH 1) PORT V. GKO & ASSOCIATES, ET AL., SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF ALAMEDA, CASE NO. 824540-7 (“GKO LITIGATION”), 2) LAND STUDIO AND RON WIGGINTON V. GKO-MESSINGER & ASSOCIATES, ET AL., UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA, CASE NO. C-99-4386-DLJ (“LAND STUDIO LITIGATION”), AND 3) CITY OF OAKLAND V. PACIFIC INSURANCE COMPANY, LTD., SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA, CASE NO. 2002064450 (“PACIFIC INSURANCE LITIGATION”); AND RESOLUTION APPROVING AN INCREASE IN EXPENDITURES OF SPECIAL COUNSEL CONCERNING SAID SETTLEMENT. (Closed Session)
- 02385 20** APPROVING AND AUTHORIZING THE EXECUTION OF A TOLLING AGREEMENT WITH SPECIALTY RESTAURANTS AND OAKLAND VILLAGE CORPORATION, CONCERNING PORT OF OAKLAND V. MARDECO, INC. ET AL., U.S. DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA, CASE NUMBER C020702 EDL (EAST BASIN MARINA). (Closed Session)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

ORDINANCES:

1 (“s”) Port Ordinance No. 3720 being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING CERTAIN SECTIONS RELATING TO TITLE CHANGES.”

Final.

2 Port Ordinance No. ____ being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION (“FAA”) FOR THE OPERATION OF A MIDDLE MARKER.”

Airport – 15 to print.

3 Port Ordinance No. ____ being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION (“FAA”) FOR THE OPERATION OF A GLIDE SLOPE.”

Airport – 16 to print.

4 Port Ordinance No. ____ being, “AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT.”

Airport – 17 to print.

5 Port Ordinance No. ____ being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING TWO LEASE AMENDMENTS EXTENDING TERMS FOR TWO-YEARS (AMENDMENTS NO. 5 AND NO. 6) WITH THE UNITED STATES POSTAL SERVICE.”

Airport – 19 to print.

REGULAR MEETING
November 5, 2002

6 Port Ordinance No. _____ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTIONS 2.01, 10.019, 10.013, 8.147, 5.026 AND 6.012."

Operations – 45 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next regular meeting will be held on Tuesday, November 19, 2002 at 3:00 P.M.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

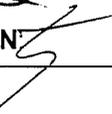
ITEM NO: 12

SUBJECT: Authorization to Procure CNG Shuttle Buses through State of California Procurement Contract 1-02-23-15 and related Vehicle Maintenance Agreement (#1 Airport Drive, Oakland, CA)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port will expand parking lot shuttle bus operations during Terminal Expansion Program (TE_x) construction projects. Fifteen (15) 25'-long, 'cutaway' shuttle buses are needed during garage construction. Ten (10) buses would serve the new parking lot at 8350 Pardee Drive; and five (5) would serve the reduced short/long term parking lot remaining within the parking circle. The Airport Development Program's "Monitoring, Mitigation and Reporting Plan" (MMRP) encourages use of alternative fuel vehicles for shuttle buses. Alternative fuels include electricity and compressed natural gas (CNG). CNG-fueled shuttle buses would have a readily available source of fuel at the new ENRG CNG fueling station on the North Field.

The State of California competitively bid a contract for procurement of modified mini-vans, paratransit buses and CNG cutaway buses for years 2002-2004. The State Contract 1-02-23-15 was awarded to Fountain Valley-based "Creative Bus Sales" dba "El Dorado Bus Sales" which operates from a new facility in Hayward. The State has made this contract available to local agencies to purchase vehicles at the State-contracted rate. Other local agencies that have taken advantage of this State contract to purchase vehicles include AC Transit, Regional Transit in Sacramento, SamTrans, WESTCAT (Contra Costa agency) and Golden Gate Transit.

ANALYSIS:

The CNG cutaway buses that can be procured under the State contract are the type of vehicle identified as appropriate to serve the expanded need for Airport parking lot shuttle bus. The State's base-contracted price is \$46,599 per vehicle. Options to configure for the bus for Airport-use cost \$25K± per vehicle and include items such as: interior luggage rack, perimeter seating, destination signage on front and sides of the bus, 46" wide centered, electrically operated passenger door, methane detection & roof vent, radio and GPS and exterior painting. An additional \$10K option is for a wheelchair lift integrated into the bus floor. The standard wheelchair lift option requires a second door and the removal of 2 seats from the 15-seat bus. The more costly wheelchair lift option was selected in order to maintain the 15-seat bus capacity that the Airport requires. The base price is \$46,599 to which is added \$25K± in options, the \$10K± for the floor-integrated wheel chair lift, and \$5K± sales tax, for a total cost of \$86.6K per vehicle. The shuttle bus cost estimates staff used in the Pardee Drive parking lot analysis were a \$65K base bus cost, plus \$35K options, for a total \$100K per bus cost, leased or purchased. The State contract offers the Port a potential savings on the price the Port may receive from a Port-sponsored competitive process. Using the State contract, the Port would submit a purchase order for buses directly to the State's contractor. When the State contractor invoices the Port, the State contractor also reports the sale to the State Office of Procurement, Department of General Services; following which the State Office of Procurement would invoice the Port 1.93% of the total purchase order price before sales tax, but not more than \$7,500. The Port would also obtain the Vehicle Maintenance Agreement for the CNG buses from the State contractor.

SOCIAL RESPONSIBILITY DIVISION: The Port's Nondiscrimination and Small and Local Business Utilization policy does not apply to procuring buses using the State's contract.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02366

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

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DATE

ENVIRONMENTAL: CNG fueled shuttle buses are consistent with the Port's MMRP.

GENERAL PLAN: Not applicable.

BUDGET: The funds for the shuttle buses are budgeted under CIP A2.00805.01 and A2.00820.13.

SUSTAINABILITY: The purchase and use of the alternative fuel buses instead of diesel buses will result in a reduction of air pollution. In addition, the buses will be able to fuel at the CNG fueling station located at N. Field, thus reducing the distance needed to travel to other fueling sites.

PROJECT LABOR AGREEMENT: Not applicable

OPTIONS:

1. The Board could decline to use the State contract and direct the staff to conduct a competitive process to procure shuttle buses. This process would require approximately 4 additional months and the expense of staff time and may or may not produce a savings in bus procurement costs.
2. The Board could direct staff to require that the parking shuttle bus operator supply the shuttle buses. This approach has been unsatisfactory for the Airport in the past. When the Airport controls title to the bus equipment through lease or purchase, it has the flexibility to quickly replace the contractor providing bus fleet operations, if necessary.
3. The Board could authorize the staff to procure CNG shuttle buses as described above and recommended below under the State's contract and the related vehicle maintenance agreement through the State's contractor.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the State's Contract 1-02-23-15 for procurement of modified mini-vans, paratransit buses and CNG cutaway buses for years 2002-2004 satisfies the Port's policy for competitive procurement and find and determine that, for that reason, it is in the best interest of the Port to waive competitive bidding.
2. Authorize the Executive Director to:
 - a) issue a purchase order for up to 15 CNG cutaway buses under the State Contract 1-02-23-15, configured to meet the Airport's parking lot shuttle bus requirements at a cost not to exceed \$91,000 each (\$86,600 plus a 5% contingency).
 - b) authorize payment of a State Office of Procurement invoice for 1.93% of the purchase order, not to exceed \$7,500 per purchase order, subject to the Port Attorney's review and approval of the documents;
 - c) negotiate and execute a Vehicle Maintenance Agreement for the purchased CNG bus equipment, subject to the Port Attorney's review and approval of the documents.
3. Authorize the Executive Director to issue a purchase order for up to 10 additional CNG cutaway buses under the State Contract 1-02-23-15 under the same terms and conditions as the initial purchase, payment of a State Office of Procurement invoice for up to 2.07% of the purchase order issued after July 1, 2003, not to exceed \$7,500 per purchase order, and negotiate and execute a new or amended Vehicle Maintenance Agreement for such additional buses, subject to the Port Attorney's review and approval of the documents.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 13

SUBJECT: Authorization to Negotiate on the Open Market to Procure Modular Buildings for Aviation Division and related Installation, Renovation, and Relocation Services (#1 Airport Drive, Oakland, CA)

PROGRAM AREA:

- Checked box for Airport Operations, and unchecked boxes for Commercial Real Estate, Maritime Operations, and Overall Operations.

SUBMITTED BY: Steven Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Authorization is requested to waive competitive bidding, and find and determine that it is in the best interest of the Port to negotiate, on the open market, contracts to procure by purchase or lease approximately eighteen (18) new modular buildings and renovate and relocate Airport-owned modular buildings, for a total cost not to exceed \$1.5 million over the next two fiscal years.

The Aviation Division anticipates procuring modular buildings and renovating existing modular buildings to accommodate temporary uses such as: security personnel administrative and dispatching stations, valet and self parking management offices, shuttle bus operations dispatching, ground transportation revenue collection, enforcement and inspection services and staging facilities, airfield tenant and maintenance uses, and remotely stationed employee restrooms/locker rooms. The need is due to current passenger growth, changes in security staffing requirements as well as anticipated need for temporary facilities during the various Airport construction and renovation projects. The Aviation Division also anticipates renovating and relocating some of existing modular buildings that provide temporary facilities for various Airport operating functions such as, employee restroom and locker room, airfield tenant and Airport operations and equipment staging. Past needs for modular buildings were generally for one or two at any one time. This procurement could be more efficiently and economically accomplished through the proposed negotiation, on the open market, of contracts to purchase, lease or renovate modular buildings as needed.

ANALYSIS:

The Aviation Division has identified the need for approximately 18 modular buildings to accommodate temporary uses. A modular building's cost depends on its size and the internal configuration and utilities for its proposed use (e.g. plumbing for restrooms, showers, locker rooms; data and voice communication; computer equipment room needs). Small modular building (<1K sf) costs range from \$20K± to \$65K±. Large modular building costs range from \$60K± to \$120K±. The cost includes delivery/installation, ramps, steps or connection decks, and utility hook ups, taxes and fees. The cost does not include extension of utilities to a new modular building site. When the type of use of the modular building changes, it is renovated and sometimes relocated. The following uses would be temporarily accommodated in modular buildings:

- Options for MOTION, RESOLUTION, ORDINANCE, and INFORMATION ONLY.

Approved by Resolution No.

Handwritten resolution number: OR 367

BOARD ACTION TAKEN

Signature of Assistant Secretary of the Board

Assistant SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Function	Facility	Location
Pardee Parking Lot Management	Office, Revenue Control and monitoring equipment, ticket storage and supplies, employee facilities (restrooms/locker room)	8350 Pardee Drive
Pardee Lot Shuttle Bus Operations	Dispatching and fleet maintenance management, driver facilities (restrooms/locker room)	Earhart and Swan Way, North Airport
Airport Parking Management	Office, Revenue Control and monitoring equipment, ticket storage and supplies, employee facilities (restrooms/locker room)	Neil Armstrong Way, South Airport
A/P Shuttle Bus and AirBART Shuttle Bus Operations	Dispatching and fleet maintenance management, driver facilities (restrooms/locker room)	Neil Armstrong Way, South Airport
Valet Parking Operations	Office, Revenue Control, dispatching, employee facilities (restrooms/locker room)	John Glenn Drive, South Airport
Commercial Vehicle Staging	Restrooms and vending in the staging lot at which commercial vehicle drivers are required to wait (vans, door to door, charter bus, taxi, limo, etc.)	Driver Staging Lot, South Airport
Ground Transportation Administration	Offices, revenue control equipment, vehicle tagging and inspection equipment, guard dispatch, employee facilities (restrooms/locker room)	Neil Armstrong Way, South Airport
Security Personnel dispatching office and employee facilities	Offices, monitoring equipment, guard dispatch, employee facilities (restrooms/locker room)	North Airport and South Airport
Airfield, Landside and Terminal Tenant Operations	Office, equipment storage and employee facilities (restrooms/locker room) for Airport tenants and tenant support	North Airport and South Airport
Airport Construction and Facilities Management	Offices, storage and employee facilities (restroom/locker room)	North Airport and South Airport

Airline and Airline support tenants that occupy modular buildings would pay the Port's Terminal Space Rental at the current \$6.723/psf/month rate set by Port Ordinance. For example, a 1,000sf modular building costing \$60,000 would rent to an airline tenant for \$6,723/month or \$80,676 per year. The cost of the modular building and the length of time it is needed would determine whether leasing or purchasing the modular building is the appropriate procurement method. Modular buildings are a cost effective way to provide temporary space for remote Airport operation functions while the Terminal Expansion Program delivers permanent facilities.

Staff has researched the availability of vendors for this product and found it was limited. Open market procurement based on the solicitation of quotes was determined to be acceptable by the Port Purchasing Manager and is recommended as being in the best interest of the Port.

Social Responsibility: The Port's Non Discrimination, Small, Local Business Utilization Policy applies.

Environmental: Not applicable

General Plan: Not applicable.

Budget: Funds for the modular buildings related to the Pardee Drive Parking Lot are budgeted in CIP A2.00805.01. Funds for the modular buildings related to the Garage, and Terminal 2 renovation and expansion are budgeted in CIP A2.00820.13. Funds for the modular buildings related to Airport and Airport-tenant operations are budgeted in the Aviation Division's operating budget.

Sustainability: There are no obvious sustainable opportunities.

Project Labor Agreement: Not applicable

OPTIONS:

1. The "no project" alternative offers an undesirable working environment for the personnel proposed to be housed. Office functions located off-Airport may be less effective than if located at the Airport-site. Employees stationed away from the Terminal would have to travel to use the Airport's public restroom facilities.
2. The staff could proceed with the purchase, but present to the Board each modular building purchase, lease or renovation, as bids are received.
3. The Board could authorize the staff to procure modular buildings as described above and recommended below.

RECOMMENDATION:

It is recommended that the Board find and determine that it is in the best interest of the Port to waive competitive bidding and authorize the Executive Director to negotiate on the open market contracts for lease, purchase or renovation of modular buildings and related access ramps/stairs and decking, including, fees, taxes, delivery and installation, at a cost not to exceed \$120,000 per building, and a total cost not to exceed \$1.5 million, subject to the approval by the Port Attorney as to form and legality of the contracts for same.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 14

SUBJECT: Approval of License and Concession Agreement with Airborne Express, Inc. For Air Cargo Space (7683 Earhart Road, North Airport)

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Airborne Express, Inc. (Airborne) currently occupies approximately 209,092sf of hangar, office, shop, apron and paved parking in and adjacent to Port Building L-820 on the North Airport where its air cargo operations are performed.

ANALYSIS:

The proposed License and Concession Agreement (Agreement) provides for the same square footage with the exception of approximately 14,975sf of the apron space, which Airborne vacated on November 11, 2001.

The Agreement gives Airborne the option to pay on a pro-rated basis the retroactive portion of the increase in the apron's monthly rent. Effective February 1, 2001 rent commences at \$49,484.32 per month; and except for apron rates (already increased 58%) is subject to annual CPI upward adjustments.

This Agreement was delayed in coming to the Board due to the protracted nature of negotiations and Airborne's not executing and returning the Agreement until August 19, 2002.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to this agreement because the contract is for a value greater than \$50,000, as calculated under Section 728, and the tenant employs more than 20 employees working on Port-related work.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described License and Concession Agreement with Airborne Express, Inc. subject to the Port Attorney's review and approval of the License and Concession Agreement as to form.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

02368 BOARD ACTION TAKEN

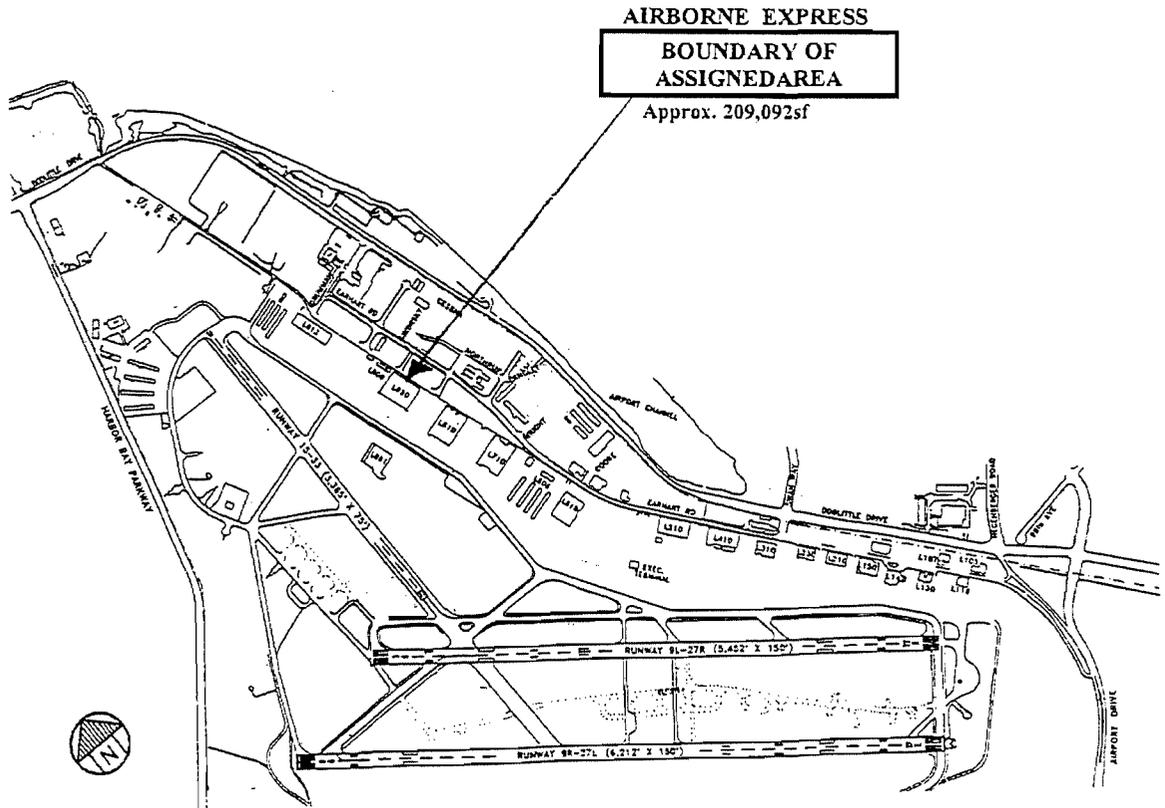
Assistant

SECRETARY OF THE BOARD

NOV - 5 2002 DATE

Board of Port Commissioners
Calendar Item

Approval of License and Concession Agreement with Airborne Express, Inc. For Air Cargo Space (7683 Earhart Road, North Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
North Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 15

SUBJECT: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Middle Marker (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Checked box: Airport Operations
Empty box: Commercial Real Estate
Empty box: Maritime Operations
Empty box: Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies 1,840sf of land in the South Airport airfield approximately 3,500' from the Runway 11 threshold for the establishment, maintenance, and operation of a Middle Marker used in air traffic control and aircraft navigation.

ANALYSIS:

The FAA proposes to enter into a Lease from January 1, 2003 through September 30, 2007, with a mutual 90-day termination provision, for the continued operation of the Middle Marker.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the United States of America, Department of Transportation, Federal Aviation Administration is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

- Empty box: MOTION
Empty box: RESOLUTION
Checked box: ORDINANCE
Empty box: INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant SECRETARY OF THE BOARD

Handwritten signature of Assistant Secretary of the Board

NOV - 5 2002

DATE

Subject: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Middle Marker (#1 Airport Drive, South Airport)

Page 2 of 2

OPTIONS:

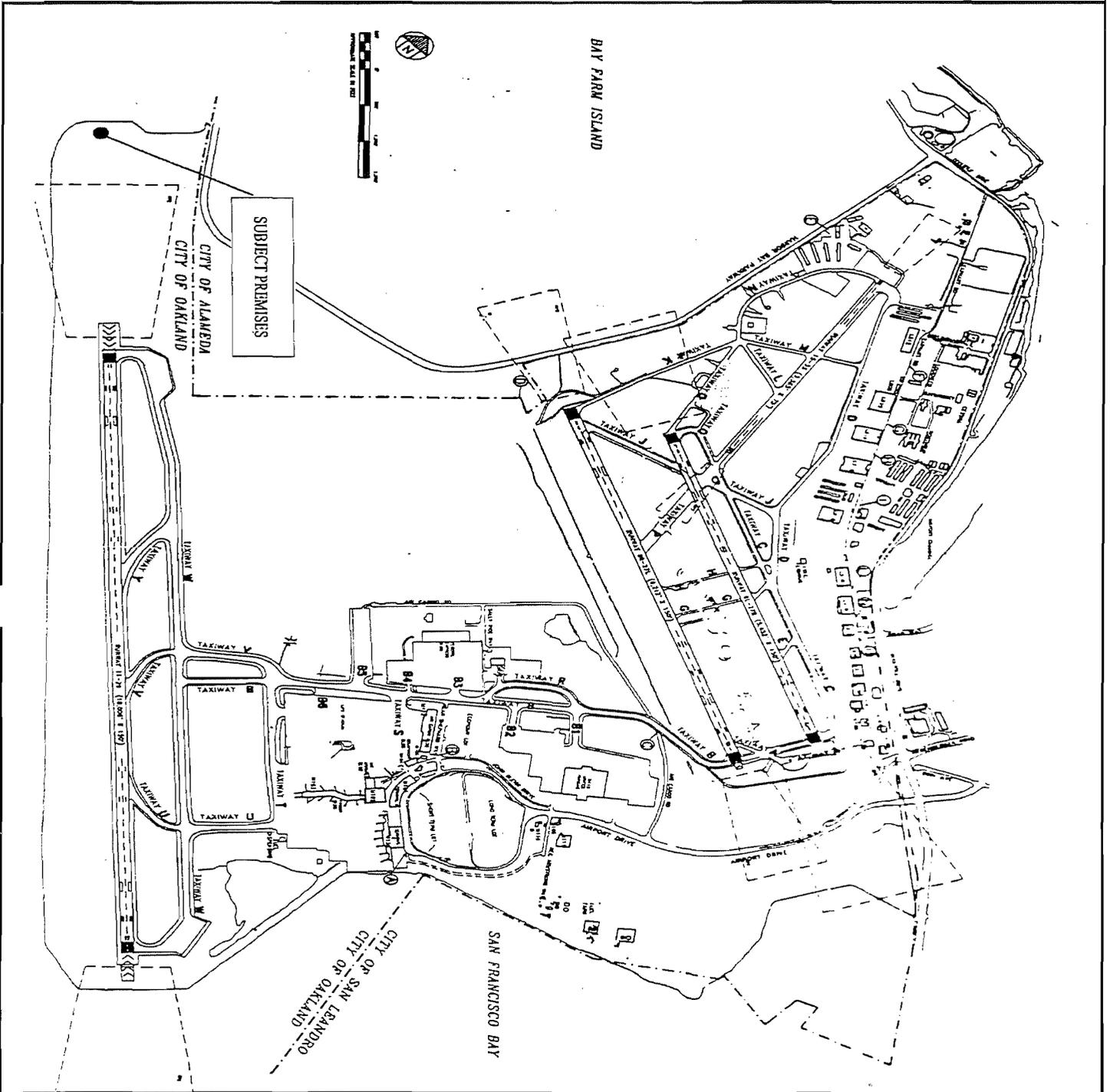
1. Approve the proposed Lease as described above.
2. Reject the proposed Lease.
3. Reject the proposed Lease, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described Lease with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval as to form, and authorize execution by the Port's Executive Director.

Board of Port Commissioners
Calendar Item

First Reading of Ordinance Approving a Lease with the
United States of America, Department of Transportation,
Federal Aviation Administration (#1 Airport Drive,
South Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
South Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 16

SUBJECT: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Glide Slope (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Checked box: Airport Operations
Empty box: Commercial Real Estate
Empty box: Maritime Operations
Empty box: Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies 72,000sf of land in the South Airport airfield between Runway 11 and Taxiway W in the vicinity of the Runway 11 threshold for the establishment, maintenance, and operation of a Glide Slope used in air traffic control and aircraft navigation.

ANALYSIS:

The FAA proposes to enter into a Lease from January 1, 2003 through September 30, 2007, with a mutual 90-day termination provision, for the continued operation of the Glide Slope.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the United States of America, Department of Transportation, Federal Aviation Administration is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

- MOTION
RESOLUTION
Checked box: ORDINANCE
INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN Assistant

Signature of Secretary of the Board
SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Subject: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Glide Slope (#1 Airport Drive, South Airport)

Page 2 of 2

OPTIONS:

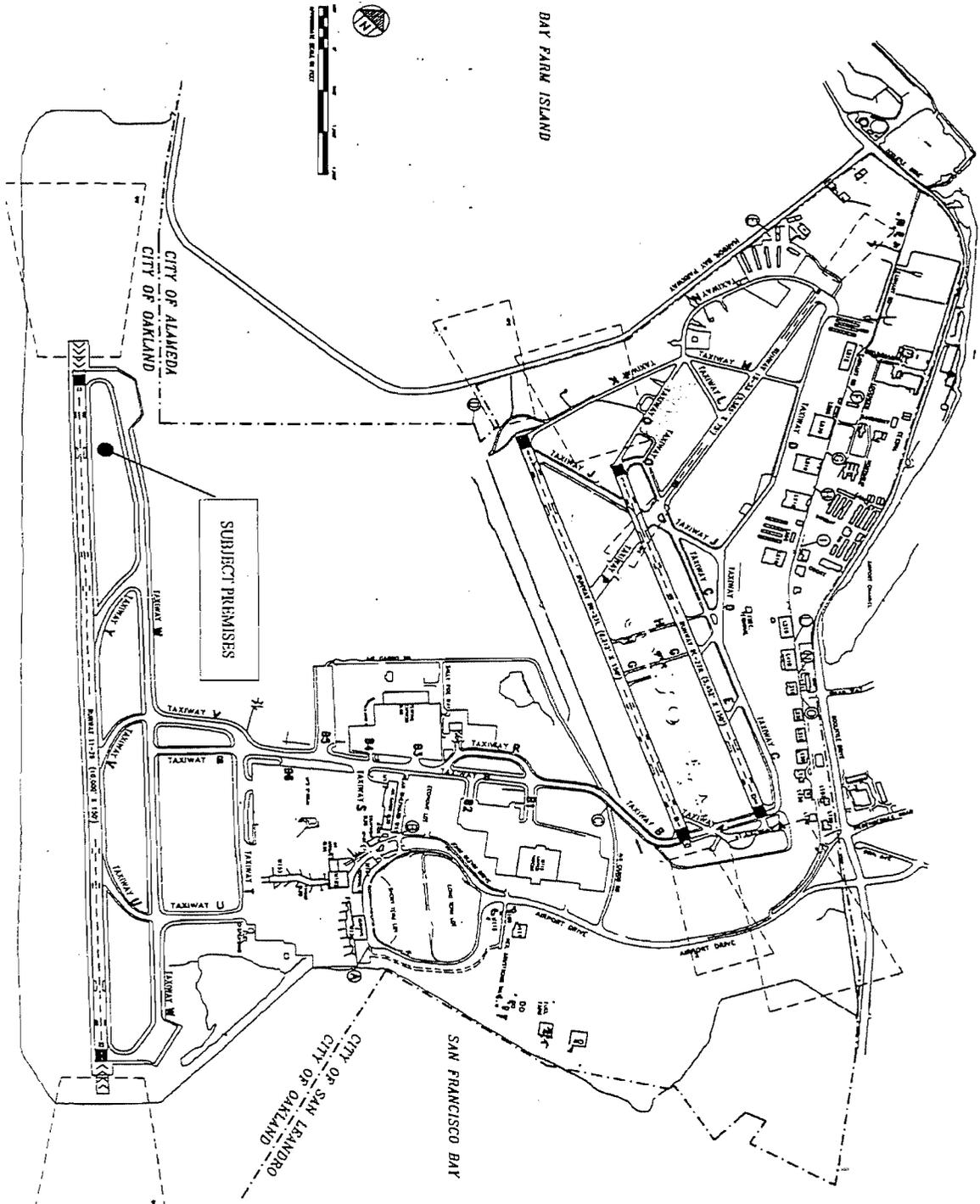
1. Approve the proposed Lease as described above.
2. Reject the proposed Lease.
3. Reject the proposed Lease, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described Lease with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval as to form, and authorize execution by the Port's Executive Director.

Board of Port Commissioners
Calendar Item

First Reading of Ordinance Approving a Lease with the
United States of America, Department of Transportation,
Federal Aviation Administration (#1 Airport Drive,
South Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
South Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 17

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

SUBMITTED BY: Steven J. Grossman

[Signature]

EXECUTIVE OFFICE RECOMMENDATION

[Signature]

- Airport Operations *
Commercial Real Estate
Maritime Operations
Overall Operations

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service.

The additional carriers are: Mesa Airlines, Inc. and Valley Air Express, Inc.

The additional operators are: Industrial Fleet Service, Superior Aircraft Services, Inc. and SCIS Air Security Corporation.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities).

ATTACHMENT ENCLOSED

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN Assistant

[Signature] SECRETARY OF THE BOARD

NOV - 5 2002

DATE

**First Reading of Ordinance Approving Additional Signatories
to the Airline Operating Agreement and Space/Use Permit
at Oakland International Airport (#1 Airport Drive, South Airport)**

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenants, it appears that living wage requirements do not apply to the Mesa Airlines, Inc., Valley Air Express, Inc., SCIS Air Security Corporation, and Industrial Fleet Service agreements (tenancy agreements are not subject to Port Ordinance No. 3666; Section 728 of the Charter does not apply to tenants that employ fewer than 21 employees working on Port-related work). However, the tenants will be required to certify that should living wage obligations become applicable, the tenants shall comply with all of its obligations.

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to the Superior Aircraft Services, Inc. agreement because the contract is for a value greater than \$50,000, as calculated under Section 728, and the tenant employs more than 20 employees working on Port-related work.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

Agenda SheetDATE: March 21, 2000ITEM NO: 1

SUBJECT: First Reading of Ordinance Approving Standardized Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

This proposed action would approve a new standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport's terminal building complex (e.g., terminal buildings, concourses, connector, ramp offices, adjacent apron space, RON aircraft parking, multi-tenant cargo building). In addition, this proposed action would authorize the Executive Director to enter into individual agreements with each of the existing airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport.

Almost all major-hub airports operate with an airline operating agreement or airport/airline lease and use agreement, governing activities that may be conducted by airlines. Such agreements usually encompass the particular range of activities at airports that most affect the airline users, including: rights and privileges granted to the airline tenants, terminal building facility requirements, airline rates and charges, contract surety, indemnification and insurance, environmental and toxic materials issues, default, assignment and sublease, etc.

Most such airports also have a real estate agreement with their tenants governing the particular transactional and properties aspects at the airports. The Port's current License and Concession Agreement has served this purpose for many years.

A consultant assisted staff in developing a new standardized Airline Operating Agreement and Space/Use Permit for the Airport that conforms to the Airport's particular rate-setting and space/use methodologies. For example, the Port establishes the airlines' rates and charges usually on an annual basis by adopting an ordinance (Port Ordinance #1149). Further, all space used by airlines at the Airport's terminal building complex, including aircraft gate usage, is rented on a month-to-month basis. These two very flexible methodologies enable the Airport to add, remove, or reassign space on an as-needed basis, while increasing or decreasing rates as necessary.

Following several drafts and staff reviews, the proposed Airline Operating Agreement and Space/Use Permit were distributed for comment to the Airport Liaison Officer (ALO) and representatives from each of the airlines. Staff further met with the ALO and the airlines earlier this month to finalize particular terms and conditions within the agreements to the mutual satisfaction of the parties, including the Port Attorney's own requirements.

The resulting drafts, now proposed for the Board's approval, retain the Airport's very flexible rate-setting and space/use methodologies, while providing longer-term continuity and greater legal surety for the Port. For example, the proposed Space/Use Permit combines into a single document many of the present Right-of-Entry and Multi-Year License and Concession Agreement provisions contained within the Port's existing agreements. But, it allows through delegation to the Director of Aviation, reassignment or relinquishment of various Airport spaces from time-to-time on a 30-day basis, such as aircraft gate assignments, terminal building space, airline ramp space, etc.

Nonetheless, all new carriers and related users commencing service at the Airport must still secure the Board's prior approval before 270 days (9 months) have elapsed (the present practice). The terms of each of these

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

proposed agreements is for up to ten (10) years (like the multi-year license agreements), but still terminable by the Port with 30-days notice. In addition, the proposed Space/Use Permit also would be used for non-airline Airport tenants such as ground handlers, security checkpoint firms, skycap services, and other non-concessionaires. Finally, the Board still would retain approval authority for establishing or adjusting all Airport rates and charges by amending Ordinance #1149, just as it does now.

ANALYSIS:

As stated above, it is the standard practice at major-hub airports to operate with one or two operating and leasing agreements within the terminal building environment. Since the Airport does not have long-term leases with its airline tenants, instead operating under the more flexible ordinance rate-setting methodology, two agreements are more appropriate than one. Finally, these proposed agreements would *not* supplant long-term ground leases under which certain airlines operate (e.g., FedEx Metroplex, United Airlines Maintenance Base).

The following scheduled airlines would enter into an Airline Operating Agreement and Space/Use Permit: Airborne, Alaska/Horizon Air, Aloha, America West, American, Ameriflight, City Bird, Corsair, Delta, Emery Worldwide, Evergreen Aviation, Federal Express, Martinair Holland, Mexicana, SATA/Sun Trips, Southwest, United Parcel Service, and United Airlines. The following other tenants would enter into a Space/Use Permit only: Aeronova, FAA, Hallmark Aviation, Hilltop Aviation, ITS, Argenbright, DEA, Air General, Ogden Aviation, Ontario Aircraft, Trans Air, Servicemaster, Pacific Aviation, US-INS, Today's Aircraft, US Customs, Huntleigh, Roberts Janitorial, OFFC/DynAir and Worldwide Flight.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project had been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or licenses and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of the use beyond that previously existing.

OPTIONS:

1. Take no action, leaving the existing agreements in place.
2. Delay approval of new standardized Airline Operating Agreement and Space/Use Permit pending additional review
3. Approve the proposed ordinance adopting a standardized Airline Operating Agreement and Space/Use Permit.

RECOMMENDATION:

It is recommended that the Board pass an ordinance approving standardized language for an Airline Operating Agreement and Space/Use Permit at Oakland International Airport, authorizing the Executive Director to enter into individual agreements with each of the existing and prospective airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport, and authorizing the Executive Director to convert all existing agreements with such tenants operating within the terminal building complex to the standardized agreement and/or permit.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 18

SUBJECT: Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with West Coast Contractors, Inc. (100 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

West Coast Contractors, Inc. (West Coast) was granted the use of approximately 23,044 square feet of unimproved land located in the vicinity of Building M-105 (100 Airport Drive) under a Right-of-Entry and Indemnity Agreement from February 1, 2002 through October 31, 2002.

ANALYSIS:

The work on the terminal restroom improvements is progressing, however, the scheduled completion date is anticipated to extend past the termination date of the Right of Entry. To facilitate the restroom work, the Airport believes that it is in its best interest to continue to permit West Coast to utilize the designated area until the project is completed, which is expected within the next three months.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the West Coast and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply at this time to West Coast's occupancy of space at the Airport, because West Coast uses the property as a staging area for construction materials and they do not pay rent because they perform work under a separate contract.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board pass a resolution approving the above-described Agreement to Extend Right-of-Entry and Indemnity Agreement with West Coast Contractors, Inc. subject to the Port Attorney's review and approval of the Agreement to Extend Right-of-Entry and Indemnity Agreement as to form.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

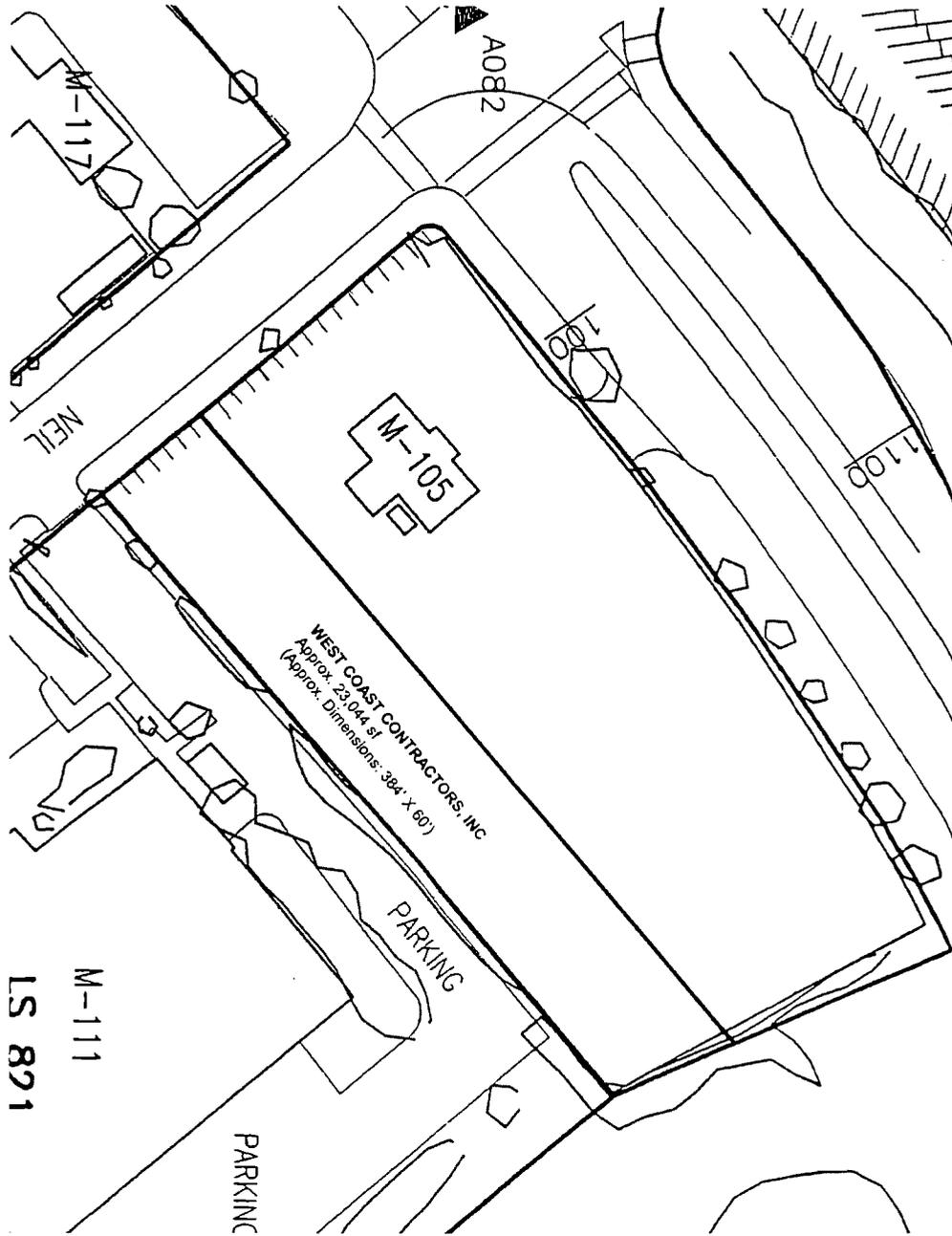
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Assistant SECRETARY OF THE BOARD

NOV - 5 2002 DATE

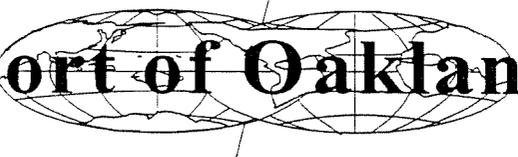
Board of Port Commissioners
Calendar Item

Approval of Agreement to Extend Right-of-Entry and
Indemnity Agreement with West Coast Contractors, Inc.
(100 Airport Drive, South Airport)



Airport Properties

Port of Oakland



Oakland
International Airport
South Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 19

SUBJECT: Approval of Lease Amendments For Extension of Lease with the United States Postal Service (7201 Earhart Road, North Airport)

PROGRAM AREA:

- Checked box for Airport Operations, and empty boxes for Commercial Real Estate, Maritime Operations, and Overall Operations.

SUBMITTED BY: Steven J. Grossman

Handwritten signature of Steven J. Grossman.

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

The United States Postal Service (USPS) occupies a total of 112,600sf of warehouse, apron and paved parking in and adjacent to Port Building L-812 on the North Airport for operation of its Air Mail Facility (AMF). Two of the leases granting occupancy (for approximately 58,300sf) expire on December 31st of this year. Total monthly rent associated with the expiring leases is \$12,653.34.

ANALYSIS:

By means of two lease amendments (i.e. Lease Amendments #5 and #6), the USPS would like to extend the terms of each of the expiring leases for an additional two (2) year term commencing January 1, 2003 and ending December 31, 2004. Port staff has negotiated a new total monthly rent for the premises of the expiring leases of \$23,571.00. The USPS' willingness to pay the substantially higher rent is conditioned upon the Port, within the next two years, re-painting the exterior of the premises, the cost of which the Port estimates will not exceed \$50,000. Use of the premises as an AMF would remain the same.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the USPS is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

N/A.

RECOMMENDATION:

It is recommended that the Board give first reading to approving an ordinance for the above described Lease Amendments with the United States Postal Service subject to the Port Attorney's review and approval of the Lease Amendments as to form and legality.

- Options for MOTION, RESOLUTION, ORDINANCE (checked), and INFORMATION ONLY.

Approved by Ordinance passed to print

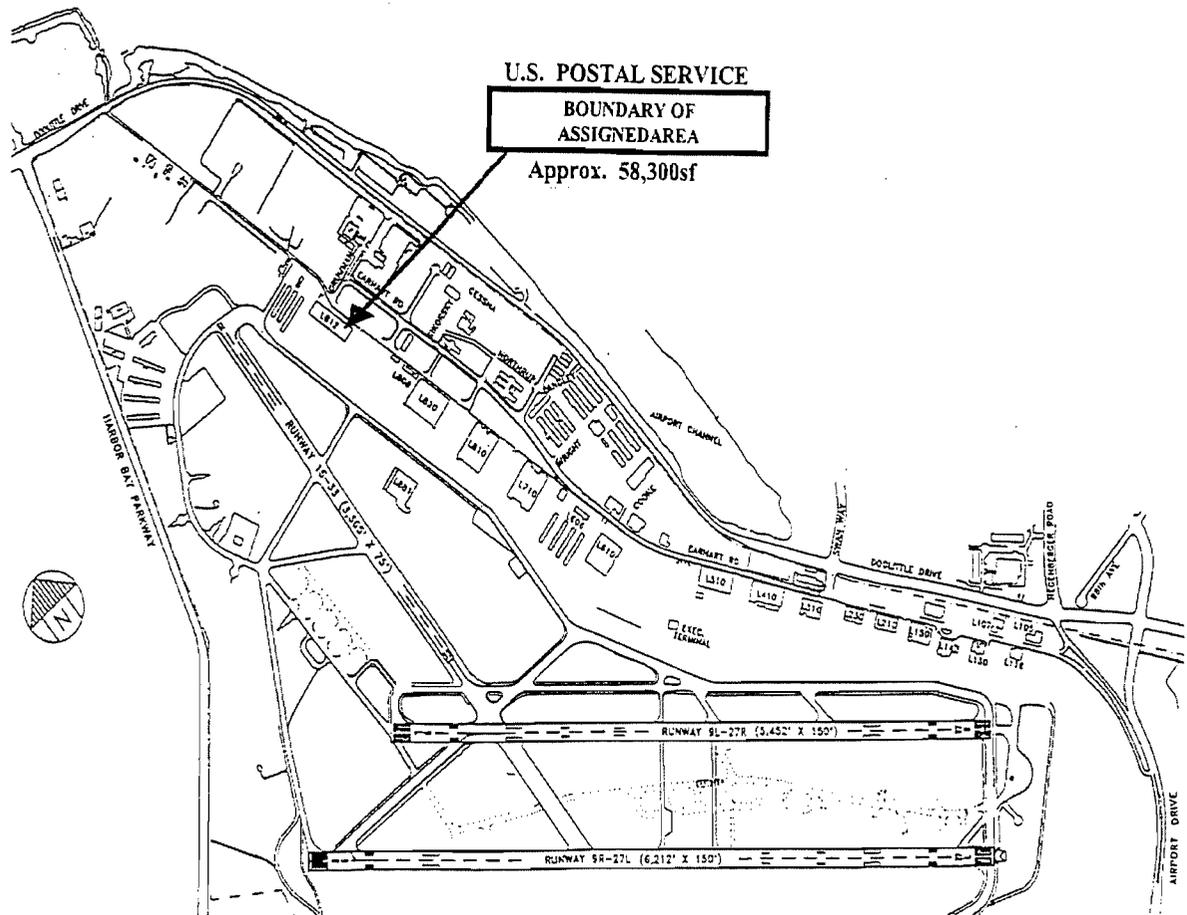
BOARD ACTION TAKEN Assistant

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SECRETARY OF THE BOARD

NOV - 5 2002

DATE



Airport Properties

Port of Oakland

Oakland
International Airport
North Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 20

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
SUBJECT: Award of Contract for Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, OIA

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

Five (5) bids were received and opened on September 11, 2002 for the **Upgrade of HVAC System and Replacement of Cooling Tower No. 1 and Chiller No. 2, Building M-104, South Field, Oakland International Airport, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
R-E Corporation dba Reliance Enterprises	Santa Rosa			\$787,002.00
KML Associates, a Division of Kent M. Lim & Company, Inc.	Oakland	X		\$969,656.00
Carter Pierce Mechanical Services	Auburn			\$996,344.00
Schram Construction, Inc.	Santa Rosa			\$1,029,000.00
Monterey Mechanical Co.	Oakland	**		\$1,214,000.00

*LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise
 **Not certified with the Port of Oakland at time of analysis

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On August 6, 2002, the Board of Port Commissioners approved the Plans and Project Manual to advertise for bids to be received on September 10, 2002.

ANALYSIS:

Staff analyzed the low bid and has determined that the low bidder is responsible. Staff also spoke with Reliance Enterprises on October 15, 2002 and was assured that Reliance could fulfill the contract at the stated bid amount.

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. Since the other bids were not within 10% or \$1,000,000 (one million dollars) of the apparent low bidder, the Social Responsibility Division (SRD) did not perform a bid analysis. It is recommended that Reliance Enterprises be considered to be the lowest responsible bidder for the purposes of this contract.

The Port's Social Responsibility Division analyzed the bid for compliance, and concurs with the recommendation.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02370

BOARD ACTION TAKEN

Assistant

[Signature]
 SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Subcontractor Listing

Reliance Enterprises listed the following subcontractors:

SUBCONTRACTORS SUBCONTRACTING AREA (including Trucking)	LOCATION	LIABE	LBABE	“\$” AND “%” OF EACH SUBCONTRACTOR’S BID TO PRIME CONTRACTOR
<u>Coastwide Environmental Technologies, Inc.</u> Remove Transite Panels	Watsonville, CA			\$3,600.00/ 0.46%
<u>Emcor Service</u> Controls	Hayward, CA		*	\$52,000.00/ 6.61%

* Not certified with the Port of Oakland at time of analysis

Budget

The work is budgeted in CIP Element No. A2.00765.02 (related to CIP Element Nos. A2.00765.01 and .03 through .05). The Project Budget Summary is attached. The funding source is Port cash.

Sustainability

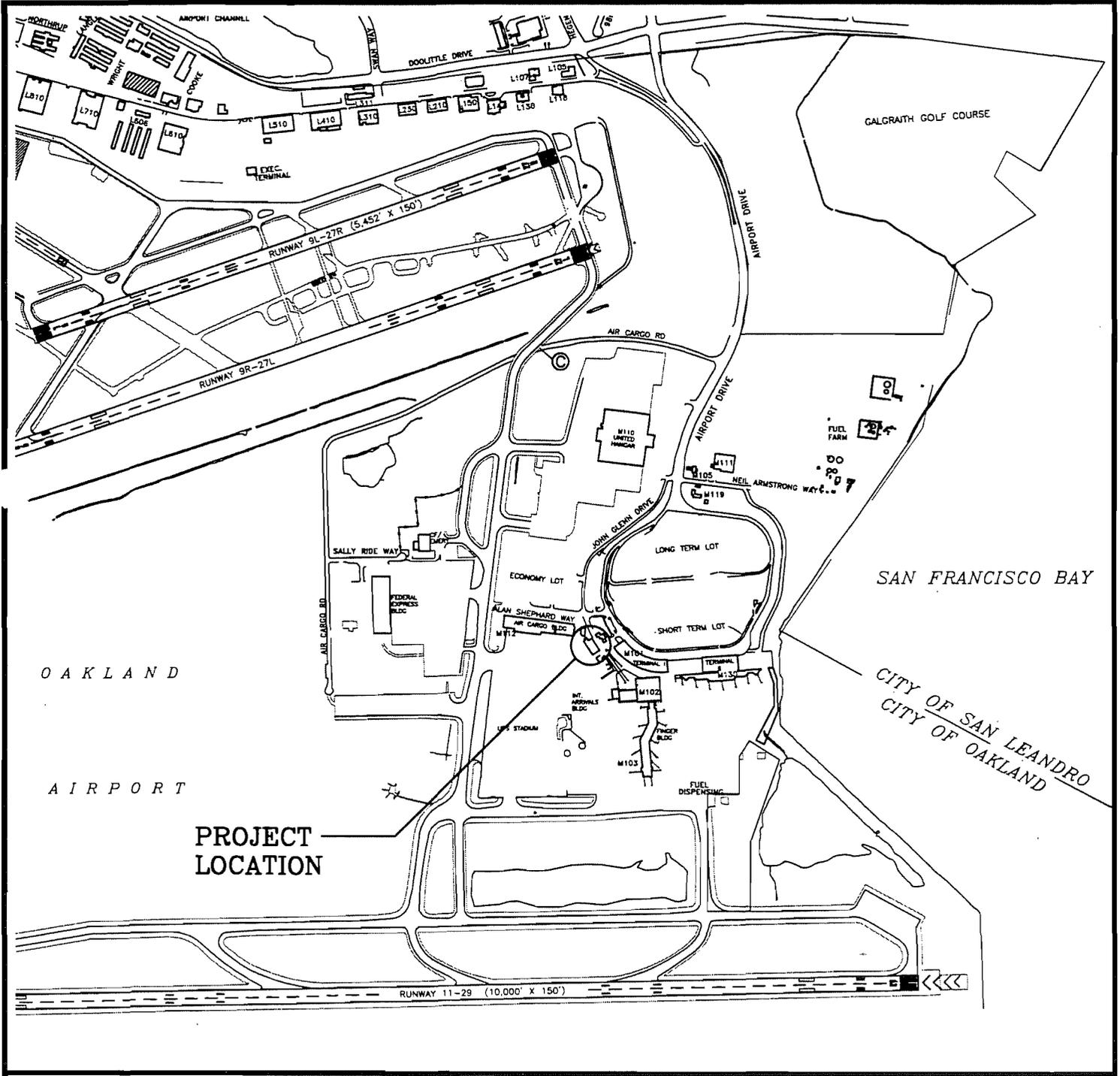
The cooling tower and chiller were selected based on the latest industry standards that are being implemented to increase efficiency and to conserve water and energy. In addition to conserving water and energy, the piping system is designed to minimize waste and conserve resources by re-using piping and recycling refrigerant.

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

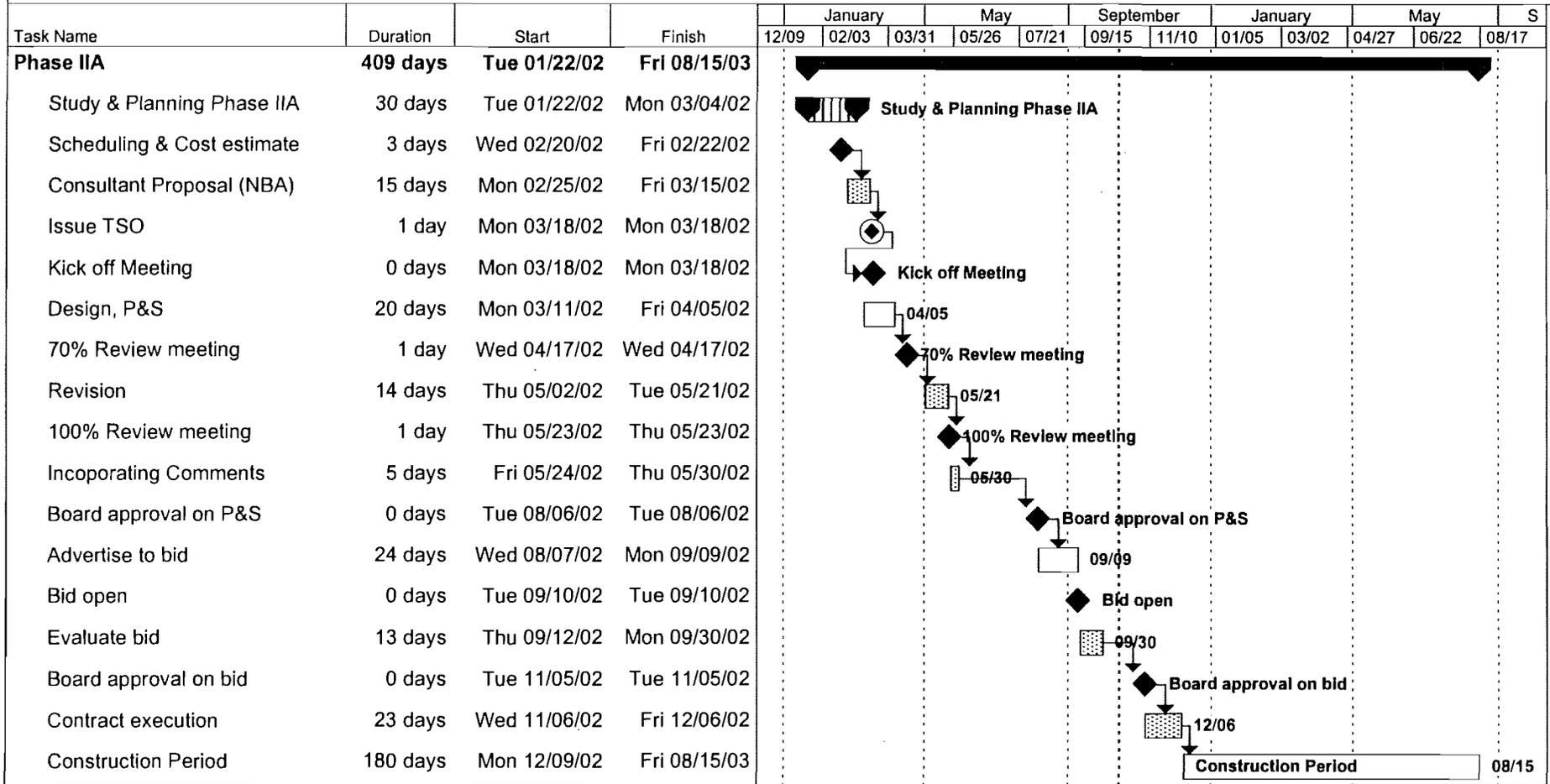
RECOMMENDATION:

It is recommended that Reliance Enterprises be found to be the lowest responsible responsive bidder, that the Contract for the above project be awarded to Reliance Enterprises for the amount of its bid, and that the other bids be rejected and the bid securities returned to the respective bidders.



PORT OF OAKLAND

Work Schedule for Phases II-A of HVAC Upgrade Project



Design Engineer: Jesse Richardson
 Supervising Engineer: Jill Brown
 Date: 08/06/2002

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

ENGINEERING PROJECT MANAGEMENT

PROJECT BUDGET SUMMARY

September 27, 2002

PROJECT TITLE: Upgrade HVAC System in Terminals, Phase 2A, Replace Cooling Tower NO. 1 and Chiller No. 2, South Field, OIA

CIP NO: A2.00765.02 (related to CIP Element Nos. A2.00765.01 and .03 through .05)

W.O. #'s: 106676

PROPOSED FUNDING SOURCES: Port Cash

Narrative: This project will replace Cooling Tower No. 1 and Chiller No. 2 in the HVAC system of the Terminal Complex, including replacement of pumps and piping. It is the second of five projects in a master program to improve the operation, reliability, and efficiency of the system. The work is programmed in 5 phases, CIP Element Nos. A2.00765.01 through A2.00765.05, which will ultimately replace two worn and inefficient cooling towers, replace Central Utility Plant chillers, replace pneumatic and electro-pneumatic controls with digital controls, and modify doors, windows and skylights to optimize energy conservation and adapt to terminal changes.

Budget: The current total budget for the five phase HVAC master program, is \$2,889,000. The current budget for Phase 2A is summarized in Table 1 below:

Table 1 - Overall Budget Summary (\$1,000's) for CIP Element No. A2.00765.02

Project Components	Port Labor & Fringes	Portwide OH	Consultant	Const. Cost	Misc. & Other	Total
Phase 2A, Replace Cooling Tower No. 1 and Chiller No. 2	113	193	69	882	8	1,265

Remarks-

1. Assumes in-house CM

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Approval of Agreements with East Bay Regional Park District for Management of Middle Harbor Shoreline Park and Lease of Port Property for Park Purposes

DATE: November 5, 2002
ITEM NO: 31

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Jerry Bridges

[Handwritten signature of Jerry A. Bridges]

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

Management Agreement For MHSP

BCDC Permit, Planning Efforts and Negotiation With Park District

As a condition of receiving a permit from the S.F. Bay Conservation and Development Commission ("BCDC") for the construction of Berths 55 through 59, included in the Vision 2000 Maritime Program, BCDC required the Port to provide the "maximum feasible public access consistent with the project."

To meet this condition, the Port identified an area of approximately 38-acres in the Middle Harbor area adjacent to the Vision 2000 projects, and that was part of the former U.S. Navy Fleet and Industrial Supply Center, to develop as a shoreline park. The Port then engaged significant community and stakeholder involvement in the development process through the establishment of a Community Advisory Committee and a Technical Advisory Group. The Port, in collaboration with the Community Advisory Committee and the Technical Advisory Group and Port contract consultants David Gates & Associates and Thurston Design Group prepared a "Middle Harbor Shoreline Master Plan" ("Master Plan"), which was formally adopted by the Board of Port Commissioners on March 16, 1999 by passage of Resolution No. 99099. The Master Plan provides the basic goals and objectives for the development of the park, referred to as the "Middle Harbor Shoreline Park", or "MHSP", and included a conceptual site plan that is the basis for the design and construction of the park.

BCDC issued permit No. 7-99 on September 27, 1999, which grants permission to the Port to develop the Vision 2000 Maritime Program projects, including the MHSP. In accordance with provisions of condition II-C-11.a. of the BCDC Vision 2000 Permit, the Port retained the services of Bay Area Economics ("BAE") to produce a study of alternative plans for the management of the MHSP. After considering a wide number of alternatives, BAE recommended that a management agreement with the East Bay Regional Park District ("Park District") was the most desirable alternative for the management of the park based upon cost, expertise and the overall ability of the Park District to meet the goals and objectives of the Master Plan.

The Port and the Park District entered into a cooperative funding agreement, which authorized the Park District staff to participate with BAE in the development of a business and implementation plan for MHSP. The purpose of this effort was to provide the framework for a final agreement between the Port and Park District for the Park District to manage the MHSP. BAE submitted its completed plan on July 3, 2001. Port and Park District staff, using the BAE plan as a guideline, has negotiated a proposed "Management Agreement for the Port of Oakland Middle Harbor Shoreline Park" ("Management Agreement") for consideration by each of the Port's and Park District's Boards. The Park District staff plans to present this proposed Management Agreement to the District's Board of Directors on November 19, 2002.

Construction of the MHSP commenced in September 2001. Construction of the Phase I area of the MHSP, the Pt Arnold area and the connection with the existing Portview Park, along 7th Street, will be substantially complete in December 2002. The Phase II area, which includes the former U.P. Mole, the observation tower, a sand beach and a Promenade is under construction and is scheduled for completion in July 2003. (See attachment A.)

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02311402374

[Handwritten signature of Shawn Koppene]

NOV - 5 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

DATE

Proposed Terms And Conditions Of Management Agreement

A copy of the proposed Management Agreement is on file with the Secretary of the Board.

Under the proposed Management Agreement the Park District will manage the MHSP on behalf of the Port and will manage and operate the MHSP, including maintenance and security with law enforcement, on a fee-for-service basis.

The Park District will manage the MHSP in accordance with the provisions of the District Operations Department Park Operations Manual and will develop, in coordination with the Port, a MHSP operations guide specific to MHSP.

The Port will construct all improvements. It is anticipated that the improvements will be constructed in three phases as envisioned by the "Master Plan". The Phase I consists of the Pt. Arnold improvements as listed above including an interim MHSP Service Center. A Second Stage MHSP Service Center will be constructed together with the Phase II of the MHSP. The Phase III, which contemplates constructing buildings for an interpretive center, a visitor/meeting facility and a field station, would be constructed at the Port's sole discretion, based upon the feasibility and funding for such improvements.

The Park District will be responsible for maintaining the MHSP including: all landscaping; sweeping and litter and debris removal; restroom cleaning and provisioning; all nonstructural maintenance including painting and cleaning of picnic/BBQ areas, sitting areas, pathways, roadways, parking lots, concession containers, the observation tower including restrooms and elevators, signage, fencing, beach nourishment and replenishment, cultural resources etc.

The Port will be responsible for maintenance of the wharf piles and cut-off wall at Pt. Arnold, the boundary fences between MHSP and Berths 55-56, and structural repairs to buildings and structures.

The term of the proposed Management Agreement will commence in January 2003. There will be a one-month transition period before the MHSP is opened to the public. The agreement may be cancelled, effective no earlier than January 1, 2005, without cause by either party, upon one-year prior written notice.

Budget

The Port will pay all of the actual and reasonable costs and expenses for the Park District to manage and operate the MHSP. The budget and expenses for operation of the MHSP will be reported to the Port and will be reviewed quarterly by a joint Port/Park District Coordination Group that will be responsible for providing the Port with proposed budget for each calendar year and recommend adjustments as necessary for the Park District to recover appropriate costs and expenses. Attachment B, lists the two parties' best estimates of the costs and expenses for the operation of the MHSP out to 2011, to be used as a guideline for future budgeting.

An initial payment, currently estimated to be \$621,586, will be paid to the Park District upon the effective date of the Management Agreement, to provide funding and working capital for the Park District to hire staff, obtain equipment and supplies and otherwise prepare for operations at the park upon the term commencement.

The cost and expenses associated with the agreement will be carried as a Maritime Division expense item.

MOA for Leases of Port Property to the Park District for Park-Related Purposes

The Park District Board previously requested that as part of the Management Agreement, the Port agree to permanently set aside land owned by the Port on the north and south sides of the Bay Bridge for use by the Park District as a part of the proposed East Bay Gateway Park and Eastshore State Park (Park District Resolution No. 2002-1, January 15, 2002). Accordingly, Port and District Staff have negotiated a proposed Memorandum of Agreement ("MOA") for the Port to grant the Park District two separate 66-year term leases of the areas shown on Attachment C.

The lease would be for the approximately 80 acres north of the Bay Bridge approach, referred to as the "Radio Beach area" (named after the Port leases with three radio stations for radio transmission facilities located in the area of the

roposed lease). The Park District wants to discuss expanding this area to include additional tide and submerged areas adjacent to and westerly of the 80 acres, as shown on Attachment C. The Radio Beach Lease term would begin in June 2003 and would be used as a part of the Eastshore State Park.

The second lease would be for approximately 4 acres south of the Bay Bridge approach, referred to as the Gateway Park Sliver Lease. The Gateway Park Sliver Lease premises would be used as a part of the District's proposed Gateway Park, which would be developed primarily on the eastern most portion of the former, Oakland Army Base referred to as the "Spit". Under the MOA, the Port would provide the District an option to lease the premises. The District would not be able to exercise the option until it owns the Spit (which the Army proposes to environmentally remediate and then transfer to the U.S. Department of Interior for conveyance to the Park District), and Caltrans vacates the adjacent Pier 7 area of the former Base now being used by Caltrans for its Bay Bridge Seismic Safety Project.

Each of the two leases will be for no rent. The leases will either exclude areas now being leased by the Port to the three radio stations (Radio Beach Lease) or being leased for other communication transmission and billboard purposes (Gateway Park Sliver Lease), or will include the present premises under all or some of these Port leases in exchange for the Park District's payment of the present value of the current and future leases for these premises.

The MOA would not be legally binding or enforceable. Once the two leases and the lease option agreement for the Gateway Park Sliver Lease have been fully developed the leases and lease option agreement will need to come back to the Board for final approval through the adoption of an ordinance.

CEQA:

Environmental review for the proposed project was conducted in conformance with the California Environmental Quality Act (CEQA). The construction and operation of the Berths 55/56 container yard and the Middle Harbor Shoreline Park was evaluated in the Environmental Impact Report (EIR) prepared for the Berths 55-58 Project, which was approved and certified by the Board on April 20, 1999. However, the execution and implementation of the management agreement is not considered a project under Section 21065 of CEQA.

PROJECT LABOR AGREEMENT: Not Applicable

SUSTAINIBILITY:

The development and on-going operation of the Middle Harbor Shoreline Park will give the public high quality access to San Francisco Bay and provide recreational and educational opportunities associated with the historical and environmental qualities of the area. This project is consistent with the goals and objectives of the Port's Sustainability Policy through conservation of natural resources, protection of natural habitats and by fostering social equity and strong communities.

GENERAL PLAN:

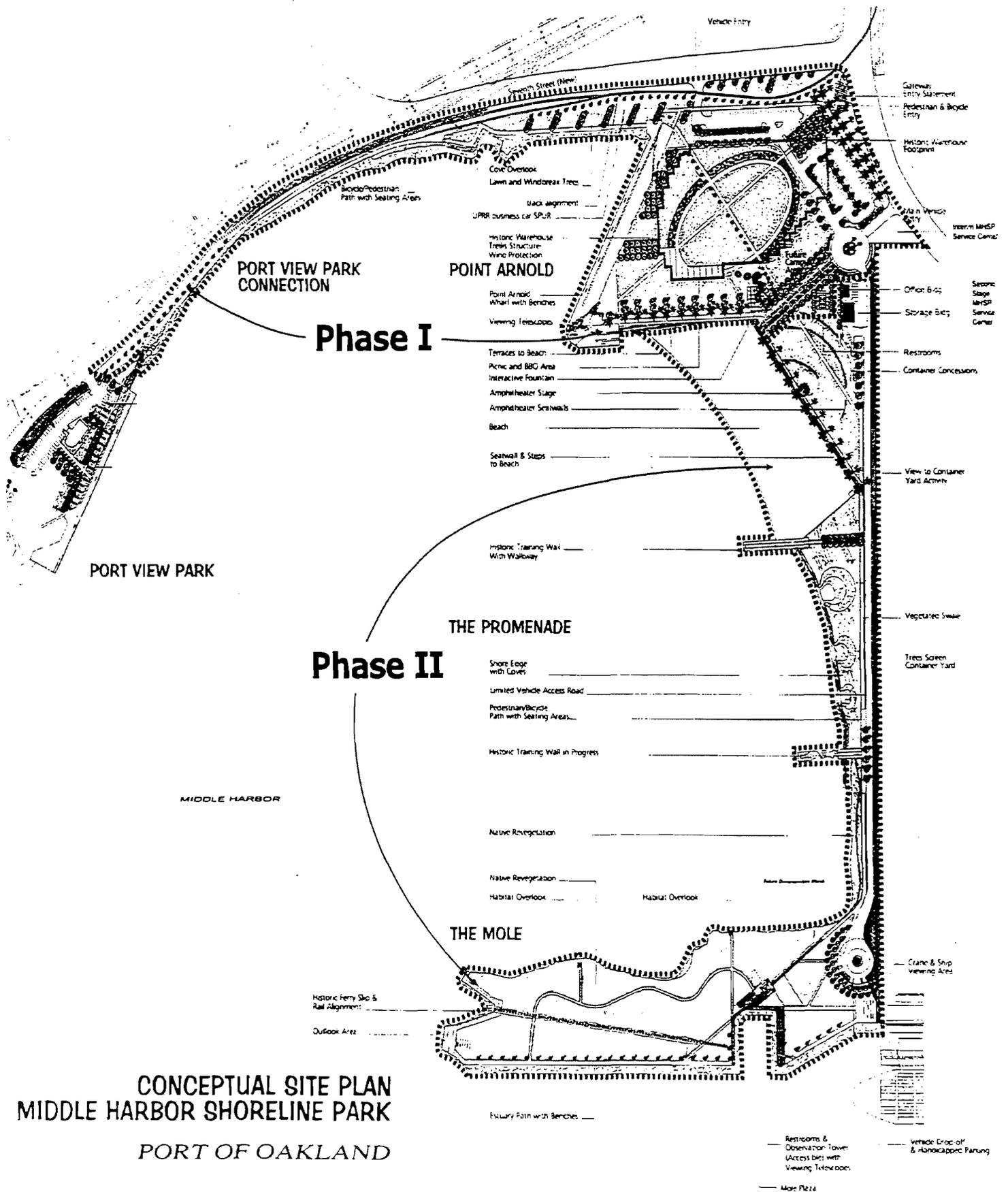
Pursuant to Section 727 of the Oakland City Charter, the Vision 2000 Maritime Development Program and this project conform to the policies of the City of Oakland General Plan.

RECOMENDATION:

It is recommended that the Board pass two resolutions:

(1) A resolution (a) approving and authorizing the Executive Director to execute an agreement with the East Bay Regional Park District, as described above, and generally consistent with the draft of Management Agreement on file with the Board Secretary, for the purpose of managing, maintaining and operating the Middle Harbor Shoreline Park, and (b) approving and authorizing the initial funding and working capital payment to the District described above and subsequent payments to the Park District which are consistent with the Management Agreement, and consistent with Attachment B or later Board-approved Port budgets or other Board authorization; and

(2) A resolution approving and authorizing the Executive Director to execute a Memorandum of Agreement with the Park District for the Radio Beach Lease and the option agreement for the Gateway Park Sliver Lease, as described above.



CONCEPTUAL SITE PLAN
MIDDLE HARBOR SHORELINE PARK
 PORT OF OAKLAND

Attachment "B"

Equipment and Estimates of District's Staffing, Supplies and Services for Operation and Maintenance of MHSP, and Costs Thereof (a)

	2003(b)	2004	2005	2006	2007	2008	2009	2010	2011
Operations and General Maintenance									
Salary and Benefits									
1 FTE Park Supervisor II	-	101,298	105,350	109,564	113,947	118,504	123,245	128,174	133,301
1 FTE Gardner	-	82,631	85,937	89,374	92,949	96,667	100,534	104,555	108,737
1 FTE Ranger II	-	81,143	84,389	87,764	91,275	94,926	98,723	102,672	106,779
1 FTE Ranger II	78,022	81,143	84,389	87,764	91,275	94,926	98,723	102,672	106,779
1 9-Month Ranger I	47,345	49,239	51,209	53,257	55,387	57,603	59,907	62,303	64,795
1 Student Labor	5,029	5,230	5,439	5,657	5,883	6,118	6,363	6,618	6,882
1 Student Labor	5,029	5,230	5,439	5,657	5,883	6,118	6,363	6,618	6,882
Overtime	16,338	16,992	17,672	18,378	19,114	19,878	20,673	21,500	22,360
O&I Indirect Costs	61,403	63,859	66,413	69,070	71,833	74,706	77,694	80,802	84,034
Districtwide Overhead	80,759	111,986	116,465	121,124	125,969	131,007	136,248	141,698	147,365
Total Salary and Benefits	293,925	598,751	622,701	647,609	673,513	700,454	728,472	757,611	787,915
Supplies and Services									
Safety Supplies & Equipment	-	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267
Horticultural Supplies & Service	-	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829
Uniforms	-	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262
Minor Maint. Supplies & Service	-	41,375	42,616	43,895	45,212	46,568	47,965	49,404	50,886
Small Tools	-	849	874	900	927	955	984	1,013	1,044
General Office Supplies	-	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Professional Services	-	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219
Alarm Service	-	637	656	675	696	716	738	760	783
Meals and Travel	-	212	219	225	232	239	246	253	261
Telephones	-	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Signage	-	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Fountain Maintenance	-	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914
Beach Debris/Garbage Removal	-	36,071	37,153	38,267	39,415	40,598	41,816	43,070	44,362
Water Quality Monitoring	-	20,777	21,400	22,042	22,703	23,384	24,086	24,808	25,553
Equipment Fuel and Repairs	-	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133
Equipment Rental	-	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Elevator Maintenance	-	5,092	5,245	5,402	5,565	5,731	5,903	6,080	6,263
IPM Program	-	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Total Supplies and Services	116,690	158,557	163,313	168,213	173,259	178,457	183,811	189,325	195,005
Start-Up and Recurring Costs									
2 Trucks with Utility Body	11,000	-	-	-	-	-	-	-	-
Compact Pick-Up	-	-	-	-	-	-	-	-	-
Mule	-	-	-	-	10,433	-	-	-	-
Toro Mower	-	-	-	-	-	-	27,057	-	-
Trailer	-	-	-	-	-	-	-	-	-
Radios in Trucks	670	-	-	-	-	-	-	-	-
Portable Radios	1,627	-	-	-	-	-	-	-	-
Cell Phones	618	-	-	-	-	-	-	-	-
Safety Equipment	-	-	-	-	-	-	-	-	-
Small Tools	1,000	-	-	-	-	-	-	-	-
Computer	-	-	-	-	-	-	-	-	-
Printer	-	-	-	-	-	-	-	-	-
Fax Machine	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-	-	-	-
Total Start-Up and Recurring	14,915	-	-	-	10,433	-	27,057	-	-
Total Ops. & General Maint.	\$425,530	\$757,308	\$786,014	\$815,822	\$857,206	\$878,911	\$939,340	\$946,936	\$982,920
Operational Skilled Maintenance									
Salary and Benefits									
.10 FTE Maint. Person	7,802	8,114	8,439	8,776	9,127	9,493	9,872	10,267	10,678
.10 FTE Maint. Person	7,802	8,114	8,439	8,776	9,127	9,493	9,872	10,267	10,678
Districtwide Overhead	4,132	4,297	4,469	4,648	4,834	5,027	5,228	5,437	5,655
Total Salary and Benefits	19,736	20,526	21,347	22,201	23,089	24,012	24,973	25,972	27,011
Supplies and Services									

Equipment and Estimates of District's Staffing, Supplies and Services for Operation and Maintenance of MHSP, and Costs Thereof (a)

	2003(b)	2004	2005	2006	2007	2008	2009	2010	2011
On-Call Repairs	15,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597
Total Supplies and Services	15,000	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597
Start-Up and Recurring Costs	-	-	-	-	-	-	-	-	-
Total Operational Skilled Maint.	34,736	40,526	41,947	43,419	44,943	46,523	48,158	49,853	51,608
Law Enforcement									
Salary and Benefits									
Police Officer	22,221	131,705	136,973	142,452	148,150	154,076	160,239	166,649	173,315
Police Officer	-	131,705	136,973	142,452	148,150	154,076	160,239	166,649	173,315
Contingency	15,600	16,224	16,873	17,548	18,250	18,980	19,739	20,529	21,350
Helicopter Service	13,082	13,605	14,149	14,715	15,304	15,916	16,553	17,215	17,904
Districtwide Overhead	25,823	77,650	80,756	83,986	87,345	90,839	94,473	98,252	102,182
Total Salaries and Wages	76,726	370,889	385,725	401,154	417,200	433,888	451,243	469,293	488,065
Supplies and Services									
Uniforms	-	530	546	563	580	597	615	633	652
Total Supplies and Services	-	530	546	563	580	597	615	633	652
Start-Up and Recurring Costs									
Police Vehicle	-	-	38,404	-	-	41,965	-	-	45,856
Equipment for Officers	6,291	-	-	-	-	-	-	-	-
Autocite	-	-	-	-	-	-	-	-	-
Laptop computer	-	-	-	-	-	-	-	-	-
Portable Radios	-	-	-	-	-	-	-	-	-
Total Start-Up and Recurring	6,291	-	38,404	-	-	41,965	-	-	45,856
Total Law Enforcement	\$83,017	\$371,419	\$424,675	\$401,716	\$417,779	\$476,450	\$451,858	\$469,926	\$534,573
Interpretation									
Salary and Benefits									
Naturalist	-	-	-	-	100,847	104,880	109,076	113,439	117,976
Overtime	-	-	-	-	1,575	1,638	1,703	1,771	1,842
O&I Indirect Costs	-	-	-	-	15,466	16,084	16,728	17,397	18,093
Districtwide Overhead	-	-	-	-	27,121	28,206	29,334	30,508	31,728
Total Salary and Wages	-	-	-	-	117,887	122,603	127,507	132,607	137,911
Supplies and Services									
Uniforms	-	-	-	-	812	812	812	812	812
Educational Materials	-	-	-	-	2,319	2,319	2,319	2,319	2,319
Total Supplies and Services	-	-	-	-	3,131	3,131	3,131	3,131	3,131
Start-Up and Recurring Costs									
Vehicle	-	-	-	-	17,484	-	-	-	-
Vehicle Radio	-	-	-	-	732	-	-	-	-
Portable Radio	-	-	-	-	889	-	-	-	-
Total Start-Up and Recurring	-	-	-	-	19,105	-	-	-	-
Total Interpretation	\$0	\$0	\$0	\$0	\$140,123	\$125,733	\$130,637	\$135,738	\$141,042
Total Estimated Annual Expenses	\$543,283	\$1,169,253	\$1,252,636	\$1,260,957	\$1,460,052	\$1,527,617	\$1,569,994	\$1,602,453	\$1,710,144

(a) Per EBRPD, wage rates include 4% estimated annual CPI adjustment (union contracts require adjustment per actual CPI); supplies and services estimated 3% annual CPI adjustment.

(b) Estimates represent initial yearly operating costs minus the upfront capital outlays summarized in Exhibit E.

Proposed additional tide and submerged area

(B)

CITY OF OAKLAND
STAT. 1911, CH. 657

CHANCELLOR MEDIA CORP.
LEASE PREMISES

SF PACIFIC PROPERTIES

RADIO BEACH
Area

PARCEL

ORD SPANISH BROADCASTING, INC.
LEASE PREMISES

STATE OF CALIFORNIA
7547 OR 489

PACIFIC F.M., INC.
LEASE PREMISES

STATE OF CALIFORNIA
B.N. 84-954478

STATE OF CALIFORNIA
S.N. 78-031078

STATE OF CALIFORNIA
S.N. 89-028117

STATE OF CALIFORNIA
7420 OR 1829

STATE OF CALIFORNIA
4188 OR 1156

CITY OF OAKLAND
S.N. 79-034788

CITY OF OAKLAND
B.N. 79-034788

CITY OF OAKLAND
STAT. 1911, CH. 057

E.D.M.U. EASEMENT

STATE OF CALIFORNIA
3625 OR 252

Gateway Park
Sliver Lease

Area (C)

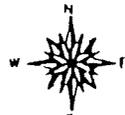
USA - GSA
FORMERLY A PORTION OF TRACT 13 PARCEL 1

USA - ARMY
TRACT 14 PARCEL 1

PORT OF OAKLAND
LAND SURVEYS AND MAPPING



530 Water Street
Oakland, California



PLAT TO ACCOMPANY LEGAL DESCRIPTION

PROPOSED LEASE PREMISES
EAST BAY REGIONAL PARK DISTRICT

DRAWN BY: JRM
CHECKED BY:
SCALE: 1" = 700'
DATE: 11/5/99
SHEET 1 OF 1
ATTACHMENTS:
FILE LOC: > \TRANSBAY\103644\EXHIBIT_A

Field Bk:
Wrk. Ord: 103644
Data File:
Revision:
Rev. date:

Agenda Sheet

SUBJECT: ^{TD} Ratification of Change Orders to Contract for Construction of Berth 25 Yard Expansion, Outer Harbor – Unforeseen Site Conditions and Design Changes

DATE: November 5, 2002

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Contract with McGuire & Hester, for **CONSTRUCTION OF BERTH 25 YARD EXPANSION, OUTER HARBOR, OAKLAND, CALIFORNIA**, became effective on December 17, 2001, at a lump sum and unit prices totaling \$1,395,300. The work consists, in general, of construction of pavement; furnishing and installing light poles and fixtures, a fire protection system, electrical and telecommunications systems and storm drain systems; and installing yard signing, striping and fencing. The purpose of this project was to construct approximately 5 acres of marine shipping container yard, to be incorporated into the present Berth 25 Yard.

ANALYSIS:

To date, Port staff has issued a total of \$130,040.08 in change orders (9.4% of Contract amount). Additional, unforeseen conditions were encountered and design changes were made during the construction of this project. They included the following:

- **Unforeseen Obstructions Encountered During Contract Work** - **\$26,012.25**
Contractor encountered gas lines, buried light pole foundations, irrigation lines, and unsuitable soil. Mitigation of these unforeseen obstructions was required to construct new storm drain lines, light pole foundations, and a driveway to the Berth 25 employee parking lot.
 - **Design Changes** - **\$20,325.00**
Contractor was directed to stripe per revised striping plan, and relocate an existing fire hydrant, as requested by the Tenant.
 - **City of Oakland Code Requirements** - **\$13,748.03**
Contractor was directed to remove existing ground wire, install new re-sized ground wire, pothole for grounding rods, and revise substation installation in order to get City sign-off on permits.
- Total: \$60,085.28**

When added to the change orders that have been issued under staff authority, this exceeds the staff's 10% contingency authority to issue change orders without Board approval. Following is a summary of all change orders, including the subject of this letter:

Change Order Type	No. of Items	Cost	% of Contract	% of Total C.O.s
Design Change	3	\$55,300.00	4.0%	28.9%
Unforeseen Conditions	12	\$118,912.88	8.5%	62.2%
Omissions	1	\$3,064.45	0.2%	1.6%
Regulatory/Outside Agency	1	\$13,748.03	0.1%	7.2%

\\Consil\BL\R\ly\CO-McGuire&Hester\11502

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02313

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Budget

This project is budgeted under CIP Item No. M1.00406.10. The source of funds is Port cash.

OPTIONS:

If staff had waited for Board approval for this work, there would have been a delay of approximately 60 calendar days, additional costs for lost revenue, and potentially thousands of dollars for delay-related claims. Therefore, staff directed the contractor to perform the work and then negotiated the costs for the work performed.

RECOMMENDATION:

It is recommended that the Board ratify the above-described change orders for a total cost of \$60,085.28.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT
PROJECT BUDGET SUMMARY ■ October 18, 2002**

PROJECT TITLE: Berth 25 Yard Expansion
CIP NO: M1.00406.10
W. O. # 104023
PROPOSED FUNDING SOURCES: Port Cash

Narrative: Project to construct 5 acres of marine terminal shipping container yard to be incorporated into the present Berth 25 yard. Project construction budget is updated for approved change orders to date.

Budget: This project is budgeted under CIP # M1.00406.10. The current budget estimate is \$2,507,400.

Table 1: Overall Budget Summary (1000's)

Project Components	Port Labor & Fringe	Port OH	Consult + CM Cost	Const. Cost	Outside Legal	Misc. & Other	Capital. Interest	Allowance & Contrib.	Contin-gency	Totals
Design and Construct Project	292	496.4	67	1,589		39	24		0	2,507
Total =	292	496.4	67	1,589		39	24		0	2,507.4

Remarks/Notes:

1. This report provides a budget "snapshot" for Director of Engineering, Port Commissioners, etc.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 41

SUBJECT: Approval Of A Contract Extension For Professional Services With
Lance R Bateman To Provide Financial Planning Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred Rickert *FR*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

Lance Bateman has been under contract at the Port since July 1, 2001 to provide strategic financial planning for the Port. During this time, he assumed the role of team leader for the Port's financing team and managed the completion of a \$620 million Series L&M bond issue to begin phase one of the Airport's expansion program. The team recently completed an approximate \$127 million Refunding Revenue Bond issue that resulted in \$24.2 million of net present value savings. In addition, he has been developing the criteria for the Finance Division's Financial Planning Manager position. Prior to the latest bond issues, Mr. Bateman managed the spending of the \$400 million Series K issue, which resulted in the Port retaining \$5.7 million in interest arbitrage earnings.

During the next two years, Mr. Bateman will be responsible for controlling the spending of Series L&M and the additional funding sources that were identified in the feasibility study to complete the \$1.2 billion Capital Improvement Program. Also, Mr. Bateman will manage the development and implementation of in-house capability for financial feasibility and cash flow modeling; implement controls and improve procedures for debt compliance, cash management, CIP controls, revenue forecasting, and expenditure analysis. The Financial Services Division will be initiating a hiring process for the Financial Planning Manager and Mr. Bateman will assist the new manager in learning the duties of the position.

SCOPE OF SERVICES:

Please see attached outline.

COST OF CONTRACT:

The contract will be paid on an as-needed monthly basis over the next two years at a rate not to exceed \$160,000 a year, including out-of-pocket expenses incurred on Port related expenses not to exceed \$15,000 annually. The cost of this contract will be funded with budgeted project funds, budgeted unfilled Finance positions and future costs of issuance from bond proceeds.

RECOMMENDATION:

It is recommended that the Board Of Port Commissioners authorize the Executive Director to execute a two-year contract with Lance R Bateman for Financial Services.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 092374

BOARD ACTION TAKEN

Assistant

[Signature]
 SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Financial Planning Services Scope of Services

Subject to the direction of the Chief Financial Officer, Consultant shall perform services in the following areas:

Area 1: Manage the Port's Financing Requirements for the Extended Capital Improvement Program.

Objective 1: Assume role of team leader for Port's financing team in order to manage the Port's current debt and prepare for the remaining debt issues required for the Extended Capital Improvement Program.

Objective 2: Manage all funding sources for capital improvement projects.

Objective 3: Prepare and maintain projections for timing of future debt issues.

Objective 4: Prepare long-term debt capacity analysis.

Area 2: Direct and Improve Financial Planning and Procedures.

Objective 1: Review and make recommendations on internal CIP procedures including the "Green Sheet" and board letter processes and the capital planning and resource allocation models.

Objective 2: Direct the development of in-house capability for financial feasibility and cash flow modeling of current and future debt for the capital improvement program.

Objective 3: Direct the development of in-house capability for cost of capital modeling and capital structure analysis.

Objective 4: Prepare financial projections and relevant ratio analysis.

Objective 5: Improve financing and scheduling elements of the Capital Improvement Program.

Objective 6: Prepare quarterly CIP projections and quarterly feasibility analysis.

Area 3: Manage Debt Compliance.

Objective 1: Assist staff to monitor debt covenants and debt compliance procedures.

Objective 2: Assist staff to manage bond reporting procedures.

Objective 3: Review and advise on periodic analysis of Port cash and reserve funds.

Area 4: Assist in Other Areas as Requested.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 42

SUBJECT: APPROVAL OF EXTENSION OF CONTRACT WITH D2 BUSINESS CONSULTING TO IMPLEMENT ISO9000 STANDARDS FOR THE MARITIME AND FINANCIAL SERVICES DIVISIONS

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: FRED W. RICKERT

EXECUTIVE OFFICE RECOMMENDATION

FACTUAL BACKGROUND:

On September 3, 2002, the Board of Port Commissioners approved a contract with D2 Business Consulting to assist Port staff with documenting procedures and creating standards leading to ISO 9000 certification. The goal is to meet the process standards leading to certification under ISO 9001-2000. This standard requires the organization to establish, document, implement and maintain a quality management system and continually improve its effectiveness in accordance with the standards. More specifically the organization shall:

- Identify the processes needed for the quality management system and their application through out the organization,
- Determine the sequence and interaction of these processes,
- Determine criteria and methods needed to ensure that both the operation and control of these processes are effective,
- Ensure the availability of resources and information necessary to support the operation and monitoring of these processes,
- Monitor, measure and analyze these processes, and
- Implement actions necessary to achieve planned results and continual improvement of these processes.

During the months of September and October 2002, D2 Business Consultants worked with World Wide Quality Management and Port staff in Finance and Maritime to complete the following

Quality Manuals

General Quality procedures

Detailed process procedures:

Financial Services Division

- Accounts Payable
- Accounts Receivable/Collections
- Financial Reporting
- General Ledger
- Enterprise Risk Management
- Purchasing
- Financial Planning

Maritime Division (Partial)

- Finance & Budget
- Project Management Services
- Marketing
- Wharfinger Operations

We have determined that over the next several months' assistance is needed to complete documentation of the Maritime Division, refine certain procedures, audit quality procedures, and begin implementation of the quality system including process improvement. As part of the defined quality manual and procedures, the two divisions will begin the determination of customer requirements. Interface agreements with division internal customers will be prepared to outline customer service requirements, partnership relationships and service commitments. The defined processes and service commitments will be subject to ongoing measurement, analysis and quality audit. Implementation of the quality system will lead to continuous improvement and ISO9000 certification.

The schedule for certification by the ISO9000 assessor is currently January 2003, however this date is at our request and can be delayed if the Divisions need more time to prepare. We have scheduled the use of D2 Business Consulting over a six-month period to allow staff involvement continuous improvement.

BUDGET

Both the Financial Services and Maritime Division will fund the cost of this effort through savings from vacant positions, reduction in other areas and process improvements.

RECOMMENDATION

It is recommend the Board approve extension of contract with D2 Business Consultants, not to exceed \$100,000 to work with the Financial Services and Maritime Divisions to implement the Quality Management System leading to ISO9000 certification.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

02375

NOV - 5 2002

BOARD ACTION TAKEN

DATE

Adam Kuzma

Assistant

SECRETARY OF THE BOARD

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 43

SUBJECT: Authorization To Enter Into A Contract With BLT Associates For Human Resources Consulting Services

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Fred W. Rickert

EXECUTIVE OFFICE RECOMMENDATION:

Factual Background

The Financial Services Division created a manager position to oversee cash and debt management. After defining the duties of the position and implementing the organization, the Division believes that it is timely and appropriate to conduct a search to fill the position.

Analysis

A successful search for a manager with the financial skills and background to fill the duties and requirements of this position requires the professional ability and attention of an executive recruiting firm. BLT Associates, a Port of Oakland certified local business, will provide the Port with a professionally conducted search and selection for the position.

Budget

BLT Associates proposes to conduct the search for 25% of the annual salary.

Sustainability

No sustainability issues or opportunities have been identified.

Recommendation

It is recommended that the Board of Port Commissioners authorize the Executive Director to execute a contract with BLT Associates for professional recruitment.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02376

BOARD ACTION TAKEN

Assistant

Shirley Kuyssine

SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 45

- SUBJECT: PERSONNEL ITEMS
- Creation of Salary Schedule
- Creation of Classifications/Positions

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULE--Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the following Salary Schedule in order to implement its assignment to the creation of a new classification later on this agenda (See Item IIA below).

Salary Schedule	Rep. Unit	Salaries
48.4	B	(a--\$3263; b--\$3395; c--\$3525; d--\$3686; e--\$3854)

II. CREATION OF CLASSIFICATIONS/POSITIONS--Ordinance (2 Readings)

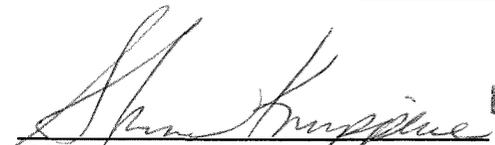
- A. It is requested that the Board approve the creation of the classification **Lead Custodian** and assignment to **Salary Schedule 48.4** (a--\$3263; b--\$3395; c--\$3525; d--\$3686; e--\$3854) in accordance with Article 20B of the Memorandum of Understanding between the Port and Local 790.
- B. It is requested that the Board approve the creation of the classification **Port Assistant Management Analyst**. The classification is being created to downgrade and replace a vacant Port Equal Opportunity Specialist position, which was approved as a result of the **FY 2002/2003 Staffing Plan**. The salary is to be placed at **Salary Schedule 232.2** (a--\$4611; b--\$4842; c--\$5084; d--\$5389; e--\$5713). The second position is being created to upgrade and replace a vacant Executive Assistant position in the Communications Division.

NEW CLASSIFICATION	OPER/CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Lead Custodian	OPER	Aviation	5	B	48.4 (a--\$3263; b--\$3395; c--\$3525; d--\$3686; e--\$3854)
Port Assistant Management Analyst	OPER	Equal Opportunity and Communications	2	D	232.2 (a--\$4611; b--\$4842; c--\$5084; d--\$5389; e--\$5713)

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant  SECRETARY OF THE BOARD

NOV - 5 2002

DATE

It is requested that the Board approve the creation of the following additional position as indicated. This position is being created in accordance with Article 20B of the Memorandum of Understanding between the Port and Local 790.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS
Lead Painter	OPER	Engineering	1

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding, creation of salary schedule and creation of classifications/positions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

7D
SUBJECT: Approval of As-Needed Environmental Compliance Consulting Services

DATE: November 5, 2002
ITEM NO: 46

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION *[Signature]*

FACTUAL BACKGROUND:

The Port of Oakland is subject to a wide range of environmental laws and regulations. These include underground storage tank issues; hazardous materials and waste control and disposal; and stormwater/wastewater control. In addition, as part of property development projects, the Port undertakes environmental investigations, hazardous material remediation, human health and ecological risk assessments, and other projects to control and lawfully address hazardous materials. Many of these projects are associated with active construction projects and must be addressed on very short notice. The Port's Environmental Health and Safety Compliance (EH&SC) Department often requires consultant services to perform or assist with these studies and activities. Historically, "as-needed" professional services contracts have been used to meet these varied and ongoing needs.

Under the As-Needed Consulting Agreement, the Prime Consultant will enter into a professional services agreement with the Port to provide environmental consulting on a task -specific basis in the areas of:

- recommendations pertaining to compliance with local, state and federal hazardous materials regulations
- preliminary site assessments
- site audits, including soil and groundwater sampling and evaluation of laboratory analytical results
- remedial investigations
- remediation engineering
- litigation support
- human health and ecological risk assessments
- aboveground and underground storage tank compliance activities, such as permits, removal reports, monitoring, and spill plans
- air quality compliance issues
- facility and program compliance audits
- toxicology consulting
- other related hazardous materials management services.

ANALYSIS:

On May 17, 2002, EH&SC sent out a Request for Proposals (RFP) to a list of 253 environmental consulting firms located in the Local Impact Area (LIA). The list was comprised of firms registered with the Port's Division of Social Responsibility (SRD), EH&SC's own list, and firms listed in the Yellow Pages. The RFP required that the Prime Consultant be located within the LIA, as certified by SRD.

The Port received 22 proposals. EH&SC evaluated and scored the written proposals based on technical expertise and experience, cost, and the quality of presentation (maximum 50 points). SRD evaluated each firm's adherence to Port community outreach goals (maximum 15 points). Each firm could earn a maximum of 65 points in the proposal review portion of the selection process.

3rd Agenda:EHSC:As-neededEnvConsultants11502

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02377, 02378, 02379,

02380 & 02381

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

NOV - 5 2002

DATE

EH&SC invited the top 10 firms to participate in an oral interview by a panel drawn from Engineering and SRD staff. The panel evaluated each firm on their responses to 6 questions designed to demonstrate their expertise in the field of environmental assessment and compliance and their ability to work with the Port as a team. Firms could earn a maximum of 35 points in the interview portion of the selection process.

The points for all phases of the evaluation were totaled (100 possible points). Staff proposes entering into professional services contracts with the top 5 firms. Each of these five firms is capable of performing the scope of services required. The attached table lists each firm and their identified subconsultants.

Staff recommends entering into professional services contracts with the following firms to provide as-needed environmental compliance consulting services:

Geomatrix Consultants Inc.
Science Applications International Corporation (SAIC)
Treadwell&Rollo
URS Corporation
Weiss Associates

SRD has a current Professional Services Questionnaire/EEO-1 Work Force Report on file for each of the recommended firms. Furthermore, SRD has determined that each firm is located in the LIA and is responsive to the Port's Non-Discrimination and Small Local Business Utilization Policy.

It is proposed to execute a professional services contract to compensate each firm at agreed billing rates on a time-and-materials basis for a total amount not to exceed \$700,000 for each contract. The \$700,000 aggregate is based on past experience with similar contracts and the expected needs of the Port's Capital Improvement Program (CIP). The contract maximum is expected to be sufficient for a contract of between two and three years' duration. The contracts will be used only as required and will not be exceeded without future Board approval.

This recommendation has been approved by the Administration Committee of the Board.

Budget

The cost of these services will be covered by the EH&SC Operating Budget, Environmental Liability Accounts established for such work, Port cash, CIP funds and, in some instances, by other responsible parties. Because much of the work under these contracts cannot be foreseen, it is not possible to present a detailed accounting of sources of payment. Work will not be assigned unless appropriate funding is available.

Sustainability

All of the work of these contracts will be to control hazardous materials and/or to improve the environment, particularly soil and groundwater.

Project Labor Agreement

Most of the work of these contracts involves specialized investigation and engineering services for environmental health and safety and is exempt from the PLA. In some instances, heavy equipment may be operated that could fall under the requirements of the PLA.

OPTIONS:

Staff may accomplish the work by developing separate contracts for each task. This approach was rejected because the large number of potential projects would require excessive staff time to develop contracts, and because the contracting process typically takes longer than is feasible when short response times are required, as is typical for construction. As-needed contracts allow a quick, efficient response using pre-qualified consultants.

RECOMMENDATION:

It is recommended that the Board:

1. Determine that the consulting services, as described, are professional services; and
2. Authorize the preparation and execution of separate consultant agreements with Geomatrix Consultants Inc., Scientific Applications International Corporation, Treadwell&Rollo, URS Corporation, and Weiss Associates.

Recommended Consultant Teams

PRIMARY CONSULTANT	TEAM MEMBERS
Geomatrix Consultants, Inc.	Niland Associates
Scientific Applications International Corporation	GAIA Consulting, ETIC Engineering, Inc.
Treadwell&Rollo	SOMA, RGA Environmental
URS Corporation	Mariscal & Associates, Inc., WRS Infrastructure & Environment, Inc., Locus Technologies, Environmental Sampling Services, Gregg Drilling & Testing
Weiss Associates	SOMA, Gregg Drilling & Testing, Bill Ward & Associates

SUMMARY SHEET for PERMIT APPLICATION

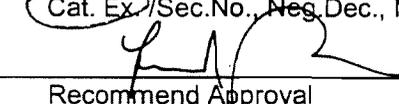
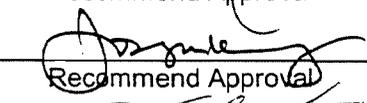
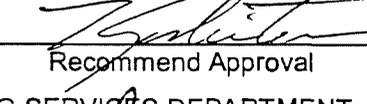
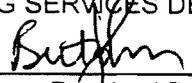
(This Summary Agenda Sheet to be used for ALL permits in this category for which Board approval is recommended.)

DATE: October 23, 2002

PORT PERMIT NO: 4437

BUILDING PERMIT APPLICATION:	<input type="checkbox"/> New Construction	<input type="checkbox"/> Addition	<input checked="" type="checkbox"/> Alteration
	<input type="checkbox"/> Demolition	<input type="checkbox"/> Repair	<input type="checkbox"/> Other, Tank
SIGN PERMIT APPLICATION	<input type="checkbox"/> Wall Sign	<input type="checkbox"/> Pole Sign	
	<input type="checkbox"/> New	<input type="checkbox"/> Alter	<input type="checkbox"/> Repair
	<input type="checkbox"/> Non-electric	<input type="checkbox"/> Electric	<input type="checkbox"/> Temporary

PORT TENANT:	PERMIT APPLICANT:
<u>Transportation Security Admin.</u>	<u>Parsons Transportation Group</u>
LOCATION OF PROPOSED WORK: <u>1 Airport Drive Terminal 2 (M130)</u>	
BRIEF DESCRIPTION OF PROPOSED WORK: <u>Rearrangement of the security checkpoint area in Terminal 2 to accommodate Transportation Security Administration passenger screening requirements. Project includes related electrical, communications work and minor building alterations. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class <u>1</u>, Section <u>15301(a)</u>.</u>	
SCHEDULED FOR BOARD ACTION: Date: <u>November 5, 2002</u>	VALUATION OF WORK: <u>\$ 150,000</u>

FROM: PORT PERMITS, ENGINEERING SERVICES DEPARTMENT	
 Recommend Approval	Date: <u>10/23/02</u>
ROUTE TO: (Please sign and send to next on list ASAP)	
(1) PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR, ENVIRONMENTAL PLANNING DEPARTMENT	
ASSESSMENT: <u>Section 15301(a)</u>	
<u>Cat. Ex./Sec.No., Neg.Dec., Mit.Neg. Dec., or EIR</u>	
 Recommend Approval	Date: <u>10/23/02</u>
(2) DIRECTOR OF ENGINEERING	
 Recommend Approval	Date: <u>10/24/02</u>
(3) EXECUTIVE DIRECTOR	
 Recommend Approval	Date: <u>10/29/02</u>
(4) PORT PERMITS - ENGINEERING SERVICES DEPARTMENT:	
 Received By:	Date: <u>10/24/02</u>

BOARD APPROVAL: Resolution No: _____ Date: _____

MEMO

DATE: October 23, 2002

TO: Brit Johnson
Permit Technician
Engineering Design Services

FROM: Renée T. Dixon 
Associate Port Environmental Planner
Environmental Planning

SUBJECT: Port Permit 4437 – Transportation Security Administration (Tenant) Parsons
Transportation Group (Applicant)

Location: 1 Airport Drive terminal 2 (Building M130)

The Transportation Security Administration has increased their passenger screening requirements. This has resulted in the need to reconfigure screening and checkpoint areas to accommodate security equipment and passenger processing. The proposed project involves re-arranging the existing security checkpoint area in Terminal 2. It will entail minor interior building alterations, e.g., demolition of an existing partition wall and extending it, installing communications equipment, e.g., viewing screens. The locations of the existing x-ray machines, other security equipment, and associated electrical wiring will also be re-arranged within the area.

The project involves continuing an operation of existing facilities that will involve negligible or no expansion beyond the existing use. It is exempt under State CEQA Guidelines Section 15301(a), Class 1, Existing Facilities.

The Board of Port Commissioners approved the procurement and installation of security checkpoint equipment along with the required minor interior alterations (e.g., providing partition walls and electrical conveyances) in February 2002 (Resolution Number 02044). The proposed work by Parsons is consistent with the previous Notice of Exemption that was filed with the County on February 25, 2002. It will not be necessary to file another Notice of Exemption because the above-described activity has already been cleared.

Please do not hesitate to call me at extension 1351 if you have additional questions.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: October 22, 2002

ITEM NO: 43

SUBJECT: PERSONNEL ITEMS
Title Changes

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

**DUPLICATE
OF PRIOR**

GENERAL MEMO

FACTUAL BACKGROUND:

I. TITLE CHANGES – Ordinance (2 Readings)

It is requested that the Board approve a title change for the following classifications. The new titles are designed to achieve more internal consistency in the Port's titling practices. The new titles will not result in a change in salary.

CURRENT TITLE	NEW TITLE
Airport Security Manager	Aviation Security Manager
Port Personnel Clerk	Port Human Resource Clerk

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding title changes.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE



BOARD OF PORT COMMISSIONERS
OF THE
PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

TAY YOSHITANI
Executive Director

DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

COMMISSIONERS

FRANK KIANG
President

JOHN PROTOPAPPAS
First Vice President

PATRICIA A. SCATES
Second Vice President

DARLENE AYERS-JOHNSON
DAVID KRAMER
PHILLIP H. TAGAMI
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, November 19, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.
Pursuant to subdivision (a) of Section 54956.9 Name of cases:

The City of Oakland, et al. v. International Brotherhood of Teamsters
Local Union 70, et al., Alameda County Superior Court Case No.
2002058643

Carol Beadle v. Port of Oakland, Workers' Compensation Appeals
Board Case No. OAK 249922

2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED
LITIGATION. Significant exposure to litigation pursuant to subdivision
(b) of Section 54956.9: 6 matters

3 CONFERENCE WITH REAL PROPERTY NEGOTIATOR.
Government Code Section 54956.8.

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of
Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and terms of payment

Property: Pardee Parking Lot
Negotiating Parties: Port and City of Oakland
Under Negotiation: Price and terms of agreement

REGULAR MEETING
November 19, 2002

Property: Berths 55-56, Terminal Facilities
Negotiating Parties: Port of Oakland and Total Terminals
International, LLC
Under Negotiation: Price and Terms of Payment

4 PERSONNEL MATTER. Public Employee Performance Evaluation.

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Deferred - Regular meeting of November 5, 2002.

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11 First Reading of an Ordinance Approving the Terms and Conditions of a Wireless Telecommunications Agreement with GTE Mobilnet of California (#1 airport Drive, South Airport). (Ordinance)
- 12 Purchase of Security Badges from Electronic Technologies Corporation. (Resolution)
- 13 Approval of Project Manual for Removal of Rubber Deposits from Runways for the Period Commencing January 1, 2003 and Ending February 28, 2004, 2005 or 2006, OIA. (Resolution)
- 14 Approval of Project Manual for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2003, and Ending December 31, 2003, South Field, OIA. (Resolution)
- 15 Ratification of Change Orders to Contract for Construction of Airport Drive and Air Cargo Road Interchange, Airport Roadway Project (Contract A), OIA – Revise Interchange to Facilitate Future Construction of Terminal Expansion Project. (Resolution)

- 16 Ratification of Change Orders to Contract for Realignment of Langley Street and Widening of Doolittle Drive, North Field, OIA – Utility Conflicts, Relocate PG&E Service Cabinets, and Rock Slope Protection. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21 Approval of Supplemental Agreement with Philip Williams & Associates to Complete Clinton Basin Wetlands Restoration Contract Documents. (Resolution)
- 22 Approval to Execute MOU with Alameda County Congestion Management Agency, City and Port to Fund Study of Transportation Improvements. (Resolution)
- 23 Approval of the First Amendment to the Agreement for Purchase and Sale of Real Property and Escrow Instructions Between the Port of Oakland and SIMEON Commercial Properties. (Resolution)
- 24 First Amendment to the Purchase and Sale Agreement with Doug Rubin and Elizabeth Zenger for the Property Located at Eugewater Drive and Pardee Road. (Resolution)
- 25 Approval of Agreement with the City of Alameda for the Operations of the Alameda Oakland Ferry and Approval of Cost Plus Agreement with Blue and Gold Fleet. (Resolution)

MARITIME

Maritime Committee Report

- 31 Authorization to Reject All Bids and to Negotiate with the Lowest Responsible Responsive Bidder for Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000. (Resolution)
- 32 Authorization to Exceed Purchase Order Limits for Interim Office Complex Trailers at Berths 57-59, Vision 2000. (Resolution)
- 33 Approval to Increase Executive Director's Authority to Authorize Changes in Scope to Agreement with David Gates and Associates and Thruston Design Group for Engineering Design Services for Construction of Public Access Improvements, Berths 55/59, Inner Harbor. (Resolution)

OPERATIONS

Audit, Budget and Finance Committee Report

- 41 Declaration of Port Revenue Fund Surplus for FY 2000-01 and FY 2001-02; Recommendation to Transfer Surplus to General Fund of City; and Approval to Reimburse the City for General Services and Lake Merritt Trust Purposes. (Resolution)

Administration Committee Report

- 42 PULLED ~~Approval to Enter into an Agreement with Grace Under Pressure, Ltd. in the Amount of \$20,000.00 for Event Planning and Consulting Services Relative to PortFest 2003. (Resolution)~~

SUMMARY ITEMS: (Marked "s")

8 Items.

Action by the Board under "Reading of Summary Items" means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

BUILDING PERMIT APPLICATIONS: ("s")

Parsons Transportation Group, rearrangement of the security checkpoint area in Terminal 1 OIA to accommodate United States Department of Transportation, Transportation Security Administration passenger screening requirements. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301 (a).

DMJM + Harris, installation of Explosive Detection (EDS equipment at baggage check-in counters in Terminal 1 and Terminal 2 OIA, to accommodate United States Department of Transportation, Transportation Security Administration year end 2002 screening requirements as mandated by the U.S. Congress. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301 (a).

SBC Pacific Bell Inc., demolition of a 600 square foot shed, a utility vault and associated tenant owned improvements at the conclusion of tenancy as required by the Port lease at 1601 Maritime Street. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301 (a and l).

Vote on the following resolutions:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

RESOLUTIONS:

- 02386 1** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PROCURE ESSENTIAL BADGING SUPPLIES WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SAME WITH ELECTRONIC TECHNOLOGIES CORPORATION OR ON THE OPEN MARKET. (Airport – 12)
- 02387 2** APPROVING PLANS AND SPECIFICATIONS FOR REMOVAL OF RUBBER DEPOSITS FROM RUNWAYS FOR THE PERIOD COMMENCING JANUARY 1, 2003 AND ENDING FEBRUARY 28, 2004, 2005 OR 2006, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport – 13)
- 02388 3** APPROVING PLANS AND SPECIFICATIONS FOR FURNISHING SERVICE AND MAINTENANCE FOR PASSENGER LOADING BRIDGES FOR THE PERIOD COMMENCING JANUARY 1, 2003, AND ENDING DECEMBER 31, 2003, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR. (Airport – 14)
- 02389 4** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH GALLAGHER & BURK, INC. AND R & L BROSAMER, INC. DOING BUSINESS AS GALLAGHER & BURK – BROSAMER, A JOINT VENTURE, FOR IMPROVEMENTS TO HARBOR BAY PARKWAY, AIR CARGO ROAD, AIRPORT DRIVE, AND CONSTRUCTION OF TAXIWAY B BRIDGE, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 15)

- 02390 5** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDERS FOR CONTRACT WITH O.C. JONES & SONS, INC., FOR THE REALIGNMENT OF LANGLEY STREET AND WIDENING OF DOOLITTLE DRIVE, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 16)
- 02391 6** FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH PHILIP WILLIAMS & ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Commercial Real Estate – 21)
- 02392 7** FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH DAVID GATES & ASSOCIATES AND THRUSTON DESIGN GROUP, JOINTLY AND SEVERALLY, FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Commercial Real Estate – 22)
- 02393 8** APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO THE PURCHASE AND SALE AGREEMENT WITH SIMEON COMMERCIAL PROPERTIES FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 23 ACRE PARCEL OF LAND LOCATED AT I-880 AND HEGENBERGER ROAD. (Commercial Real Estate – 23)
- 02394 9** APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO THE PURCHASE AND SALE AGREEMENT WITH DOUG ROHN AND ELIZABETH ZENGER, DOING BUSINESS AS BAY AREA VETERINARY SPECIALISTS FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY 2.09 ACRE PARCEL OF LAND LOCATED AT EDGEWATER ROAD AND PARDEE LANE. (Commercial Real Estate – 24)
- 02395 10** APPROVING AND AUTHORIZING EXECUTION OF FIFTH AMENDMENT OF THE AGREEMENT WITH THE CITY OF ALAMEDA FOR CONTINUED OPERATION OF FERRY SERVICE BETWEEN JACK LONDON SQUARE, THE CITY OF ALAMEDA AND SAN FRANCISCO AND CONCURRENTLY APPROVING A COST PLUS FIXED FEE AGREEMENT ALONG THE CITY OF ALAMEDA WITH THE BLUE AND GOLD FLEET. (Commercial Real Estate – 25)

- 02396 11** REJECTING ALL BIDS, DIRECTING RETURN OF BID BONDS TO BIDDERS; AND AUTHORIZING THE EXECUTIVE DIRECTOR TO OBTAIN A CONTRACT ON THE OPEN-MARKET FOR CONSTRUCTION OF STORAGE TRACK, COMPRESSED AIR SYSTEM, AND MISCELLANEOUS IMPROVEMENTS TO THE JOINT INTERMODAL TERMINAL, VISION 2000, OAKLAND, CALIFORNIA. (Maritime – 31)
- 02397 12** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PROCURE RENTAL OF MODULAR BUILDINGS AND OBTAIN RELATED RENOVATION, RELOCATION AND INSTALLATION SERVICES FOR STEVEDORE SERVICES OF AMERICA TERMINALS WITHOUT COMPETITIVE BIDDING AND AUTHORIZING SAID PROCUREMENT ON THE OPEN MARKET. (Maritime – 32)
- 02398 13** FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH DAVID GATES & ASSOCIATES AND THRUSTON DESIGN GROUP, JOINTLY AND SEVERALLY, FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT. (Maritime – 33)
- 02399 14** PROVIDING FOR THE PAYMENT TO THE CITY FOR GENERAL SERVICES PROVIDED TO THE PORT IN FISCAL YEARS 2000-2001 AND 2001-2002 AND FOR THE REIMBURSEMENT OF CERTAIN CITY EXPENDITURES FOR LAKE MERRITT TIDELAND TRUST PURPOSES IN FISCAL YEARS 2000-2001 AND 2001-2002, AND MAKING CERTAIN DETERMINATIONS IN CONNECTION THEREWITH. (Operations – 41)
- 02400 15** GRANTING PARSONS TRANSPORTATION GROUP PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02401 16** GRANTING DMJM & HARRIS PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02402 17** GRANTING SBC PACIFIC BELL INC. PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)
- 02403 18** APPROVING AND AUTHORIZING EXECUTION OF THIRD SUPPLEMENTAL AGREEMENT TO BERTHS 55-56 NONEXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT WITH TOTAL TERMINALS INTERNATIONAL, LLC. (Closed Session)
- 02404 19** COMPROMISING AND SETTLING CLAIMS AND AUTHORIZING EXECUTION OF STIPULATED SETTLEMENT. (Closed Session)

Vote on the following ordinances:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

ORDINANCES:

1 (“s”) Port Ordinance No. 3721 being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION (“FAA”) FOR THE OPERATION OF A MIDDLE MARKER.”

Final.

2 (“s”) Port Ordinance No. 3722 being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION (“FAA”) FOR THE OPERATION OF A GLIDE SLOPE.”

Final.

3 (“s”) Port Ordinance No. 3723 being, “AN ORDINANCE APPROVING ADDITIONAL SIGNATORIES TO THE AIRLINE OPERATING AGREEMENT AND SPACE/USE PERMIT AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT.”

Final.

4 (“s”) Port Ordinance No. 3724 being, “AN ORDINANCE AUTHORIZING, APPROVING AND EXECUTING TWO LEASE AMENDMENTS EXTENDING TERMS FOR TWO-YEARS (AMENDMENTS NO. 5 AND NO. 6) WITH THE UNITED STATES POSTAL SERVICE.”

Final.

5 (“s”) Port Ordinance No. 3725 being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTIONS 2.01, 10.019, 10.013, 8.147, 5.026 AND 6.012.”

Final.

REGULAR MEETING
November 19, 2002

6 Port Ordinance No. _____ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A WIRELESS TELECOMMUNICATIONS AGREEMENT WITH GTE MOBILNET OF CALIFORNIA."

Airport – 11 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next regular meeting will be held on Tuesday, December 3, 2002 at 3:00 P.M.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 11

SUBJECT: First Reading of an Ordinance Approving the Terms and Conditions of a Wireless Telecommunications Agreement with GTE Mobilnet of California (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

This action would approve an ordinance authorizing the execution of a Wireless Telecommunications Agreement (WTA) with GTE Mobilnet of California, a California limited partnership, doing business as Verizon Wireless (GTE). It covers approximately 144 square feet of telecommunications room space in Building M-102 plus five antenna locations throughout the South Airport in the ticketing area (Building M-101), in Terminal 1 (Building M-103) and in Terminal 2 (Building M-130). GTE currently provides its services at the Airport pursuant to a Wireless Telecommunications Lease Agreement (Lease) dated December 18, 1997. The Lease is for an initial term of five years with one five-year option to extend; GTE failed to timely exercise its option, so the Lease will expire on December 31, 2002. Under the terms of the Lease, GTE currently pays monthly rental of \$2,588.21, based on a combination of square footage usage and per-antenna charges. Along with increased rental as outlined below, entering into the WTA will provide for consistency among the various wireless system operators at the Airport.

Consistent with other telecommunications service providers at the South Airport, GTE has agreed to a monthly rental structure of \$3,050 plus \$25 per antenna. At the inception of the WTA, GTE will continue to operate its five existing antenna locations; therefore, initial monthly rental will be \$3,175. GTE operates alongside AT&T Wireless (Bay Area Cellular Telephone Company), Nextel (Nextel of California, Inc.), Sprint PCS (Sprint Spectrum Realty Company, L.P.), and Cingular Wireless (Pacific Bell Wireless, LLC), as a wireless telecommunications service provider to customers at the Airport.

ANALYSIS:

The key business terms and conditions of the proposed WTA are as follows:

- Term: Five-year term (no option to extend);
Administrative Fee: \$5,000 due upon execution of WTA by GTE;
Rental: \$3,050 (for right to operate within the South Airport including use of space in the telecommunications room in Building M-102) plus \$25 per antenna per month with the total subject to annual CPI increases;
Premises: Approximately 144 square feet of telecommunications room space in Building M-102 plus various antenna locations to be determined by GTE depending on service needs and as approved by the Port. Initially, GTE will operate five antennae;
Termination: Either party has the right to terminate upon 180 days for any reason; if GTE terminates, it owes a termination fee of 3 months' rental. GTE has the right to terminate upon 30 days' notice if it loses its license or permit to operate as a wireless telecommunications service provider; in such case only, no termination fee is due;
Security Deposit: \$10,000 subject to annual CPI increases; and,
Standard Provisions: As determined by Port Attorney.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN

Assistant

Signature of Secretary of the Board

SECRETARY OF THE BOARD

NOV 19 2002

DATE

**Subject: First Reading of an Ordinance Approving the Terms and Conditions
Of a Wireless Telecommunications Agreement with GTE Mobilnet of
California (#1 Airport Drive, South Airport)**

Page 2 of 2

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the WTA and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply at this time to GTE's occupancy of space at the Airport, because GTE operates an unstaffed telecommunications facility and because the agreement is for an amount less than \$50,000.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

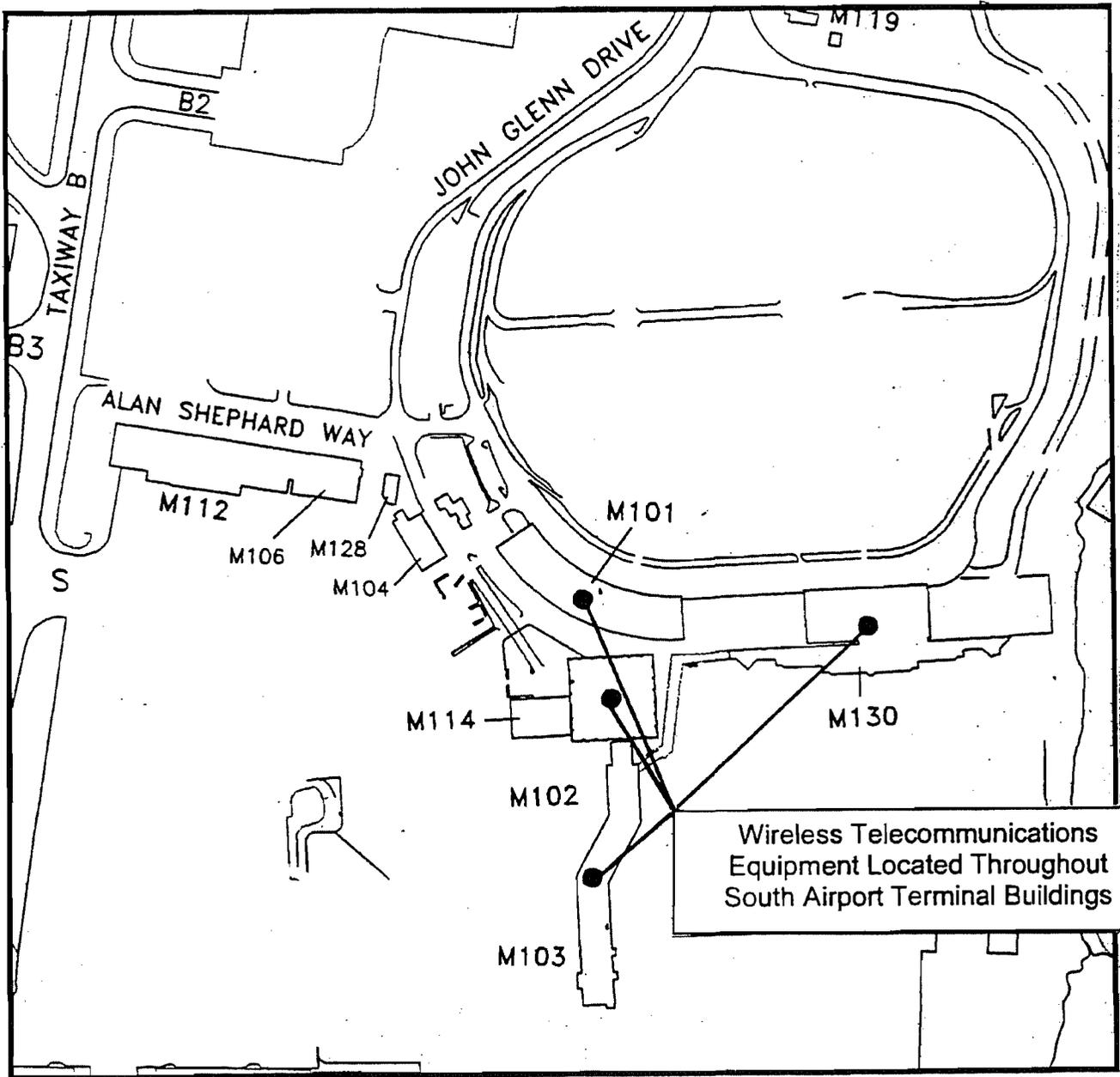
1. Approve terms and conditions of the Wireless Telecommunications Agreement with GTE Mobilnet of California as described above and authorize its execution;
2. Reject the Wireless Telecommunications Agreement with GTE Mobilnet of California, but recommend different terms and conditions; or
3. Reject the Wireless Telecommunications Agreement.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described terms and conditions of the Wireless Telecommunications Agreement with GTE Mobilnet of California subject to the Port Attorney's review and approval of the Wireless Telecommunications Agreement.

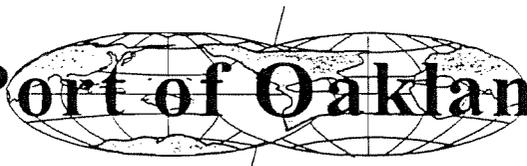
Board of Port Commissioners
Calendar Item

First Reading of an Ordinance Approving the Terms
and Conditions of a Wireless Telecommunications
Agreement with GTE Mobilnet of California (#1 Airport
Drive, South Airport)



Airport Properties

Port of Oakland



Oakland
International Airport
North Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002
ITEM NO: 12

SUBJECT: Authorization to Exceed the \$50,000 Procurement Limit to Purchase Essential Supplies From Electronic Technologies Corporation

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION: [Signature]

FACTUAL BACKGROUND:

Badge and Identification Office issues color-coded badges to all persons authorized unescorted access to secured areas on airport property. Badge holders include: Port employees, tenants, vendors, contractors and others that may require escorted access. The ID and Badge Office routinely issues approximately 225 to 250 badges each month except in instances of special circumstances when the number of badges issued could be much greater. The cost of each badge issued, except those of Port employees, is \$8.00 and is charged to the recipient companies. The cost for replacement of lost or damaged cards is \$33.00, payable by the receiving company. At present there are more than 8000 active badges in use at the airport. The existing lost card ratio is within FAA/TSA tolerance.

Badge issue stock is procured exclusively from Electronic Technologies Corporation, ETC. This sole source situation is derived from the proprietary nature of the airport's computerized access control system and ETC's existing maintenance contract for this system. For the past several years all badge replacement stocks have been ordered from ETC.

ANALYSIS:

The ETC maintenance contract also serves several other Aviation Division users of the computerized access control system. This situation places the ID and Badge Office in direct competition with all other entities for the 50,000.00 procurement limit imposed by city ordinance. Badge issue stock is deemed an item of supplies and as such may not be routinely ordered with charges assessed against the existing maintenance contract with ETC. Therefore, additional funding for replacement cards and new issue stock must be authorized to assure uninterrupted compliance with FAA/TSA regulations.

OPTIONS:

- 1) Authorize Aviation Security to spend \$48,000 to purchase 7,500 stock issue badge cards from ETC to continue existing personnel access control program and to initiate mandatory new badge replacement process should it become necessary.
2) Disallow badge card purchase from ETC and seek other sources through the open bid process. This option is not recommended because it would require lengthy and probable unsuccessful search for a company functionally familiar with the airport's existing access control system.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to this agreement because the contractor employs fewer than 5 employees working under the contract and fewer than 21 employees working on Port-related work as defined by Port Ordinance No. 3666 and Charter Section 728. However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

CEQA:

California Environmental Quality Act (CEQA) Guidelines Section 15378(2), Project, states that "Project" means the whole of an action, which has a potential for resulting in either direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Awarding a contract to Electronic Technologies Corporation and authorizing Aviation Security to spend up to \$48,000 to include the cost of acquiring badge supply stock is therefore not a project under

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution

No. OR386

BOARD ACTION TAKEN Assistant

[Signature]

SECRETARY OF THE BOARD

NOV 19 2002

DATE

CEQA. The general rule in Section 15061(b)(3) of the CEQA Guidelines, additionally, states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that authorizing Aviation Security to spend \$48,000 on printing costs and awarding a contract to Electronic Technologies Corporation may have a significant effect on the environment; therefore, the proposed activity is not subject to CEQA.

SUSTAINABILITY:

There are no readily apparent environmental issues.

RECOMMENDATION:

It is recommended that the board adopt a resolution to authorize the Aviation Security Department to spend up to 48,000 to purchase 7,500 stock issue badge cards from Electronic Technologies Corporation.

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- MOTION
 - RESOLUTION
 - ORDINANCE
 - INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Agenda Sheet

DATE: November 19, 2002ITEM NO: 13

PROGRAM AREA:

- Airport Operations
 Commercial Real Estate
 Maritime Operations
 Overall Operations

70
 SUBJECT: Approval of Project Manual for Removal of Rubber Deposits from Runways for the Period Commencing January 1, 2003 and Ending February 28, 2004, 2005 or 2006, OIA

SUBMITTED BY: Joseph K. Wong EXECUTIVE OFFICE RECOMMENDATION: **FACTUAL BACKGROUND:**

The Project Manual has been prepared for the **Removal of Rubber Deposits from Runways for the Period Commencing January 1, 2003 and Ending February 28, 2004, 2005 or 2006, Oakland International Airport**, and is hereby submitted for approval and authorization to advertise for bids.

The work consists, in general, of removing rubber deposits and recycling/disposal of material removed.

ANALYSIS:

Rubber is deposited on the runways from tires of aircraft during landing. When too much rubber is deposited on a runway, the surface can become slippery and unsafe, especially in wet weather. It is therefore necessary to remove the rubber deposits from time to time for the safety of the aircraft operations. The rubber removal process requires highly specialized equipment, which removes the rubber with rotating high-pressure water jets. A number of contractors travel around the country from airport to airport with such equipment to perform rubber removal work. Other contractors maintain their equipment in the local area to service a number of airports. Currently, the Port has no annual contract, and the work is done on a purchase order, which is more expensive in the long run.

Environmental

The project entails maintaining the existing runways in a condition that assures safe movement of aircraft throughout the airport. It involves no expansion of use beyond the existing. This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines pursuant to Section 15301, Class 1, (c and d).

General Plan

Pursuant to Section 727 of the City Charter, the project has been determined to conform to the transportation designation for the site in the Oakland General Plan.

Budget

The estimated cost for this project is \$100,000.00 per year. This work is budgeted under Aviation Facilities Department's maintenance budget for Fiscal Year 2003. The funding source is Port cash.

Sustainability

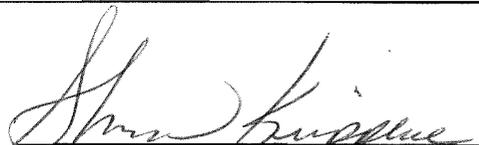
A sustainable development strategy will be implemented for this project. For rubber deposit removal work, it is anticipated that the contractor will collect rubber material for recycle.

- MOTION
 RESOLUTION
 ORDINANCE
 INFORMATION ONLY

Approved by Resolution
 No. 02387

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

NOV 19 2002

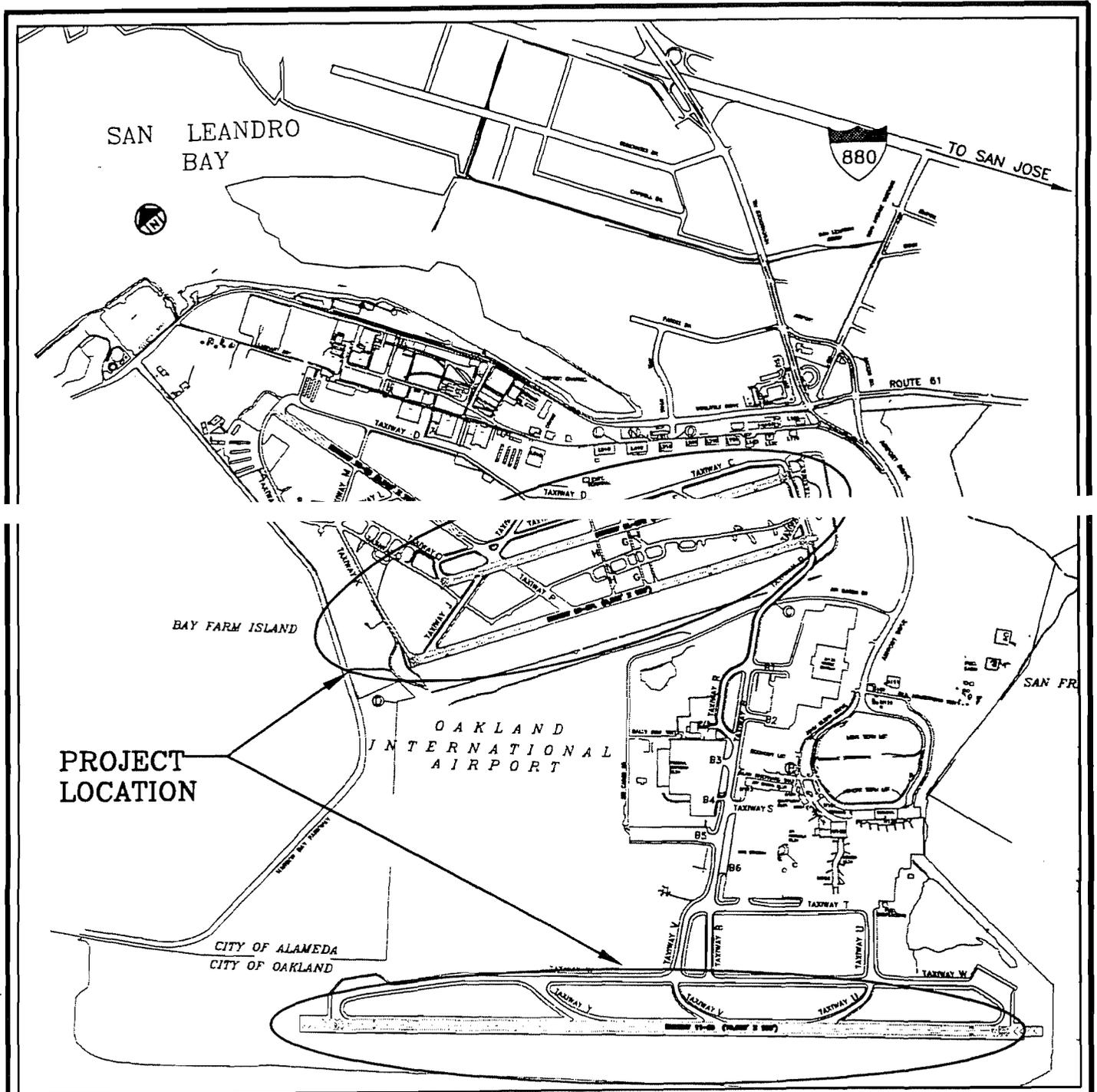
DATE

Project Labor Agreement

This project is not in the Capital Improvement Program since it is maintenance work. Therefore, the Port of Oakland Maritime and Aviation Project Labor Agreement does not apply to this contract.

RECOMMENDATION:

It is recommended that the Board approve the Project Manual and authorization be granted to advertise for bids to be received on December 20, 2002, for the subject project.



PORT OF OAKLAND

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 14

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

TD

SUBJECT: Approval of Project Manual for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2003, and Ending December 31, 2003, South Field, OIA

A

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *PP*

FACTUAL BACKGROUND:

The Project Manual has been prepared for a one-year contract for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2003, and ending December 31, 2003, South Field, Oakland International Airport, Oakland, California, and is hereby submitted for approval and authorization to advertise for bids.

The work consists of regular inspection and maintenance, and of performing routine and emergency repairs of the passenger loading bridges.

The Board of Port Commissioners, on November 20, 2001, approved the Specifications for this project to advertise for bids, for Furnishing Service and Maintenance for Passenger Loading Bridges for the Period Commencing January 1, 2002, and Ending June 30, 2004, 2005, or 2006, South Field, Oakland International Airport, Oakland, California.

First Solicitation for Bids

Two bids were received and opened on January 9, 2002. The following bids were received:

BIDDER	LOCATION	TOTAL BID PRICE (Items 1 - 14)
Adonai Enterprises, Inc., DBA Matthews Mechanical	Newark CA	\$1,143,974.00
Marine Maintenance, Inc.	Livermore CA	\$1,273,840.00

Both bids exceeded the budget.

On April 2, 2002, the Board of Port Commissioners authorized the Executive Director to dispense with standard bidding procedures and to select a contractor on the basis of informal quotes for the subject work.

Second Solicitation For Bids

In an effort to contain costs, bid items included bids for response times of 1, 2, 3 and 4 hours, for both straight time and premium time on-call repairs. The Total Bid Price included the costs for all four response times, with one response time to be selected by the Port.

In addition, the following was done to reduce costs: estimated quantities for the maintenance portion of the work were reduced from 30 to 24 months; scheduled repairs were allowed to be performed on overtime between 2 a.m. and 6 a.m., thereby reducing the potential for liquidated damages; reduced the quantity of gear boxes requiring maintenance; and reduced from 500 to 400 hours, the periods subject to the liquidated damages provision.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02388

BOARD ACTION TAKEN

Assistant

Shawn Krupp
SECRETARY OF THE BOARD

NOV 19 2002

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Also, competition was increased by removing the requirement for a specialty-licensed contractor. The contractor licensing requirement was changed to allow for any State contractor's license, provided that the relevant experience for maintaining and repairing the loading bridges was met.

On June 13, 2002, the Engineering Division received three informal bids for the above work as follows:

NO.	PROPOSER	LOCATION	TOTAL BID PRICE (Includes All Four Response Times)	BID PRICE WITH 1-HR RESPONSE TIMES*
1.	Adonai Enterprises, Inc., DBA: Mathews Mechanical	Newark, CA	\$831,244.00	\$611,244.00
2.	Marine Maintenance, Inc.	Livermore, CA	\$975,940.00	\$789,940.00
3.	AC3	Alameda, CA	\$1,200,606.00	\$954,606.00

*For information, the cost of the contract adjusted for a 1-hour response time only

On June 28, 2002, the Port notified the proposers that the apparent successful bidder was Adonai Enterprises Inc., dba Mathews Mechanical ("Mathews").

On July 1, 2002, Marine Maintenance, Inc. ("MMI") submitted a letter protesting the award of the contract to Mathews. On August 19, 2002, the Director of Engineering convened a bid protest hearing, which was attended by representatives from MMI, Mathews, and AC3, as well as other Port staff. The Hearing Officer's report recommended that MMI's bid protest be rejected.

Staff believes the costs are still excessively high. The Executive Director recommends that the June 13, 2002 bids be rejected and the contract documents be revised to better meet the needs of the Port.

ANALYSIS:

Environmental

The project has been determined to be Categorical Exempt from CEQA under Section 15301, Class 1 (a, d, and f).

General Plan

Pursuant to Section 727 of the City Charter, the Project has been determined to conform to the policies of the Oakland General Plan.

Budget

The cost of furnishing service and maintenance for the passenger loading bridges is budgeted under the operations budget. The funding source is Port Cash.

Sustainability

The work of this contract is subject to the Port of Oakland Construction and Demolition Debris Waste Reduction and Recycling Requirements Ordinance. In addition, replaced parts and packaging and shipping materials from new parts will be recycled.

Project Labor Agreement

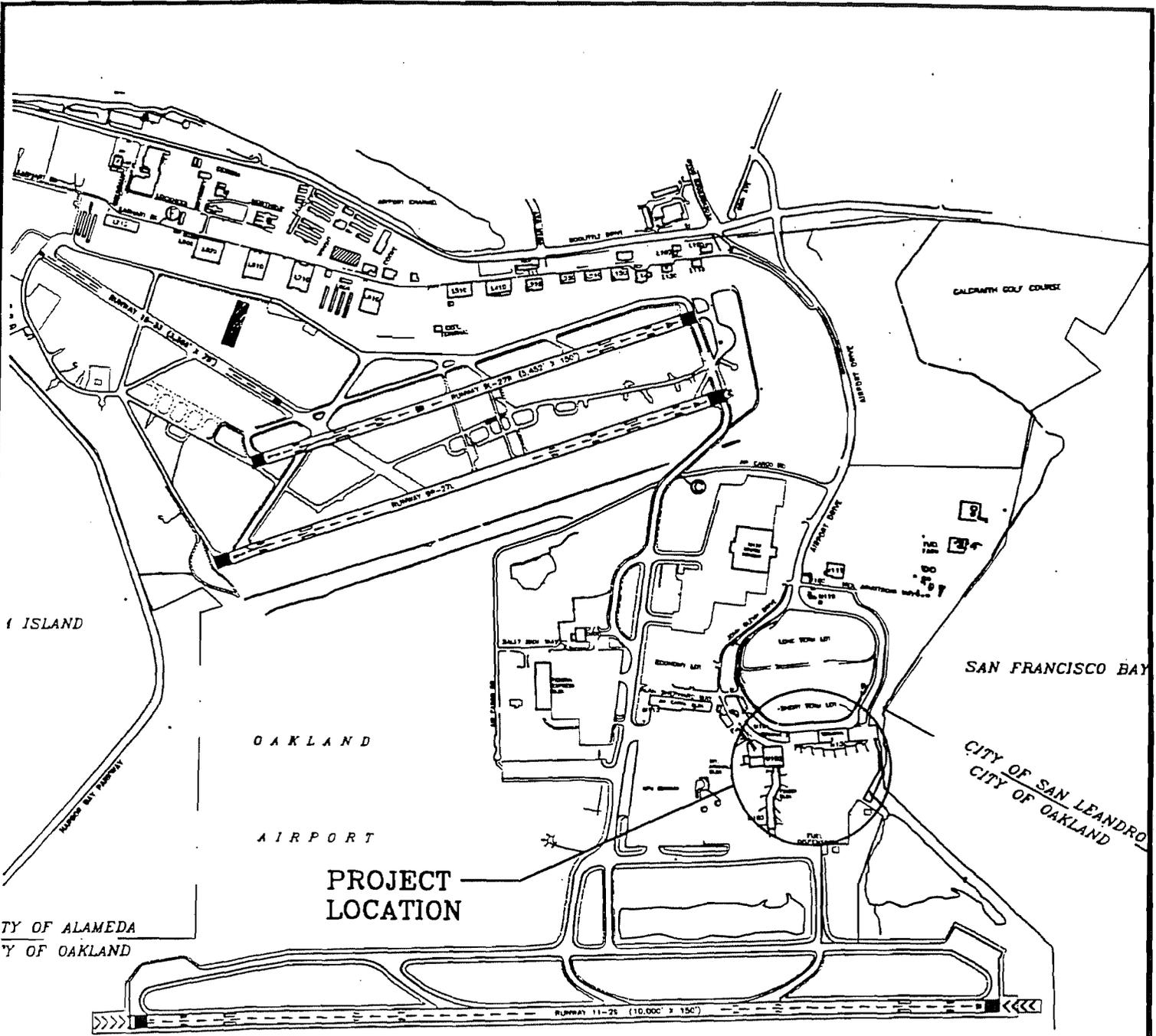
The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement do not apply to this maintenance contract.

OPTIONS:

1. The Port can award the contract, regardless of the high costs, due to the need for a one-hour response.
2. The Port can reject all bids, rebid for a one-year contract, and take steps to increase the Port's maintenance and response staff during this one-year term to perform the previously contracted maintenance and repair work, thus allowing the Port to control the response time, resulting in better service to the Airlines. This one-year contract will contain a one-hour response time. With the Terminal Expansion projects coming on line, the additional Port staff will also provide the needed 24 hours/day, 7 days/week, maintenance support for the operations at the Airport. This option is the recommended option.

RECOMMENDATION:

It is recommended that the Board ratify the Executive Director's finding that it is in the best interest of the Port not to award to any of the three current proposers, but to rebid the project as a one-year contract; that the Project Manual be approved as noted above; and that authorization be granted to advertise for formal bids to be received on or about December 18, 2002.



AIRPORT OF OAKLAND

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 15

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
 SUBJECT: Ratification of Change Orders to Contract for Construction of Airport Drive and Air Cargo Road Interchange, Airport Roadway Project (Contract A), OIA - Revise Interchange to Facilitate Future Construction of Terminal Expansion Project

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port presently has a contract with Oliver DeSilva, Inc., (dba Gallagher & Burk, Inc.) and R & L Brosamer, Inc., doing business as Gallagher & Burk - Brosamer, a Joint Venture, for the **IMPROVEMENTS TO HARBOR BAY PARKWAY, AIR CARGO ROAD, AIRPORT DRIVE, AND CONSTRUCTION OF TAXIWAY B BRIDGE, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA.** The work consists of improvements to Harbor Bay Parkway, Air Cargo Road, Airport Drive and construction of a Taxiway B Bridge, a Service Road Bridge, and the Airport Drive/Air Cargo Road Interchange, which includes an overpass structure. The Contract was awarded on June 29, 1999, by Resolution No. 99264, for an amount totaling \$40,508,176.58. The Notice to Proceed was not issued until January 2, 2001 and, as provided in the contract documents, the contract amount was adjusted for escalation over the 18-month period, resulting in a contract amount totaling \$44,268,509.

ANALYSIS:

part of the cost reduction efforts for the Airport Terminal Expansion (TE_x) Program that established the \$1.387 billion program budget, the original concept for the "Return to Terminal" traffic, which consisted of an elevated, pier-supported, "fly-over" structure was eliminated and replaced with an at-grade road system passing under the overpass. The decision was made in Spring 2001, at a series of Senior Aviation and Engineering Staff review meetings, which included acceptance of the Conceptual Design. The budget for the original concept was approximately \$8.6 million, and the at-grade solution was budgeted at approximately \$3.6 million, thus resulting in a potential savings of \$5 million. In order to accommodate the at-grade solution, the overpass structure currently included in the project requires changes. Namely, the width of the overpass must be increased to allow for the "Return to Terminal" roadway, and the overpass profile and structure must be modified. Incorporating these changes into the overpass structure at this time, as opposed to modifying the structure in the future, will be less costly and will avoid significant future disruptions to the traveling public.

The cost for the design of these changes, in the estimated amount of \$286,000, was approved by the Board on September 3, 2002. These design changes were broken into five parts to facilitate the progress of the project and to avoid unnecessary delay for the Contractor. The five parts are as follows:

- a. The Contractor provides revised shop drawings for Mechanically Stabilized Embankment (MSE) walls for the Engineer's review and approval;
- b. The Contractor furnishes and places permeable material behind the redesigned MSE walls;
- c. The Contractor constructs revised MSE walls;
- d. The Contractor constructs revised Airport Drive overpass bridge; and

The Contractor constructs related embankment fill and associated drainage and electrical systems.

- MOTION
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Approved by Resolution No. 02389

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

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The major components of these changes due to the changes-in-scope of the work are:

1. Increase or Decrease in Contract Items at Contract Unit Prices

The bridge is widened at one end and the abutment walls are extended to full height. Therefore, it requires more concrete and piles. Bid items will be adjusted accordingly. The estimated increase in cost for these items is \$700,000.

2. Extra Work at Agreed Lump Sum

The Contractor must be compensated for additional work that was not part of the original scope of work. The additional work consists of providing revised temporary falsework drawings, furnishing and installing additional K-rails along inbound Airport Drive, furnishing and installing architectural treatment on the abutment wall facings, furnishing and constructing a future sign foundation, and other electrical and drainage changes. The estimated cost is \$275,000.

3. Adjustment of Compensation

The design change materially changes the character of the work of several contract items from those on which the Contractor based his bid prices. The changes increased the actual unit cost as compared to the estimated actual unit cost of performing the work of said items in accordance with the original plans and specifications. Therefore, an additional cost is incurred by the Contractor to perform work differently from the means and methods on which they based their bid prices. The estimated cost is \$250,000.

Time Delay

At this time, the Contractor estimates a two-and-a-half months (75 days) delay due to this change. Additional operational costs, such as home and field office overhead, increase in labor wages, increase in fuel and material costs, loss of opportunity to bid projects elsewhere, etc., can be estimated at \$5,000/day. Thus, for a delay of 75 days, this cost is approximately \$375,000.

Therefore, the total estimated cost for these changes is \$1.6 million.

On this project to date, excluding this change order for project enhancements, there have been 45 change orders totaling approximately \$1,905,222, or 4.3% of the original amount.

Change Order Type	No. of Items	Cost	% of Contract
Administrative	3	\$8,710	0.02%
Design Modifications	15	\$418,799	0.95%
Project Enhancements	5	\$619,053	1.4%
Field Conditions	3	\$191,157	0.43%
Omissions	7	\$554,387	1.25%
Unforeseen Conditions	5	\$222,823	0.5%
X Unrelated Work	7	(\$109,707)	(0.25%)
Total		\$1,905,222	4.3%

Budget

Design related modifications to the above structures are funded by the TEX Program under CIP Item No. A2.00803.02. By making the revisions to the project now, the Port can take advantage of current construction costs and eliminate costly construction and demolition in the future. Although the change in the work has some additional cost for design, delays and construction sequencing, these costs are outweighed by the overall savings to the Airport Improvement Program. The funding source is revenue bonds and Port cash.

OPTIONS:

The TEx-related changes could be withheld from this contract until completion of this project. This decision would eliminate the impact to the budget and completion schedule for Contract A. However, any future modifications to the associated structures would be more costly and would cause unavoidable impacts to the traveling public, airport customers and airport tenants.

STAFF ACTION:

After discussion of these change orders with the Aviation Committee, and in order to avoid any further delay costs, staff directed the Contractor to proceed with the work.

RECOMMENDATION:

It is recommended that the Board ratify these change orders, with an estimated total cost of \$1,600,000, to Gallagher & Burk – Brosamer, a Joint Venture, for the above-described work.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 16

^{TD}
SUBJECT: Ratification of Change Orders to Contract for Realignment of Langley Street and Widening of Doolittle Drive, North Field, OIA - Utility Conflicts, Relocate PG&E Service Cabinets, and Rock Slope Protection

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

The Port presently has a Contract with O.C. Jones & Sons, Inc., for the **REALIGNMENT OF LANGLEY STREET AND WIDENING OF DOOLITTLE DRIVE, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA.** The Contract became effective on September 3, 2001, at lump sum and unit prices totaling \$1,713,898. The work includes realigning Langley Street, widening Doolittle Drive, signaling the Langley Street/Doolittle Drive intersection, installing additional drainage systems, and installing lighting on Langley Street.

ANALYSIS:

The aggregate limit for staff approved change orders on this contract is \$171,389. As of this date, change orders totaling \$165,947.08 have been approved under the Executive Director's authority. Three additional change orders, with an estimated total value of \$175,000, are necessary in order to properly construct the improvements under this contract as follows:

Change Order	Estimated Cost
1. Underground utility conflicts.	\$15,000
2. Relocate a PG&E service cabinet now in the way of the work.	\$10,000
3. Place rock slope protection adjacent to the existing waterway on the north side of Doolittle Drive.	\$150,000
Estimated Total	\$175,000

To avoid future operational disruptions and costly delays to the work, the Contractor was directed to proceed with these changes. Ratifications of these change orders are now requested.

Listed in the table below is a breakdown of the types of pending and issued change orders to date.

Change Order Type	No. of Items	Cost	% of Contract
Design Modifications	3	\$180,000	10.5%
Omissions	2	\$113,734	6.6%
Unforeseen Conditions	2	\$37,213	2.2%
X Unrelated Work	1	\$10,000	0.6%

It is also anticipated that additional change orders, worth an estimated \$100,000, will be necessary to complete the project. Therefore, an additional \$100,000 in staff authority is requested to address additional utility conflicts, buried obstructions and other unforeseen conditions that are likely to arise during the work of this project. The additional \$100,000.00 in contingency will allow future change orders to be issued in a timely manner to minimize delay and cost impacts to the project.

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- INFORMATION ONLY

Approved by Resolution
 No. 02390

BOARD ACTION TAKEN

[Signature]
 Assistant **SECRETARY OF THE BOARD**

NOV 19 2002

DATE

Budget

The Project is budgeted under CIP Element No. AI.00816.05. The funding source is Port cash and/or bonds and federal highway funds.

RECOMMENDATION:

It is recommended that the Board ratify the three change orders described above, in the estimated amount of \$175,000, and increase staff change order authority by \$100,000 for the above-described project.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

November 1, 2002

PROJECT TITLE: RE-ALIGN AND SIGNALIZE LANGLEY

CIP NO: A1.00816.05

W.O. #: 106502, 106503

PROPOSED FUNDING SOURCES: Port Cash, Bond & Federal Fund

Narrative: Design and construction of Langley Street Realignment and Intersection Improvement at Doolittle Drive.

Budget: This project is accounted for under CIP Element # A1.00816.05 as one of the projects for the North Field Rental Car Facility Development Program. The project budget totals \$3,519,000 and is summarized in Table 1 below.

Table 1: Overall Budget Summary (\$1000's) for CIP Element A1.00816.05

	Const. Cost	Consult & CM	Port Labor & Fringes	Port OH	Misc.	Outside Legal	LERRS	Allow.	Tenant Costs	Totals
Design & Construction of Langley Street Realignment (W.O.106502)	2,278	328	313	532	6	—	—	—	—	3,457
Permitting Langley Street Realignment (106503)		18	16	27	1	—				62
Total	2,278	346	329	559	7	—				3,519

Remarks: Refer to Project Statement, Revision to Project Statement and Project Cost Estimate for Budget details.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: ^{TD} Approval of Supplemental Agreement with Philip Williams & Associates to Complete Clinton Basin Wetlands Restoration Contract Documents

DATE: November 19, 2002

ITEM NO: 21

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

In August 2000, the Regional Water Quality Control Board (RWQCB) issued an Amended Complaint (No. 00-040) for Administrative Civil Liability against the Port of Oakland following removal by the Port of a derelict vessel near the former Seabreeze Marina (Clinton Basin). The Port elected to implement a Supplemental Environmental Project (SEP) in lieu of \$64,000 in penalties assessed by the RWQCB. On September 20, 2000, the Port entered into a Settlement Agreement with the San Francisco BayKeeper (BayKeeper), an environmental advocacy organization, to resolve a lawsuit brought by BayKeeper involving the same incident. The SEP was also a condition of the Port's Settlement Agreement with BayKeeper.

After discussion with the interested parties, the Port elected to restore a portion of the shoreline in Clinton Basin for the SEP. On June 19, 2001, the Board approved a professional services agreement (Contract No. 01240) with Philip Williams & Associates (PWA) to provide design services to restore a wetlands area near the mouth of Clinton Basin.

ANALYSIS:

wetlands restoration project at Clinton Basin is relatively small, but it is a complicated project with substantial community and regulatory agency input. Staff initially estimated that the project design would cost approximately \$50,000. Preliminary design work was initiated with a \$15,000 purchase order. The Board subsequently approved a \$35,000 professional services agreement with PWA that was intended to be in addition to the original purchase order. However, in drafting the contract, the purchase order was inadvertently included as part of the \$35,000 contract. In addition, due to the unexpected finding of hazardous soils in the project area, additional design work was required. Completion of the design and final payment to PWA cannot be made without supplementing the existing \$35,000 contract by \$25,000, the value of the purchase order plus \$10,000 in additional design costs. When the design phase has been completed, implementation of the project can be performed by Port staff.

DESCRIPTION	DATE	AUTHORIZED AMOUNT
Original Agreement Authorized by the Board	July 1, 2001	\$35,000
Proposed Amount - First Supplemental Agreement	Proposed	\$25,000
TOTAL PROPOSED MAXIMUM COMPENSATION	Proposed	\$60,000

Living Wage

Based upon a review of the terms of the agreement and information provided by the designer, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply at this time.

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- MOTION
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- ORDINANCE
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Approved by Resolution
No. 02391
BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD **NOV 19 2002**
DATE

Budget

The total cost of the design work will not exceed \$60,000. The source of funds is an existing Environmental Liability Account established specifically to address the SEP.

Sustainability

The Clinton Basin Wetlands Restoration Project will provide habitat for waterfowl and other wildlife and restore a shoreline damaged by former industrial uses.

Project Labor Agreement

This project in the Commercial Real Estate area is not subject to the Port of Oakland Maritime and Aviation Project Labor Agreement.

OPTIONS:

The consultant must be paid for work required to complete the design. The budget shortfall was the result of a combination of an inadvertent error and unforeseen circumstances, not consultant performance.

RECOMMENDATION:

It is recommended that the Board approve the preparation and execution of a supplemental agreement with Philip Williams & Associates for professional services in accordance with the provisions described above, increasing the maximum compensation under the agreement to \$60,000.

Agenda Sheet

DATE: June 19, 2001

ITEM NO: 13

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
 SUBJECT: Approval of Consultant Agreement with
 Philip Williams & Associates to Design and Manage
 Construction of a Shoreline Enhancement Project, Clinton Basin

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION: *AK*

FACTUAL BACKGROUND:

In August, 2000, the Regional Water Quality Control Board (RWQCB) issued an Amended Complaint (No. 00-040) for Administrative Civil Liability against the Port of Oakland following removal by the Port of a derelict vessel near the Seabreeze Marina (Clinton Basin). The Port elected to implement a Supplemental Environmental Project ("SEP") in lieu of \$64,000 in penalties assessed by the RWQCB. On September 20, 2000, the Port entered into a Settlement Agreement with the San Francisco BayKeeper (BayKeeper), an environmental advocacy organization, to resolve a lawsuit brought by BayKeeper involving the same incident. The SEP was also a condition of the Port's Settlement Agreement with BayKeeper. Under the settlement, the project must be mutually agreeable to the Port and BayKeeper.

The Port has been working with BayKeeper, the 5th Avenue (Clinton Basin) community, the Golden Gate Audubon Society, and the Coastal Conservancy to identify a mutually agreeable project that would meet the intent of the settlement. With the help of the Coastal Conservancy's consultant, Philip Williams & Associates (PWA), a habitat restoration and enhancement project has been developed that would meet the objectives of the Settlement Agreement.

ANALYSIS:

The area around Clinton Basin is a mix of present and former industrial shoreline, warehousing, residential, commercial, and marina properties. Under the Port and City of Oakland's Estuary Plan, the Port's properties are expected to be developed over the next several years. Development would logically include portions of the Clinton Basin area. PWA specializes in shoreline development and restoration and has an existing relationship with the Coastal Conservancy to provide these services in the San Francisco Bay region. The consultant is acceptable to all parties. PWA has developed an acceptable design that meets the goals of the SEP. PWA would also serve as construction manager during the construction phase. It is in the parties' best interest for PWA to handle these aspects of the implementation of the Supplemental Environmental Project. A professional services agreement between the Port and PWA is required to complete detailed design documents and to manage the construction phase.

The amount of the agreement would be \$35,000, which includes a contingency in case site conditions encountered during construction force design modifications. The source of the funding is a Port Environmental Liability Account established to address compliance with the RWQCB penalties and the BayKeeper Settlement Agreement.

ALTERNATIVES ANALYSIS:

The Port is required by the Settlement Agreement (U.S.D.C., N.D. Case No. C 002184) to spend \$64,000 on a Supplemental Environmental Project.

RECOMMENDATION:

It is recommended that the Board determine that the consulting services, as described, are professional services; and authorize the preparation and execution of a consultant agreement with Philip Williams & Associates.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 22

SUBJECT: Approval to Execute MOU with Alameda County Congestion Management Agency, City and Port to Fund Study of Transportation Improvements

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

BACKGROUND:

Caltrans is in the design phase of a seismic retrofit of the 5th Avenue overhead structure of I-880. This is the elevated section of I-880 that spans the Embarcadero off-ramp, 5th Avenue, Union Pacific Railroad, and Lake Merritt Channel.

The new 5th Avenue structure will be 40 feet wider than the existing bridge and will meet current design standards including standard shoulders that can accommodate disabled and emergency vehicles as well as a permanent median.

The remaining problem within the project area is that there are isolated southbound on and off ramps between I-880 and Embarcadero at 10th and 16th Streets, respectively, which are confusing to the public, cause circuitous circulation patterns, are a safety hazard and do not meet Caltrans current design standards.

ANALYSIS:

Consultants retained by the Port developed a concept level plan to reconfigure the existing southbound freeway on and off-ramps and address the operations, safety and access issues. The concept plan entails relocating the existing southbound freeway off-ramp to Embarcadero East (16th Street) northerly to opposite the 9th Avenue Terminal and create a new southbound on-ramp at this same location).

As previously stated, within the project area there are isolated southbound on and off ramps that cause confusion for drivers and do not provide adequate access to the many activity centers in downtown Oakland and the Jack London District. As currently configured, there will not be adequate access from I-880 to the proposed Oak to Ninth development.

This portion of I-880 also experiences a high rate of accidents as compared to similar freeways within the State of California. This is due in part to the fact that the ramps are old and do not meet 21st Century design standards.

- MOTION
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ORDINANCE
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Approved by Resolution No.

02392 BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

NOV 19 2002

DATE

PROPOSAL:

Caltrans has reviewed the concept plan and indicated a willingness to work with the City of Oakland, Port and CMA to complete a Project Study Report (PSR) for both the north and southbound ramp reconfigurations as well as a Project Report and Environmental Document for the southbound ramp segments. These reports are required to be completed before a project can go forward and will analyze all of the feasibility issues associated with the project, define the project elements, and produce a detailed cost estimate. The intent is to complete this work in time to, at a minimum, coordinate construction of the southbound project with the seismic retrofit project and ensure that the structure does not preclude constructing a new northbound on ramp at 5th Avenue. The northbound ramp, as proposed, is significantly more complicated, has much greater impacts, and will cost a great deal more than the southbound ramps.

However, because Caltrans lacks the resources to complete this work within the allotted time frame, the City and Port staff have collectively identified \$300,000, towards the estimated \$600,000 needed to complete these studies. As currently proposed, the City, the Port and the CMA would enter into a Memorandum of Understanding to complete studies to reconfigure the on and off ramps on Interstate 880 in the vicinity of 5th Avenue. The new ramps would improve access between I-880 and downtown Oakland including the Jack London District, Chinatown, the proposed Oak to Ninth development and the City of Alameda as well as address operational and safety issues. The City would provide \$100,000 and the Port would provide \$200,000. The Alameda County Congestion Management Agency (CMA) will provide the remaining \$300,000 needed to complete these studies. Due to the regional nature of this project the Alameda CMA staff has agreed to manage these studies in close collaboration with City and Port staff. The Project will be submitted to regional and state transportation agencies for funding, based on the results of this study.

ENVIRONMENTAL DETERMINATION:

There will be environmental impacts during the construction period including noise, dust, and traffic congestion, that Caltrans will need to address with mitigations.

GENERAL PLAN CONFORMITY:

Not applicable to the proposed action.

BUDGET IMPLICATIONS:

The cost of the study will be funded out of the Oak-to-Ninth District CIP budget.

SUSTAINABILITY:

Completion of these projects will improve access to Oakland and Alameda and could have a positive economic and environmental impact through the reduction of traffic circulation constraints. The projects may provide new job opportunities for construction workers in Oakland.

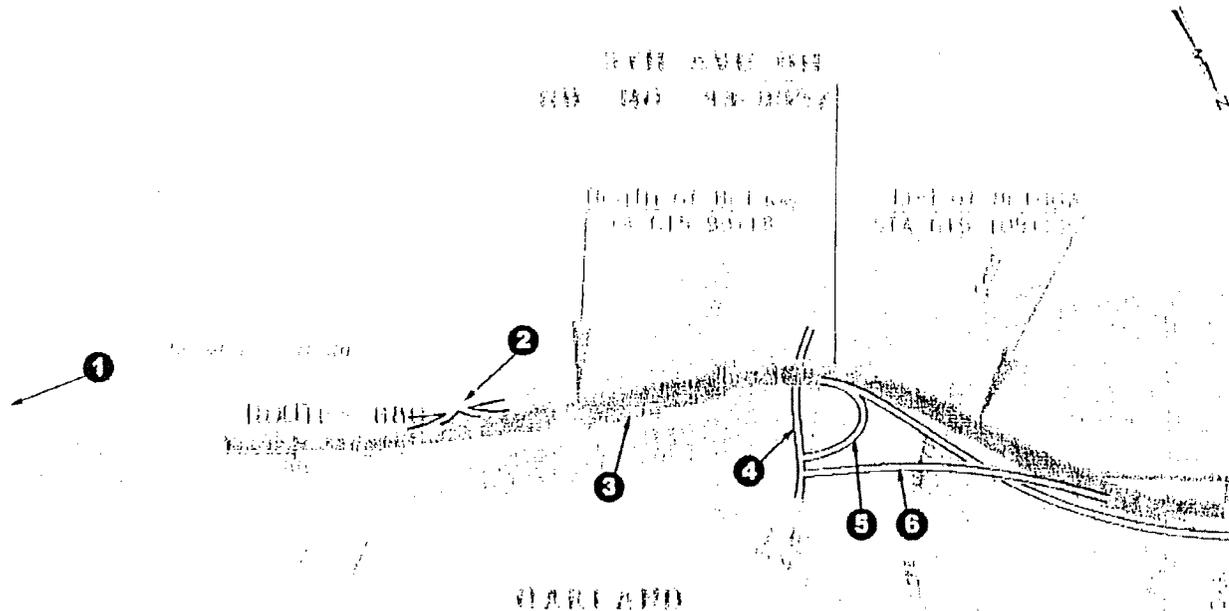
OPTIONS:

The Port could elect not to proceed with the funding of this project. However, it is unlikely that the study would move forward without the Port's contribution.

RECOMMENDATION:

It is recommended that the Board approve the resolution authorizing the \$200,000 expenditure to complete required studies for the 5th Avenue Ramp Reconfiguration Project and authorize the Executive Director to execute a Memorandum of Understanding with the City of Oakland and the Alameda County Congestion Management Agency to fund and conduct this work.

I-880 Access Upgrade



- ① Remove Southbound Off Ramp at 16th Avenue
- ② New Southbound Off Ramp (with Existing On Ramp)
- ③ Remove Northbound Off Ramp
- ④ Relocated 5th Avenue
- ⑤ New Northbound Off Ramp
- ⑥ New Northbound On Ramp (to be Braided with Oak Street Off Ramp)

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 23

SUBJECT: Approval of First Amendment to Agreement for Purchase and Sale of Property and Escrow Instructions Between the Port of Oakland and SIMEON Commercial Properties

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

BACKGROUND:

In March of 2001 the Port executed a Purchase and Sale Agreement (Purchase Agreement) with SIMEON Commercial Properties to sell an approximately 22 acre property located at Hegenberger and I-880 (the former Ramada Hotel/Century Theaters site) for construction of an office campus and hotel.

In light of the economic downturn and the stagnation in the office market that has affected the region in recent months, the Developer submitted a letter to the Port on June 27, 2002 requesting that the terms of the Purchase Agreement and the Repurchase Option be broadened to encompass the potential for developing a wider variety of land uses on the site.

ANALYSIS:

Since receiving the Developer's request, staff has been in negotiations with the developer to analyze the appropriateness of this request as well as to identify any other correlating modification of the terms of the various agreements relating to the purchase and sale of the Property.

- (i) Broaden the definition of project improvements to include buildings to be used for administrative, professional, general or medical offices; retail; entertainment facilities; hospital or health care facilities; research and development or flex space; restaurants and hotels; and gasoline station uses;
(ii) Extend the Developer's Final Due Diligence Date by 30 days to March 5, 2003
(iii) Recognize that the Extension Deposit paid by the Developer is fully applicable to the Purchase Price;
(iv) Extend the Construction Commencement Date from 5 and 7 years to 10 years;
(v) Require completion of the Initial Project Improvements within 36 months of commencement of construction;
(vi) Lengthen the timeframe for the Port to exercise its Repurchase Option to 10 years after closing; and
(vii) Include various conforming amendments.

Staff believes that the proposed amendments to the Purchase Agreement, the Repurchase Option and the related agreements will increase the likelihood that the property is sold and ultimately developed within the next several years, thereby revitalizing a vacant key property along the Hegenberger corridor.

In consideration for the requested modification of the Purchase Agreement and the Repurchase Option, the Developer has agreed to expedite the close of escrow on the property. Under the current Agreement the Developer can extend the close of

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INFORMATION ONLY

Approved by Resolution

No. 02393

BOARD ACTION TAKEN Assistant

Signature of Secretary

SECRETARY OF THE BOARD

NOV 19 2002

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escrow date on the property through exercise of several extension options available at the Developer's discretion to September 2003. Under the proposed amendments to the Purchase Agreement, escrow will be required to close on or before April 18, 2003. The Purchase Price payable under the Purchase Agreement is unchanged.

Thus based upon the current real estate market situation for the region, particularly the office development market, and potential impact on purchase price if the property were remarketed, staff believes the proposed amendments to the agreements are appropriate for both the Developer and the Port, and recommends approval of the proposed amendments.

ENVIRONMENTAL DETERMINATION:

The proposed amendments to the Purchase Agreement, Buyer's Covenants and Repurchase Agreement and conforming modifications to the related agreements are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the State of California CEQA Guidelines (Guidelines) which states: ". . . a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." As the approval of the proposed amendments will not result in any impact to the environment, and such amendments merely affect the timing and conditions on the repurchase option for the property and close of escrow date for the proposed property transfer, the proposed action has no possibility of causing a significant effect on the environment. Approval of the subject amendments is not intended to authorize or encompass the environmental review necessary to approve any discretionary Port Development Permits for construction or establishment of any particular land use on the site. Any proposed construction on the property requiring discretionary approval from the Port will require subsequent environmental review in accordance with CEQA.

Furthermore, the authorization to execute the Purchase Agreement between the SIMEON and the Port was previously determined to be exempt from CEQA by the Board of Port Commissioners in January of 2001 pursuant to Sections 15312 and 15262 of the Guidelines. The proposed amendments simply modify the specific terms of the previously authorized Purchase Agreement and related documents.

GENERAL PLAN CONFORMITY:

Not applicable.

SUSTAINABILITY:

Not applicable.

PROJECT LABOR AGREEMENT:

Not applicable.

FISCAL IMPACT:

There is no fiscal impact from the proposed Agreement amendments.

OPTIONS:

- 1) Do not proceed with approval of the proposed amendments to the Agreement. If this option is selected, the Developer may choose not to proceed with purchase of the property or if the Developer continues to proceed toward close of escrow, the timeframe for close of escrow could be extended to September of 2003. Approval of the subject amendments would establish close of escrow date of April 2003.

RECOMMENDATION:

It is recommended that the Board approve the First Amendment to the Agreement for Purchase and Sale of Real Property and Escrow Instructions, as well as the corresponding conforming amendments to the Option to Purchase Real Property and Escrow Instructions and the Buyer's Covenants and Repurchase Agreement.



SIMEON

June 27, 2002

Omar Benjamin
Director Commercial Properties
Port of Oakland
70 Washington Street
Oakland, CA 94607

RE: Metroport

Dear Omar:

SIMEON Commercial Properties has been working diligently on the development of Metroport, a mixed-use concept that includes office space, a full-service hotel and service retail on the Hegenberger Gateway Site. As you know, this project was conceived nearly two years ago when the real estate market in the San Francisco Bay Area was expanding rapidly and there were no signs of slowdown in the demand for office space. The economy has changed dramatically over the past 12 months and the proposed Metroport project, with 1.3 million square feet of office space, is no longer economically feasible in today's market.

While other sectors of the real estate market may show signs of relative strength when compared to today's office sector, there is no one area that demonstrates sufficient strength to support development of the Hegenberger Gateway Site in the next 12 to 18 months. Given the current condition of the real estate market, SIMEON needs to expand the proposed uses for the site beyond those outlined in the Purchase and Sale Agreement in order to mitigate our increased risk in today's market and to complete the acquisition of this site.

SIMEON would like the opportunity to develop the site with any use that is consistent with the City of Oakland's General Plan and the Port's Standards and Restrictions for the Business Park. In order to accommodate these proposed changes in use, SIMEON would like to revisit the provisions of the Buyer's Covenants and Repurchase Agreement and the provisions for the extension deposits in the Purchase and Sale Agreement. We look forward to working with your staff over the next few weeks to reach agreement on these proposed changes.

In conjunction with these proposed revisions to the Purchase and Sale Agreement, SIMEON is planning to redirect the scope of the EIR for this site to include several additional land uses, thereby providing us with the ability to pursue additional development opportunities. We strongly believe in the future potential of the Hegenberger Corridor and are confident that with the proposed amendments to the Purchase and Sale Agreement along with a refocused EIR, we will have the necessary entitlements to successfully manage the acquisition and development of the Hegenberger Gateway Site in today's market.

Sincerely,
SIMEON Commercial Properties

J. Russell Pitto

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 24

SUBJECT: First Amendment to the Purchase and Sale Agreement with Doug Rohn and Elizabeth Zenger for the Property Located at Edgewater Drive and Pardee Road

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION: [Signature]

FACTUAL BACKGROUND:

A critical component of the Commercial Real Estate Division's restructure plan which was approved by the Board in 1999 was the sale of parcels within the Oakland Airport Business Park to create funding for projects along the waterfront.

The office market experienced downturn in 2001, and staff, with the concurrence of the Commercial Real Estate Committee, elected not to actively market the site.

The only written offer received was from Doug Rohn and Elizabeth Zenger, dba Bay Area Veterinary Specialists (BAVS). Staff visited the buyer's leased location in San Leandro and determined that the use was acceptable in the Oakland Airport Business Park.

TERMS OF THE PURCHASE AND SALE AGREEMENT

The Purchase and Sale Agreement, (effective June 6, 2002), provided for a purchase price of \$1,459,440 (\$16.00 per square foot). The initial deposits included a \$10,000 non-refundable payment, to be credited toward the purchase price at close of escrow, and a \$25,000 deposit to be increased by \$50,000 at the end of the due diligence period.

The due diligence period commenced on June 6, 2002, and concluded on August 5, 2002. The Agreement provided that failure by the buyer to give timely notice of its approval, waiver or disapproval of the Due Diligence Matters would cause the Agreement to terminate.

BUYERS' PROPOSAL

The buyers are requesting a modification in the sales price based on unanticipated development costs associated with the Bay Conservation and Development Commission (BCDC) since the Port's parcel abuts a channel, and the East Bay Regional Park District (EBRPD), which leases the parcel between the buyer's property and the channel from the Port.

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BOARD ACTION TAKEN Assistant

[Signature]

SECRETARY OF THE BOARD

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area and the additional development costs would result in a total modification of \$152,000, or approximately 10% of the original purchase price.

They are also requesting that the original agreement, which provided for a Repurchase Option in the event construction had not started within 18 months of the effective date, and liquidated damages if construction was not completed within 30 months of the effective date, be modified to reflect the difficulties they are currently experiencing with obtaining the permits for the project. The Alameda Flood Control District, which dredges the channel, does not want to be responsible for repairing any degradation to the proposed bank and ridge improvements required by BCDC and the East Bay Regional Park District. Once they have received approval from the Flood Control District, they have been advised that the California Fish and Game Department must approve the project as well. To account for these entitlements, BAVS has asked that the Agreement be modified to provide for a seven-year period from the close of escrow to commence construction of the improvements.

ANALYSIS:

This proposal was reviewed by the Commercial Real Estate Committee at its November 6, 2002 meeting, and the following modifications to the Purchase and Sale Agreement were approved by the Committee:

- The purchase price is \$1,307,550.
- The end of the due diligence period shall be extended to December 1, 2002.
- Half of the \$50,000 deposit payable at the end of the due diligence shall be non-refundable.
- The Repurchase Option shall become effective seven years after the close of escrow.

At the end of the due diligence period, there is a 60-day approval period, and escrow is scheduled to close 30 days after the approval period has expired. There are two options to extend the close of escrow at a non-refundable cost of \$10,000 per extension.

OPTIONS:

1. Approve a revision to the purchase price in the amount of \$152,000 (\$61,000 plus \$91,040 reflecting a 50% reduction in value on the unusable acreage of 11,380 square feet within the BCDC area).
2. Deny the buyer's request for a price modification. It is unlikely that the buyers will be able to proceed with the project, since the most recent cost estimates for the project are 30% over budget, and value engineering will only reduce a portion of the cost overruns. The Port could then remarket the site; however, given the current real estate market, the only likely purchase would be an owner-user, since most developers are not building a spec product in this economic climate.

ENVIRONMENTAL:

The proposed amendment to the Purchase and Sale Agreement has been reviewed pursuant to the California Environmental Quality Act (CEQA), and has been determined to be categorically exempt per Section 15061 of the CEQA Guidelines, the general rule exemption. This exemption does not apply to construction and/or operation of the project, which has been the subject of a separate environmental review.

It has also been determined that:

- (a) The Property has become unnecessary for Port purposes of harbor development; and
- (b) The proposed sale of the Property complies with the provision of Section 5.13 (c) of the Port's Master Trust Indenture, dated as of April 1, 1989, as amended (the "Indenture"), and the Port's feasibility consultant finds that the Port will be able to meet its debt covenants after the sale. The Board hereby directs that the Proceeds of such sale shall be deposited in the Port Revenue Fund and shall be used in accordance with the provisions of Section 5.13 of the Indenture.

SUSTAINABLE OPPORTUNITIES:

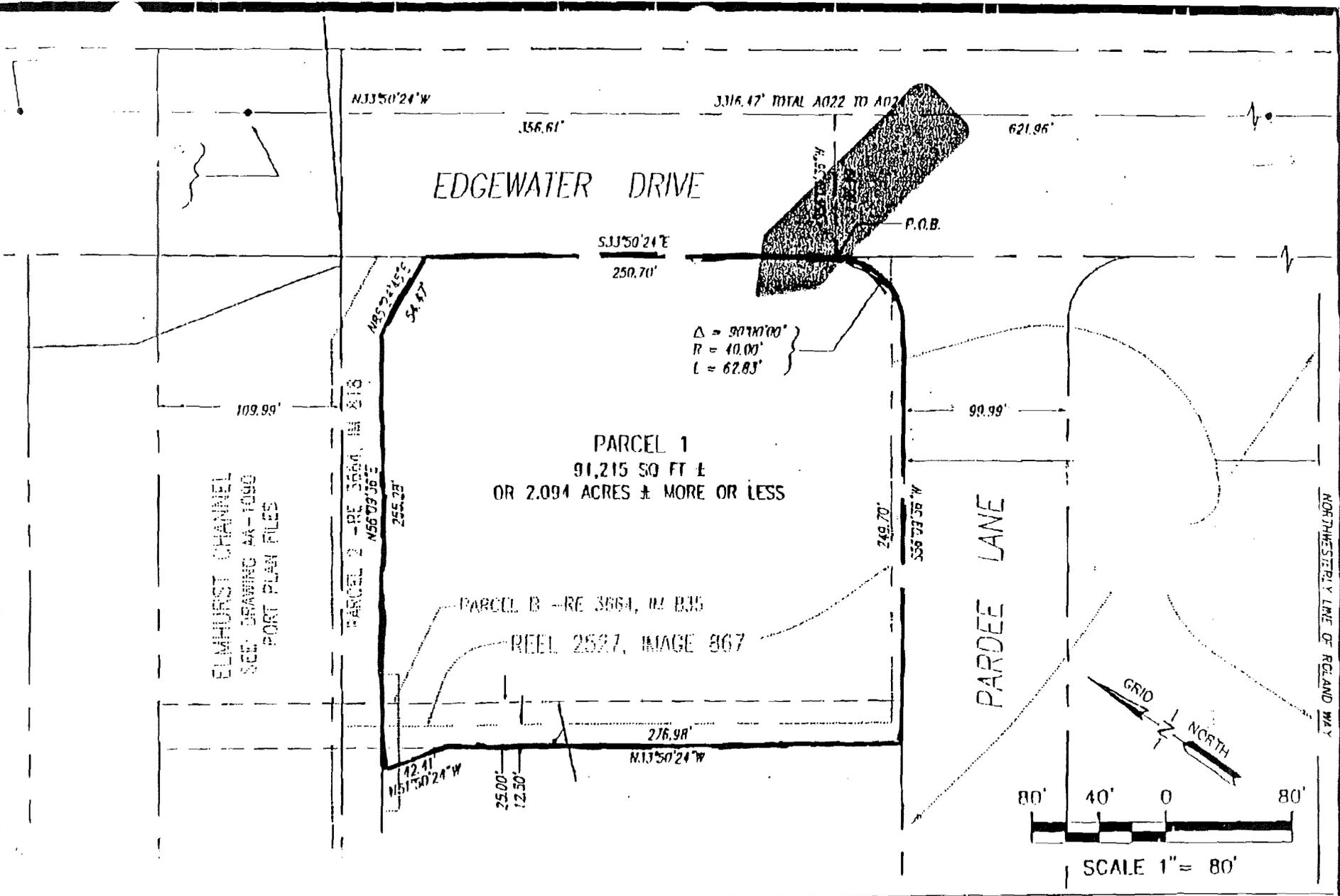
The buyer will develop the property consistent with Port of Oakland sustainability policies as applicable.

LIVING WAGE:

The living wage provision is not applicable to Commercial Real Estate projects.

RECOMMENDATION:

It is recommended that the Board authorize a resolution authorizing the Executive Director to execute the First Amendment to the Purchase and Sale Agreement with the terms outlined above.



N1168126.DWG

DATE: 9-22-1994

PORT W.O.# 102432

JOB# N11681.26

SHEET 1 OF 1

Port of Oakland

 530 Water Street
 Oakland, California

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION
 for
 PARCEL 1**

Greiner
 ENGINEERS • PLANNERS • SURVEYORS • LANDSCAPE ARCHITECTS
 8800 STONEMARSH DRIVE, PLEASANTON, CALIFORNIA 94686

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 19, 2002

ITEM NO: 25

SUBJECT: Approval of Agreement with the City of Alameda for the Operations of the Alameda Oakland Ferry and Approval of Cost Plus Agreement with Blue and Gold Fleet

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Since 1990 the Port of Oakland and the City of Alameda have been engaged in an agreement to mutually fund and operate the Alameda/Oakland Ferry Service. This service has grown and has become an accepted transit alternative to East Bay residents. Over the years the Port has redeveloped its ferry terminal using local, State and Federal funds. As of today the Port and Alameda own and operate the two principal vessels providing the ferry service between San Francisco and the East Bay. The City of Alameda has acted as lead agency when entering into outside contracts of any type relative to the ferry, however the agreement provides for mutual consent by the Port. Of concern today, is the consideration of the continuation of the relationship both the Port and the Alameda enjoy as well as other necessary actions to enable the parties to make some necessary changes in operations.

Since 1994 Blue and Gold Fleet has been the service provider for this ferry service. Each year Alameda and the Port negotiate economic terms with Blue and Gold Fleet for the next operational year. Operational years sometimes are extended on a month-to-month basis during periods of negotiation.

AGREEMENT WITH CITY OF ALAMEDA:

Each year Port staff requests approval from the Board of Port Commissioners to extend the agreement between the City of Alameda and the Port, as well as allocate matching funds to support the ferry service. For the current fiscal year the subsidy available in the expense budget of the Commercial Real Estate Division, to support the ferry service is approximately \$143,000. The agreement transcends the Port fiscal years and therefore an estimated and expected subsidy requirement is included in the budget each year, which accounts for cost of living increases as well as any specific additional funding requirements, if any. We do not anticipate that the present subsidy amount would be significantly different from year to year but each amended agreement that the Port enters into with the City of Alameda defines the subsidy for that year and is approved by the Board.

Approval of an amendment to the agreement with the City of Alameda is requested to continue the ferry service at least through January 2004, which would coincide with the termination of the proposed operator agreement. It is anticipated that the Port subsidy requirement for next fiscal year might increase. The true cost of the entire fiscal year's subsidy (beginning in July 2003 though June 2004) will not be known, as the terms of a new agreement with a potential new operator to take over in February 2004, will not have been negotiated by the time the budget is adopted. To cover an anticipated increase we will include \$151,000 that represents an 8% increase over the current FY budget, in next fiscal year budget. Once those terms are known the Board will be requested to approve the agreement. It is anticipated, however, that the Port's total annual contribution to subsidize the ferry will not increase substantially over the current fiscal year's subsidy in the future. As of the current fiscal year, there is substantial new outside funding sources identified for the ferry operations, including funds from the recently reauthorized Alameda County's sales tax under Regional Measure B.

In addition the City of Alameda, on behalf of the partnership, has executed agreements for the various operational and capital grant funding programs which have been used to build the ferry services from its inception, including ferry

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Assistant Secretary of the Board

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acquisition contracts, landing rights agreements and many other agreements associated with the service. It is recommended that the Board approve a Fifth Supplemental Agreement with the City of Alameda to continue the partnership through January 2004.

AGREEMENT WITH FERRY PROVIDER:

For approximately the last eight years the Blue and Gold Fleet (B&GF) has been the "service provider" for the Alameda/Oakland Ferry under an agreement with the City of Alameda (the lead agency). The ferry provider/operator initially provided its own vessels to service the ferry and then eventually the City of Alameda and the Port acquired and now own two vessels that provide the primary service. The vessels presently owned by the City/Port are the Encinal and the Peralta. The Peralta, the newest vessel provides the bulk of the service and the Encinal provides back up as well as contributes its efforts to maintain the schedule and frequency during peak periods.

In the past, the agreements with B&GF have been agreements based on a fixed subsidy and permitted the operator to collect fares. The agreements with B&GF have been for periods of up to five years subject to annual re-negotiation of subsidy, schedule and fares. The current agreement with B&GF will expire on January 31, 2003. Under these agreements all operating cost, if any, over the available subsidy and the fares collected were absorbed by B&GF. B&GF claims that for most years, under their contracts operating the Alameda/Oakland Ferry, they lost money and have indicated that they would no longer be willing to enter into a contract that does not guarantee them cost recovery and a profit margin. B&GF has in fact filed with the CPUC a request to abandon the service. Both the Port and the City of Alameda have filed protests with the CPUC indicating that as of now the City/Port and B&GF are still negotiating and in addition, more time would be necessary to select a new operator and therefore we do not agree with B&GF request to abandon the service leaving both the City and Port without ferry transit service.

B&GF is presently operating ferry service under an agreement with the City of Vallejo under a Cost Plus concept financial arrangement and have been operating the Vallejo's service under a Cost Plus arrangement since its inception in 1989. B&GF has requested a "Cost Plus" arrangement for the Alameda/Oakland ferry.

The Port and Alameda have been in negotiations with B&GF relative to a Cost Plus Fixed Fee agreement for the past three months. Under the terms proposed B&GF would receive a fixed Management Fee/Profit of 6.5% of the adopted operating budget with a performance incentive of an additional 3.5% of the agreed to budget (a maximum of \$220,000). Aside from receiving a fixed management fee, operational costs would be passed through and be paid one month in advance to B&GF. The costs to be passed through include fuel, labor, vessel maintenance, insurance and administrative fees. This Cost Plus agreement would become effective February 1, 2003 with a one-year term giving the City and the Port ample time to conclude drafting and issuing a RFP document and selecting a new operator to take over February 1, 2004. While there are a couple of minor, non-economic issues in the negotiations with Blue and Gold, the negotiations in general are completed.

LIMIT OF FINANCIAL EXPOSURE/COST PLUS CONTRACT:

The City of Alameda and the Port are very concerned with the cost of the service and the potential for cost overruns as the total available funds for the service are limited to the funds available through grants, fares and local match contributions. Under the Pro Forma budget there are fixed line items such as management fees, profit and administrative/overhead fees. Many of the line item costs are fixed; for example, since the ferry schedule is non-variable the on-board labor hours are known and fixed. The ferry operator must remain within these budget line items, which can only be modified if agreed in writing among the parties. There are variable expenses (uncapped), which are not as easy to set forth, since the operator, or either agency does not directly control these variables. These include fuel expenses, insurance deductibles resulting from claims and vessel (primarily engine) maintenance costs. Relative to insurance deductibles, the agreement would limit reimbursement to the operator if operator were solely negligent or operated in error. The vessel engine maintenance costs we believe are not a big risk for the City/Port because both vessels have or will have new equipment warranties for the term of the agreement.

FINANCIAL RESERVE:

For the year beginning February 2003, there would be a budget reserve set forth of \$144,600, which represents 16% of the budget that could be used in the event the uncapped expenses escalated beyond the budget line item anticipated for each of these expense categories. With careful budget overview on a monthly basis, if it is anticipated that the reserve would or could become depleted, B&GF and the Port/City could agree to service reductions, which are identified in the proposed contract. Because of labor agreements these cost cutting measures can only be used sparingly. In addition, the City/Port would request the CPUC to consider granting pre approval of a fare surcharge to be implemented if absolutely necessary.

SCHEDULE REDUCTION:

In addition to the change of compensation provisions of the B&GF contract, additional measures must be implemented including modification of the service and its schedule in order to assure that the City of Alameda and the Port are making the most efficient use of the service. The scheduled trips targeted for elimination are the scheduled service that currently does not perform as well economically. Beginning in 2003 we would eliminate the weekend service for the months of January and February, consisting of one round trip per day. Proactively, in March 2002 the 6:30 AM service was eliminated and in September 2002 the 7:40 AM commute departure was eliminated. Both of these scheduled trips were added after the 1997 BART strike but the costs are substantial due to the need to operate a separate vessel for these departures. During the peak morning commute, departures are now scheduled each hour. Because of economic conditions in general, ridership has decreased. The RFP that will be issued will attempt to define costs for these services and add them back for 2004, if feasible.

REQUEST FOR PROPOSAL:

B&GF-Alameda and the Port have negotiated a one-year extension of the agreement with Blue and Gold based on a Cost Plus fee compensation. The City of Alameda will consider approval of this agreement at today's City Council meeting. It was agreed that a Request for Proposal (RFP) would be issued prior to February 28, 2003. Potential respondents to the RFP could include B&GF, Alameda's Harbor Bay Maritime, Red and White Fleet and Hornblower. With the new agreement extension with B&GF there will also be ample time for circulation of the RFP nationally. The RFP would provide the opportunity for respondents to propose based on the Cost Plus fixed fee basis or other financial models including the fixed subsidy. The RFP would also give operators the opportunity to propose on service enhancements. Respondents to the RFP or the City/Port must also address access rights to San Francisco's Fisherman Wharf area, which is a primary destination for midday and weekend riders. Presently, there are no public docking facilities at Fisherman's Wharf, only the B&GF, Red and White Fleet and Hornblower have access rights to this area, as they have agreements in place and docking facilities with the Port of San Francisco.

OTHER RFP ISSUES:

Aside from the need to provide service to Fisherman's Wharf, a ferry operator must have facilities to maintain the publicly owned vessels and have additional vessels to provide back-up capability in the event that one or both vessels must be out of service. The City of Alameda is currently looking for funding and a location for a publicly owned maintenance facility within the City of Alameda and as well as funding opportunities present themselves, funds are solicited for back up vessels or vessel enhancements. The RFP process will allow time to deal with these issues, as the new operator would not take over the service until February 2004.

PORT'S LOCAL MATCH TO CONSTRUCTION OF THE VESSEL PERALTA:

In June of 2000, the Board approved a \$350,000 local match contribution to the \$4,750,000 grant the City and Port received for the purchase of a new \$5.5 million ferry vessel the Peralta. The Peralta (a 320 passenger vessel) has

been in successful operation for the past 9 months. Subsequent to Board approval the actual local matching fund requirement increase due to increased costs to produce this vessel. It is recommended approval be given to an additional \$25,000 for a total matching funds from the Port of \$375,000 towards the production of this new vessel. Money has been identified in the capital improvement budget to cover the total matching funds necessary for this project.

SUSTAINABILITY:

The ferry service provides public transportation over an alternative transportation artery that when used helps relieve congestion on regional roadways and the Bay Bridge corridor with benefits to the Port directly. The ferry enhances Jack London Square as a transportation and entertainment hub.

ATTACHMENTS:

Attached is the proposed operating budget including the projected revenues for the next agreement period from February 2003 through January 2004 by fiscal year. In addition, is the budget for the acquisition (construction) of the MV Peralta. Also attached are some regional transit subsidy information regarding ferries and other public transit prepared as part of the Water Transit Authorities efforts.

RECOMMENDATION:

We recommend consideration and approval of the following:

1. Approval of a Fifth Supplemental Agreement with the City of Alameda, approving funding of \$143,000 for Fiscal Year 02/03.
2. Approval for amending the contribution to the purchase of the Vessel Peralta from \$350,000 to \$375,000
3. Concurrently approval of the agreement along with the City of Alameda with the B&GF under a Cost Plus Fixed Fee basis for the contract period February 2003 to February 2004 with a Port subsidy limited to \$143,000 for the current fiscal year and \$151,000 in next Fiscal Year.
4. Approving the concept of issuing a Request for Proposal for the selection of a ferry service provider to be selected and in operation in February 2004.

Income / Revenue to Support Ferry Operations (February 2003 – January 2004)

Passenger Revenue Projection	1,629,960
Measure B (Alameda County Sales Tax Initiative)	752,307
MTC Measure 1 (5% bridge tolls)	541,802
Port of Oakland	151,000
Total	3,075,069

Expenses for Cost Plus Operations (February 2003 – January 2004)

Operational Fees (Muni transfers, schedule printing, Ferry/Marketing Manager's salary/marketing, landing fees)	365,179
Vessel (estimate)	2,180,845
Non-Vessel (estimate)	133,980
Administrative Expense B&GF (fixed)	30,500
Management/Performance B&GF Fee (fixed- cap 6.5% - 3.5%)	219,908
Contingency	144,657
Total	3,075,069
Total of above that are potentially uncapped	862,916
Contingency as % of Uncapped Expenses	16.8%

Note that the above numbers do not include the City of Alameda's additional administrative costs, such as for security coverage of their terminal and their terminal repair and maintenance, nor the City's overhead.

In addition, the Port of Oakland expends dollars for the maintenance of its ferry terminal (approximately \$100,000 per year) and incurs security, administrative and overhead costs which are not easily measured.

Port Fiscal year Budget Impact

Existing Budget FY 2002-2003	Proposed Budget FY 2003-2004
143,000	151,000

Passenger Vessel MV Peralta Budget

**Budget Summary
Purchase of the Motor Vessel Peralta
(Alameda/Oakland Ferry)**

Funding Sources

State of California	4,750,000
City of Alameda	375,000
Port of Oakland	375,000
Total	5,500,000

Expenditures

Base Vessel Build Award	4,750,000
Technical Specifications Consultant	64,378
Construction Mgt Consultant	88,517
Shipyards Selection and Bid Management Consultant	59,548
Peer Review Consultant	5,150
Local Outfitting	13,275
Change orders and upgrades (includes State sales taxes)	371,846
Addendum and pre order of space parts (includes state sales taxes)	97,560
Administration and City Overhead	48,400
Other miscellaneous expenses	82,038
Total	5,498,674
Balance	1,326

Cost Effectiveness Measures for Bay Area Transit Operators

Service (Trips)	Daily Ridership	Annual Operating Cost (\$M)	Farebox Recovery	Operating Cost per Passenger	Operating Subsidy per Passenger	Subsidy per Seat per Hour
All Bay Area Fixed Route Transit	1374000	\$1364	32%	\$2.72	\$1.85	—
Alameda/Oakland Ferry	1500	\$3	71%	\$5.76	\$1.67	\$0.44
Harbor Bay Ferry	300	\$1	36%	\$11.73	\$7.51	\$2.05
Golden Gate Ferry	5100	\$15	37%	\$7.94	\$5.00	\$1.54
Vallejo Ferry	2000	\$5	69%	\$7.11	\$2.20	\$0.67
AC Transit (all)	185000	\$184	24%	\$2.72	\$2.07	\$1.72
AC Transit (Transbay)	14000	—	60%	—	—	—
BART	266000	\$310	63%	\$3.19	\$1.18	\$0.75
Caltrain	23900	\$51	41%	\$5.85	\$3.45	\$1.89
Golden Gate Buses	26100	\$50	31%	\$5.21	\$3.59	\$1.87
SF Muni	114000	\$92	26%	\$2.22	\$1.64	\$1.80
Santa Clara VTA	21700	\$39	10%	\$4.98	\$4.49	\$2.72
Altamont Commuter Express Rail	1800	\$8	32%	\$12.12	\$8.24	\$3.41

Sources: MTC Statistical Summary of Bay Area Transit Operators; Alameda/Oakland and Harbor Bay Ferry Reports; AC Transbay Statistics based on October 2000 reports and do not include deadhead time; 2000 National Transit Database, San Joaquin Regional Rail Commission.

Assumptions: Ferry seating per USCG certification; other modes include some standees.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

TD
 SUBJECT: Authorization to Reject all Bids and to Negotiate with the Lowest Responsible Responsive Bidder for Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000

DATE: November 19, 2002
 ITEM NO: 31

- PROGRAM AREA:
- Airport Operations
 - Commercial Real Estate
 - Maritime Operations
 - Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*
 EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

FACTUAL BACKGROUND:

Three (3) bids were received and opened on September 25, 2002, for **Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000**. The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
Industrial Railways Company	Pinole, CA		**	\$2,928,375.00
Stacy and Witbeck, Inc.	Alameda, CA	X	X	\$2,937,500.00
H&H Engineering Construction, Inc.	Stockton, CA			\$3,050,707.00

*LIABE = Local Impact Area Business Enterprise. LBABE = Local Business Area Business Enterprise
 **Not certified with the Port of Oakland at time of analysis.

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On August 6, 2002, the Board of Port Commissioners approved dispensing with standard bidding procedures, and authorized solicitation for bids from only pre-qualified railroad contractors. The bid results were then evaluated and submitted to the Board for award of the contract. On September 25, 2002, three (3) bids were received and opened. Staff has reviewed the bids with the four alternates to determine which combination provided the best benefit to the Port. The lowest modified bid amount for the base bid plus an alternate combination was from Stacy and Witbeck, Inc., for the base bid plus alternate two. However, after reviewing the bids for the scope of work in the bid documents, the bid amounts exceeded the budget.

ANALYSIS:

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. The lowest modified bid combination was the base bid plus alternate two from Stacy and Witbeck, Inc.

Budget

The work is budgeted in CIP Element Nos. M6.00563.01 and M6.00563.02. The Project Budget Summary is attached. The funding source will be Port bonds.

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 No. 02396
 BOARD ACTION TAKEN *[Signature]*
 Assistant

[Signature]
 SECRETARY OF THE BOARD
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Sustainability

This project is consistent with the Port's sustainable development strategy and incorporates the Port's ongoing program to divert construction and demolition debris from landfill disposal. For example, the Plans and Project Manual have been prepared to require on-site re-use of asphalt concrete and aggregate base as part of the new track section construction.

Project Labor Agreement

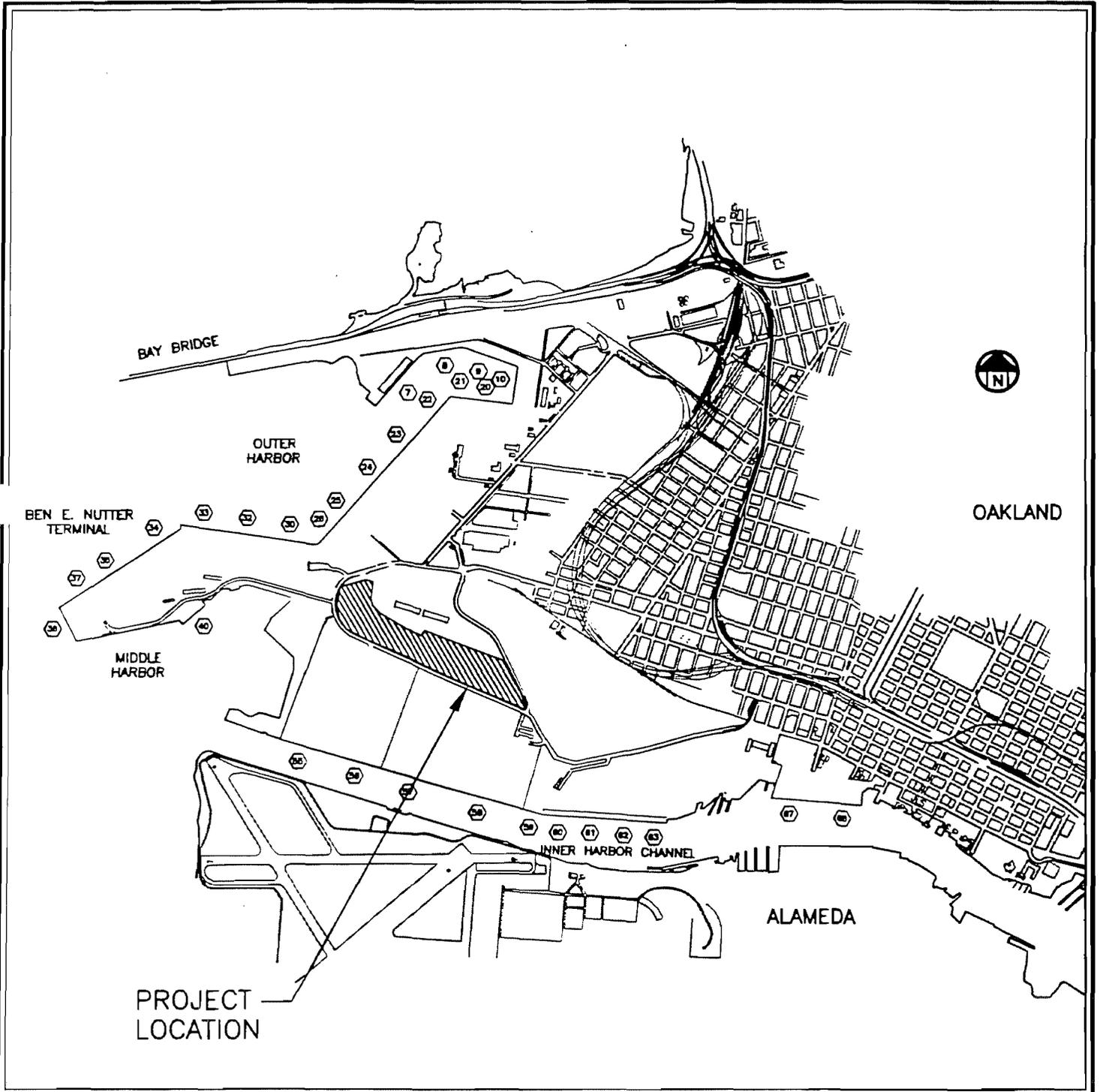
The work is covered by the terms of the Port of Oakland Maritime and Aviation Project Labor Agreement.

OPTIONS:

1. The Port could award the contract. Since the bids (Base Bid plus Alternate) exceeded the budget, this option is not recommended.
2. The Port could re-bid the project with a reduced scope of work. Due to a reduced scope of work, this is not the recommended option.
3. The Port could reject all bids and negotiate with the lowest responsible responsive bidder. Staff has already received and analyzed the three (3) pre-qualified railroad contractors' bids. The three (3) bids plus any of the four alternates exceeded the budget. The most economical and less time-consuming option would be to reject all bids and negotiate with the lowest responsible responsive bidder to change the scope of work so the project remains within budget. This is the recommended option.

RECOMMENDATION:

It is recommended that the Board reject all bids and authorize the Executive Director to negotiate with the lowest responsible responsive bidder to change the scope of work so the project remains within the budget. It is further recommended that the Executive Director be authorized to negotiate with the next lowest bidder if negotiations are not successful with the lowest bidder.



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PORT OF OAKLAND

Authorization to Reject All Bids and
to Negotiate with the Lowest Successful
Bidder for Construction of Storage Track,
Compressed Air System, and Miscellaneous
Improvements to the Joint Intermodal Terminal, Vision 2000

November 13, 2002

Activity Description	Start	End	2002		2003								
			November	December	January	February	March	April	May	June	July	August	
Reject Bids, Authorization to Negotiate Final Scope			11/19/2002										
Negotiate Scope of Work													
Issue Notice to Proceed					1/6/2003								
Construction	1/6/2003	6/30/2003											
Punch List Work	7/1/2003	7/31/2003											
Contract Closeout	8/1/2003	8/31/2003											

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY

October 14, 2002

PROJECT TITLE: Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000, Oakland, California

SUBJECT: Authorization to Reject all Bids and to Negotiate with the Lowest Successful Bidder for Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal, Vision 2000

CIP NO: M6.00563.01 and M6.00563.02

W.O. #'s: 104323

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The Construction of Storage Track, Compressed Air System, and Miscellaneous Improvements to the Joint Intermodal Terminal is being tracked under work order # 104323.

Budget: This project is included in the CIP Element # M6.00563.01 and M6.00563.02 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00563.01 and M6.00563.02.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00563.01	879	997	29446	6212	75					37609
M6.00563.02	270	460	2428	500						3658
Total =	1149	1457	31874	6712	75					41267

Remarks:

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

⁷¹ SUBJECT: Authorization to Exceed Purchase Order Limits for Interim Office Complex Trailers at Berths 57-59, Vision 2000

DATE: November 19, 2002

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION: *AP*

BACKGROUND:

As part of the underlying Agreement between the Port of Oakland and Stevedore Services of America Terminals (SSAT), the Port agreed to provide an interim administrative office complex at the Berths 57-59 yard. The interim administrative office complex is intended to serve SSAT until the permanent administration building has been constructed and becomes operational.

ANALYSIS:

The interim administrative complex includes the modified Building No. D-851 (formerly 1717 Middle Harbor Road) and temporary office trailers for various SSAT personnel. A total of four temporary office trailers have been provided. There are two singlewide, one doublewide, and one quadruple-wide trailer. The procurement of these trailers was initiated by Purchase Order. Four Purchase Orders were issued to two vendors to procure, install, modify, remove and rent. Following is a breakdown of the transactions by vendor and types of costs.

1. Mobile Modular

The first of two Purchase Orders issued to Mobile Modular was to procure two singlewide trailers and includes the acquisition costs and monthly rent (based on an estimated rental period of 24 months). Acquisition costs are \$7,056 and monthly rental thus far has totaled \$1,900. In addition, we anticipate SSAT-requested modifications to the two singlewide trailers will total \$3,859. The estimated cost at completion is \$33,850.

The second Purchase Order was to procure the doublewide trailer and includes the acquisition costs and monthly rent (based on an estimated rental period of 24 months). Acquisition costs are \$5,031 and monthly rental thus far has totaled \$1,924. In addition, we anticipate SSAT-requested modifications to the doublewide trailer will total \$1,824. The estimated cost at completion is \$33,600.

Total anticipated expenditures for these two transactions with Mobile Modular are \$67,450.

2. Design Space Modular

The first of two Purchase Orders issued to Design Space Modular was for the acquisition of the quadruple-wide trailer. To date, acquisition costs (including tax) have totaled \$11,969. In addition, SSAT-requested modifications to the quadruple-wide trailer have totaled \$20,081. The estimated cost at completion is approximately \$47,100.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02397

BOARD ACTION TAKEN

Assistant

Anne Krupp
SECRETARY OF THE BOARD

NOV 19 2002

DATE

The second Purchase Order was issued for the monthly rental of the quadruple-wide trailer. The monthly rental rate is \$1,486, plus tax. Based on an estimated rental period of 24 months, the projected rent is \$35,664, plus tax. To date, rental payments to Design Space Modular for the quadruple-wide trailer have totaled \$4,022. The estimated cost at completion is approximately \$38,700.

Total anticipated expenditures for the two transactions with Design Space Modular are approximately \$85,800 including tax.

Although the individual cost of each Purchase Order is less than the Purchase Order limit, the aggregate cost of the Purchase Orders issued to each vendor will exceed the allowable limit. Therefore, staff is requesting the Executive Director be given the authority to execute the Purchase Orders for the appropriate amounts.

Budget

This project is budgeted under CIP No. M6.00585.03. The source of funds is Port Bonds.

RECOMMENDATION

It is recommended that the Board authorize the Executive Director to execute purchase orders of approximately \$153,250 for acquisition, capital improvements, and 2-year rental for the interim office complex trailers to both Mobile Modular and Design Space Modular.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

^{TD}
SUBJECT: Approval To Increase Executive Director's Authority to Authorize Changes in Scope to Agreement with David Gates and Associates and Thruston Design Group for Engineering Design Services for Construction of Public Access Improvements, Berths 55/59, Inner Harbor

DATE: November 19, 2002

ITEM NO: 33

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port of Oakland (Port) has a current professional services agreement with David Gates & Associates and Thruston Design Group (DGA/TDG), a Joint Venture, which was approved by the Board on February 3, 1998, per Resolution No. 98058. DGA/TDG were hired to design the public access project for the Berths 55-59/Vision 2000 Program. The Board authorized a maximum compensation of \$1,500,000, with the provision for an additional amount of up to \$375,000 to be spent with the approval of the Executive Director for additional, unforeseen work.

The original proposal included a public outreach program, preparation of a Public Access Master Plan, design and preparation of construction documents, and construction administration. During the planning and conceptual design for this project, various elements of the overall program were changed to accommodate the community and regulatory agency stakeholders and to respond to specific site conditions. In May 2000, the Executive Director approved an additional \$ 282,400 for changes in the scope of work. The additional tasks included: sponsorship of "Envision a Park Fair", preparation of hydrodynamic studies to evaluate impacts of transiting container vessels, ferries and recreation boats on the safety of the park's moored facilities; feasibility analysis of retaining North Marginal Wharf's Berth A and B, including an estimate of projected life and retrofit needs in response to BCDC permit requirements; redesign of structures due to site specific risks of liquefaction; and preparation of renderings for public, regulatory agency and professional meetings.

In February 2001, the Board approved an additional \$260,000 for changes in the scope of work. During the design and development phase, multiple construction documents were prepared to provide an opportunity for small, local contractors to participate in the Vision 2000 Program. In addition, construction documents were needed to accommodate construction sequencing not anticipated at the time the agreement was negotiated. Also, recommendations made by agency stakeholders, including the potential future manager of the park, coupled with delays at the beginning of the Vision 2000 Program in the permits, have resulted in an extension of design time from two to three years. Consequently, the scope of work under the agreement with DGA/TDG was expanded. In April 2002, the Executive Director approved an additional \$92,600 for changes in the scope of work. The change is summarized as furnishing and delivering the centerpiece stone for the Point Arnold fountain and continuing design consultation for value engineering.

ANALYSIS:

The Port has a commitment to promote small local businesses and to provide them with job opportunities that meet the Port's needs. The Middle Harbor Shoreline Park (MHSP) project is too large to qualify as a small business opportunity, but components of the project are within the small business size limits. In an attempt to meet the Port's goal of encouraging small businesses, the MHSP project was broken into multiple construction projects. Additional construction documents were needed to accomplish this goal. Consequences of multiple construction projects include the need for additional construction administration, and more time to review submittals and to answer requests for information.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02398
BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

NOV 19 2002
DATE

Further, the restroom project at Point Arnold required more construction support than originally anticipated. Additional construction support will also be needed at the observation tower. As part of the Port's Community Outreach Program, staff requested that additional presentation materials be developed by DGA/TDG.

Budget

Port staff is currently negotiating with DGA/TDG to finalize the additional costs for the new change-in-scope work. However, the scope of work is expected to cost no more than \$75,000. This increase will result in a new allowable maximum contract amount of \$2,210,000.

This work is budgeted under CIP Item Nos. M6.00546.08 and M6.00543.01. The funding source is revenue bonds.

A summary of the proposed compensation changes is provided below:

	DESCRIPTION	DATE	AUTHORIZED	EXECUTED	PENDING
1	Board Authorization Maximum Allowable Compensation - \$1,500,000 Allowable Increase with Executive Director's Approval - \$375,000	2-3-98	\$1,875,000	\$1,875,000	
2	Additional compensation approved by the Board (First Supplemental Agreement)	2-20-01	\$260,000	\$260,000	
3	Proposed allowable increase with Executive Director approval - \$100,000	11-19-02			\$100,000
4	Total maximum compensation to date		\$2,135,000	\$2,135,000	\$2,235,000

RECOMMENDATION:

It is recommended that the Board authorize increasing the Executive Director's authority to authorize changes in scope to the agreement with David Gates & Associates and Thruston Design Group, a Joint Venture, for design services as described above, thereby increasing the maximum allowable compensation under the agreement by \$100,000.

Agenda Sheet

SUBJECT: Approval of Consultant Agreement for Engineering Design Services for Construction of Public Access Improvements, Berths 55/59, Inner Harbor

Date: February 3, 1998

Item No. 22

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JKW*

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland Vision 2000 Program consists of Public Access Improvements, up to 5 container terminals; the relocation of Seventh Street and Middle Harbor Road; and a Joint Intermodal Terminal (JIT) along the north side of the Oakland Inner Harbor Channel at the former Fleet Industrial Supply Center, Oakland (FISCO). A condition of the Bay Conservation and Development Commission (BCDC) permit for this program will be development of the waterfront public access improvements. The proposed consultant will provide professional engineering and design services for the Public Access Project.

Basis of Selection:

On October 10, 1997, Requests for Proposals (RFP) were sent to 92 professional design firms currently doing business as Architects or Landscape Designers in the Local Impact Area (LIA). The attendance at the pre-proposal meeting in mid-October was not as anticipated, and the RFP was re-issued on October 31, 1997. A second pre-proposal meeting was held in the Board Room on Wednesday, November 12, 1997. The second mailing of the RFP was sent to professional design firms in the Local Business Area (LBA). The firms included Architects, Landscape Designers, and Civil Engineers. An outreach letter was also sent to additional consultants as a part of the second mailing of the RFP. The firms selected for this outreach letter were firms that would potentially provide subconsulting services for the project. The firms receiving the outreach letter included construction management, electrical engineering, mechanical engineering, and numerous other specialty firms. Five firms that received the outreach letter requested and were provided a copy of the RFP.

Sixteen proposals were received on December 5, 1997. The Proposal Review Panel, composed of staff members from the Engineering and Maritime Divisions, the Port's Office of Equal Opportunity, and a member of the community, reviewed the proposals. The eight higher-ranked firms were invited for interviews.

The consultant teams invited for interviews were: Gates/Thruston, Concept Marine, Ace Architects, Dillingham Associates, Hanson/Murakami/Eshima, Merrill and Befu Associates, Amphion Environmental, and Kwan Henmi. The interview panel also included a member of the Oakland community.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN DATE

SECRETARY OF THE BOARD

**Approval of Consultant Agreement for
Engineering Design Services for
Construction of Public Access Improvements,
Berths 55/59, Inner Harbor
February 3, 1998
Page 2**

Consultant Selection:

David L. Gates & Associates and the Thruston Design Group, in association, is recommended to perform the professional design services for this project. The selection is based on their project team's proposal; their presentation and response to the interview panel's questions; the skills and experience of the team members; and their recent experience in planning and designing similar projects in the Bay Area and in other parts of the Country.

The following table shows the design team members, their roles, and their planned shares of the work.

TEAM MEMBER		ROLE	PLANNED SHARE OF WORK
David L. Gates and Associates	LBA	Lead Public Outreach, Landscape Design & Documents	35.0
Thruston Design Group	LIA/WBE	Project Management, Outreach Assistance, Architectural Design	20.0
Architectural Edge	LIA/MBE	Architectural Documents	4.0
Merkel & Associates	WBE	Habitat Coordination	3.0
M/TranSystems	LIA	Civil, Structural, & Marine Engineering	19.0
Ray I. Juachon & Associates	LIA/MBE	Electrical Engineering & Lighting	3.0
Don Todd Associates, Inc.	LIA/MBE	Cost Estimating & Construction Scheduling	6.0
Don Houston/Cyclops	MBE	Outreach Assistance and Construction Administration	10.0

The Port's Office of Equal Opportunity (OEO) was involved in all phases of evaluating the consultants and their proposals. OEO has determined the firm to be responsive to the Port's Non-Discrimination and Small/Local Business Utilization Policy. Sixty-two and one-half percent (62.5%) of the teams' members are located within the LIA, an additional 12.5% are within the LBA, and 75% are certified as either a MBE or WBE firm. The OEO Officer concurs with the recommendation.

The EEO-1 Work Force Reports/Professional Services Questionnaires are on file.

Port staff is currently negotiating with David L. Gates & Associates and the Thruston Design Group to develop the scope of work and the terms of the contract. The agreement should not exceed \$1,500,000. It is recommended that the Executive Director be authorized to approve up to \$375,000 for potential changes in scope. The design consultant must begin work immediately to ensure that a BCDC permit is obtained for the Vision 2000 Program construction contracts. It is recommended that the Executive Director be authorized to prepare and execute a professional services agreement based on these negotiations.

The work is budgeted in CIP Element No. M6.00546.08 and the funding source will be Port Bonds.

Recommendation:

It is recommended that the Board:

- 1) Determine that the design services described above are professional services, and

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

SUBJECT: Declaration of Port Revenue Fund Surplus for FY 2000-01 and FY 2001-02; Recommendation to Transfer Surplus to General Fund of City; and Approval to Reimburse the City for General Services and Lake Merritt Trust Purposes

Date: November 19, 2002

Item No. 41

SUBMITTED BY: Fred Rickert, Chief Financial Officer

PROGRAM AREA

- Airport Operations
- Commercial real Estate
- Maritime Operations
- Overall Operations

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

A review of the Port's year-end financial condition, cash position, and the future commitments and plans is required in order for the Board to consider making a determination that there is a surplus at this time of \$3,395,176 in the Port Revenue Fund. Such a surplus would be sufficient to reimburse the City for General Services and Lake Merritt trust payments as follows:

Fiscal Year	General Services	Lake Merritt Maintenance	Total
2000-01	\$ 869,526	\$ 795,300	\$1,664,826
2001-02	\$ 903,800	\$ 826,550	\$1,730,350
Total	\$1,773,326	\$1,621,850	\$3,395,176

The amounts for General Services and Lake Merritt payments are estimated only and are subject to confirming data to be provided by the City.

In order to determine if there is a surplus, the Board should consider whether the Port's anticipated cash position at the end of FY 2001-02, together with the cash flow forecasts and projected net income for the two fiscal years beginning FY 2000-01, will provide sufficient funds to support the Port's operating budget for FY 2002-03, the Capital Improvement Program, and any other Port purposes stated in purposes First through Eighth of Section 717(3) of the Charter of the City of Oakland. These Port purposes include ensuring payment of Port bond debt service, additions to Port reserves for operating contingencies and providing for equity investment in future capital projects.

Under purpose Ninth, Section 717(3). of the Charter, the surplus moneys determined by the Board to exist are to be transferred to the General Funds of the City. State law requires that the surplus, which consists of tideland trust funds, be transferred only for trust purposes, including valid trust debts. The transfer of \$1,773,326 for General Services and \$1,621,850 for Lake Merritt would be made in accordance with the Eleventh and Twelfth Supplemental Agreements to the MOU.

RECOMMENDATION:

If the Board determines that there is a surplus in the amount of \$3,395,176, or any other amount, in the Port Revenue Fund which is not currently necessary for any of the purposes stated in clauses First through Eighth of Section 717(3) of the Charter, it is recommended that the Board pass a resolution to that effect and authorize the transfer of the surplus to the General Fund of the City as payment for General Services and for reimbursement for the City's Lake Merritt trust purpose expenditures in accordance with the Eleventh and Twelfth Supplemental Agreements to the MOU.

BOARD ACTION REQUIRED:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02399

NOV 19 2002

BOARD ACTION TAKEN

DATE


Assistant SECRETARY OF THE BOARD

SUMMARY SHEET for PERMIT APPLICATION

(This Summary Agenda Sheet to be used for ALL permits in this category for which Board approval is recommended.)

Summary Item 1

DATE: November 4, 2002

PORT PERMIT NO: 4436

BUILDING PERMIT APPLICATION:	<input type="checkbox"/> New Construction	<input type="checkbox"/> Addition	<input checked="" type="checkbox"/> Alteration
	<input type="checkbox"/> Demolition	<input type="checkbox"/> Repair	<input type="checkbox"/> Other, Tank
SIGN PERMIT APPLICATION	<input type="checkbox"/> Wall Sign	<input type="checkbox"/> Pole Sign	
	<input type="checkbox"/> New	<input type="checkbox"/> Alter	<input type="checkbox"/> Repair
	<input type="checkbox"/> Non-electric	<input type="checkbox"/> Electric	<input type="checkbox"/> Temporary

PORT TENANT:	PERMIT APPLICANT:
<u>Transportation Security Admin.</u>	<u>Parsons Transportation Group</u>
LOCATION OF PROPOSED WORK: <u>1 Airport Drive Terminal 1 (M101)</u>	
BRIEF DESCRIPTION OF PROPOSED WORK: <u>Rearrangement of the security checkpoint area in Terminal 1 to accommodate Transportation Security Administration passenger screening requirements. Project includes related electrical, communications work and minor building alterations. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class <u>I</u>, Section <u>15301 (a)</u>.</u>	
SCHEDULED FOR BOARD ACTION: Date: <u>November 19, 2002</u>	VALUATION OF WORK: <u>\$ 180,000</u>

FROM: PORT PERMITS, ENGINEERING SERVICES DEPARTMENT	
<u>[Signature]</u> Recommend Approval	Date: <u>11/4/02</u>
ROUTE TO: (Please sign and send to next on list ASAP)	
(1) PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR, ENVIRONMENTAL PLANNING DEPARTMENT	
ASSESSMENT: <u>Section 15301(a)</u> Cat. Ex. /Sec.No., Neg.Dec., Mit.Neg. Dec., or EIR	
<u>James McKeown</u> Recommend Approval	Date: <u>11-4-02</u>
(2) DIRECTOR OF ENGINEERING	
<u>[Signature]</u> Recommend Approval	Date: <u>11/4/2002</u>
(3) EXECUTIVE DIRECTOR	
<u>[Signature]</u> Recommend Approval	Date: <u>11/5/02</u>
(4) PORT PERMITS - ENGINEERING SERVICES DEPARTMENT:	
<u>[Signature]</u> Received By:	Date: <u>11/6/02</u>

BOARD APPROVAL: Resolution No: 02400 Date: NOV 19 2002

SUMMARY SHEET for PERMIT APPLICATION

(This Summary Agenda Sheet to be used for ALL permits in this category for which Board approval is recommended.)

Summary Item 2

DATE: November 5, 2002

PORT PERMIT NO: 4439

BUILDING PERMIT APPLICATION:	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Addition	<input checked="" type="checkbox"/> Alteration
	<input type="checkbox"/> Demolition	<input type="checkbox"/> Repair	<input type="checkbox"/> Other, Tank
SIGN PERMIT APPLICATION	<input type="checkbox"/> Wall Sign	<input type="checkbox"/> Pole Sign	
	<input type="checkbox"/> New	<input type="checkbox"/> Alter	<input type="checkbox"/> Repair
	<input type="checkbox"/> Non-electric	<input type="checkbox"/> Electric	<input type="checkbox"/> Temporary

PORT TENANT: Transportation Security Admin. PERMIT APPLICANT: DMJM + Harris

LOCATION OF PROPOSED WORK: 1 Airport Drive Terminals 1 & 2 (M101, M102 & M130)

BRIEF DESCRIPTION OF PROPOSED WORK: Installation of Explosive Detection System (EDS) equipment at baggage check-in counters in Terminals 1 and 2 to accommodate Transportation Security Administration year end 2002 screening requirements as mandated by the U. S. Congress. Project includes related electrical, mechanical and minor building alterations. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class L, Section 15301(a).

SCHEDULED FOR BOARD ACTION: Date: November 19, 2002 VALUATION OF WORK: \$ 1,300,000

FROM: PORT PERMITS, ENGINEERING SERVICES DEPARTMENT

[Signature] Date: 11/5/02
Recommend Approval

ROUTE TO: (Please sign and send to next on list ASAP)

(1) PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR, ENVIRONMENTAL PLANNING DEPARTMENT
ASSESSMENT: Section 15301(a)
Cat. Ex./Sec.No., Neg.Dec., Mit.Neg. Dec., or EIR
[Signature] Date: 11/5/02
Recommend Approval

(2) DIRECTOR OF ENGINEERING
[Signature] Date: 11/5/2002
Recommend Approval

(3) EXECUTIVE DIRECTOR
[Signature] Date: 11/5/02
Recommend Approval

(4) PORT PERMITS - ENGINEERING SERVICES DEPARTMENT:
[Signature] Date: 11/6/02
Received By:

BOARD APPROVAL: Resolution No: 02401 Date: NOV 19 2002

SUMMARY SHEET for PERMIT APPLICATION

(This Summary Agenda Sheet to be used for ALL permits in this category for which Board approval is recommended.)

Summary Item 3

DATE: November 5, 2002

PORT PERMIT NO: 4440

BUILDING PERMIT APPLICATION: New Construction, Addition, Alteration, Demolition, Repair, Other, Tank
SIGN PERMIT APPLICATION: Wall Sign, Pole Sign, Repair, New, Alter, Temporary, Non-electric, Electric

PORT TENANT: SBC Pacific Bell Inc. PERMIT APPLICANT: SBC Pacific Bell Inc.
LOCATION OF PROPOSED WORK: 1601 Maritime Street B31E
BRIEF DESCRIPTION OF PROPOSED WORK: Demolition of a 600 square foot shed, a utility vault and associated tenant owned improvements at the conclusion of tenancy as required by the port lease. Project includes related electrical and mechanical work. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Class 1, Section 15301(L), (a)
SCHEDULED FOR BOARD ACTION: Date: November 19, 2002 VALUATION OF WORK: \$ 60,000

FROM: PORT PERMITS, ENGINEERING SERVICES DEPARTMENT
Recommend Approval [Signature] Date: 11/5/02
ROUTE TO: (Please sign and send to next on list ASAP)
(1) PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR, ENVIRONMENTAL PLANNING DEPARTMENT ASSESSMENT. Cat Ex 15301(L), (a)
Cat. Ex./Sec.No., Neg.Dec., Mit.Neg. Dec., or EIR
Recommend Approval [Signature] Date: 11/6/02
(2) DIRECTOR OF ENGINEERING
Recommend Approval [Signature] Date: 11/6/02
(3) EXECUTIVE DIRECTOR
Recommend Approval [Signature] Date: 11/8/02
(4) PORT PERMITS - ENGINEERING SERVICES DEPARTMENT:
Received By: Date:

BOARD APPROVAL: Resolution No: 0242 Date: NOV 19 2002

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 15

SUBJECT: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Middle Marker (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

**DUPLICATE
OF PRIOR
CALENDAR MEMO**

**Summary
Item 4**

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies 1,840sf of land in the South Airport airfield approximately 3,500' from the Runway 11 threshold for the establishment, maintenance, and operation of a Middle Marker used in air traffic control and aircraft navigation. The FAA has been occupying the premises on a month-to-month holdover under the terms and conditions of Lease No. DOT-FA78WE-4910 dated June 19, 1979, which expired September 30, 1999. The Port and FAA agreed that no monetary consideration in the form of rental would be paid based on the FAA's obligation to provide air traffic control services, which benefits the Airport.

ANALYSIS:

The FAA proposes to enter into a Lease from January 1, 2003 through September 30, 2007, with a mutual 90-day termination provision, for the continued operation of the Middle Marker. Since the FAA is continuing to provide air traffic control services to the Airport, no monetary consideration will be paid during the proposed Lease term.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the United States of America, Department of Transportation, Federal Aviation Administration is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

3721

BOARD ACTION TAKEN

[Signature]

Assistant SECRETARY OF THE BOARD

NOV - 5 2002

DATE

Subject: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Middle Marker (#1 Airport Drive, South Airport)

Page 2 of 2

OPTIONS:

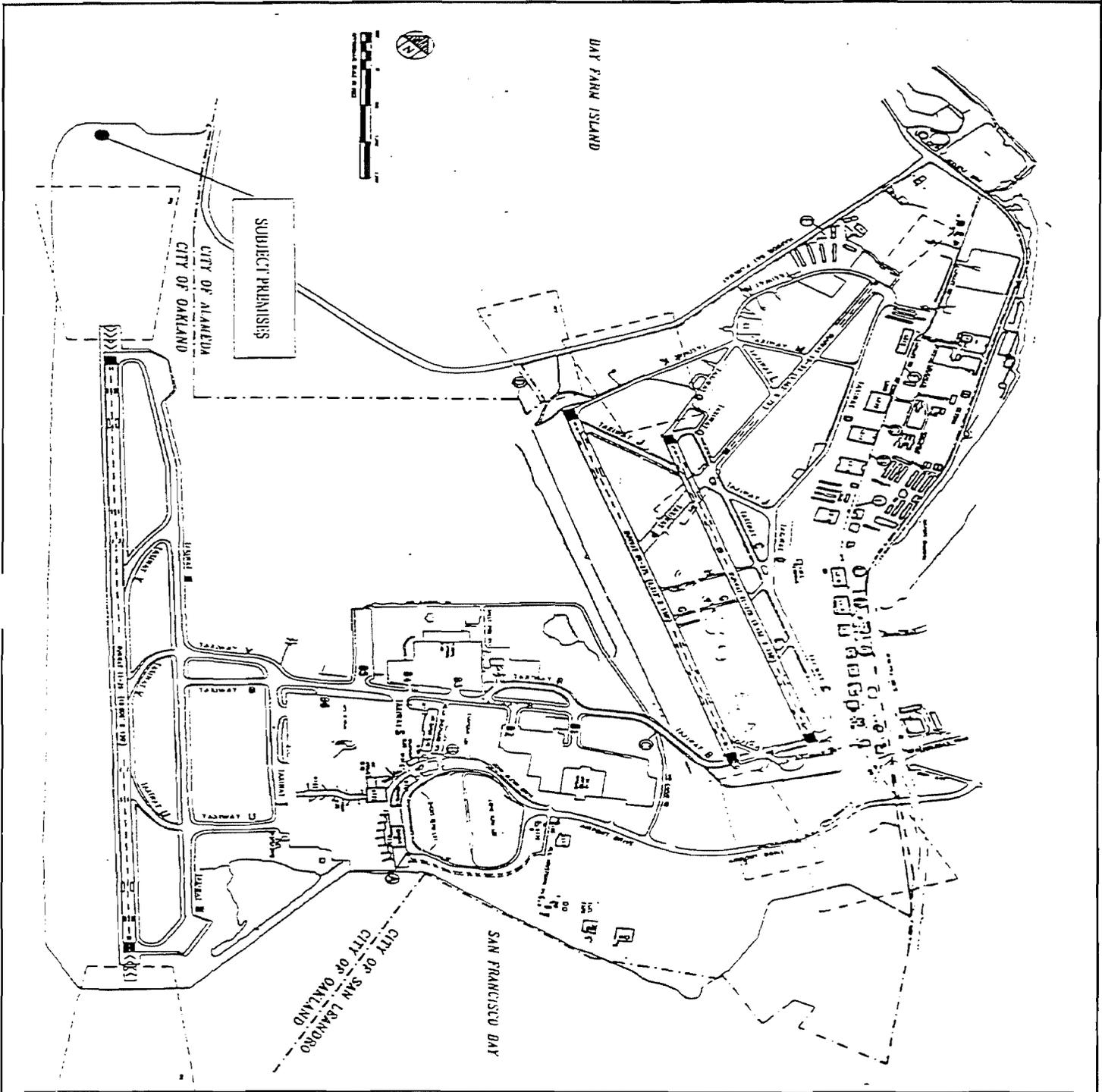
1. Approve the proposed Lease as described above.
2. Reject the proposed Lease.
3. Reject the proposed Lease, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described Lease with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval as to form, and authorize execution by the Port's Executive Director.

Board of Port Commissioners
Calendar Item

First Reading of Ordinance Approving a Lease with the
United States of America, Department of Transportation,
Federal Aviation Administration (#1 Airport Drive,
South Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
South Airport

Map Not to Scale

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 16

SUBJECT: First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Glide Slope (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven J. Grossman

DUPLICATE
OF PRIOR

EXECUTIVE OFFICE RECOMMENDATION

CALENDAR MEMO

Summary
Item 5

FACTUAL BACKGROUND:

The Federal Aviation Administration (FAA) currently occupies 72,000sf of land in the South Airport airfield between Runway 11 and Taxiway W in the vicinity of the Runway 11 threshold for the establishment, maintenance, and operation of a Glide Slope used in air traffic control and aircraft navigation. The FAA has been occupying the premises on a month-to-month holdover under the terms and conditions of Lease No. DOT-FA78WE-4909 dated June 19, 1979, which expired September 30, 1999. The Port and FAA agreed that no monetary consideration in the form of rental would be paid based on the FAA's obligation to provide air traffic control services, which benefits the Airport.

ANALYSIS:

The FAA proposes to enter into a Lease from January 1, 2003 through September 30, 2007, with a mutual 90-day termination provision, for the continued operation of the Glide Slope. Since the FAA is continuing to provide air traffic control services to the Airport, no monetary consideration will be paid during the proposed Lease term.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the United States of America, Department of Transportation, Federal Aviation Administration is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

Approved by Ordinance
passed to print

3722

NOV - 5 2002

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

Subject: **First Reading of Ordinance Approving a Lease with the United States of America, Department of Transportation, Federal Aviation Administration For the Operation of a Glide Slope (#1 Airport Drive, South Airport)**

Page 2 of 2

OPTIONS:

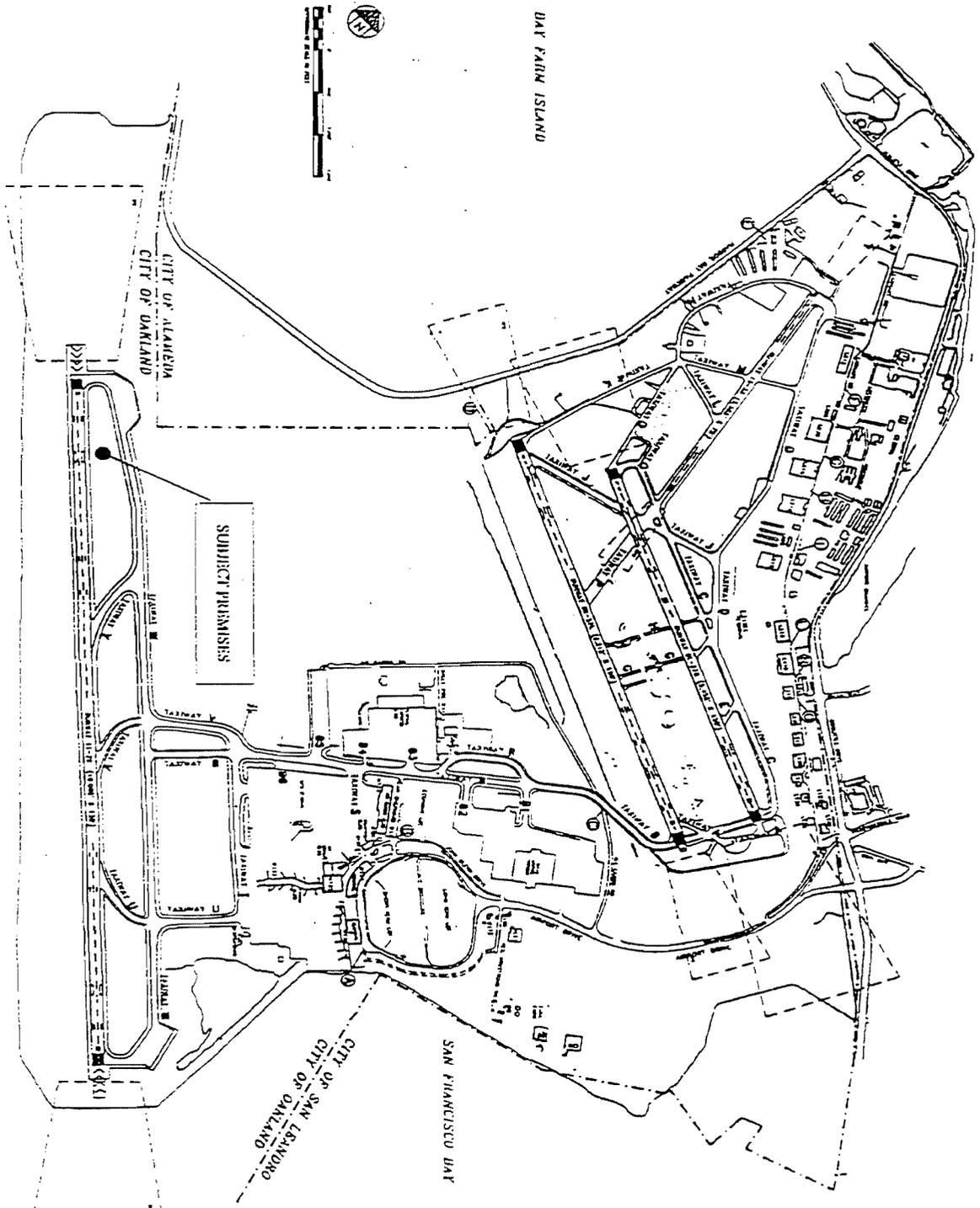
1. Approve the proposed Lease as described above.
2. Reject the proposed Lease.
3. Reject the proposed Lease, but recommend different terms and conditions.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described Lease with the United States of America, Department of Transportation, Federal Aviation Administration subject to the Port Attorney's review and approval as to form, and authorize execution by the Port's Executive Director.

Board of Port Commissioners
Calendar Item

First Reading of Ordinance Approving a Lease with the
United States of America, Department of Transportation,
Federal Aviation Administration (#1 Airport Drive,
South Airport)



Airport Properties

Port of Oakland

Oakland
International Airport
South Airport

Map Not to Scale

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 17

SUBJECT: First Reading of Ordinance Approving Additional Signatories to the Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

DUPLICATE OF PRIOR

CALENDAR MEMO

- Summary Item 6
Airport Operations *
Commercial Real Estate
Maritime Operations
Other

Summary Item 6

FACTUAL BACKGROUND:

This action would approve the addition of new signatories to the Port's standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport.

In 2000, staff and representatives of the major carriers serving the Airport negotiated the final terms and conditions of a new standardized Airline Operating Agreement and Space/Use Permit. At the time of the Board's prior approval, staff listed all aviation tenants serving the South Airport, as well as several others that were about to initiate service.

The additional carriers are: Mesa Airlines, Inc. and Valley Air Express, Inc.

The additional operators are: Industrial Fleet Service, Superior Aircraft Services, Inc. and SCIS Air Security Corporation.

ANALYSIS:

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) and from the provisions of the Port CEQA Guidelines pursuant to Section 15301 (Class 1: Existing Facilities).

ATTACHMENT ENCLOSED

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Ordinance passed to print #3723

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

NOV - 5 2002

DATE

**First Reading of Ordinance Approving Additional Signatories
to the Airline Operating Agreement and Space/Use Permit
at Oakland International Airport (#1 Airport Drive, South Airport)**

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenants, it appears that living wage requirements do not apply to the Mesa Airlines, Inc., Valley Air Express, Inc., SCIS Air Security Corporation, and Industrial Fleet Service agreements (tenancy agreements are not subject to Port Ordinance No. 3666; Section 728 of the Charter does not apply to tenants that employ fewer than 21 employees working on Port-related work). However, the tenants will be required to certify that should living wage obligations become applicable, the tenants shall comply with all of its obligations.

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to the Superior Aircraft Services, Inc. agreement because the contract is for a value greater than \$50,000, as calculated under Section 728, and the tenant employs more than 20 employees working on Port-related work.

OPTIONS:

None applicable.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving additional signatories, as enumerated above, to the Port's Airline Operating Agreement and/or Space/Use Permit at Oakland International Airport, as is applicable to each such signatory.

Agenda Sheet

DATE: March 21, 2000

ITEM NO: 1

SUBJECT: First Reading of Ordinance Approving Standardized Airline Operating Agreement and Space/Use Permit at Oakland International Airport (#1 Airport Drive, South Airport)

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

This proposed action would approve a new standardized Airline Operating Agreement and Space/Use Permit for commercial and cargo air carriers, as well as other aviation-related operators (e.g., ground handlers, passenger security screening companies, skycap services) at the Airport's terminal building complex (e.g., terminal buildings, concourses, connector, ramp offices, adjacent apron space, RON aircraft parking, multi-tenant cargo building). In addition, this proposed action would authorize the Executive Director to enter into individual agreements with each of the existing airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport.

FOR INFORMATION ONLY

Almost all major-hub airports operate with an airline operating agreement or airport/airline lease and use agreement, governing activities that may be conducted by airlines. Such agreements usually encompass the particular range of activities at airports that most affect the airline users, including: rights and privileges granted to the airline tenants, terminal building facility requirements, airline rates and charges, contract surety, indemnification and insurance, environmental and toxic materials issues, default, assignment and sublease, etc.

Most such airports also have a real estate agreement with their tenants governing the particular transactional and properties aspects at the airports. The Port's current License and Concession Agreement has served this purpose for many years.

A consultant assisted staff in developing a new standardized Airline Operating Agreement and Space/Use Permit for the Airport that conforms to the Airport's particular rate-setting and space/use methodologies. For example, the Port establishes the airlines' rates and charges usually on an annual basis by adopting an ordinance (Port Ordinance #1149). Further, all space used by airlines at the Airport's terminal building complex, including aircraft gate usage, is rented on a month-to-month basis. These two very flexible methodologies enable the Airport to add, remove, or reassign space on an as-needed basis, while increasing or decreasing rates as necessary.

Following several drafts and staff reviews, the proposed Airline Operating Agreement and Space/Use Permit were distributed for comment to the Airport Liaison Officer (ALO) and representatives from each of the airlines. Staff further met with the ALO and the airlines earlier this month to finalize particular terms and conditions within the agreements to the mutual satisfaction of the parties, including the Port Attorney's own requirements.

The resulting drafts, now proposed for the Board's approval, retain the Airport's very flexible rate-setting and space/use methodologies, while providing longer-term continuity and greater legal surety for the Port. For example, the proposed Space/Use Permit combines into a single document many of the present Right-of-Entry and Multi-Year License and Concession Agreement provisions contained within the Port's existing agreements. But, it allows through delegation to the Director of Aviation, reassignment or relinquishment of various Airport spaces from time-to-time on a 30-day basis, such as aircraft gate assignments, terminal building space, airline ramp space, etc.

Nonetheless, all new carriers and related users commencing service at the Airport must still secure the Board's prior approval before 270 days (9 months) have elapsed (the present practice). The terms of each of these

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

BOARD ACTION TAKEN

SECRETARY OF THE BOARD

DATE

proposed agreements is for up to ten (10) years (like the multi-year license agreements), but still terminable by the Port with 30-days notice. In addition, the proposed Space/Use Permit also would be used for non-airline Airport tenants such as ground handlers, security checkpoint firms, skycap services, and other non-concessionaires. Finally, the Board still would retain approval authority for establishing or adjusting all Airport rates and charges by amending Ordinance #1149, just as it does now.

ANALYSIS:

As stated above, it is the standard practice at major-hub airports to operate with one or two operating and leasing agreements within the terminal building environment. Since the Airport does not have long-term leases with its airline tenants, instead operating under the more flexible ordinance rate-setting methodology, two agreements are more appropriate than one. Finally, these proposed agreements would *not* supplant long-term ground leases under which certain airlines operate (e.g., FedEx Metroplex, United Airlines Maintenance Base).

The following scheduled airlines would enter into an Airline Operating Agreement and Space/Use Permit: Airborne, Alaska/Horizon Air, Aloha, America West, American, Ameriflight, City Bird, Corsair, Delta, Emery Worldwide, Evergreen Aviation, Federal Express, Martinair Holland, Mexicana, SATA/Sun Trips, Southwest, United Parcel Service, and United Airlines. The following other tenants would enter into a Space/Use Permit only: Aeronova, FAA, Hallmark Aviation, Hilltop Aviation, ITS, Argenbright, DEA, Air General, Ogden Aviation, Ontario Aircraft, Trans Air, Servicemaster, Pacific Aviation, US-INS, Today's Aircraft, US Customs, Huntleigh, Roberts Janitorial, OFFC/DynAir and Worldwide Flight.

The aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project had been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant Class 1 of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or licenses and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of the use beyond that previously existing.

OPTIONS:

1. Take no action, leaving the existing agreements in place.
2. Delay approval of new standardized Airline Operating Agreement and Space/Use Permit pending additional review
3. Approve the proposed ordinance adopting a standardized Airline Operating Agreement and Space/Use Permit.

RECOMMENDATION:

It is recommended that the Board pass an ordinance approving standardized language for an Airline Operating Agreement and Space/Use Permit at Oakland International Airport, authorizing the Executive Director to enter into individual agreements with each of the existing and prospective airline carriers (both cargo and commercial) providing regularly scheduled service at the Airport, and authorizing the Executive Director to convert all existing agreements with such tenants operating within the terminal building complex to the standardized agreement and/or permit.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: November 5, 2002

SUBJECT: Approval of Lease Amendments For Extension of Lease with the United States Postal Service (7201 Earhart Road, North Airport)

ITEM NO: 19

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION

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DUPLICATE OF PRIOR

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

CALENDAR MEMO

Summary Item 7

FACTUAL BACKGROUND:

The United States Postal Service (USPS) occupies a total of 112,600sf of warehouse, apron and paved parking in and adjacent to Port Building L-812 on the North Airport for operation of its Air Mail Facility (AMF). Two of the leases granting occupancy (for approximately 58,300sf) expire on December 31st of this year. Total monthly rent associated with the expiring leases is \$12,653.34.

ANALYSIS:

By means of two lease amendments (i.e. Lease Amendments #5 and #6), the USPS would like to extend the terms of each of the expiring leases for an additional two (2) year term commencing January 1, 2003 and ending December 31, 2004. Port staff has negotiated a new total monthly rent for the premises of the expiring leases of \$23,571.00. The USPS' willingness to pay the substantially higher rent is conditioned upon the Port, within the next two years, re-painting the exterior of the premises, the cost of which the Port estimates will not exceed \$50,000. Use of the premises as an AMF would remain the same.

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation plan of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time because the USPS is not a "business" as defined by Port Ordinance No. 3666 or Section 728.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

N/A.

RECOMMENDATION:

It is recommended that the Board give first reading to approving an ordinance for the above described Lease Amendments with the United States Postal Service subject to the Port Attorney's review and approval of the Lease Amendments as to form and legality.

- MOTION
- RESOLUTION
- ORDINANCE

Approved by Ordinance passed to print

#3724

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NOV - 5 2002

Agenda Sheet

DATE: November 5, 2002

ITEM NO: 45

- SUBJECT: PERSONNEL ITEMS
- Creation of Salary Schedule
- Creation of Classifications/Positions

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

DUPLICATE
OF PRIOR

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani

CALENDAR MEMO

**Summary
Item 8**

FACTUAL BACKGROUND:

I. CREATION OF SALARY SCHEDULE—Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the following Salary Schedule in order to implement its assignment to the creation of a new classification later on this agenda (See Item IIA below).

Salary Schedule	Rep. Unit	Salaries
48.4	B	(a—\$3263; b—\$3395; c—\$3525; d—\$3686; e—\$3854)

II. CREATION OF CLASSIFICATIONS/POSITIONS—Ordinance (2 Readings)

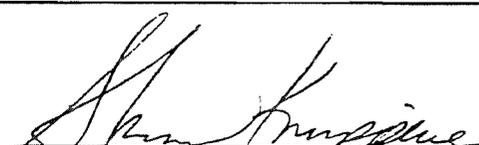
- A. It is requested that the Board approve the creation of the classification **Lead Custodian** and assignment to **Salary Schedule 48.4** (a—\$3263; b—\$3395; c—\$3525; d—\$3686; e—\$3854) in accordance with Article 20B of the Memorandum of Understanding between the Port and Local 790.
- B. It is requested that the Board approve the creation of the classification **Port Assistant Management Analyst**. The classification is being created to downgrade and replace a vacant Port Equal Opportunity Specialist position, which was approved as a result of the **FY 2002/2003 Staffing Plan**. The salary is to be placed at **Salary Schedule 232.2** (a—\$4611; b—\$4842; c—\$5084; d—\$5389; e—\$5713). The second position is being created to upgrade and replace a vacant Executive Assistant position in the Communications Division.

NEW CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	Rep. Unit	SALARY SCHEDULE ASSIGNED
Lead Custodian	OPER	Aviation	5	B	48.4 (a—\$3263; b—\$3395; c—\$3525; d—\$3686; e—\$3854)
Port Assistant Management Analyst	OPER	Equal Opportunity and Communications	2	D	232.2 (a—\$4611; b—\$4842; c—\$5084; d—\$5389; e—\$5713)

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

3725
BOARD ACTION TAKEN


SECRETARY OF THE BOARD

NOV - 5 2002
DATE

It is requested that the Board approve the creation of the following additional position as indicated. This position is being created in accordance with Article 20B of the Memorandum of Understanding between the Port and Local 790.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS
Lead Painter	OPER	Engineering	1

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding, creation of salary schedule and creation of classifications/positions.

BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

COMMISSIONERS

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DAVID L. ALEXANDER
Port Attorney

JOHN T. BETTERTON
Secretary of the Board

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, December 17, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates,
Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

- 1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION.
Pursuant to subdivision (a) of Section 54956.9. Name of case:

LFR, Inc. v. Port of Oakland, et al., Alameda County Superior Court
Case No. 2002-071-1405
- 2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED
LITIGATION. Significant exposure to litigation pursuant to subdivision
(b) of Section 54956.9: 6 matters
- 3 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED
LITIGATION. Initiation of litigation pursuant to subdivision (c) of
Section 54956.9: 1 matter.

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Deferred - Regular meeting of November 5, 2002; regular meeting of
November 19, 2002; and regular meeting of December 3, 2002.

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11 Ratification of Contract with Avetek Integrated Systems Inc. for Advance Interface and Baggage Display System. (Resolution)
- 12 Approval of List of Consultants for As-Needed Services for Pavement Design Projects at the Oakland International Airport. (Resolution)
- 13 Approval to Issue a Request for Qualifications for the Prime Builder Contract; and Approval to Dispense with Standard Lowest-Sealed-Bid Procedures for the Oakland Airport Terminal Expansion Program. (Resolution)
- 14 Resolution Authorizing the Director of Aviation to Execute Consent to Assignment of Sierra Academy of Aeronautics, Inc. ("Sierra") Lease to be Business Jet Center Oakland, Limited Partnership (9465 Earhart Road, North Airport) and a Related Sublease to Sierra Academy of Aeronautics, Inc. or an Affiliate. (Resolution)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21 Authorization to Execute a Professional Services Agreement with Carneghi-Bautovich & Partners Inc. to Provide Appraisal Services for the Oak to Ninth District Property. (Resolution)

OPERATIONS

Audit, Budget and Finance Committee Report

- 41 Authorization to Extend The Procurement Card Program for Ninety Days Until March 31, 2003. (Ordinance)
- 42 Authorization to Increase the Port of Oakland Existing Bank of America Letter of Credit Facility by \$50 Million. (Resolution)

Administration Committee Report

- 43 Creation of Classifications/Positions. (Ordinance)

- 44** Authorization for the Executive Director to Approve Contributions to the Social Justice Trust Fund for the Open Contracts – Projects Underway at Time of Adoption of the Consolidated Payment Resolution. (Resolution)

SUMMARY ITEMS: (Marked “s”)

4 Items.

Action by the Board under “Reading of Summary Items” means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

BUILDING PERMIT APPLICATIONS: (“s”)

DMJM+Harris, installation of Explosive Detection System, Phase 2 equipment in Terminals 1 and 2, OIA, #1 Airport Drive, to comply with Transportation Security Administration screening requirements as mandated by the U.S. Congress. Project includes related electrical, mechanical, building and ramp additions and alterations. This project has been determined to be exempt from the requirements of the California Environmental Quality Act pursuant to Statutory Exemption, Section 15269(c).

Vote on the following Resolution Numbers 1 –3:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7
Noes: None
Absent: None

Vote on the Resolution Numbers 4 – 7:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Tagami, Uribe and President Kiang – 6
Noes: None
Absent: Commissioner Protopappas – 1

Vote on Resolution Number 8:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Tagami and President Kiang – 5
Noes: None
Abstained: Commissioner Uribe – 1
Absent: Commissioner Protopappas – 1

Vote on Resolution Number 9:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates,
Tagami and President Kiang – 5
Noes: None
Absent: Commissioners Protopappas and Uribe - 2

RESOLUTIONS:

- 02423 1** AUTHORIZING AND RATIFYING CONTRACT WITH AVETEK INTEGRATED SYSTEMS, INC. FOR INSTALLATION OF ADVANCE INTERFACE AND BAGGAGE DISPLAY SYSTEM, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA. (Airport – 11)
- 02424 2** AUTHORIZING APPROVAL OF A PREQUALIFIED LIST OF CONSULTANTS FOR AS-NEEDED ENGINEERING DESIGN SERVICES FOR PAVEMENT IMPROVEMENT PROJECTS CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING. (Airport – 12)
- 02425 3** CONSENTING TO ASSIGNMENT OF LEASE FROM SIERRA ACACEMY OF AERONAUTICS, INC. TO BUSINESS JET CENTER OAKLAND, LIMITED PARTNERSHIP AND APPROVING A SUBLEASE FROM BUSINESS JET CENTER OAKLAND, LIMITED PARTNERSHIP TO SIERRA ACADEMY OF AERONAUTICS, INC. OR AN AFFILIATE. (Airport – 14)
- 02426 4** APPROVING AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT CONCERNING LFR, INC. V. PORT OF OAKLAND, SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA, CASE NUMBER 2002071405. (Closed Session – 1)
- 02427 5** APPROVING ISSUANCE OF REQUEST FOR QUALIFICATIONS FOR THE PRIME BUILDER CONTRACT FOR THE OAKLAND AIRPORT TERMINAL EXPANSION PROGRAM DELIVERY METHOD AND APPROVING DISPENSING WITH STANDARD LOWEST-SEALED BID PROCEDURES; AUTHORIZING THE EXECUTIVE DIRECTOR TO MODIFY PROCEDURES; AND DIRECTING ADDITIONAL STUDY OF PARTICULAR ISSUES. (Airport – 13)
- 02428 6** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CARNEGHI-BAUTOVICH & PARTNERS, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Commercial Real Estate – 21)

- 02429 7** AUTHORIZING THE INCREASE OF THE AMOUNT OF LETTER OF CREDIT WITH BANK OF AMERICA, N.A. AND JPMORGAN CHASE BANK IN CONNECTION WITH THE PORT OF OAKLAND'S COMMERCIAL PAPER NOTES, SERIES D, SERIES E AND SERIES F AND THE REDUCTION OF THE AMOUNT OF LETTER OF CREDIT WITH COMMERZBANK AKTIENGESELLSCHAFT AND THE BANK OF NOVA SCOTIA IN CONNECTION WITH THE PORT OF OAKLAND'S COMMERCIAL PAPER NOTES, SERIES A, SERIES B AND SERIES C; AUTHORIZING THE EXECUTION OF DOCUMENTS PURSUANT TO WHICH SUCH REDUCTION AND INCREASE ARE TO BE EFFECTED; AND AUTHORIZING CERTAIN OTHER ACTIONS. (Operations – 42)
- 02430 8** AUTHORIZING AND APPROVING CERTAIN PAYMENTS TO SATISFY PORT FUNDING OBLIGATIONS UNDER MARITIME AND AVIATION PROJECT LABOR AGREEMENT TO SOCIAL JUSTICE TRUST FUND. (Operations – 44)
- 02431 9** GRANTING DMJM & HARRIS PERMISSION TO PERFORM CERTAIN WORK. (Blanket Authority)

Vote on the following Ordinances except Number 5:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Tagami and President Kiang – 5
Noes: None
Absent: Commissioners Protopappas and Uribe - 2

Vote on Number 5:

Ayes: Commissioners Ayers-Johnson, Kramer, Scates, Tagami and President Kiang – 5
Noes: None
Abstained: Commissioner Uribe – 1
Absent: Commissioner Protopappas - 1

ORDINANCES:

- 1 (“s”)** Port Ordinance No. 3727 being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRIC POWER PROVIDED BY THE PORT AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT.”
- Final.
- 2 (“s”)** Port Ordinance No. 3728 being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTION 10.0038 AND ADDING NEW SECTION 14.8.”
- Final.

- 3 (“s”)** Port Ordinance No. 3729 being, “AN ORDINANCE AUTHORIZING THE FEE SIMPLE TRANSFER OF PORT OWNED LAND LOCATED ON CHRISTENSON ROAD IN EASTERN ALAMEDA COUNTY TO THE CALIFORNIA DEPARTMENT OF FISH AND GAME FOR BURROWING OWL HABITAT PURPOSES.”

Final.

- 4** Port Ordinance No. ____ being, “AN ORDINANCE AMENDING SECTIONS 2 OF PORT ORDINANCE NO. 1606 TO PROVIDE FOR PURCHASE CARD PROCUREMENT.”

Operations – 41 to print.

- 5** Port Ordinance No. ____ being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, ADDING NEW SECTIONS 13.4 AND 13.7.”

Operations – 43 to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The regular meeting of Tuesday, January 7, 2003, has been canceled. The next regular meeting will be held on Tuesday, January 21, 2003, at 3:00 P.M.

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 11

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Ratification of Contract with Avetek Integrated Systems Inc. for Advance Interface and Baggage Display System

SUBMITTED BY: Steven J. Grossman 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The current baggage information display system (BIDS) is inflexible. Under the present configuration, each LED device located above each carousel is addressable by its associated keyboard located in the loading area of baggage claim. There is also a central computer for the Baggage Information Display System (BIDS) intended to be capable of addressing any LED sign from a central location via dial-in. One problem is that the central computer access is unwieldy and often presents problems due to the network design that is currently in place.

Each LED or enunciator is not activated until after airline personnel arrive at this location with inbound baggage and activate the system via the keyboard. Prior to activation arriving passengers have no way of knowing in advance which carousel their baggage will arrive on. In Terminal One there are 12 different airlines with a mixture of aircraft type including wide-body DC-10 with a seating capacity of 360 passengers as well as expanded size narrow-body aircraft such as 757's and A320's with a seating capacity of approximately 170 passengers. Due to simultaneous arrivals there are as many as 700 passengers congregated in the baggage claim area at one time. Passengers must wait an average of 30 minutes not knowing which of the four carousels their baggage will arrive on. Once airline personnel arrive with the inbound baggage, they will activate the existing enunciator system, which will indicate the airline and flight number above the appropriate carousel.

In Terminal Two, Southwest Airlines operates all 737 narrow-body aircraft with a seating capacity of about 130 passengers each. However due to simultaneous arrivals of at least four aircraft of this type (which happens several times each day) there is an average of at least 400 passengers in the baggage claim area at one time. Baggage arrival waiting time is approximately 20 minutes, therefore, passengers are milling around not knowing which of the three carousels their baggage will arrive on. Once airline personnel arrive with the inbound baggage they will activate the existing enunciator, indicating the airline and flight number above the appropriate carousel. Given the high passenger levels expected for the Thanksgiving Holiday, it was desirable to have the system operational by the beginning of the holiday weekend.

ANALYSIS:

At present the baggage interface system is ready to be migrated to a complete baggage information display system and sign interface device. Avetek Integrated Systems Inc. completed a system up-grade integration package that provides Southwest Airlines and Oakland International administrators the ability to not only process messages to the signs, but have an automated database that would update customers when and where their bags would arrive in advance. This system advises customers of changes associated with irregularities. It contains an active flight schedule and a fully integrated daily schedule, holiday schedule and emergency action page. The new system also refreshes signs to avoid corrupted messages being displayed after power hits, system anomalies and sign interface failures.

For Terminal One, two Visionwriter Wallmount (Data Wall) were installed in selected locations within the baggage claim area. Airlines have the sole responsibility of up-dating arriving baggage information via information input devices placed inside their respective baggage service offices or ticket counter locations. In addition a Flight Information Display (FIDS) monitor will be installed inside the visitor information booth for the airport volunteer group.

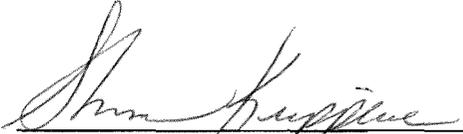
Terminal Two's plan would follow the same plan as Terminal One, however only one information input device is required. The location of this information input device is in the Southwest Airlines baggage service office. As in Terminal One a FIDS monitor will be installed inside the visitor information booth.

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No. 02423

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This project is a single source effort and Avetek Integrated Systems Inc. is the prime contractor. Avetek Integrated Systems Inc. has previously completed a system up-grade in December 2001. This upgrade consisted of writing the software necessary to communicate with the keyboards and signs as well as designing an intuitive user interface. Because Avetek is the sole proprietor of this system, it is more cost effective to use them to continue to up-grade the system they created and because they are familiar with the system it could be installed prior to the holiday season. Sub-contracting will be done by local contractors as listed below with the exception Trans-Lux who originally designed the present baggage system.

	Cost
Lloyd W. Aubry Co.; Inc. – Wiring, conduit, junction boxes and electrical	\$31,360.00
BidsWriter Software – software development	\$47,500.00
Trans-Lux Signage – Signage, shipping and installation	\$27,996.00
Avetek – Wiring, Installation, Project management services	\$36,664.00
Total	\$143,510.00

This system will continue to be used through Phase I of the Terminal Expansion program.

SUSTAINABILITY:

Due to the Port of Oakland’s plan to expand the terminals at Oakland International Airport, systems will be required to move and or integrate with other systems and processes in order to continue to provide the best customer service. The VisionWriter Display signs are of the LED type and are not considered to be a hazardous waste. Disposal of these signs in the future will have little or no environmental impact.

GENERAL PLAN: Not applicable.

CEQA STATEMENT:

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 1530 (p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port’s Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland, apply at this time.

OPTIONS:

1. The staff could proceed with the RFP process from other vendors. Request for proposals would most likely be more expensive due to the vendors unfamiliarity with the equipment. In addition, the vendor would not be able to install a system until after the holiday period causing additional frustration from our customers and the airlines tenants.
2. Continue to use the present system thereby resulting in inferior customer service to both our passengers and tenants.

RECOMMENDATION:

It is recommended that the Board ratify staff’s action authorizing a contract with Avetek Integrated Systems Inc. for the above-described project.

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 12

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBJECT: Approval of List of Consultants for As-Needed Engineering Services for Pavement Design Projects at the Oakland International Airport



SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

In order for the Port to provide timely project turn-around to its tenants and to supplement the Port's expertise and present resources, the Port solicited statements of qualifications from engineering consultant firms for **As-Needed Engineering Services for Pavement Design Projects at the Oakland International Airport**. The intention is to create a certified list of consultants to provide planning and/or design services for upcoming pavement improvement projects over the next five years.

Currently, the Capital Improvement Program (CIP) includes one major pavement improvement project that will require consultant support, Overlay and Widening of Taxiway "D" and Reconstruction of 3 Acres of Apron Adjacent to Building L-812, North Field, Oakland International Airport. There is a likelihood that additional airport pavement improvement projects requiring consultant support will also be scheduled within this five-year period. The exact timing of when these projects will be designed is unknown at this time. Consequently, it is desirable to have a certified list, good for the next five years, of prequalified engineering consultant firms that are capable of performing this type of engineering design work.

BASIS OF SELECTION:

In August of 2002, the Port mailed requests for Statements of Qualifications (SOQ) to 69 firms listed in the Port's Social Responsibility Division (SRD) database. On September 12, 2002, the Port conducted a pre-submittal meeting to answer questions concerning the submission of the Statement of Qualifications, types of projects anticipated, the Port's Non-Discrimination and Small Local Business Utilization Policy, and insurance requirements.

SOQs were received from 13 design teams on September 20, 2002.

A panel made up of Port staff, including a representative from SRD, reviewed the 13 proposals and determined that the six most highly qualified design teams should be considered for future pavement improvement projects. The review included each design team's qualifications, relevant experience, key project personnel, technical and project management abilities, as well as SRD scores.

Since the Port does not anticipate more than six projects requiring consultant support over the next five years, it was decided to dispense with interviews and oral presentations and recommend that the six most highly qualified design teams be placed on a list of teams eligible for future pavement improvement design projects. As a result of the evaluations and based on the above factors, staff recommends that the following teams be prequalified for the Port's upcoming airport pavement improvements:

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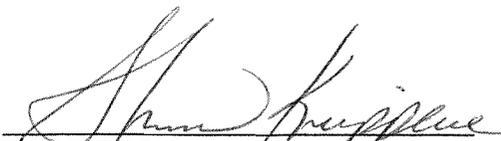
Approved by Resolution

No. 02424

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TEAM	ROLE	LOCATION	LIA/LBA	DBE
CCS Planning and Engineering Jefferson M. Hillard YEI Engineers Geolabs Moffatt & Nichol Engineers Pattillo & Garrett Dinter Engineering	Prime (Management, QA/QC, Civil, Traffic)	Oakland, CA	LIA	Yes
	Pavement	Oakland, CA	LIA	Yes
	Electrical/Mechanical	Oakland, CA	LIA	Yes
	Geotechnical	Oakland, CA	LIA	No
	Civil	Oakland, CA	LIA	No
	Landscape	Oakland, CA	LIA	Yes
	Lighting	Reno, NV	No	No
CH2M Hill Oliva Chen Consultants Ninyo & Moore YEI Engineers	Prime (Management, As-needed Civil, Electrical & Mechanical)	Oakland, CA	LIA	No
	Civil	Oakland, CA	LIA	No
	Geotechnical	Oakland, CA	LIA	Yes
	Electrical/Mechanical	Oakland, CA	LIA	Yes
DMJM+Harris AGS Earth Mechanics Baseline Engineering Jefferson M. Hilliard	Prime (Management, Civil, Structural)	Oakland, CA	LIA	No
	Geotechnical	Oakland, CA	LIA	Yes
	Geotechnical	Oakland, CA	LIA	Yes
	Civil	Alameda, CA	LIA	Yes
	Pavement	Oakland, CA	LIA	Yes
HNTB Corporation AGS YEI Engineers Jefferson M. Hillard	Prime (Management, Traffic, Civil)	Oakland, CA	LIA	Yes
	Geotechnical	Oakland, CA	LIA	Yes
	Electrical/Mechanical	Oakland, CA	LIA	Yes
	Pavement	Oakland, CA	LIA	Yes
Kennedy/Jenks Consultants Dinter Engineering Geolabs Kleinfelder Lewis Engineering SJ Engineers YEI Engineers Nichols Engineering Pavement Consultants	Prime (Management, QA/QC, Civil, Cost Estimating)	Oakland, CA	LIA	No
	Lighting	Reno, NV	No	No
	Geotechnical	Oakland, CA	LIA	Yes
	Geotechnical	Oakland, CA	LIA	No
	Geotechnical	Oakland, CA	LIA	Yes
	Mechanical	Oakland, CA	LIA	Yes
	Electrical	Oakland, CA	LIA	Yes
	Pavement	Oakland, CA	LIA	Yes
	Pavement	Seattle, WA	No	No
URS Corporation YEI Engineers AGS	Prime (Management, Civil, Environmental)	Oakland, CA	LIA	No
	Electrical/Mechanical	Oakland, CA	LIA	Yes
	Geotechnical	Oakland, CA	LIA	Yes

Some of the future airport pavement design projects may involve the use of Federal funds, therefore, the selection process followed the guidelines set forth in the Federal Aviation Administration's (FAA) Advisory Circular for the selection of firms to perform architectural/engineering services. The FAA requires that, among other things, solicitations for architectural/engineering services be advertised in both local and in nationwide publications and that firms be advised of the Federal Government's goals for the participation of Disadvantaged Business Enterprises (DBE's) on federally funded projects. When it is determined that the services of one of the six design teams is required for a specific project that is federally funded, a team selected from the list will be asked if they can meet the DBE goals. If they cannot meet the DBE goals for that project, another design team will be asked if they can meet the goals, and so on, until a firm is found. Port Staff has discussed and received informal approval of the six design teams from the FAA, and plans to ask for formal approval to place the six teams on a pre-qualified list to be used for future Federally funded projects once the Board pre-qualifies said six teams.

As a result of the evaluations and based on the above factors, staff recommends that CCS Planning and Engineering, CH2M Hill, DMJM+Harris, HNTB Corporation, Kennedy/Jenks Consultants, and URS Corporation be pre-qualified for the Port's upcoming airport pavement improvement projects. This list of approved engineering consultant firms will be valid for a period of five years.

Subsequently, when a future airport pavement improvement project requires engineering consultant support services, staff will return to the Board to request approval to prepare and execute an agreement with one of the firms on said approved list.

RECOMMENDATION:

It is recommended that the Board approve the teams of CCS Planning and Engineering, CH2M Hill, DMJM+Harris, HNTB Corporation, Kennedy/Jenks Consultants, and URS Corporation to provide as-needed engineering design services for pavement improvement projects at the Oakland International Airport for a period not to exceed five years.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

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SUBJECT: Approval to Issue a Request for Qualifications for the Prime Builder Contract; and Approval to Dispense with Standard Lowest Sealed-Bid Procedures for the Oakland Airport Terminal Expansion Program

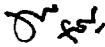
DATE: December 17, 2002

ITEM NO: 13

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

Purpose: The purpose of this Agenda Item is to obtain the Board's approval of the Request for Qualifications (RFQ) to be offered by the Port in selecting the Prime Builder for the Airport Terminal Expansion Program.

FACTUAL BACKGROUND:

Pursuant to direction received from the Board of Port Commissioners by Resolution 02225 adopted at the board meeting on July 16, 2002, the current scope of the Prime Builder services consist of the four Terminal 2 Projects, hereinafter referred to as the Terminal 2 Project, and the Garage and Customer Service Building Project. Also, part of this procurement of the Prime Builder shall be an option or options in the Port's favor to increase the Prime Builder's scope of services to include additional Terminal Expansion projects. With the design of the Terminal 2 Project being done by consultants currently under contract to the Port, the Prime Builder shall deliver the design of the Garage and Customer Services Building and the construction of both Projects under a Construction Manager at Risk (CMR) Guaranteed Maximum Price (GMP) delivery method. This process would entail the procurement of the design of the Garage and the construction of both projects in an open book competitive bid process with the designer consultants and the construction subcontractors being contracted directly by the Prime Builder.

ANALYSIS:

Port Objectives

The Prime Builder delivery method has been developed by the Port in order to achieve the goal of engaging a highly sophisticated and experienced construction management firm to assist the Port in all aspects of managing this complex program. The Port has limited experience with programs of this magnitude and complexity. It is noted that, as compared to the Port's successful Vision 2000 Program, the TEx Program includes the additional complexity that the Airport must continue all normal operations throughout the construction period. Achieving success on a program of this type depends on much more than proficiency with bricks and mortar construction. Success requires that every aspect of the program, from planning and design, to traffic control and tenant relocation be well-coordinated, precisely scheduled and carefully executed. For these reasons, the Prime Builder's responsibility extends beyond simple bricks and mortar construction, to the complicated and difficult areas of overall program management, including, but not limited to, comprehensive pre-construction services, cost estimating, accounting, budget control, budget reporting, scheduling, overall coordination, design management, consultant procurement, trade contract procurement, traffic control, and security. The Prime Builder approach centralizes responsibility for all of these tasks with a single contracting entity, thus providing the maximum opportunity for coordinated, efficient and timely project delivery. In developing the Prime Builder's scope of services, the Port considered the following key objectives:

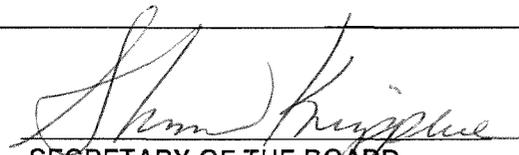
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Assistant



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True "Prime Builder" Responsibility. This means that the Prime Builder has the complete responsibility for pre-construction design review and existing conditions verification during the pre-construction phase; agreeing to a GMP for the complete delivery of both projects; and then serves as a "GMP" prime contractor upon completing the bidding of the trade subcontracts. Thus there is single point of responsibility for design, construction and construction impacts, i.e., managing traffic control and coordinating with Airport operations, utilities and tenants.

Fiduciary Relationship. This means that the Prime Builder performs its triple function of construction manager, program manager and construction contractor, as a fiduciary advancing *the Port's* Program objectives.

Local Business Utilization Implementation. This means that the Prime Builder will subcontract all construction work for each Project and will comply with the Local Business Utilization program as it awards its trade subcontracts.

Bonus Incentives to Reduce Subcontractor Change Orders and Claims. This means that the Prime Builder and the Port share an unforeseen conditions, delay and disruption change order contingency that, if not spent (due to the Prime Builder's *exemplary performance*), reverts in part to the Prime Builder at Program completion.

Contract Responsibility for Risk with the Party Best Able to Manage the Risk. This means that the Prime Builder has the financial responsibility for delays, disruptions and change orders that result from constructability and/or coordination design errors/omissions or differing site conditions that the Prime Builder *should have discovered and prevented* during its pre-construction services work.

Transparency/Accountability and Accurate Forecast Dates For Commencement of Port Revenue Generation. This means submittal of monthly reports, certified as accurate by the Prime Builder, that cover all aspects of the Program budget and schedule, and that specifically report on actual and forecasted costs to complete, pending and potential change orders, and actual dates the Port should anticipate revenue streams beginning from the completed projects.

These objectives and considerations distinguish the Prime Builder delivery method from the traditional design-bid-build process using a general contractor.

Overview:

The current scope of the Prime Builder consists of two main components, the Terminal 2 Project and the Garage and Customer Services Building Project. These are indicated on the attached drawing and the attached detailed description sheet (Attachments 1 and 2). The Prime Builder shall deliver the design of the Garage and Customer Services Building and the construction of both Projects under a Construction Manager at Risk (CMr) Guaranteed Maximum Price (GMP) delivery method.

Aviation is evaluating adding portions of work originally planned to be accomplished by the rental car consortium to the Prime Builder's scope of work. This work consists of the tenant fit-out of the customer service building and garage, together with the construction and fit-out of the Quick-turn-around (QTA) facility. The RFQ will be revised to include this work pending Aviation's decision to include it.

A general description of the services to be provided by the Prime Builder is as follows:

- A. Pre-construction Services: The first phase of the Prime Builder's scope are the Pre-construction Services. These services consist of performing comprehensive existing conditions surveys, constructability and coordination reviews of the design of both projects, as well as the preparation of the Project Master Schedule, confirmation of the project budget through detailed estimates and negotiations leading to the fixing of the Guaranteed Maximum Price (GMP) of the Project.

- B. Design and Design Management Services: For the Garage and Customer Services Building Project the Prime Builder will procure the services of a design consultant. This consultant will be contracted directly by the Prime Builder and will be responsible from advancing the design of the Garage and Customer Services Building Project from the previously prepared Schematic Design level of completion through to complete design. The Prime Builder will manage this process to ensure adherence to the Project schedule, project scope and budget.
- C. Construction Services: This phase will include the procurement of the construction subcontracts for the Terminal 2 and the Garage and Customer Services Projects, to include: local business outreach, the preparation of the trade bid packages, and the bidding and awarding of the work. The primary scope of this phase will be the actual construction of the Project. Except under very limited circumstances, the Prime Builder will not self-perform any construction work with its own forces. This will include control and coordination of the trade sub-contractors, the Prime Builder's role in the quality control of the Work, schedule and cost management, project safety and security, coordination with airport operations, etc.

Option Projects: If the Port is satisfied with the Prime Builder's performance on Phase I of the Project, the Port may, in its sole discretion, elect to negotiate with the Prime Builder for the design and/or construction of all or parts of the remaining projects in the Terminal Expansion Program, including the main terminal building and the remaining infrastructure. These projects are described in the attachment titled: Description of Projects included in the Prime Builder Scope of Work.

GUARANTEED MAXIMUM PRICE (GMP)

The total price for the Prime Builder services will be a GMP. The GMP will be agreed to between the Port and the Prime Builder prior to the start of the construction of the Projects. The ability to determine the GMP at this stage will be facilitated by the Pre-construction Services to be performed by the Prime Builder.

The GMP will consist of the following:

1. Lump Sum amount for all Prime Builder Pre-construction costs. This amount will be included in the Prime Builder's Statement of Qualifications.
2. Lump Sum amount for all Prime Builder costs associated with its staffing and general conditions costs for its services performed during the construction (including project close-out) of all of the Terminal 2 and Garage and Customer Services Building Projects - This amount is to be negotiated following selection of the Prime Builder.
3. GMP for the design of the Garage and Customer Services Project - This amount will be included in the Prime Builder's statement of qualifications. The actual costs will be the result of a best-value selection process for the designers, as conducted by the Prime Builder.
4. GMP for the construction of all of the Terminal 2 and Garage and Customer Services Building Projects - This amount will be negotiated between the Port and the Prime Builder prior to the start of the construction work. The actual cost of the construction will be determined in an open-book competitive process conducted by the Prime Builder.
5. Construction Contingency (3%)
6. Contractor Performance Bonus (1/4-1/2 %)

7. The Prime Builder's Fee – This Fee is intended to be the Prime Builder's corporate/home office overhead and profit for its services. It is to be a fixed percentage applied to the actual cost of the design and construction. The Prime Builder's Fee will be included in their Statement of Qualifications (SOQ).

Prime Builder Request for Qualifications (RFQ):

The Staff has developed a Request for Qualifications (RFQ) for a one-step process to select a Prime Builder to construct the Terminal 2 Project and to design and build the Parking Garage and Customer Services Building Project. The selection of the Prime Builder will be a one-step qualifications-based process based on responses to the RFQ, interviews and references. It is intended that the selection criteria in the RFQ address; a) qualifications, b) price, c) financial capacity, d) litigation history, and e) local business utilization. These suggested criteria are further described below:

EVALUATION CRITERIA

With respect to evaluation criteria, the RFQ is organized into four general categories, the last three of which will be scored: 1) evidence of minimum qualifications; 2) qualifications; 3) price; and 4) local business utilization. In addition, litigation history will be reviewed separately by the Port Attorney's Office, who will advise the evaluation panels of any significant concerns revealed as part of their review. It is proposed that the RFQ be scored on a 100-point basis.

The breakdown of these points per category be contained in the RFQ. The scoring guideline document for use by the evaluation panels will be developed and made known following the receipt of the responses to the RFQ, but prior to their opening and review. These four categories are further described below.

Category 1 – Evidence of Minimum Qualifications

This category be reviewed by the Independent Monitor and scored on a pass/fail basis. Only responses that pass this category will be further reviewed.

- Experience, within the last five years, as a General Contractor or Construction Manager at Risk responsible for the procurement and management of multiple trade contracts on an airport terminal renovation or similar airport construction project of similar size and complexity as the Terminal 2 Project with a construction value at least \$ 90 million.
- Experience, within the last five years, on at least two aviation or general building projects of at least \$200 million dollars each using a fixed price or GMP delivery method providing pre-construction and bidding phase and construction phase services similar to those described in the RFQ
- Experience, within the last five years, as a general contractor or Construction Manager at Risk in the construction of a multi-level concrete parking structure of at least 3,000 vehicles.
- Design/Design Management – Design or design management services on a general building project of at least \$125 million, with direct responsibility for the coordination and management of design done by others, with responsibility for adherence to established schedule and budget.
- Financial Capacity. (Bonding, liquidity, and insurance)
- LBU Minimum Qualifications. (LBU Certification and prior Local Business Participation Performance)

Category 2 – Qualifications

This category will be assigned a value of 55 points out of 100.

The following are components of the submittal requirements for the qualifications portion of the Prime Builder's SOQ:

Statement Of Competitive Excellence (SOCE)

The SOCE shall include a narrative discussion explaining the competitive advantage of the Respondent's proposed Prime Builder approach and how it will achieve the best value for the Port in completing the Program.

Experience of the Firm(s)

As part of its SOQ, the Respondent is to describe its relevant experience on previous and ongoing projects of similar type, scope and magnitude, especially at airport and other large public or private sector projects. Experience in renovation and expansion projects at operating airports or other public facilities will be evaluated favorably.

Experience of the Individuals

Professional resumés of individuals being proposed for key management, construction, administrative and support positions on the Prime Builder Team

Capacity of Firm(s)

A chart showing current and available manpower of the Prime Builder, which demonstrates its ability to provide sufficient numbers of qualified personnel to implement the Projects.

Past Performance

From the Respondent's previous and on-going projects cited in response to the request above, they must demonstrate how these projects were completed successfully through such quantifiable indicators as, adherence to established schedules, within established budget and cost parameters, and attainment of Owner's goals and priorities.

Proposed Project Approach

Taking into consideration the magnitude, size, complexity and specific requirements of the Prime Builder's planned scope of work the Prime Builder will clearly state the proposed approach to the management and execution of the Projects to meet the Port's requirements for quality, schedule and cost without disrupting Airport operations or passenger and traffic flow. This approach shall include the Respondent's proposed structure and organization as well as a general plan for execution. It shall contain the following:

- Proposed Structure and Organization
- Project Execution Plan
- Project Delivery
- Staffing Plan
- Subcontractor Packaging and Procurement Plan
- Subconsultant Packaging and Procurement Plan

Category 3 – Price

This category will be assigned a value of 30 points out of 100.

Included as part of its SOQ, the Prime Builder shall include items 1, 3 and 7 as defined in the GMP section above.

Category 4 – Local Business Utilization

This category will be assigned a value of 15 points out of 100.

The following are components of the submittal requirements for the LBU portion of the Prime Builder's SOQ

- Past Local Business Participation Performance
- History of Community Involvement
- General Outreach and Implementation Plan including the subconsultant and subcontract packaging and procurement plans

Selection Process:

Respondent's SOQ will be initially evaluated by the Staff Panel. The Staff Panel is a 5-person panel consisting of the Director of Aviation, the Director of Social Responsibility, the Port's Executive Director, the TEx Program Director, and an Airline representative.

The Staff Panel will review the written submissions of the Respondents and independently score each package. All scoring will be submitted to the Independent Monitor.

The Independent Monitor will then compile and tabulate all scores and publish the list of the 3 highest-ranked firms (without rank order). The 3 highest ranked firms will then proceed to the Aviation Committee Panel evaluation.

The 3 short-listed Respondent firms will be evaluated by the Aviation Committee Panel. The Aviation Committee Panel is a 3-person panel, consisting of the 3 Port Board members currently serving on the Aviation Committee of the Board of Port Commissioners. The Aviation Committee Panel will evaluate and score the 3 short-listed Respondents based on an interview/presentation, followed by a discussion.

The Staff Panel will serve in an advisory capacity during the Aviation Committee Panel Evaluation. The Staff Panel will participate in the interview/presentation and the Aviation Committee Panel discussion. The members of the Staff Panel will not participate in the final voting/ranking of Respondents.

Following the interview/presentations, the Aviation Committee Panel Members and Staff Panel members will participate in a discussion of the short-listed Respondent candidates, moderated by the Independent Monitor.

After the above discussions, each member of the Aviation Committee Panel will independently and without further discussion award points in each qualifications evaluation category. The results will be given directly to the Independent Monitor without any discussion with other panel members.

Following completion of the Aviation Committee Panel scoring, the Independent Monitor will incorporate the scoring results into its final report of the evaluation process, and then forward the report of the final ranking of the short-listed Respondents.

Following completion of the Aviation Committee Panel scoring, the Independent Monitor will incorporate the scoring results into its final report of the evaluation process, and then forward the report of the final ranking of the short-listed Respondents.

Upon Board approval to execute the contract with the Board selected firm, the pre-construction services will commence. The services will conclude with the GMP for the complete delivery of both projects. The contract will contain a termination for convenience clause should the Port and the Prime Builder be unable to reach an acceptable GMP. If the contract is terminated, the Port will have options to: 1) commence negotiations with another short-listed firm, 2) solicit bids for the individual project elements from general contractors, or 3) perform a new selection procedure for the Prime Builder.

Per Port Ordinance 1606, Section 5.1, the Port voluntarily complies with the requirements of Public Contract Code, section 4100 *et seq.* However, the improvements to be built under the Prime Builder contract will be delivered in multiple phases through individual trade subcontract packages under the construction manager at risk process. Therefore, per Port Ordinance 1606, Section 5.1, the Prime Builder candidates will not be required to submit subcontractor lists with their SOQs.

Dispense with Standard Lowest Sealed-Bid Procedures

Because the Prime Builder scope of work includes both professional services and construction services, the use of lowest-sealed-bid procedures would be unavailing and impractical. In selecting the Prime Builder, the Port must be able to carefully weigh the relative superiority of the proposers in qualitative terms in order to determine which will provide the best value to the Port. To begin the process of selecting the Prime Builder, the Board will be asked to find and determine that the Prime Builder contract involves specialized professional services and that it is in the Port's best interest to waive standard lowest-sealed-bid procedures and approve the use of a selection procedure which is fair and competitive. The proposed selection process satisfies these criteria.

The RFQ describes the scope of services for the Prime Builder as summarized above, establishes the items to be submitted in the Statement of Qualifications (SOQ), and describes the evaluation and selection process. A copy of the complete RFQ with all attachments will be in Commissioners Library for review following finalization in early January 2003. The respondents will have 40 days from issuance of the RFQ to submit their qualification statements.

Executive Director Authority

In light of the complexity and magnitude of this unprecedented project, Staff is continuing to refine numerous minor details of the process. Therefore, in finalizing the RFQ and selection process, it may be necessary to make minor amendments or modifications to the procedures in order to fulfill the overall intent of the Board. In order to avoid delays to issuing the RFQ, it is recommended that the Executive Director be authorized to approve minor changes to the details of the RFQ, criteria, contract, and selection procedures, provided that such modifications preserve the overall intent of the Board.

Budget:

The projects were included in the recent Bond Issue and were approved in the Port's Capital Improvement Program under CIP elements numbers, A2.00842.02, (T2 Renovation); A2.00843.01, (T2 Extension); A2.00846.03 and A2.00846.04 (T2 Mechanical Building and Early Utilities); A2.00850.01 (Parking Garage and Customer Facility Building).

Environmental:

Terminal 2 Extension - The Board of Port Commissioners certified an Environmental Impact Report (EIR) and supplement to the EIR (collectively the "Final EIR") for the Airport Development Program (ADP) in 1997 and 1999. The Terminal 2 Extension gates project and the site utilities are within the scope of the Airport Development Program approved by the Board of Port Commissioners in December 1997 and June 1999. The Terminal 2 Extension project was evaluated in the Final EIR for the ADP. The Board of Port Commissioners approved the Terminal 2 Extension ("Terminal 2 Gates") project in May 2002. The Terminal 2 Extension project is a component of the ADP, and a Notice of Determination was filed with the County of Alameda in June 2002, pursuant to the California Environmental Quality Act (CEQA).

Terminal 2 Renovation - The renovation is necessitated by airport security requirements and procedures. Pursuant to Public Resources Code section 21080 (b)(4), this project is exempt from CEQA because it is necessary to mitigate an emergency. The Board of Port Commissioners approved the Terminal 2 Renovation ("Terminal 2 Building Improvements for Baggage and Security Checkpoint Areas") project in May 2002. A Notice of Exemption was filed with the County of Alameda in June 2002 Pursuant to the California Environmental Quality Act (CEQA).

Parking Garage and Utilities (Terminal 2 Mechanical Building, Building M-371 and Site Utilities) - The Parking Garage and Utilities project is within the scope of the ADP, which was approved by the Board of Port Commissioners in December 1997 and June 1999. The new parking garage was evaluated in the Final EIR for the ADP. Subsequent to the Board's certification of the Final EIR for the ADP, the California Court of Appeal ruled that the Port must conduct specified additional analysis of air quality, nighttime noise, and mitigation for the burrowing owl. All parties to the litigation have agreed that the Port can proceed with construction of the Parking Garage while the Port conducts the additional environmental analysis required by the court's decision. The ADP EIR is sufficient for purposes of evaluation of the Parking Garage project. The project will not result in any new or substantially more severe environmental impacts than were identified in the ADP EIR. A Notice of Determination for the Parking Garage and Utilities project will be filed upon the Board of Commissioners' approval of the Prime Builder RFP.

Option Projects: The option projects within the Prime Builder's scope cannot proceed with construction until the Port completes the additional environmental analysis required by the court's decision. However, the approval of the recommended procurement strategy and the approval of the RFQ process do not commit the Port to construction of the option projects and allows full latitude to modify the scope of the Prime Builder's projects should changes result from the Supplemental EIR process.

Sustainability:

The Port intends that the Main Terminal Building will be designed and constructed to achieve a LEED (Leadership in Energy and Environmental Design) certification by the Green Building Council. For the Terminal 2 Projects, the Port intends to design and build a renovated and expanded quality facility that will use as many state-of-the-art, energy-efficient features and sustainable building design practices as is feasible in a renovated facility.

Project Labor Agreement:

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement will apply to this project.

Owner-Controlled Insurance Program (OCIP):

The projects are covered under the Port's OCIP.

General Plan

The projects have been determined to conform to the transportation designation for the site and all other applicable provisions of the City of Oakland General Plan.

OPTIONS:

1. Option 1 – Approve issuing the RFQ, including the one-step selection process, and waive the lowest sealed-bid procedures for the one-step process, including authorization for the Executive Director to modify the RFQ and selection process as generally described here, provided that such modifications preserve the overall intent of the Board.
2. Option 2 – Approve issuing the RFQ, but with changes to the RFQ itself or to the selection process.
3. Option 3 – Give staff direction to revise the RFQ or selection process and to return for later approval.
4. Option 4 – Defer the matter.
5. Option 5 – Complete the design of the project elements and then select multiple prime contractors using the traditional design-bid-build process. The Port would perform the management and coordination functions.

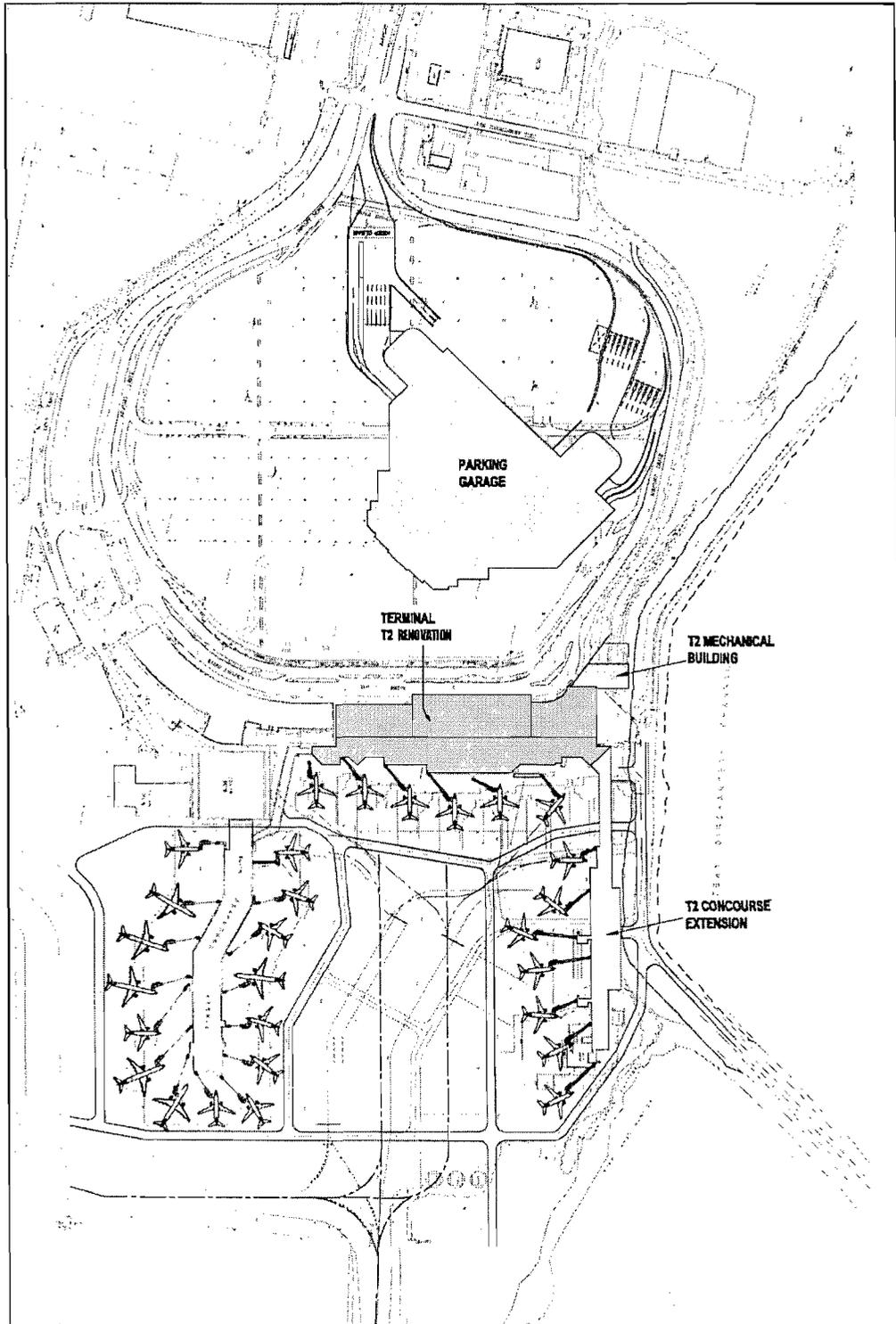
RECOMMENDATION:

It is recommended that the Board :

1. Issue the RFQ as generally described above;
2. Use the evaluation criteria as generally described above;
3. Proceed with the selection process as generally described above; and
4. Find and determine that the Prime Builder contract involves specialized or professional services; and
5. Find and determine that in award of the Prime Builder contract, it is in the best interest of the Port to waive standard lowest-sealed-bid procedures.
6. Authorize the Executive Director to implement modifications to the RFQ and selection procedures generally described here, provided that such modifications preserve the overall intent of the Board.

Attachment 1:

Diagram of Projects included in the Prime Builder Initial Scope of Work



Attachment 2:

Description of Projects included in the Prime Builder Scope of Work

1. Terminal 2 Project: The work includes:
 - a. Terminal 2 Renovation, to include the renovation of Building M-130 and the extensions of this building to the east for a new baggage claim hall, Building M-368, and to the west into Building M-360 for a new baggage sorting and security screening facility.
 - b. Terminal 2 Extension, to include a new concourse, Building M-363, and associated aircraft ramp and parking positions.
 - c. The Terminal 2 Mechanical Building, Building M-371
 - d. Site Utilities
Utility system extension to provide

2. Garage and Customer Services Building Project: The work includes:
 - a. The Parking Garage, Building M-360
 - b. The Customer Services Building, Building M-361
 - c. Parking management office
 - d. Garage exit and entry plazas
 - e. Revenue Control System
 - f. Roadways and Civil Works

3. Option Projects: The Port may, in its sole discretion, elect to proceed with the design and/or construction of the following projects. If the Port elects to proceed with any of this work, the Port may negotiate terms for the work with the Prime Builder. These projects are as follows:
 - a. The Main Terminal Building, Building M-363
 - b. The Main Bridge, Building M-362 at the 5th level between the Main Terminal and the Garage
 - c. The renovation of Terminal 2, Building M-130, and the first phase of Building M-368 and the Terminal 2 Extension, Building M-367, into an international arrivals building
 - d. The FIS Facility, the second phase of Building M-368
 - e. Central Utilities Plant, Building M-366, and the utility distribution systems
 - f. Airport Loop Roadway System and the two-level roadway structure
 - g. Airside Site Development
 - h. Landside Site Development
 - i. Other projects as may be identified by the Port

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 14

SUBJECT: Resolution Authorizing Director of Aviation to Execute Consent to Assignment of Sierra Academy of Aeronautics, Inc. ("Sierra") Lease To Business Jet Center Oakland, Limited Partnership (9465 Earhart Road, North Airport) and a Related Sublease to Sierra Academy of Aeronautics, Inc. or an affiliate

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Steven J. Grossman

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

Sierra Academy of Aeronautics, Inc. (Sierra), a North Airport tenant for over a quarter a century, occupies over a third of a million square feet (sf) of hangar, office, shop, storage, parking and apron space under a term lease approved by the Board in June 2001...

ANALYSIS:

In order to compete most effectively in the provision of aircraft "secondary" fueling and other fixed base operator (FBO) services, Sierra seeks to attract additional expertise and capital through the association of Business Jet Center ("Business Jet") of Dallas, Texas.

Pursuant to the proposed partnership agreement, on formation BJCO will have a net worth of \$1 million (cash contribution) and up to \$2 million in loans for leasehold improvements and business development.

Business Jet Center Oakland, LP would sublease a portion of the premises to Sierra Academy of Aeronautics, Inc. or to an affiliate of Sierra for flight and aviation training and other related purposes permitted under the Lease.

Sierra has provided the following documents for Port staff's review and analysis relating to the proposed assignment: (i) Assignment of Lease from Sierra Academy of Aeronautics, Inc. to Business Jet Center Oakland, L.P ("Assignment");

The Lease assignment provision requires a reappraisal of the Premises and adjustment of rent to market value as a condition to the Board's approval of an assignment. Aviation staff believes that because of current market conditions, the market value of the Premises is not greater than the current rent...

Staff anticipates that BJCO and/or Sierra will request the Board's review and approval of lease amendments adding space to Sierra's and/or BJCO's premises in the near future.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02425

BOARD ACTION TAKEN

Signature of Assistant Secretary of the Board

SECRETARY OF THE BOARD

DEC 17 2002 DATE

Resolution Authorizing Director of Aviation to Execute Consent to Assignment of Sierra Academy of Aeronautics, Inc. ("Sierra") Lease To Business Jet Center Oakland, Limited Partnership (9465 Earhart Road, North Airport) and a Related Sublease to Sierra Academy of Aeronautics, Inc. or an affiliate

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland General Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the proposed authorization to execute consent to the assignment of leased premises, Oakland City Charter Section 728 and Port Ordinance Number 3666, as amended, do not apply at this time. Should the proposed consent lead to future contracts, the Social Responsibility Division will conduct a separate Living Wage evaluation at that time.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

Not applicable.

RECOMMENDATION:

It is recommended that the Board approve a resolution authorizing the Director of Aviation to execute the Consent to assignment of the Sierra Academy of Aeronautics, Inc. lease to Business Jet Center Oakland and a sublease from Business Jet Center Oakland to Sierra Academy of Aeronautics, Inc. or an affiliate when the Director of Aviation determines that the requirements for assignment in the Lease have been complied with, that the Legal Documents comply with the requirements of the lease and are approved by the Port Attorney as to form and legality, as described above.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 21

SUBJECT: Authorization to Execute a Professional Services Agreement with Carneghi-Bautovich & Partners Inc. to Provide Appraisal Services for the Oak to Ninth District Property

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Omar R. Benjamin

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In September 2001, Oakland Harbor Partners, LLC (OHP) was selected by the Board of Port Commissioners for exclusive negotiations to plan and develop the Port's Oak to Ninth District Properties.

The Port and OHP have been negotiating the terms of a Letter of Intent (LOI) as provided for in the Exclusive Negotiating Agreement (ENA).

Port staff initially explored the possibility of selecting an appraisal firm through an RFP process. However, as we completed our research of the local appraisal community, we narrowed down the number of Bay Area MAI appraisers who were qualified to undertake this complex valuation.

Table with 4 columns: Appraiser, Office Location, Cost, Time Frame. Rows include Betts & Associates, Carneghi-Bautovich & Partners, Inc., and Hulberg & Associates.

This item was discussed at the December 4, 2002 Commercial Real Estate Committee meeting.

SUSTAINABILITY:

There are no obvious opportunities to improve sustainability with the proposed Board action.

CEQA:

The proposed Board action is determined to be statutorily exempt from the requirements of the California Quality Act (CEQA).

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No.

02428

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD

Handwritten signature of the Assistant Secretary of the Board.

DEC 17 2002

DATE

OPTIONS:

1. Do not authorize an appraisal of the property. This alternative will impede the progress of negotiations.
2. Direct staff to undertake a RFP process for an appraiser. Based on the complexity of the site, and the desire to move forward with negotiations in a timely manner, this alternative, which would required approximately two months to obtain proposals, does not meet the Port's objectives.
3. Enter into an agreement with Carneghi-Bautovich & Partners, Inc. as described above.

RECOMMENDATION:

It is recommended that the Port authorized the Executive Director to execute a Professional Services Agreement with Carneghi-Bautovich & Partners, Inc. in an amount not to exceed \$30,000.

Agenda Sheet

DATE: December 17, 2002

SUBJECT: ~~Authorization to Establish Permanent Procurement Card Program~~

Item No. 41

Authorization to Extend the Procurement Card Program For Ninety Days Until March 31, 2003.

PROGRAM AREA

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations C.I.

SUBMITTED BY: FRED W. RICKERT 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Board first authorized the procurement card (p-card) pilot program under Resolution No. 97193 in June 1997. At the time, p-cards were relatively new and untested; therefore, a pilot program was undertaken. The original intent of the program was to provide a cost effective alternative procurement method for selected transactions. The p-card program has evolved and developed into an integral part of Port procurement and vendor payment activities. Approximately 50 Port employees participate in the program and annual p-card transactions are approximately 1.5 million dollars.

On May 7th of this year, the Board authorized extending the p-card program through the end of the calendar year (Port Ordinance 3701). Several program improvements were identified for review, including the:

- 1) Benefits of formally modifying Port ordinance 1606 to include specific authorization to use p-cards and other forms of electronic payment
- 2) Benefits of strict enforcement of monthly reporting requirements by p-cardholders
- 3) Insights that could be gained by reviewing the program

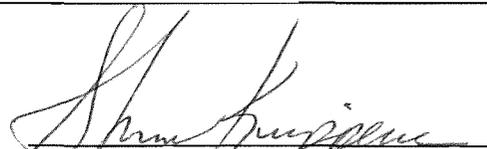
Port ordinance 3701, amending sections 2 and 4 of Port ordinance 1606 to provide for p-card purchasing was passed by the Board and became effective on May 21, 2002. A concerted effort was undertaken to educate p-card holders of the necessity for timely submission of monthly statement reconciliation. As of the September 2002 statements, all users are current. A review of procedures yielded observations, as follows:

- 1) Modify Port ordinance 1606 to address a permanent purchase card program, with appropriate procedures and controls
- 2) Strictly enforce the program rules governing timely accounting, approvals, notices and cancellations; and, p-card use by anyone except cardholder
- 3) Review of purchase-card program policies and procedures, by Port Attorney, to ensure compliance with the federal income tax rules for expense reimbursement
- 4) Ensure that p-card expenditures comply with the bid limits and contracting established in port ordinance 1606
- 5) Establish approval standards for undocumented expenses

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

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BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD



DEC 17 2002

DATE

- 6) Specify the transaction types, applicable single and transaction (monthly and annual) limits with an explicit warning against splitting transactions on enrollment forms
- 7) ~~Delete the cardholder activity approval requirement~~

~~All above noted observations have been accomplished except one (7) as listed above. The legal department has accomplished amending Port ordinance 1606 authorizing use of p-cards (Port Ordinance 3701). The procedure for following up on late submission of reconciliation statements has been strengthened, to ensure timely submission of monthly statements. All cardholders have been advised of the absolute importance of compliance with reporting requirements. As of September billing cycle, all cardholders are current. The Port Attorney has reviewed p-card procedures to ensure compliance with federal tax rules. On September 11, 2002, the Port Attorney transmitted its recommendations to the Finance Division and they have been implemented. The Board has given authorization for p-card payment to selected vendors that are expected to exceed the bid limit (Board Resolution No. 02356) and all such vendors are required to sign the Port's standard terms and conditions. Approval standards for un-documented transactions have been established. Enrollment forms have been modified to clearly specified authorization limits. The observation regarding use of p-card by non-card holders relates to orders placed by telephone. The card in question was cancelled immediately by purchasing staff. In addition, the Bank has activated an additional user identifier that should preclude most such activity. The p-card approval process referred to above, as item "7", is a requirement imposed by one division at their own initiative. It is our understanding that such options are beneficial to the operations of the individual department in question.~~

The following recaps the benefits, costs, and risks of the p-card program.

Benefits:

- Emergency purchases can be expedited, consistent with Port ordinance 1606
- On-line purchases can be accomplished
- Increased efficiency and productivity by issuing fewer purchase orders and payment checks
- Vendors get expedited payment
- Some merchants only accept credit cards and not purchase orders
- Convenience
- Low cost associated with the program, saving employees' time and no processing or transaction fees.
- Revenue sharing of 5 basis points, for annual purchases in excess of \$5 million dollars and 10 basis points at \$10 million dollars
- 30-day payment cycle with 10-day grace period

Costs:

- Annual card fees are variable, ranging from \$35 to zero, based on aggregate expenditures (current Port rate is \$25 per card)
- B of A expects the Port to punish fraudulent behavior by employee there may be administrative costs associated with this requirement
- Staff time reviewing transactions to ensure compliance with Port requirements and controls

Risks:

- Fraudulent use of the cards by Port staff
- Unauthorized use of the cards by Port staff
- Cloning and unauthorized use of card by outsiders

The bank and the Port have taken steps to mitigate the risks.

The bank:

- Limits the Port's financial exposure for unauthorized purchases to \$50 dollars per card resulting from theft or loss of the card
- Recently implemented additional cardholder identifiers prevent unauthorized use of p-cards
- Monitors transactions and notifies the Port of unusual card activity
- Requires merchants to obtain prior authorization from the bank for some transactions

The Port:

- Limits where and how the cards can be used by restricting access to selected merchant codes
- P-cards cannot be used at casinos, liquor stores, or adult entertainment establishments
- Single and monthly expenditure limits are applied to each card
- Transactions require approval by supervisory staff
- Transactions are subject to monthly review
- Cards can only be used for purchases and not for cash
- Cardholders are required to attend an orientation session and sign a statement acknowledging personal liability for improper use of the card
- Improper use of the card can lead to termination of employment

Through staff experience with the p-cards, it is apparent that p-cards are a cost effective alternative for making selected purchases and vendor payments. payments. However, staff is recommending a ninety-day extension of the program to better finalize, document and communicate procedures and requirements. During or at the end of the ninety-day period, on or before March 31, 2003, staff will seek Board approval for a permanent procurement card program.

Recommendation:

It is recommended that the Board authorize the Executive Director to make the pilot p-card program permanent effective immediately. extend the procurement card program for ninety days until March 31, 2003.

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 42

SUBJECT: **Authorization to Increase the Port of Oakland Existing Bank of America Letter of Credit Facility by \$50 Million**

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: FRED W. RICKERT

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port of Oakland initiated a commercial paper program in 1998 to provide money to pay, among other things, a portion of the costs of the acquisition, construction, reconstruction, improvement, and expansion of the Port's facilities. The Port has used, and expects to continue using, its commercial paper program to provide funding for the CIP. To date, the Port has authorized the issuance of commercial paper notes in a principal amount not to exceed \$300 million. As of December 4, 2002, the principal amount of \$150 million is outstanding. Payment of the Commercial Paper notes is supported by one of two separate direct-pay letters of credit, one issued by Commerzbank and the Bank of Nova Scotia, and the other by the Bank of America and Morgan Guaranty Trust Company.

Recently, Commerzbank has been downgraded by the credit rating agencies, such that the possible interest cost to the Port is undesirable. The outstanding portion of Commerzbank and Bank of Nova Scotia has been reduced to \$1 million, the rest of the outstanding Commercial Paper notes is supported by the Bank of America and Morgan Guaranty Trust. Until an RFP can be issued to replace the Commerzbank/Nova Scotia portion, the Bank of America has agreed to increase their participation by \$50 million. That will reduce the total authorized principal for Commercial Paper Notes to \$200 million. As this is an interim solution, the RFP is expected to be issued in February of 2003.

Recommendation:

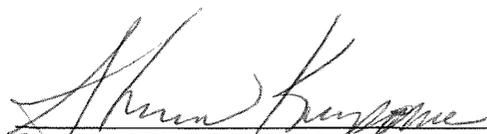
It is recommended that the Board approve the resolution to increase the participation of Bank of America and Morgan Guaranty Trust for direct-pay letter of credit by \$50 million not to exceed \$200 million total.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02429

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

DEC 17 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 43

SUBJECT: PERSONNEL ITEMS
- Creation of Classifications/Positions

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. CREATION OF CLASSIFICATIONS/POSITIONS--Ordinance (2 Readings)

- A. It is requested that the Board approve the creation of the classification **Aviation Marketing and Communications Supervisor** and assignment to **Salary Schedule 529** (a--\$6524; b--\$6850; c--\$7193; d--\$7624; e--\$8082). The position is being created to accommodate the classification resulting from a desk audit conducted on the Airport Public Relations/Communications Representative and to replace it.
- B. It is requested that the Board approve the creation of the classification **Aviation Project Manager** and assignment to **Salary Schedule 539.2** (a--\$6875; b--\$7217; c--\$7579; d--\$8034; e--\$8516). The position will be in the Aviation Division and will be responsible for managing airport expansion projects.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Aviation Marketing and Communications Supervisor	OPER	Aviation	1	E	529 (a--\$6524; b--\$6850; c--\$7193; d--\$7624; e--\$8082)
Aviation Project Manager	OPER	Aviation	1	E	539.2 (a--\$6875; b--\$7217; c--\$7579; d--\$8034; e--\$8516)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding, creation of classifications/positions.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

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passed to print

BOARD ACTION TAKEN *Shawn Kuppene*
Assistant SECRETARY OF THE BOARD

DEC 17 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 17, 2002

ITEM NO: 44

SUBJECT: Authorization for the Executive Director to Approve Contributions to the Social Justice Trust Fund for the Open Contracts – Projects Underway at Time of Adoption of the Consolidated Payment Resolution

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Bernida Reagan
EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Board adopted the Maritime and Aviation Project Labor Agreement (MAPLA) as a bid specification for maritime and aviation projects on March 21, 2000, replacing the previously adopted Vision 2000 Interim Project Labor Agreement (V2000PLA).

As a result of the completion of negotiations with the Building Trade Council of Alameda County and contractor associations, on January 15, 2002, by Resolution 2008, the Board approved and authorized, as an alternative to the Trust Fund payment plan described in the MAPLA and V2000PLA, establishment of a consolidated payment plan for satisfying payments to the Trust Fund.

Closed Contracts

Several V2000PLA and some MAPLA projects were closed at the time of the Board's January resolution. As part of the negotiations held among the major contractor associations, the Port and Labor to identify methods to support this effort, several of the major contractor associations agreed to make a good faith contribution based on past work on the "Closed" projects.

New Contracts

The collection of the 15 cents on contracts bid after the Board's resolution is going smoothly. The appropriate bid specifications have been adopted and all new MAPLA bids include the appropriate language and transmittal forms. The first project to include the Trust Fund bid specification broke ground in May.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution No. 02430
BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD DATE DEC 17 2002

Subject: Social Justice Trust Fund Open Contracts Contribution

Open Contracts

There remains the treatment of the "Open" projects, those that were ongoing at the time of the authorization of the consolidated payment contribution or were too advanced in the bidding process to amend the bid specifications ("Open" contracts). The PLA administrators, with Port staff assistance, have calculated hours and contributions due for these V2000PLA and MAPLA projects.¹ The primary report tallies up craft hours performed on these projects through June 30, 2002. With the accounting 99% complete, the hours correspond to an amount owing of over \$106,000. (708,599.05 hours with \$106,285.86 due.) In addition, Port staff, with the assistance of the PLA administrators, will continue to tally the hours worked and the contribution due on a monthly basis going forward. The tally for July and August of 2002 is substantially complete and the amount owing is just over \$5,500. (37,071.90 hours with \$5,560.79 due). The tally for September and October of 2002 is approximately \$4,200. (28,488.20 hours with \$4,273.23 due). The number and hours of projects in this category will diminish with time as these projects are completed.

ANALYSIS:

Open Contract Payments

The PLA administrators and the Port staff have discussed the most efficient and least costly mechanism for the collection of contributions for the Open contracts. The Port could issue change orders on a project-by-project, contractor-by-contractor basis to require the payment of the Trust Fund contributions owing. However, the PLA administrators, with concurrence of Port staff, believe that the preferred procedure would bypass the process of issuing change orders for each project and contractor (and the additional internal and external administrative costs associated with them) in favor of direct payment by the Port.

The adoption of the single uniform trust payment formula by the Board was a significant step in streamlining the collection of contributions and eliminating significant administrative burdens. This was an important rationale for the Board's action and it has already shown benefit. New projects now have the contribution mechanism built into the competitive bidding process and the collection procedures are in place and functioning. The PLA administrators and the Port staff share the ongoing concern that administrative costs be kept to a minimum and that contributions go to the Fund.

The implementation of a direct payment for the open contracts would serve these purposes. The Port would avoid the administrative costs associated with negotiating these change orders. In addition, contractors are likely to seek to impose additional administrative costs. Many additional hours of Port staff time would be required to process the change orders. Direct payment of the Fund contribution would limit the cost to the Port for the project cost and would not entangle the process with this larger administrative overhead. In short, it is much simpler and less expensive for the Port to pay the fifteen cents on the Open contracts rather than to impose them through change orders. Finally, it would also more quickly put the money into the Fund, and therefore into the hands of the Social Justice Subcommittee to fund sorely needed support services.

BUDGET:

This is not a new encumbrance to the Port. The Port contemplated paying these funds as part of the CIP costs from the inception of the PLA. The amount of each direct contribution will be charged against each CIP project element. However, significant savings to the Port and to the Fund are likely to be realized by processing these contributions without change orders. The administrative costs involved in processing change orders for each project and each contractor are substantial. There are 28 contracts with contributions due for the time period up to June 30, 2002. Many of these projects are still open and an expedient method will also reap benefits in future. The total contribution owing through the expiration of the past fiscal year is approximately \$106,000. It is likely that most of the Open contracts will be completed in the current fiscal year and that the total amount will not exceed \$130,000.

¹ Please see attached reports: Social Justice Trust Fund Open Contracts as of approval of \$.15 consolidated payment (as of June 30, 2002) and Social Justice Trust Fund Open Contracts Monthly Reports (July and August, 2002; September and October, 2002).

Subject: Social Justice Trust Fund Open Contracts Contribution

LIVING WAGE:

There are no living wage issues raised by this recommendation.

SUSTAINABILITY:

There are no sustainability issues raised by this recommendation.

OPTIONS:

- 1.** Authorize the Executive Director to issue change orders for each project and contractor for the Social Justice Fund Payment and then to direct staff to process these change orders and monitor the contractors' contributions to the Social Justice Fund.
- 2.** Authorize the Executive Director to make a direct contribution based on the PLA administrators' report for monies owed through June 30, 2002 of approximately \$106,000. Leave open the process for continuing monthly contributions on Open contracts.
- 3.** Authorize the Executive Director to make a direct contribution based on the PLA administrators' report for monies owed through June 30, 2002 and to adopt a monthly submittal and contribution process to continue until the completion of the open projects for contribution total of approximately \$130,000.

RECOMMENDATION:

It is recommended that the Board approve and authorize the Executive Director to make direct payments of monies to the Social Justice Trust Fund based on the PLA administrators' report for monies owed through June 30, 2002, and that the Board approve and authorize the Executive Director to adopt a monthly submittal and payment process to continue until the completion of the open projects for contribution total of approximately \$130,000.

ATTACHMENTS:

1. Report: Social Justice Trust Fund Open Contracts as of approval of \$.15 consolidated payment (as of June 30, 2002)
2. Report: Social Justice Trust Fund Open Contracts Monthly Reports (July and August, September and October, 2002)

**Social Justice Trust Fund
OPEN CONTRACTS
as of approval of \$.15 consolidated payment**

AS OF JUNE 30, 2002

SUMMARY OF TOTAL HOURS FOR THIS REPORT AND AMOUNT DUE:

Total Hours	708,599.05
Total Amount Due	\$106,289.86

Port Contract #	Project Title	Parsons' Ref. #	MAPLA	Contractor (Name phone contact)	Hours Worked as of 6/30/02
1999-09-A-M1	Construction of Joint Intermodal Terminal, Middle Harbor, Oakland, CA	8	IPLA	Gallagher & Burk, Inc. Oakland, CA 510 832-2550, George Niemi	35,162.50
2000-03-A-M2	Furnishing Pile Driver Crew for Repairs to Port of Oakland Docks and Waterfront Facilities for the Period Commencing May 1, 2000, and Ending April 30, 2001, 2002 or 2003, Oakland, California	24	MAPLA	KIDI , a joint venture of (JV Inshore Divers, Inc. & Kilgore Industries dba Killgore Industries 2101-C Kelley Court, Pittsburg, CA 94565-5031 (925) 439-7227, Keith Killgore Fred Aichaley	5,204.50
2000-02-B-M1	Furnishing Labor, Materials and Equipment for Spot Painting Port of Oakland Cranes for the Period Commencing July 1, 2000, and Ending June 30, 2001, 2002 or 2003, Oakland, California	25	MAPLA	DNK Painting Co. Kanstantinous Dokas, VP, 650-589-4984	no report

Port Contract #	Project Title	Parsons Ref. #	MAPLA	Contractor (Name phone contact)	Hours Worked as of 6/30/02
2000-03-A-M1	Construction of Berths 57/58 Container Wharf, Fill, and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, CA	26	MAPLA	Manson/Dutra, JV 510 286-2025 or 510 232-6319 Terry Hammerwold	230,016.50
2000-02-A-M1	2000 Structural Inspection, Rigging and Repair of KSEC Cranes X409, X410 and X417, Berth 24, Outer Harbor, and Berth 68, Howard Terminal, Oakland, California	30	MAPLA	Marine Maintenance 1228 Concannon Blvd., Livermore, Ca 94550 Karen McMullen (925) 455-6880	1,674.00
2000-01-B-M1	Closure of Landfill at the Former Lew F. Galbraith Golf Course, Oakland, California	39	IPLA	Harding-Lawson 383 Fourth St., Ste #300, Oakland, Ca 94607 (510) 567-9928, John Lamb, Sr. (415) 883-0112, PM Valerie Feher	104,786.50
2001-03-M2	Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000, Oakland, California	42	MAPLA	OC Jones 1520 Fourth Street, Berkeley, CA 94710 Robert Palacini (510) 526-3424	21,038.50
2000-08-A2	Aircraft Sound Insulation Program, Phase 1, Bay Farm Island, Alameda, California	43	MAPLA	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612	3,796.00
2000-03-A-A1	Construction of Aviation Maintenance Facilities Complex, Oakland International Airport, Oakland, California	50	MAPLA	MA Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 Ph: 510 268-1200, John Blakemore	21,169.50

Port Contract #	Project Title	Parsons' Ref. #	MAPLA	Contractor (Name phone contact)	Hours Worked as of 6/30/02
2000-10-A4	Construction of Remain Overnight (RON) Interim Airport Parking Positions, South Field, Oakland International Airport, Oakland, California	51	MAPLA	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 x109, Lela Fascinani, PE	56,209.80
2000-12-A2	Construction of 12.47 kV Circuit Between SS-8 and SS-5A, South Field, Oakland International Airport, Oakland, California	66	MAPLA	Rosendin Electric Co., Inc. 880 N. Mabury Road, P.O. Box 49070, San Jose, CA 95133 408-286-2800 534-2854, 562-2708 Thomas Field	1,351.00
2000-03-A-M1	Construction of Berths 57-59 container yard and Gate, Vision 2000, Oakland California (re-bid)	72	MAPLA	Gallagher & Burk, Inc. Oakland, CA	145,413.50
2000-02-M2	Construction of Point Arnold/Port View Park Connector, MHSP Stage I, Vision 2000, Oakland, California	73	MAPLA	O.C. Jones & Sons, Inc. 1520 Fourth Street, Berkeley, CA 94710	15,859.00
X-2001-03-M1	Construction of Point Arnold Restrooms, MHSP, Vision 2000, Oakland (MAPLA)	75	MAPLA SBE	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	771.50
2001-04-S1	Performing Emergency Spill Response and Handling Hazardous and Contaminated Materials at Port of Oakland Aviation and Maritime Constructions Sites for the Period Commencing July 1, 2001 and Ending June 30, 2002, 2003 or 2004, Oakland, California	77	MAPLA	Dillard Trucking, Inc. dba Dillard Environmental Services	no work performed

Port Contract #	Project Title	Parsons' Ref. #	MAPLA	Contractor (Name phone contact)	Hours Worked as of 6/30/02
2001-03-A1	Construction of Additional Restrooms at Building M-103, Passenger Level, South Field, OIA	84	MAPLA	West Coast Contractors, Inc. 2320 Courage Drive, Suite 111 Fairfield, CA 94533 707/435-1100 Bruce Fisher, President	3,227.00
2001-08-A2	Construction of Power Infrastructure to Building L-815, North Field, Oakland International Airport, Oakland, California	85	MAPLA Non-SBE	Blocka Construction Inc. 4450 Enterprise St. #101 Fremont, CA 94538 Bob Blocka, President (510) 657-3686	1,670.00
2001-08-A1	Construction of the Clerk/Cashier Building at Berths 57-59, Inner Harbor Channel, Vision 2000	88	MAPLA non-SBE	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 268-1200 Mark A. Lindquist	2,194.00
X2001-07-M2	Construction of Longshore Buildings D132 and D133 at Berths 57-59, Vision 2000, Oakland, California	94	MAPLA	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	6,984.75
X-2001-07-M4	Construction of Longshore Building D134 at Berths 57-59, Vision 2000, Oakland, California	95	MAPLA	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	3,374.50
2001-03-M3	Construction of Berths 55-56 Container Yard, Phase 2, Vision 2000, Oakland, California	96	MAPLA Non-SBE	O.C. Jones & Sons, Inc. Berkeley, CA	11,929.50

Port Contract #	Project Title	Parsons' Ref. #	MAPLA	Contractor (Name phone contact)	Hours Worked as of 6/30/02
2001-08-A2	Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59	98	MAPLA	West Bay Builders, Inc. 615 Lindero St., San Rafael, CA 94901 (415) 456-8972, Rob Davidson	20,729.00
2001-04-M2	Modification of Building D-851 at Berth 57-59, Vision 2000, Oakland, California	99	MAPLA	BBI Construction 1155 Third Street, #230 Oakland, CA 94607 (510) 286-8200	3,946.50
2001-07-M1	Construction of Berth 25 Yard Expansion, Outer Harbor, Oakland, California	101	MAPLA	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 EX:105, Mike Haley	4,104.00
2001-10-M2	Construction of Crane Maintenance Building D-137 at Berths 57-59, Inner Harbor Channel, Vision 2000	102	MAPLA	WE Lyons 50 Hegenberger Loop Oakland, CA 94621 Phone: 510 568-4829 Contact: Kevin Butler	1,225.00
X2001-07-01	Installation of a New PBX Telephone Switch for the Oakland International Airport	104	MAPLA	Netversant South San Francisco, CA	778.50
2001-11-A3	Construction of Interim Ticket Counters, Building M-102, OIA	106	MAPLA	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	5,983.50
permit # 4346	Construction of Natural Gas Fueling Station Joint tenant-Port project	109	MAPLA	Monterey Mechanical Co., A California Corporation 8275 San Leandro, Oakland, CA 94621-1901 (510) 632-3173	no report

**SOCIAL JUSTICE TRUST FUND
OPEN CONTRACTS
MONTHLY REPORT**

SUMMARY:

TOTAL HOURS WORKED DURING JULY & AUGUST, 2002

37,071.90

TOTAL AMOUNT DUE AS OF SEPTEMBER 20, 2002

\$5,560.79

TOTAL OF AMOUNT DUE PER MONTH	JULY \$2,402.84	AUGUST \$3,132.15
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Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of July	Amount Due for July	Hours Worked for the month of August	Amount Due for August
1999-09-A-M1	Construction of Joint Intermodal Terminal, Middle Harbor, Oakland, CA	8	Gallagher & Burk, Inc. Oakland, CA 510 832-2550, George Niemi	COMPLETE			
2000-03-A-M2	Furnishing Pile Driver Crew for Repairs to Port of Oakland Docks and Waterfront Facilities for the Period Commencing May 1, 2000, and Ending April 30, 2001, 2002 or 2003, Oakland, California	24	KIDI , a joint venture of (JV Inshore Divers, Inc. & Kilgore Industries dba Killgore Industries 2101-C Kelley Court, Pittsburg, CA 94565-5031 (925) 439-7227, Keith Killgore Fred Aichaley	0.00	\$0.00	665.00	\$99.75
2000-02-B-M1	Furnishing Labor, Materials and Equipment for Spot Painting Port of Oakland Cranes for the Period Commencing July 1, 2000, and Ending June 30, 2001, 2002 or 2003, Oakland, California	25	DNK Painting Co. Kanstantinous Dokas, VP, 650-589-4984	0.00	\$0.00	0.00	\$0.00
2000-03-A-M1	Construction of Berths 57/58 Container Wharf, Fill, and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, CA	26	Manson/Dutra, JV 510 286-2025 or 510 232-6319 Terry Hammerwold	866.00	\$129.90	5,989.00	\$898.35
2000-02-A-M1	2000 Structural Inspection, Rigging and Repair of KSEC Cranes X409, X410 and X417, Berth 24, Outer Harbor, and Berth 68, Howard Terminal, Oakland, California	30	Marine Maintenance 1228 Concannon Blvd., Livermore, Ca 94550 Karen McMullen (925) 455-6880	COMPLETE			

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of July	Amount Due for July	Hours Worked for the month of August	Amount Due for August
2000-01-B-M1	Closure of Landfill at the Former Lew F. Galbraith Golf Course, Oakland, California	39	Harding-Lawson 383 Fourth St., Ste #300, Oakland, Ca 94607 (510) 567-9928, John Lamb, Sr. (415) 883-0112, PM Valerie Feher	COMPLETE			
2001-03-M2	Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000, Oakland, California	42	OC Jones 1520 Fourth Street, Berkeley, CA 94710 Robert Palacini (510) 526-3424	375.00	\$56.25	46.00	\$6.90
2000-08-A2	Aircraft Sound Insulation Program, Phase 1, Bay Farm Island, Alameda, California	43	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612	COMPLETE			
2000-03-A-A1	Construction of Aviation Maintenance Facilities Complex, Oakland International Airport, Oakland, California	50	MA Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 Ph: 510 268-1200, John Blakemore	1,989.65	\$298.45	2,625.50	\$393.83
2000-10-A4	Construction of Remain Overnight (RON) Interim Airport Parking Positions, South Field, Oakland International Airport, Oakland, California	51	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 x109, Lela Fascinani, PE	COMPLETE			
2000-12-A2	Construction of 12.47 kV Circuit Between SS-8 and SS-5A, South Field, Oakland International Airport, Oakland, California	66	Rosendin Electric Co., Inc. 880 N. Mabury Road, P.O. Box 49070, San Jose, CA 95133 408-286-2800 534-2854, 562-2708 Thomas Field	COMPLETE			
2000-01-M1	Construction of Berths 57-59 container yard and Gate, Vision 2000, Oakland California (re-bid)	72	Gallagher & Burk, Inc. Oakland, CA	5,274.50	\$791.18	5,365.50	\$804.83
2000-02-M2	Construction of Point Arnold/Port View Park Connector, MHSP Stage I, Vision 2000, Oakland, California	73	O.C. Jones & Sons, Inc. 1520 Fourth Street, Berkeley, CA 94710	120.00	\$18.00	126.75	\$19.01

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of July	Amount Due for July	Hours Worked for the month of August	Amount Due for August
X-2001-03-M1	Construction of Point Arnold Restrooms, MHSP, Vision 2000, Oakland (MAPLA)	75	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	70.00	\$10.50	742.00	\$111.30
2001-04-S1	Performing Emergency Spill Response and Handling Hazardous and Contaminated Materials at Port of Oakland Aviation and Maritime Construction Sites for the Period Commencing July 1, 2001 and Ending June 30, 2002, 2003 or 2004, Oakland, California	77	Dillard Trucking, Inc. dba Dillard Environmental Services		\$0.00		\$0.00
2001-03-A1	Construction of Additional Restrooms at Building M-103, Passenger Level, South Field, OIA	84	West Coast Contractors, Inc. 2320 Courage Drive, Suite 111 Fairfield, CA 94533 707/435-1100 Bruce Fisher, President	8.00	\$1.20	389.50	\$58.43
2001-08-A2	Construction of Power Infrastructure to Building L-815, North Field, Oakland International Airport, Oakland, California	85	Blocka Construction Inc. 4450 Enterprise St. #101 Fremont, CA 94538 Bob Blocka, President (510) 657-3686	COMPLETE			
2001-08-A1	Construction of the Clerk/Cashier Building at Berths 57-59, Inner Harbor Channel, Vision 2000	88	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 268-1200 Mark A. Lindquist	32.00	\$4.80	2.00	\$0.30
X2001-07-M2	Construction of Longshore Buildings D132 and D133 at Berths 57-59, Vision 2000, Oakland, California	94	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	208.00	\$31.20	172.00	\$0.00
X-2001-07-M4	Construction of Longshore Building D134 at Berths 57-59, Vision 2000, Oakland, California	95	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	239.00	\$35.85	291.00	\$43.65

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of July	Amount Due for July	Hours Worked for the month of August	Amount Due for August
2001-03-M3	Construction of Berths 55-56 Container Yard, Phase 2, Vision 2000, Oakland, California	96	O.C. Jones & Sons, Inc. Berkeley, CA		\$0.00		\$0.00
2001-08-A2	Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59	98	West Bay Builders, Inc 615 Lindero St., San Rafael, CA 94901 (415) 456-8972, Rob Davidson	5,022.00	\$753.30	487.50	\$73.13
2001-04-M2	Modification of Building D-851 at Berth 57-59, Vision 2000, Oakland, California	99	BBI Construction 1155 Third Street, #23 Oakland, CA 94607 (510) 286-8200	226.00	\$33.90	679.00	\$101.85
2001-07-M1	Construction of Berth 25 Yard Expansion, Outer Harbor, Oakland, California	101	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 EX:105 Mike Haley	20.00	\$3.00	403.75	\$60.56
2001-10-M2	Construction of Crane Maintenance Building D-137 at Berths 57-59, Inner Harbor Channel, Vision 2000	102	WE Lyons 50 Hegenberger Loop Oakland, CA 94621 Phone: 510 568-4829 Contact: Kevin Butler	290.50	\$43.58	873.50	\$131.00
2001-07-A1	Installation of a New PBX Telephone Switch for the Oakland International Airport	104	Netversant South San Francisco, CA	32.00	\$4.80	551.50	\$82.73
2001-11-A3	Construction of Interim Ticket Counters, Building M-102, OIA	106	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	1,246.25	\$186.94	1,643.50	\$246.53
TOTAL HOURS				16,018.90		21,053.00	

**SOCIAL JUSTICE TRUST FUND
OPEN CONTRACTS
MONTHLY REPORT**

SUMMARY:

TOTAL HOURS WORKED DURING SEPTEMBER & OCTOBER, 2002

28,488.20

TOTAL AMOUNT DUE AS OF NOVEMBER 20, 2002

\$4,273.23

TOTAL OF AMOUNT DUE PER MONTH	SEPT. \$2,466.11	OCT. \$1,807.13
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Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of September	Amount Due for September	Hours Worked for the month of October	Amount Due for October
1999-09-A-M1	Construction of Joint Intermodal Terminal, Middle Harbor, Oakland, CA	8	Gallagher & Burk, Inc. Oakland, CA 510 832-2550, George Niemi	COMPLETE			
2000-03-A-M2	Furnishing Pile Driver Crew for Repairs to Port of Oakland Docks and Waterfront Facilities for the Period Commencing May 1, 2000, and Ending April 30, 2001, 2002 or 2003, Oakland, California	24	KIDI , a joint venture of (JV Inshore Divers, Inc. & Kilgore Industries dba Killgore Industries 2101-C Kelley Court, Pittsburg, CA 94565-5031 (925) 439-7227, Keith Killgore Fred Aichaley	949.00	\$142.35	0.00	\$0.00
2000-02-B-M1	Furnishing Labor, Materials and Equipment for Spot Painting Port of Oakland Cranes for the Period Commencing July 1, 2000, and Ending June 30, 2001, 2002 or 2003, Oakland, California	25	DNK Painting Co. Kanstantinous Dokas, VP, 650-589-4984		\$0.00		\$0.00
2000-03-A-M1	Construction of Berths 57/59 Container Wharf, Fill, and Middle Harbor Shoreline Modifications, Vision 2000, Oakland, CA	26	Manson/Dutra, JV 510 286-2025 or 510 232-6319 Terry Hammerwold	85.00	\$12.75	0.00	\$0.00
2000-02-A-M1	2000 Structural Inspection, Rigging and Repair of KSEC Cranes X409, X410 and X417, Berth 24, Outer Harbor, and Berth 68, Howard Terminal, Oakland, California	30	Marine Maintenance 1228 Concannon Blvd , Livermore, Ca 94550 Karen McMullen (925) 455-6880	COMPLETE			

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of September	Amount Due for September	Hours Worked for the month of October	Amount Due for October
2000-01-B-M1	Closure of Landfill at the Former Lew F. Galbraith Golf Course, Oakland, California	39	Harding-Lawson 383 Fourth St., Ste #300, Oakland, Ca 94607 (510) 567-9928, John Lamb, Sr. (415) 883-0112, PM Valerie Feher	COMPLETE			
2001-03-M2	Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000, Oakland, California	42	OC Jones 1520 Fourth Street, Berkeley, CA 94710 Robert Palacini (510) 526-3424	0.00	\$0.00	120.00	\$18.00
2000-08-A2	Aircraft Sound Insulation Program, Phase 1, Bay Farm Island, Alameda, California	43	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612	COMPLETE			
2000-03-A-A1	Construction of Aviation Maintenance Facilities Complex, Oakland International Airport, Oakland, California	50	MA Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 Ph: 510 268-1200, John Blakemore	4,621.00	\$693.15	3,956.50	\$593.48
2000-10-A4	Construction of Remain Overnight (RON) Interim Airport Parking Positions, South Field, Oakland International Airport, Oakland, California	51	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 x109, Lela Fascinani, PE	COMPLETE			
2000-12-A2	Construction of 12.47 kV Circuit Between SS-8 and SS-5A, South Field, Oakland International Airport, Oakland, California	66	Rosendin Electric Co., Inc. 880 N. Mabury Road, P.O. Box 49070, San Jose, CA 95133 408-286-2800 534-2854, 562-2708 Thomas Field	COMPLETE			
2001-01-M1	Construction of Berths 57-59 container yard and Gate, Vision 2000, Oakland California (re-bid)	72	Gallagher & Burk, Inc. Oakland, CA	4,271.70	\$640.76	3,830.50	\$574.58
2001-02-M2	Construction of Point Arnold/Port View Park Connector, MHSP Stage I, Vision 2000, Oakland, California	73	O.C. Jones & Sons, Inc. 1520 Fourth Street, Berkeley, CA 94710	194.00	\$29.10	296.00	\$44.40

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of September	Amount Due for September	Hours Worked for the month of October	Amount Due for October
X-2001-03-M1	Construction of Point Arnold Restrooms, MHSP, Vision 2000, Oakland (MAPLA)	75	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	967.50	\$145.13	937.00	\$140.55
2001-04-S1	Performing Emergency Spill Response and Handling Hazardous and Contaminated Materials at Port of Oakland Aviation and Maritime Construction Sites for the Period Commencing July 1, 2001 and Ending June 30, 2002, 2003 or 2004, Oakland, California	77	Dillard Trucking, Inc. dba Dillard Environmental Services		\$0.00		\$0.00
2001-03-A1	Construction of Additional Restrooms at Building M-103, Passenger Level, South Field, OIA	84	West Coast Contractors, Inc. 2320 Courage Drive, Suite 111 Fairfield, CA 94533 707/435-1100 Bruce Fisher, President	1,686.50	\$252.98	846.50	\$126.98
2001-08-A2	Construction of Power Infrastructure to Building L-815, North Field, Oakland International Airport, Oakland, California	85	Blocka Construction Inc. 4450 Enterprise St. #101 Fremont, CA 94538 Bob Blocka, President (510) 657-3686	COMPLETE			
X-2001-08-M3	Construction of the Clerk/Cashier Building at Berths 57-59, Inner Harbor Channel, Vision 2000	88	M.A. Lindquist Co., Inc. 1600 Broadway, Suite 350, Oakland, CA 94612 268-1200 Mark A. Lindquist	0.00	\$0.00	0.00	\$0.00
X-2001-07-M2	Construction of Longshore Buildings D132 and D133 at Berths 57-59, Vision 2000, Oakland, California	94	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	200.00	\$30.00	COMPLETE	\$0.00
X-2001-07-M4	Construction of Longshore Building D134 at Berths 57-59, Vision 2000, Oakland, California	95	Bay Construction Company (Mark Lee and Yong Kay, Inc.) 460 Boulevard Way Oakland, CA 94610 (510) 658-7225 Yong Kay, President	230.00	\$34.50	0.00	\$0.00

Port Contract #	Project Title	PCI's Ref. #	Contractor (Name phone contact)	Hours Worked for the month of September	Amount Due for September	Hours Worked for the month of October	Amount Due for October
2001-09-M1	Construction of Chassis Maintenance and Power Shop Buildings D-135 and D-136 at Berths 57-59	98	West Bay Builders, Inc. 615 Lindero St., San Rafael, CA 94901 (415) 456-8972, Rob Davidson	1,572.00	\$235.80	1,233.00	\$184.95
2001-09-M2	Modification of Building D-851 at Berth 57-59, Vision 2000, Oakland, California	99	BBI Construction 1155 Third Street, #230 Oakland, CA 94607 (510) 286-8200	0.00	\$0.00	0.00	\$0.00
2001-07-M1	Construction of Berth 25 Yard Expansion, Outer Harbor, Oakland, California	101	McGuire & Hester 9009 Railroad Ave., Oakland, Ca 94603 510 632-7676 EX:105, Mike Haley	22.00	\$3.30	0.00	\$0.00
2001-10-M2	Construction of Crane Maintenance Building D-137 at Berths 57-59, Inner Harbor Channel, Vision 2000	102	WE Lyons 50 Hegenberger Loop Oakland, CA 94621 Phone: 510 568-4829 Contact: Kevin Butler	991.00	\$148.65	801.50	\$120.23
X-2001-07-A1	Installation of a New PBX Telephone Switch for the Oakland International Airport	104	Netversant South San Francisco, CA	4.00	\$0.60	0.00	\$0.00
2001-11-A3	Construction of Interim Ticket Counters, Building M-102, OIA	106	Stevell Construction Co., Inc. 5677 Horton St. Emeryville, CA 94605 510/595-0700 William E. Wells, President	647.00	\$97.05	26.50	\$3.98
TOTAL HOURS				16,440.70		12,047.50	

SUMMARY SHEET for PERMIT APPLICATION

(This Summary Agenda Sheet to be used for ALL permits in this category for which Board approval is recommended.)

Summary Item 1

DATE: December 4, 2002

PORT PERMIT NO: 4445

BUILDING PERMIT APPLICATION: New Construction, Demolition, Addition, Repair, Alteration, Other, Tank. SIGN PERMIT APPLICATION: Wall Sign, Pole Sign, New, Alter, Non-electric, Electric, Repair, Temporary.

PORT TENANT: Transportation Security Admin. PERMIT APPLICANT: DMJM + Harris. LOCATION OF PROPOSED WORK: 1 Airport Drive Terminals 1 & 2 (M101, M102 & M130). BRIEF DESCRIPTION OF PROPOSED WORK: Installation of Explosive Detection System... SCHEDULED FOR BOARD ACTION: Date: December 17, 2002 VALUATION OF WORK: \$ 12,000,000

FROM: PORT PERMITS, ENGINEERING SERVICES DEPARTMENT. Recommendation Approval: [Signature] Date: 12/4/02. ROUTE TO: (Please sign and send to next on list ASAP). (1) PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR, ENVIRONMENTAL PLANNING DEPARTMENT ASSESSMENT: CEQA Section 15269(c) [Signature] Date: 12-4-02. (2) DIRECTOR OF ENGINEERING [Signature] Date: 12/4/02. (3) EXECUTIVE DIRECTOR [Signature] Date: 12/4/02. (4) PORT PERMITS - ENGINEERING SERVICES DEPARTMENT: [Signature] Date: []

BOARD APPROVAL: Resolution No: 02431 Date: 12-18-02

SUBJECT: Adoption of New Rates and Charges for the Provision of Electrical Power, and Establishment of Policy on Cost-of-Service Fee, at the Oakland International Airport

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong

DUPLICATE OF PRIOR

EXECUTIVE OFFICE RECOMMENDATION:

Summary Item 2

FACTUAL BACKGROUND:

CALENDAR MEMO

The Port has been buying power and reselling to its Airport tenants for over 70 years. Prior to 2001, with a regulated energy market, long-term contracts and stable wholesale energy prices, the Port was able to keep its electric resale rates at the Airport competitive with Pacific Gas & Electric's (PG&E) rates and earn a reasonable return. However, by year 2001, due to the deregulation in the California energy market and a combination of increases in power consumption, insignificant new generation capacity and high natural gas prices, wholesale energy prices increased substantially, from approximately \$30/MW to \$300/MW. The wholesale price increases caused the Port to increase its resale rates to its customers (mostly Port tenants). Meanwhile, new growth at the Airport required a substantial electrical utility related capital improvement investment of approximately \$30 million. Part of the capital improvement cost was expected to be recovered through the utility business revenues. Because of the unstable energy market, the volatility in wholesale prices, and the need to construct electrical utility related capital improvement, the Port undertook a study to assess the various business alternatives for the Port to supply electric power to all areas of the Port, particularly the airport and maritime facilities.

In June 2001, the Port hired R.W. Beck, a utility business consultant, to perform a study to identify and evaluate the issues and alternatives in supplying electric power for Port related activities. As part of this evaluation, five business plan alternatives were defined and evaluated. They included:

1. Status Quo – No Enterprise: Retain the Port's utility business and run it as a department of the Port's overall operation, no separate cost and revenue tracking accounting or specific budget for utility related capital improvements.
Status Quo – Enterprise: Retain the Port's utility business but run it as a separate enterprise, with separate cost and revenue tracking accounting and allocation of capital improvement funds specifically for maintaining and expanding the utility distribution system.
3. Sell to PG&E or other regulated utility.
4. Sell to Alameda Power & Telecom or other consumer-owned utility.
5. Retain ownership but contract for power supply, system operations and maintenance, and customer services.

In April 2002, R.W. Beck completed the study. It concluded that the Port should retain its electric utility business since it can continue to provide quality service at competitive pricing. Ownership of utilities also makes it easier to react to the needs of the Port and the Port's tenants without having to rely on outside agencies that do not have the same sense of urgency or commitment to service that the Port provides to itself and its tenants. The study also recommended that the Port operate its electric assets as a separate business, as well as improvements that should be made in the Port's electric system cost and revenue tracking, rate design philosophy, and electric rules and regulations for the Port.

Port staff was satisfied with R.W. Beck's findings and concurred with their recommendations. In June 2002, R.W. Beck was further contracted to design an appropriate electric system cost tracking structure, implement an appropriate rate design that would be both competitive with PG&E and cover some of the Port's costs for capital improvement projects, and create a set of rules and regulations that could consistently apply to all of the Port's customers.

In the past two months, Port staff has worked closely with R.W. Beck to develop methods and formulas for calculating energy, distribution/demand charges, and cost-of-service charges that will generate enough revenues to cover the costs to maintain the electrical utility business and support utility system capital improvement projects.

Approved by Ordinance passed to print

Approved by Resolution No.

- MOTION
- RESOLUTION
- ORDINANCE #3127
- INFORMATION ONLY

02410

BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

DEC - 3 2002

DATE

ANALYSIS:

To consistently provide the Port with predictable revenue to maintain the utility business and to support future capital improvements, Port staff has developed a 30-year electricity business plan with the objective to provide an average 7% rate of return on investment. This will allow the Port to collect enough revenue for reinvestment into the electrical infrastructure system. The Port's 30-year rate plan will vary from 95% to 117% of the forecasted PG&E rates. The proposed rate is anticipated to be good for five years. Staff will review the business plan annually to ensure the long-term objective is met. Staff will update the Board when any change to the rate or business plan is needed. Accordingly, staff recommends the following amendment to an existing ordinance regarding rates and charges for electrical power at the Airport, and a resolution establishing a policy on a Cost-of-Service Fee:

- (1) Proposed Amendment to Existing Ordinance No. 3439 (revise rates and charges for electrical power Port provides at Airport): Port staff proposes to amend the Port's existing electric power rate ordinance to adjust the rates and charges for electrical power the Port provides at the Airport. The proposed provisions of the amendment to the Port's existing ordinance are set forth in Attachment A. Comparing the existing and the proposed new rates, there are the following differences:

Energy Rate: Existing rate is higher than PG&E's present rate but the new rate will be lower than PG&E's present rate.

Distribution and Demand Rate: Existing rates are approximately the same as PG&E's but the new rates will be higher than PG&E's present rates.

Overall Rate (energy plus distribution and demand rate): Existing rates are higher (approximately 10%) than PG&E's present rates but the new rate is anticipated to be about 5% lower than PG&E's forecasted 2003 rates.

- Resolution Establishing Policy on Cost-of-Service Fee. The electric power rates and charges are not sufficient to finance the cost to the Port of providing new or extended electric service requested by Port customers at the Airport. Utility companies generally assess separate charges for such new or extended electric services. In all cases where the Port provides a new or new extended electric service to a customer at the Airport, it will be necessary for the Port to have a written contract with the customer (such as a lease or lease amendment agreement), and then for the Port to contract with an appropriate construction contractor to install the new or extended service and the upstream infrastructure equipment, if necessary. Port staff proposes that the Board establish a policy that generally, as a condition of the Port agreeing with a customer's request for the Port to provide a new or extended electric service, the Port's customer will pay a Cost-of-Service Fee which will be calculated in accordance with a specific set of guidelines.

The Cost-of-Service Fee is a one-time fee that will be applicable to customers at the Airport who request new electric service or extension to their existing service. The Cost-of-Service Fee will be used to pay for the partial costs of the utility related capital improvement projects. The Port staff's recommended Resolution establishing the Port's Cost-of-Service Fee is set forth in Attachment B.

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301(b), which encompasses the operation of existing publicly-owned electrical utilities. That section exempts minor changes to existing utilities, including adjustments to rates.

General Plan

A

Budget

N/A

Sustainability

N/A

Project Labor Agreement

N/A

OPTIONS:

N/A

RECOMMENDATION:

It is recommended that the Board take the following actions:

- (1) Ordinance: Give first reading to an ordinance, in the form of Attachment A, amending Port Ordinance No. 3439 which revises the rates and charges for electrical power provided by the Port at the Airport.
- (2) Resolution: Pass a resolution, in the form of Attachment B, which sets forth the Port's policy for providing to the Port's electric power customers at the Airport new or extended electric service.

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO.

AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND
ESTABLISHING RATES AND CHARGES FOR ELECTRIC POWER
PROVIDED BY THE PORT AT THE METROPOLITAN OAKLAND
INTERNATIONAL AIRPORT.

BE IT ORDAINED by the Board of Port Commissioners of the
City of Oakland as follows:

Section 1. The Board of Port Commissioners ("Board") has adopted Port Ordinances Nos. 3439, 3521, 3621, 3651, 3674 and 3714 to establish rates and charges for certain utilities provided by the Port Department within three areas, which include the Metropolitan Oakland International Airport ("Airport"), the Oakland Army Base and the remainder of the Port Area. In summary, as the result of these ordinances, and it was and is the intention of the Board, that rates and charges for electrical power provided by the Port at the Airport are governed by Section 4 of Port Ordinance No. 3439, as amended (see Section 1 of Port Ordinance No. 3651), rates and charges for electrical power, natural gas, water and sewer services provided by the Port at the Oakland Army Base are governed by Section 3 of Port Ordinance No. 3439, as amended (see Section 1 of Port Ordinance No. 3714) and rates and charges for electrical power provided by the Port at the remainder of the Port Area are governed by Section 2 of Port Ordinance No. 3439, as amended.

Section 2. Section 4 of Port Ordinance No. 3439, as amended, which establishes rates and charges for electric power provided by the Port at the Airport, is hereby amended as follows:

(a) Those provisions within each of the Electric Rate Schedules "A", "B", "C", "D" and "E" which describe the costs that are included in establishing the amount of the Energy Charge (per kWh) and which read as follows: "California Power Exchange and scheduling coordinator fees; congestion charges;" are hereby amended to read as follows: "scheduling coordinator fees; congestion charges; Port labor costs; legal costs; costs to administer and implement public benefit programs".

(b) The amount of the Distribution Charge (per kWh) in Electric Rate Schedule "A" is hereby changed from "\$0.06143" to "\$0.1053".

are hereby amended to read as follows:

"(3) RATES:

<u>Service Voltage:</u>	<u>Secondary</u> <u>(DS)</u>	<u>Primary</u> <u>(DP)</u>
<u>Charge</u>	<u>Amount</u>	
<u>Demand Charge (per KW):</u>		
Maximum Peak Period Demand	\$14.8376	\$14.9061
Maximum Partial Peak Period Demand	\$8.4576	\$6.3763
Maximum Demand	\$5.6683	\$5.6021"

(g) Those provisions in Electric Rate Schedule "E" which read as follows:

<u>"Service Voltage:</u>	<u>Secondary</u> <u>(ES)</u>	<u>Primary</u> <u>(EP)</u>
<u>Charge</u>	<u>Rate</u>	
<u>Demand Charge (per KW)</u>		
Maximum Peak-Period Demand	\$8.5125	\$7.225
Maximum Partial-Peak Period Demand	\$3.675	\$2.65
Maximum Demand	\$2.55	\$2.55"

are hereby amended to read as follows:

<u>"Service Voltage:</u>	<u>Secondary</u> <u>(ES)</u>	<u>Primary</u> <u>(EP)</u>
Charge	Rate	
<u>Demand Charge (per KW)</u>		
Maximum Peak-Period Demand	\$15.412	\$15.260
Maximum Partial-Peak Period Demand	\$8.241	\$6.657
Maximum Demand	\$5.718	\$6.406

Section 3. This ordinance shall become effective the later of (a) immediately upon its final approval and (b) January 1, 2003.

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

Absent:

Attest

President.

Secretary.

Approved as to form and legality:

Port Attorney

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

RESOLUTION NO.

RESOLUTION ADOPTING PORT POLICY ON COST-OF-SERVICE FEE FOR PROVIDING TO PORT ELECTRIC POWER CUSTOMERS AT OAKLAND AIRPORT NEW OR EXTENDED ELECTRIC SERVICES.

WHEREAS the Port provides electric power to customers at the Metropolitan Oakland International Airport ("Airport") as necessary or appropriate in carrying out the powers and duties of the Board of Port Commissioners ("Board"); and

WHEREAS from time to time the Port's electric power customers at the Airport request the Port to provide the customer a new electric service, a distribution line extension from an existing service or an increase in electric load demand from an existing service (herein collectively "new or extended electric service"); and

WHEREAS the Port's rates and charges for the electric power the Port provides to its customers at the Airport are not designed to cover all the costs of providing new or extended electric service, and therefore it is necessary for the Port to be adequately compensated from other than such rates and charges for the cost of the Port to provide the requested new or extended electric service; now, therefore

BE IT RESOLVED that the Board hereby adopts as its policy that, as a condition to the Port providing new or extended electric service to a Port electric power customer at the Airport, the customer shall agree to pay the Port a Cost-of-Service Fee calculated in accordance with the "Port of Oakland Cost-of-Service Fee" attached as Exhibit "1" to this Resolution, or shall provide such other substantially equivalent compensation or consideration that is satisfactory to the Board (or the Executive Director in cases where authority to contract for installation or the new or extended electric service has been delegated to the Executive Director); and be it

FURTHER RESOLVED that when Port staff submits to the Board, or (for matters delegated to the Executive Director for action) when the Port staff submits to the Executive Director, a proposal for providing to a customer at the Airport a new or extended electric service, the proposal shall include the customer's agreement to pay the Port the Cost-of-Service Fee or to provide such other substantially equivalent compensation or consideration to the Port; and be it

FURTHER RESOLVED that nothing in the Resolution is intended to, or shall be construed or interpreted to, commit the Port to providing any new or extended electric service to any customer, or providing any new or extended electric service to any customer on any particular terms or conditions, and the Board reserves in its (and for matters delegated to the Executive Director for action, the Executive Director reserves in the Executive Director's) sole discretion the power to determine in each case whether any such new or extended electric service should be made and, if made, the terms and conditions under which it should be made.

At meeting held

Passed by the following vote:

Ayes:

Noes:

Absent:

Exhibit 1

Port of Oakland Cost-of-Service Fee

- (1) APPLICABILITY: The Cost-of-Service Fee is a one-time fee applicable to all existing and new Port electric power customers at the Airport who are applying for a new electric service, a distribution line extension from an existing service or an increase in electric load demand from an existing service.
- (2) SERVICE AREA: Metropolitan Oakland International Airport
- (3) COST-OF-SERVICE FEE: The Cost-of-Service Fee is the Project Cost minus the Revenue Justified Investment Credit.
- (4) DEFINITIONS: Annual Energy Consumption (kWh): The customer's requested new/additional load demand (kW) multiplied by the Load Factor and the hours of operation in a year.

Average Distribution Rate: Average of Distribution Rates across all rate schedules and for a period of the investment used in the utility business analysis and rate study.

Cost-of-Service Factor: A factor based on an extensive study of the utility business in terms of the total carrying cost, the useful life, the operation and maintenance costs, factor for uncollected revenue, taxes, return and depreciation of the investment in the distribution system. Currently, the Port does not have a cost tracking system that accurately track all of the above for an extensive study. Meanwhile the PG&E's Cost-of-Service Factor will be used. It is defined in PG&E's Rule 15 and the charge is listed in Rule 2, under Item I, Special Facilities.

Infrastructure Cost: The dollar per kWh unit cost of the entire infrastructure for the capacities listed in the Port's Utility Master Plan (UMP) multiplied by the tenant's requested capacity. The dollars per kWh unit cost of the infrastructure is subject to variation each year. This cost is determined by the Port's utility department based on the necessary improvements associated with the anticipated growth in electricity consumption at the Airport, and the anticipated maximum sale that can be generated by the added capacity.

Lateral Service Cost: Materials, labor, engineering and other related costs to construct the lateral.

Load Factor: The ratio of average load to the maximum demand.

Project Cost: Consists of total amount of (a) The Infrastructure Cost, and (b) the Lateral Service Cost to bring a lateral service from the mainline to the customer's facility.

Revenue Justified Investment Credit: Based on the anticipated revenue that the Port can generate from the sale of additional energy as a result of the customer's new service, distribution line extension or increase in energy consumption, the Port may give a Revenue Justified Investment Credit to the customer. This credit is calculated by taking the customer's new/additional Annual Energy Consumption (kWh) multiplied by the Average Distribution Rate over the life of the investment and divided by a Cost-of-Service Factor of 0.1596.

EXAMPLE: A customer is planning to build a new facility at the Airport. Based on the type and use of the facility, the Port utility department establishes an estimate of load demand or approves the customer's proposed load demand of 895 kW, at 0.55 load factor and for a 24-hour per day, 365-day per year operation. Based on the Port's utility business analysis today, the anticipated 38-year average distribution rate is \$0.0402 per kWh. The Cost-of-Service fee for the above facility will be calculated as follow:

$$\begin{aligned} \text{Annual Energy Consumption} &= 895\text{kW} \times 0.55 \text{ load factor} \times 24 \text{ hrs per day} \times 365 \text{ days per year} \\ &= 4,312,110 \text{ kWh/yr} \end{aligned}$$

$$\begin{aligned} \text{Revenue Justified Investment Credit} &= \frac{4,312,110 \text{ kWh energy} \times \$0.0402 \text{ Avg. Dist. Rate per kWh}}{0.1596 \text{ Cost-of-Service Factor}} \\ &= \$1,086,133 \end{aligned}$$

For year 2002-2032 UMP listed \$32.65 million cost for infrastructure for 20,000 kW capacities.

Example's Infrastructure Cost:

$$\begin{aligned} &= \frac{\$32,650,000 \text{ Capital Improvement}}{20,000 \text{ kW max. sale on capacity}} \times 895 \text{ kW customer's requested capacity} \\ &= \$1,633/\text{kW} \times 895\text{kW} \\ &= \$1,461,535 \end{aligned}$$

Lateral Cost = utility department's estimate of say \$20,000

$$\begin{aligned} \text{Cost-of-Service Fee} &= \$1,461,535 + \$20,000 - \$1,086,133 \\ &= \$395,402 \end{aligned}$$

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Agenda Sheet

DATE: December 3, 2002

ITEM NO: 47

SUBJECT: PERSONNEL ITEMS

- Amendment of Salary Schedule Assignment
- reation of Classification/Position

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry *[Signature]*

DUPLICATE

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani *[Signature]*

OF PRIOR

FACTUAL BACKGROUND:

CALENDAR ITEM

Summary Item 3

I. AMENDMENT OF SALARY SCHEDULE ASSIGNMENT--Ordinance (2 Readings)

A. It is requested that the Board approve the amendment of the salary schedule assignment for the classification of **Airport Terminal Expansion Program Director** from Salary Schedule 596.02 (a--\$9220; b--\$9681; c--\$10,165; d--\$10,776; e--\$11,422) to **Salary Schedule 590.8** (a--\$8965; b--\$9413; c--\$9885; d--\$10,477; e--\$11,107). This amendment will result in a salary alignment for the current classification in order to maintain parity with incumbents in the classification of Port Principal Engineer.

II. CREATION OF CLASSIFICATION/POSITION--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification **Engineering Specialist Projects Administrator** and assignment to **Salary Schedule 568.7** (a--\$8007; b--\$8408; c--\$8828; d--\$9359; e--\$9921). This classification will result in a salary alignment with the classification of Port Dredging Program Manager.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Engineering Specialist Projects Administrator	CIP	Engineering	1	E	Salary Schedule 568.7 (a--\$8007; b--\$8408; c--\$8828; d--\$9359; e--\$9921)

RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding amendment of salary schedule assignment and creation of classification/position.

- MOTION
- RESOLUTION
- ORDINANCE # *3728*
- INFORMATION ONLY

Approved by Ordinance passed to print

BOARD ACTION TAKEN Assistant

[Signature]
SECRETARY OF THE BOARD

DEC - 3 2002

DATE



BOARD OF PORT COMMISSIONERS
OF THE

PORT OF OAKLAND

530 Water Street
Oakland, California 94607
TELEPHONE: (510) 627-1100

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Executive Director

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DAVID KRAMER
PHILLIP H. TAGAMI
PETER URIBE

C A L E N D A R

**Regular Meeting of the Board of Port Commissioners
Tuesday, December 3, 2002 - 3:00 PM**

ROLL CALL

Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang

CLOSED SESSION: 3:00 P.M.

- 1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Pursuant to subdivision (a) of Section 54956.9. Name of cases:

Berkeley Jets Over the Bay, et al. v. Port of Oakland, et al., California Court of Appeal Case Nos. A086708/A087959/A089660*

In the Matter Between Building and Construction Trades Council of Alameda Co. and Davillier-Sloan Inc./Parsons Constructors, Inc.
- 2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 3 matters
- 3 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Initiation of litigation pursuant to subdivision (c) of Section 54956.9: 1 matter.
- 4 CONFERENCE WITH REAL PROPERTY NEGOTIATOR. Government Code Section 54956.8.

Property: Oakland Army Base
Negotiating Parties: Port, Oakland Base Reuse Authority, City of Oakland, Oakland Redevelopment Agency
Under Negotiation: Price and terms of payment

Property: Pardee Parking Lot
Negotiating Parties: Port and City of Oakland
Under Negotiation: Price and terms of agreement
- 5 PERSONNEL MATTER. Public Employee Performance Evaluation.

OPEN SESSION: 4:00 P.M.

APPROVAL OF THE MINUTES:

Deferred - Regular meeting of November 5, 2002; and regular meeting of November 19, 2002.

PRESIDENT'S REPORT:

EXECUTIVE DIRECTOR'S REPORT:

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

AIRPORT

Aviation Committee Report

- 11 Dispense with Standard Bidding Procedures to Procure System Consulting Services for the Use of MP-2 to Manage Maintenance of Terminal Services and Equipment at Oakland International Airport. (Resolution)
- 12 Approval of Plans and Project Manual for the Upgrade of Energy Management Control System at Terminals 1 and 2, South Field, OIA. (Resolution)
- 13 Ratification of Addenda and Award of Contract for Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA. (Resolution)
- 14 Approval of Hearing Officer's Recommendation to Reject Protest of Award of Contract for Construction of Interconnection Between Electrical Substations SS-1 and SS-1A, Phase 3, North Field, OIA. (Resolution)
- 15 Adoption of New Rates and Charges for the Provision of Electrical Power, and Establishment of Policy on Cost-of-Service Fee at the Oakland International Airport. (Resolution & Ordinance)

COMMERCIAL REAL ESTATE

Commercial Real Estate Committee Report

- 21 Conduct Public Hearing to Receive Comments on Draft Environmental Impact Report for Metroport Project. (Resolution)

MARITIME

Maritime Committee Report

- 31 Recommendation that Board Consent to Assignment by SSA Terminals, LLC of its Interest in Berths 57-59 Agreement to SSA Terminals (Oakland), LLC, and to Certain Related Licenses to Use the Berths 57-59 Premises. (Resolution)
- 32 Ratification of Change Order to Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000 - Storm Drain Modifications and Modification of Change Order Authority Limit. (Resolution)
- 33 Ratification of Change Order to Contract for Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Modify Union Pacific Driveways and Relocate and Reinstall Signal Heads and Controllers at Ferro and Eldorado Streets. (Resolution)
- 34 Award of Contract for Annual Dredging of Port of Oakland Berths for the Period Commencing January 1, 2003 and Ending December 31, 2003, 2004 or 2005. (Resolution)

OPERATIONS

Audit, Budget and Finance Committee Report

- 41 Approval of Revised Administrative Policy AP 109, Driving on Port Business and Use of Port Vehicles. (Resolution)
- 42 Approval of an Agreement with Kevin Harper CPA for Internal Audit Consulting Services. (Resolution)

Administration Committee Report

- 43 Approval to Enter in an Agreement with the Oakland Private Industry Council to Share the Costs and Responsibilities of Supervision and Direction for an Apprenticeship Recruitment Coordinator Position to Address the Local Hire Requirements of the Project Labor Agreement. (Resolution)
- 44 Approval to Enter into an Agreement with Grace Under Pressure, Ltd. in the Amount of \$20,000 for Event Planning and Consulting Service Relative to PortFest 2003. (Resolution)

- 45 Approval to Enter into an Agreement for A Study on Maritime Activity Impacts on Congressional and State Legislative Districts. (Resolution)
- 46 Approval of Group Incentive Compensation Program Goals for Fiscal Year 2002-03. (Resolution)
- 47 Amendment of Salary Schedule Assignment; and Creation of Classification/Position. (Ordinance)
- 48 Resolution Honoring Oakland City Councilman Dick Spees Upon His Retirement from the Oakland City Council. (Resolution)

SUMMARY ITEMS: (Marked “s”)

1 Items.

Action by the Board under “Reading of Summary Items” means that all of the matters listed have been summarized and are considered to be perfunctory in nature and will be adopted by one motion and appropriate vote. Summary items may be removed from the summary for discussion at the pleasure of the Board.

BUILDING PERMIT APPLICATIONS: (“s”) - PULLED

~~Kiewit/FCI/Manson JV, installation of a batch plant for the mixing of concrete and associated aggregate storage is for the exclusive support of the San Francisco/Oakland Bay Bridge Replacement Project. The work being conducted by Cal-Trans is exempt from CEQA through legislation to allow timely seismic repairs and retrofit. In addition, the Right-of-Entry is categorically exempt under CEQA and the Port's CEQA Guidelines Section 15301 (p) which provides for execution of license and concession agreements where the premises or license activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.~~

Vote on the following Resolutions except Nos. 17 and 18:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

Vote on Number 17:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Uribe and President Kiang – 6

Noes: None

Abstained: Commissioner Tagami – 1

Absent: None

Vote on Number 18:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Uribe and President Kiang – 6

Noes: None

Absent: Commissioner Tagami - 1

RESOLUTIONS:

02405 1 RECOGNIZING OAKLAND CITY COUNCILMAN DICK SPEES' 24 YEARS OF SERVICE ON THE OAKLAND CITY COUNCIL AND HIS MANY CONTRIBUTIONS TO OAKLAND, INCLUDING PROVIDING GREAT LEADERSHIP AND SUPPORT ON BEHALF OF THE PORT OF OAKLAND. (Operations – 48)

02406 2 FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MAINTENANCE SYSTEMS MANAGEMENT, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Airport – 11)

02407 3 APPROVING PLANS AND SPECIFICATIONS FOR UPGRADE OF ENERGY MANAGEMENT CONTROL SYSTEM AT TERMINALS I AND II, SOUTH AIRPORT, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA AND CALLING FOR BIDS THEREFOR. (Airport – 12)

02408 4 RATIFYING AND APPROVING ADDENDA TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF THE RELOCATED JOHN GLENN DRIVE AND ASSOCIATED UTILITIES, SOUTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; EXTENDING DATE SET FOR RECEIVING BIDS THEREFOR; AND AWARDING CONTRACT TO GALLAGHER & BURK, INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Airport – 13)

- 02409 5** APPROVING HEARING OFFICER'S RECOMMENDATION TO REJECT PROTEST OF AWARD OF CONTRACT FOR CONSTRUCTION OF INTERCONNECTION BETWEEN ELECTRICAL SUBSTATIONS SS-1 AND SS-1A, PHASE 3, NORTH FIELD, OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; REJECTING TRIPLE S'S BID PROTEST; AND AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD THE CONTRACT TO BROADMOOR ELECTRIC COMPANY. (Airport – 14)
- 02410 6** ADOPTING PORT POLICY ON COST-OF-SERVICE FEE FOR PROVIDING TO PORT ELECTRIC POWER CUSTOMERS AT OAKLAND AIRPORT NEW OR EXTENDED ELECTRIC SERVICES. (Airport – 15)
- 02411 7** CONSENTING TO ASSIGNMENT BY SSA TERMINALS, LLC ("SSAT"), TO SSA TERMINALS (OAKLAND), LLC ("SSATO"), OF SSAT'S INTEREST IN THE BERTHS 57-59 FIRST AMENDED AND RESTATED NON-EXCLUSIVE PREFERENTIAL ASSIGNMENT AGREEMENT CONSENTING TO LICENSING BY SSATO TO YUSEN TERMINALS, INC. ("YTI") AND FROM YTI TO SSATO TO USE PORTIONS OF THE AGREEMENT PREMISES, AND AUTHORIZING EXECUTION OF RELATED ASSIGNMENT AND ASSUMPTION AGREEMENT. (Maritime – 31)
- 02412 8** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH W.E. LYONS CONSTRUCTION CO., INC., FOR THE CONSTRUCTION OF CRANE MAINTENANCE BUILDING D-137 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA. (Maritime – 32)
- 02413 9** APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH O.C. JONES & SONS, INC., FOR THE REALIGNMENT OF MIDDLE HARBOR ROAD, ADELINE STREET OVERCROSSING TO WEST OF K STREET, VISION, OAKLAND, CALIFORNIA. (Maritime – 33)
- 02414 10** AWARDING CONTRACT TO DUTRA CONSTRUCTION CO., INC. FOR ANNUAL DREDGING OF PORT OF OAKLAND BERTHS FOR THE PERIOD COMMENCING JANUARY 1, 2003 AND ENDING DECEMBER 31, 2003, 2004, OR 2005, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS. (Maritime – 34)

- 02415 11** APPROVING AND ADOPTING AMENDMENT TO ADMINISTRATIVE POLICY AP 109 CONCERNING RULES AND REGULATIONS FOR DRIVING ON PORT BUSINESS AND USE OF PORT VEHICLES. (Operations – 41)
- 02416 12** FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO ENTER INTO AN AGREEMENT WITH THE OAKLAND PRIVATE INDUSTRY COUNCIL (“OPIC”) TO CO-SPONSOR OPIC’S CREATION OF AN APPRENTICESHIP RECRUITMENT COORDINATOR. (Operations – 43)
- 02417 13** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GRACE UNDER PRESSURE LTD. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 44)
- 02418 14** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MARTIN ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 45)
- 02419 15** APPROVING GROUP INCENTIVE COMPENSATION 2002-2003 FISCAL YEAR GOALS. (Operations – 46)
- 02420 16** APPROVING AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH PARSONS CONSTRUCTORS, INC./DAVILLIER-SLOAN, INC. AND THE BUILDING AND CONSTRUCTION TRADES COUNCIL OF ALAMEDA COUNTY, AFL-CIO CONCERNING APPLICATION OF THE MARITIME AND AVIATION PROJECT LABOR AGREEMENT (“MAPLA”) TO PORT OF OAKLAND TENANT CONSTRUCTION PROJECTS AND SETTLEMENT OF ISSUES RELATING TO ARBITRATION AWARD AND RATIFYING EXECUTION OF A SETTLEMENT AGREEMENT WITH SAID PARTIES INCLUDING OPERATING ENGINEERS LOCAL UNION NUMBER 3 CONCERNING APPLICATION OF MAPLA TO TESTING AND INSPECTION SERVICES ON PORT OF OAKLAND CONSTRUCTION PROJECTS. (Closed Session)
- 02421 17** SETTING A PUBLIC HEARING TO RECEIVE COMMENTS ON DRAFT ENVIRONMENTAL IMPACT REPORT FOR METROPORT PROJECT. (Commercial Real Estate – 21)

- 02422 18** FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH KEVIN HARPER, CPA FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT. (Operations – 42)

Vote on the following Ordinances:

Ayes: Commissioners Ayers-Johnson, Kramer, Protopappas, Scates, Tagami, Uribe and President Kiang – 7

Noes: None

Absent: None

ORDINANCES:

- 1 (“s”)** Port Ordinance No. 3726 being, “AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A WIRELESS TELECOMMUNICATIONS AGREEMENT WITH GTE MOBILNET OF CALIFORNIA.”

Final.

- 2** Port Ordinance No. ____ being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND ESTABLISHING RATES AND CHARGES FOR ELECTRIC POWER PROVIDED BY THE PORT AT THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT.”

Airport – 15 to print.

- 3** Port Ordinance No. ____ being, “AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, AMENDING SECTION 10.0038 AND ADDING NEW SECTION 14.8.”

Operations – 47 to print.

- 4** Port Ordinance No. ____ being, “AN ORDINANCE AUTHORIZING THE FEE SIMPLE TRANSFER OF PORT OWNED LAND LOCATED ON CHRISTENSON ROAD IN EASTERN ALAMEDA COUNTY TO THE CALIFORNIA DEPARTMENT OF FISH AND GAME FOR BURROWING OWL HABITAT PURPOSES.”

Closed Session – to print.

OPEN FORUM: (Public comment on non-agenda items may be received by the Board during this time. Please fill out a speaker card and present it to the Secretary of the Board.)

ADJOURNMENT: The next regular meeting will be held on Tuesday, December 17, 2002 at 3:00 P.M.

Agenda Sheet

DATE: December 3, 2002

SUBJECT: Dispense with Standard Bidding Procedures to Procure System Consulting Services for the Use of MP-2 to Manage Maintenance of Terminal Services and Equipment at Oakland International Airport

ITEM NO: 11

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Steven Grossman 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

In 1999, the Board of Port Commissioners directed implementation of "Best Practices" in the Maritime, and Commercial Real Estate, and Engineering Maintenance divisions that included replacing the existing work order system (called MSO) with MP-2, a system that would interact with the Port Work Management System and GEAC payroll accounting system. In December 1999, the Board of Port Commissioners adopted Resolution 99476, authorizing funds to update Engineering Maritime Facilities Maintenance systems technology to the best-in-class MP-2 system. Maritime Facilities Maintenance staff now uses the MP-2 system to track maintenance of Port equipment and facilities assets, prioritize and queue new jobs, track "trouble calls," schedule preventative maintenance, equipment change-outs, and inspections, as well as many other time and personnel accounting functions.

Corporate Administrative Services Division purchased MP-2 and related services as part of, and a subcontract to the Jones, Lange, LaSalle maintenance reorganization study concluded in 1999. The cost of implementing MP-2 in 1999 was \$497,000, and provided a fully functional system that Engineering Maritime Maintenance Department uses today. Aviation Facilities Maintenance proposes to use this same system to manage and collect data on the large amount of terminal maintenance in the aging and oversubscribed Oakland International Airport.

The current airport maintenance system of "maintenance service orders" (MSO) has been in place for approximately 15 years. It is a labor intensive system that tracks maintenance activities and costs in aggregate. MSO cannot provide specialized information that would report on the downtime and maintenance of a particular piece of equipment, schedule inspections in line with manufacturer warranties, or provide detailed staff utilization information regarding maintenance activities. Implementing the MP-2 system would facilitate the Airport's tracking of maintenance performed and equipment downtime. The information would support the Port's financial decisions on replacing airport assets, instead of waiting until equipment breaks and requires expensive emergency repairs and replacement. Another benefit of the proposed system is that reports provided by MP-2 would increase customer satisfaction because it can inform to tenants and customers on the status of and priority of "trouble calls."

ANALYSIS:

The proposed Professional Services Agreement with Maintenance Systems Management, Inc., would provide the MP-2 system and specialized applications and training for Oakland Airport staff. This improvement would allow staff to use MP-2 to more effectively to maintain the Airport Terminals and Terminal systems. Maintenance Systems Management, Inc. has agreed upon a time and materials billing rate of \$175/hr plus expenses. The total amount of the contract would not exceed \$109,000. Maintenance Systems Management, Inc. was the subconsultant expert that integrated the off-the-shelf MP-2 facilities maintenance management software with the existing Port financial, work management, and maintenance software for Maritime Facilities Maintenance in 1999. Staff proposes to contract with this same consultant for the airport application. Expertise of Maintenance Systems Management, Inc. would be paid for again if the Port chose to hire a different company to fulfill the goals of this proposed contract. At billing rate of \$175/hr plus expenses, this is a prudent way to acquire the services necessary to improve maintenance of the terminals at Oakland International Airport.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No.

OR 406
BOARD ACTION TAKEN


ASSISTANT SECRETARY OF THE BOARD

DATE

DEC - 3 2002

OPTIONS:

1. Take no action. The Airport would continue to use the existing MSO system of tracking maintenance performed in the aggregate. This would continue “business as usual” and increase the backlog of maintenance work, and unplanned for emergency equipment replacements.
2. Retain additional in-house staff to integrate the MP-2 system and to train Airport staff in its use. In-house staff positions associated with MP-2 are not expected to be filled with staff capable of performing the training for at least one year. This option would also continue “business as usual” and increase the backlog of maintenance work, and unplanned for emergency equipment replacements
3. Direct staff to conduct a competitive process for awarding this consultant agreement rather than contracting with the consultant used by the Port for the Maritime work. This option could result in a lower hourly billing rate, but would not provide the efficiency of a consultant that has previously integrated this software with the existing Port financial, work management and maintenance software.
4. Find that it is in the Port’s interest to waive competitive bidding and award the consultant agreement to Maintenance Systems Management, Inc. as described above and recommended

Environmental

The action does not constitute a project under the California Environmental Quality Act (CEQA), so is therefore, not applicable.

General Plan

Not applicable.

Budget

Funds in the current Aviation Facilities maintenance budget will be used to cover the cost of this agreement.

Sustainability

This effort will serve to manage staff and equipment more efficiently.

Living Wage

The Port’s Living Wage Ordinance (Port Ordinance No. 3666) would not apply to this agreement because the agreement is a service contract of value greater than \$25,000, but will employ less than five employees as defined under the Ordinance.

RECOMMENDATION:

It is recommended that the Board find and determine that the Port’s interest to waive competitive bidding and award the Professional Services Agreement for MP-2 consulting and training services to Maintenance Systems Management, Inc. as described above in an amount not to exceed \$109,000 and authorize the Executive Director to sign the agreement, subject to the Port Attorney’s review and approval of the documents.

Agenda Sheet

DATE: December 3, 2002

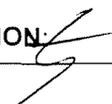
ITEM NO: 12

^{TD}
SUBJECT: Approval of Plans and Project Manual for the Upgrade of Energy Management Control System at Terminals 1 and 2, South Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Plans and Project Manual have been prepared for the **Upgrade of Energy Management Control System At Terminals 1 and 2, South Field, Oakland International Airport, Oakland, California** and are submitted for approval and authorization to advertise for bids.

The Heating, Ventilating and Air Conditioning (HVAC) system at the Terminal Complex requires repairs and improvements in order to maintain reliability, improve efficiency, and provide comfortable air for airline passengers and terminal occupants. The proposed work stated above is required to replace worn and dilapidated components, upgrade components that do not fulfill current efficiency standards, adjust and balance airflow to serve realigned occupant and passenger areas, and complete facility modifications that will reduce heating and cooling loads. In addition to the increase in numbers and duration of passenger occupancy in the Terminal Complex, many areas for the airline operations and passenger activities have been increased, and realigned and/or relocated without proper adjustment of the HVAC systems. As a result, many complaints of inadequate cooling have been received during the summer and autumn months.

ANALYSIS:

Environmental

The project entails replacing the existing supervisory control computer located in the central utility plant with a new computer and energy management system software that has the capacity to handle the existing systems. Existing pneumatic and electro-pneumatic controls will be replaced with direct digital controls. The HVAC system will be upgraded in order to improve its efficiency. This Project has been reviewed pursuant to the requirements of the California Environmental Quality Act (CEQA) and the Port's CEQA Guidelines. Upgrading the Energy Management Control System will continue the operation of an existing facility and involves negligible or no expansion of use beyond the existing. The project is categorically exempt from CEQA under Section 15301, Class 1(a), (d), and (f).

General Plan

It has been determined that this project conforms to the City of Oakland General Plan as a continuation of aviation-related use in the Oakland International Airport.

Budget

The Project Schedule and Project Budget Summary are attached. This work is budgeted under CIP Element No. A2.00765.03. The funding source will be Port cash.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02407

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

DEC - 3 2002

DATE

ustainability

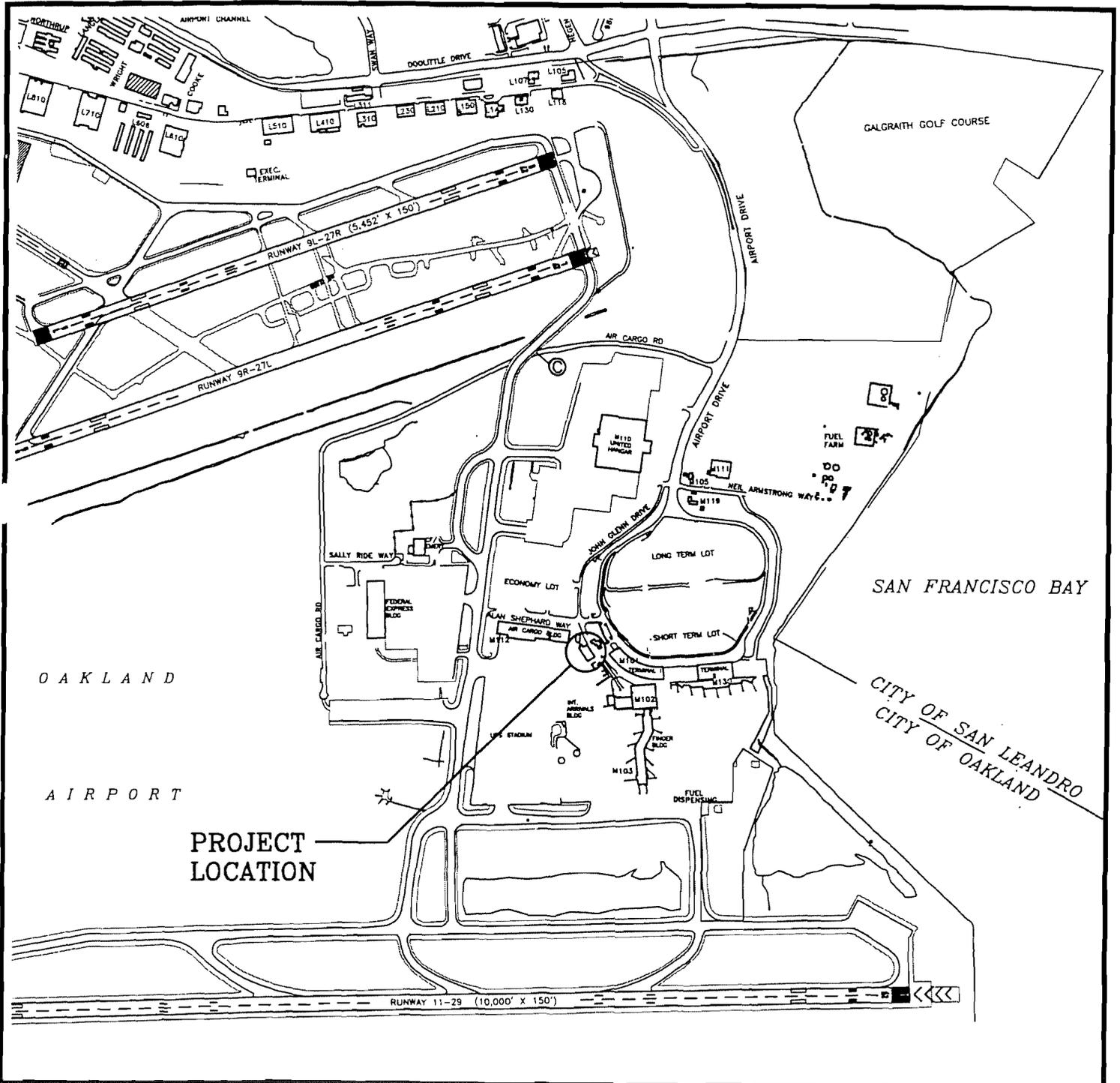
The energy management control system was selected based on the latest industry standards that are being implemented to increase efficiency and conserve energy.

Project Labor Agreement

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement apply to this work.

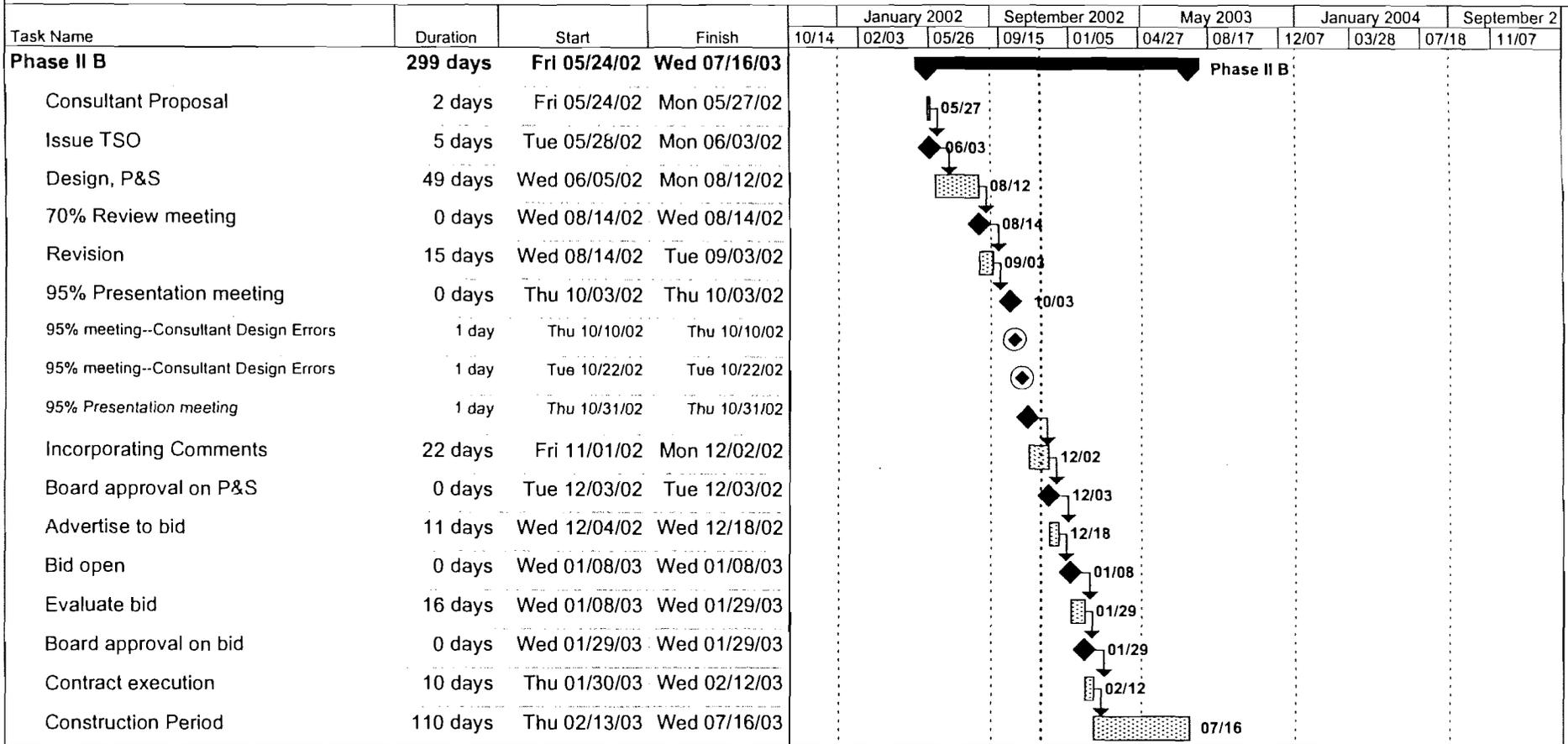
RECOMMENDATION

It is recommended that the Board approve the Plans and Project Manual and authorization be granted to advertise for bids to be received on January 8, 2003.



PORT OF OAKLAND

Work Schedule for Phase II-B of HVAC Upgrade Project



Design Engineer: Jesse Richardson Supervising Engineer: Jill Brown Date: 12/03/2002	Task		Milestone		Rolled Up Split		External Tasks	
	Split		Summary		Rolled Up Milestone		Project Summary	
	Progress		Rolled Up Task		Rolled Up Progress			

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

**PROJECT BUDGET SUMMARY
November 18, 2002**

PROJECT TITLE: Upgrade HVAC System in Terminals, Phase 2B, Replace Controls and Plumbing, South Field, OIA

CIP NO: A2.00765.03 (related to CIP Element Nos. A2.00765.01, .02, .04 and .05)

W.O. #'s: 106510, 106618 and 106677

PROPOSED FUNDING SOURCES: Port Cash

Narrative: This project includes the following work:

- Study the HVAC system and controls for the terminal complex.
- Upgrade the HVAC control system.
- Upgrade the building management climate control system for the terminal complex.

The project is the third of five in a master program to improve the operation, reliability, and efficiency of the system. The work is programmed in 5 phases, CIP Element Nos. A2.00765.01 through A2.00765.05, which will ultimately replace two worn and inefficient cooling towers, replace Central Utility Plant chillers, replace pneumatic and electro-pneumatic controls with digital controls, and modify doors, windows and skylights to optimize energy conservation and adapt to terminal changes.

Budget: The current total budget for the five phase HVAC master program, is \$2,889,000. The current budget for Phase 2B is summarized in Table 1 below:

Table 1 - Overall Budget Summary (\$1,000's) for CIP Element No. A2.00765.03

Project Components	Port Labor & Fringes	Portwide OH	Consultant	Const. Cost	Misc. & Other	Payments to Port	Totals
Study HVAC System at Terminals 1 & 2 (Work Order No. 106510)	23	39					62
Upgrade HVAC Control System (Work Order No. 106618)	12	19				(30)	1
Upgrade Building Management Control System (Work Order No. 106677)	91	157	85	994	15		1,342
Totals	126	215	85	994	15	(30)	1,405

Remarks-

1. Assumes in-house CM

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

Sl ^{TD} ~~ECT~~ Ratification of Addenda and Award of Contract for Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA

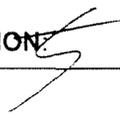
DATE: December 3, 2002

ITEM NO: 13

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION 

FACTUAL BACKGROUND:

Four (4) bids were received and opened on November 1, 2002, for **Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, Oakland International Airport, Oakland, California**. The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE (Items 1 - 9)
Gallagher & Burk, Inc.	Oakland CA	X		\$ 862,350.00
Ranger Pipelines, Inc.	San Francisco CA			\$1,070,000.00
McGuire & Hester	Oakland CA	X		\$1,097,000.00
W.R. Forde Associates	Richmond CA		**	\$1,367,000.00

*LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

**Not certified with the Port of Oakland at time of analysis

A copy of the bid canvass is on file. The location of the work is shown on the attached map. The Project Schedule is also attached.

On September 17, 2002, the Board of Port Commissioners approved the Plans and Project Manual for this project to advertise for bids to be received on October 23, 2002. Addenda 1 and 2 were issued by the Chief Engineer to update the Airport Security and Safety Requirements and to issue minor changes to the Plans and Project Manual. The bid date was extended to November 1, 2002. There were no changes to the physical work of the contract.

ANALYSIS:

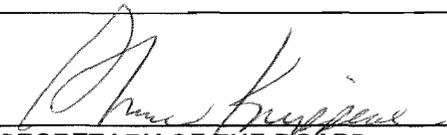
Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations.

The second low bid is not within 10% of the low bid, so the bids were not modified.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
No. 02408
BOARD ACTION TAKEN


Assistant SECRETARY OF THE BOARD

DEC - 3 2002
DATE

The Port's Social Responsibility Division concurs with Engineering's recommendation that Gallagher and Burk, Inc., be awarded the contract for the amount of its bid.

Subcontractor Listing

Gallagher and Burk, Inc., listed the following subcontractors in accordance with the Subcontractor Listing Law.

SUBCONTRACTORS SUBCONTRACTING AREA	LOCATION	LIABE	LBABE	"\$" AND "%" OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
<u>Oliveira Fence</u> Fencing	Santa Clara, CA			\$72,290.00 / 8.38%
<u>Triple S Electric</u> Electrical	Alameda, CA	X		\$267,300.00 / 31.00%
<u>Striping Express</u> Striping	Oakland, CA	X		\$7,000.00 / 0.81%
<u>TDW Construction</u> Underground	Livermore, CA		X	\$21,270.00 / 2.47%
<u>Bond Blacktop</u> Slurry Seal	Union City, CA		**	\$7,950.00 / 0.92%

** Not certified with the Port of Oakland at time of analysis

Gallagher and Burk, Inc., listed the following for possible local credit.

COMPANY NAME BUSINESS AREA	LOCATION	LIABE	LBABE	"\$" AND "%" OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
<u>Williams Trucking</u> Trucking	Oakland, CA	X		\$15,000.00 / 1.74%

Budget

The work is budgeted under CIP Element No. A2.00846.02. The funding source is Port cash and/or Bonds. Gallagher & Burk, Inc.'s bid is within the current project budget.

Sustainability

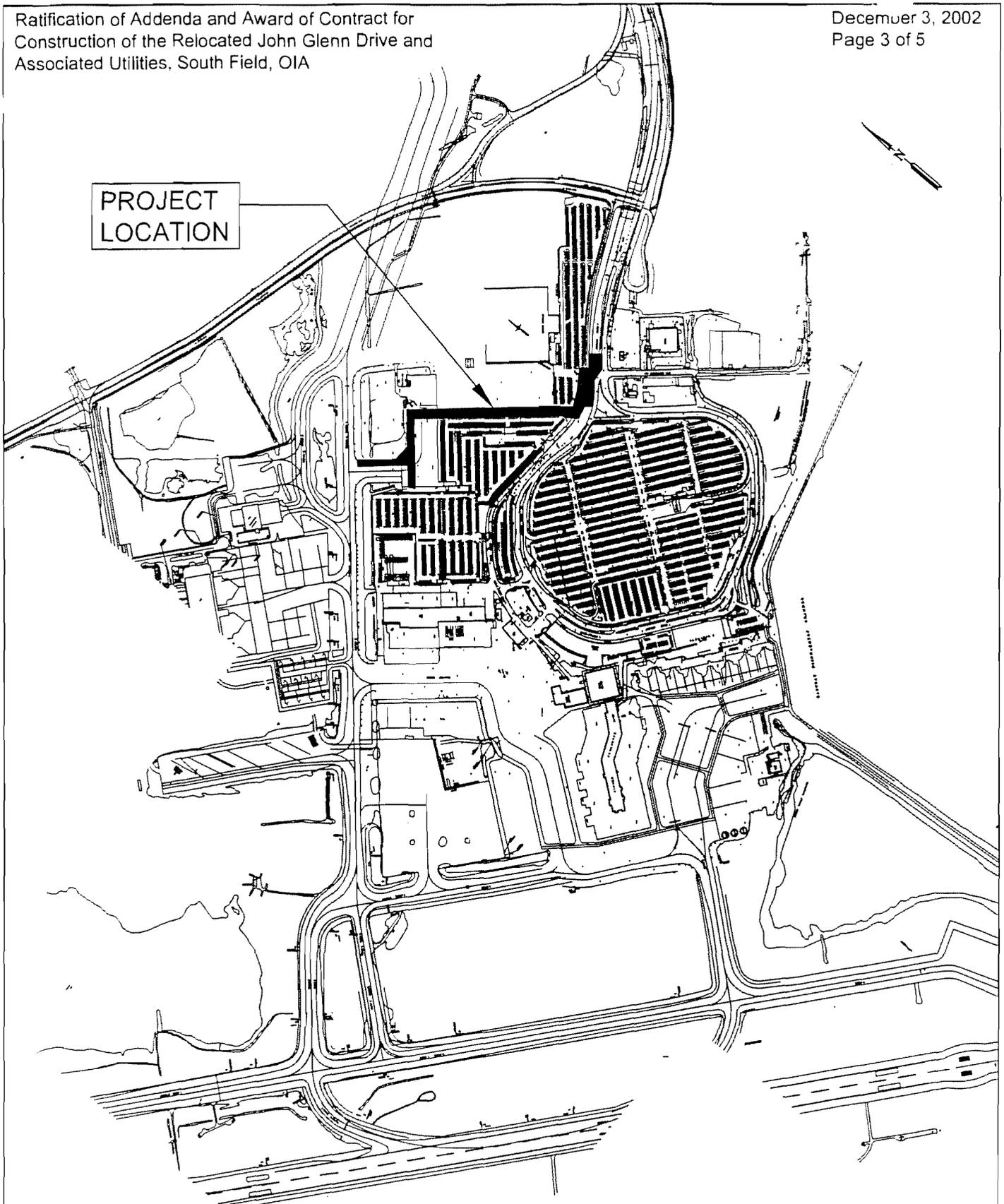
The amount of removal of existing pavement, utility lines, and vegetation will be kept to a minimum. Gallagher and Burk, Inc., has committed to reducing materials going to the landfills by more than 50%. This will be accomplished by reuse and recycling of removed materials.

Project Labor Agreement

The provisions of the Port Maritime and Aviation Project Labor Agreement apply to this work.

RECOMMENDATION:

It is recommended that Gallagher & Burk, Inc., be found to be the lowest responsible responsive bidder, that Addenda 1 and 2 be ratified, and that the contract for the above project be awarded to Gallagher & Burk, Inc., for the amount of its bid. It is further recommended that all other bids be rejected, and that bid securities be returned to the respective bidders.



DATE: 11/7/02
SCALE: NTS
DRAWN: EA

PORT OF OAKLAND
RELOCATED JOHN GLENN DRIVE
Location Map

SHEET 1 OF 1
FILE:

PORT OF OAKLAND

AIRPORT TERMINAL EXPANSION

PROJECT BUDGET SUMMARY

Project Title: Construction of the Relocated John Glenn Drive and Associated Utilities, South Field, OIA.

CIP No. A2.00846.02

WO # 120016

Proposed Funding Sources: Port Cash and/or Bonds

Narrative:

This project will provide roadway access and utilities to the site of the new SWA provisioning building. The new building will be located in an area adjacent to Taxiway B at the South Field. The proposed location is currently a paved area that serves both aircraft and vehicular parking.

The work consists of constructing a roadway and installing utilities for the new building. The roadway work includes applying a coat of slurry seal on a portion of the existing economy parking lot and striping it to roadway standards. The utility work includes installing water, sanitary sewer, storm drain, electrical and telecommunication lines and connections to the proposed building site.

The new provisioning building is not part of this project. Southwest Airlines will provide for the design and construction of the new building and connecting utilities.

Budget: This work is budgeted under CIP element number A2.00846.02 and will be funded by Port cash and /or bonds. Budgeted costs are summarized below.

Cost Category	Estimate (\$1,000)
Port Labor	103
Port Overhead	176
Consultants	75
Construction	862
Contingency	86
Misc/Other	33
Total Project	1,335

Agenda Sheet

DATE December 3, 2002

ITEM NO: 14

^{TD}
SUBJECT: Approval of Hearing Officer's Recommendation to Reject Protest of Award of Contract for Construction of Interconnection Between Electrical Substations SS-1 and SS-1A, Phase 3, North Field, OIA

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *JW*

EXECUTIVE OFFICE RECOMMENDATION *S*

FACTUAL BACKGROUND:

On September 26, 2002, the Port of Oakland (Port) received informal bids for the above-referenced contract. On October 7, 2002, the Port notified the bidders that the apparent successful bidder was Broadmoor Electric Company (Broadmoor). On October 3, 2002, Triple S Electric Co. (Triple S) submitted a letter protesting award of the contract to Broadmoor on the following grounds:

1. There is no evidence in the bid proposal that Broadmoor is qualified to perform high voltage terminations required as part of this work.
2. There is also no evidence from the bid proposal that Broadmoor has listed a qualified firm to perform the required high voltage terminations, splicing and testing required as part of the work.

On October 16, 2002, the Port provided written notice of a hearing to receive information from the bidders regarding the award of the contract. On October 25, 2002, at 2:00 p.m., Chief Engineer Thomas H. Daniels convened a bid protest hearing which was attended by representatives from Broadmoor, Triple S, and the Port. The Hearing Officer's Report and Recommendation is attached.

ANALYSIS:

1. Broadmoor possesses a California C-10 Contractor's License that is appropriate for the performance of the Work of the subject project. Furthermore, a letter of October 30, 2002 from Broadmoor, cites six high voltage projects successfully completed by Broadmoor recently.
2. Broadmoor freely admitted, in a letter of October 8, 2002, that they had forgotten to include the names of their splicing contractor and independent testing contractor in their bid. However, the dollar amount of the bids of these subcontractors was included in Broadmoor's bid.

Broadmoor states that they will self-perform the high voltage termination and splicing work and that they will perform the entire Work of the project for the originally bid price. Therefore, no subcontractor need be listed.

Broadmoor is not required to list on the Subcontractor's List Form the firm performing testing, since that firm's function does not include actual construction of work on the Project. Accordingly, this portion of the bid protest of Triple S is without merit.

RECOMMENDATION:

It is recommended that the Board ratify the recommendation of Hearing Officer Thomas H. Daniels and reject the bid protest of Triple S, and that the Executive Director award the Contract to Broadmoor Electric Company.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02409

BOARD ACTION TAKEN

Assistant

Shan Kung
SECRETARY OF THE BOARD

DEC - 3 2002

DATE

November 13, 2002

BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND

Frank Kiang, President
John Protopappas, First Vice President
Patricia A. Sates, Second Vice President
Darlene Ayers-Johnson, Commissioner
David Kramer, Commissioner
Phillip H. Tagami, Commissioner
Peter Uribe, Commissioner

Dear Members of the Board:

**BID PROTEST – CONSTRUCTION OF INTERCONNECTION BETWEEN
ELECTRICAL SUBSTATIONS SS-1 AND SS-1A, PHASE 3, NORTH FIELD,
OAKLAND INTERNATIONAL AIRPORT – HEARING OFFICER’S REPORT
AND RECOMMENDATION**

On September 26, 2002, the Port of Oakland (Port) received informal bids for the above-referenced contract. On October 7, 2002, the Port notified the bidders that the apparent successful bidder was Broadmoor Electric Company (Broadmoor). On October 3, 2002, Triple S Electric Co. (Triple S) submitted a letter protesting award of the contract to Broadmoor on the following grounds:

1. There is no evidence in the bid proposal that Broadmoor is qualified to perform high voltage terminations required as part of this work.
2. There is also no evidence from the bid proposal that Broadmoor has listed a qualified firm to perform the required high voltage terminations, splicing and testing required as part of the work.

On October 16, 2002, the Port provided written notice of a hearing to receive information from the bidders regarding the award of the contract. On October 25, 2002, at 2:00 p.m., Chief Engineer, Thomas H. Daniels, convened a bid protest hearing which was attended by the following representatives;

Broadmoor: Steve Weldon

Triple S: Stephen S. Slauson

Port: Christopher Alonzi, Paul Banchemo, Lila Zinn, Don Soria

The following exhibits were received and copies are attached to this report:

1. Letter dated October 3, 2002, from Stephen S. Slauson, to Chief Engineer and Broadmoor Electric, protesting Broadmoor’s bid.

2. Letter dated October 7, 2002, from John Aidoo, to Broadmoor Electric Company, Triple S Electric Company, and Accra Communications Group, Inc., formally notifying them, as bidders, that Broadmoor is the Apparent Successful Bidder.
3. Letter dated October 7, 2002, from John Aidoo, to Broadmoor Electric Company, Triple S Electric Company, and Accra Communications Group, Inc., formally notifying them, as bidders, of the bid protest of Triple S.
4. Letter dated October 8, 2002, from Steve Weldon, to John Aidoo and Kor Yan; reply to bid protest.
5. Letter dated October 16, 2002, from Thomas H. Daniels to Patricia L. Raposo, Stephen S. Slauson and J. Jackson regarding Notice of Hearing Regarding Bid Protest.
6. Letter dated October 28, 2002, from Stephen S. Slauson, to Thomas H. Daniels of the Port, requesting the Port fax any information received from Broadmoor to Triple S.
7. Letter dated October 30, 2002, from Steve Weldon, to Thomas H. Daniels of the Port, setting forth, per the Hearing Officer's request, Broadmoor's high voltage qualifications and recent experience.
8. Letter dated October 30, 2002, from Stephen S. Slauson, to Thomas H. Daniels of the Port, setting forth the arguments of Triple S in response to the October 25, 2002 hearing.

The hearing began at about 2:10 p.m. and adjourned at about 3:00 p.m. Each party was afforded an opportunity to present arguments and ask questions. No party objected to the timing or procedures at the hearing. The party(s) to have submitted a timely protest were those listed above; therefore any other bid protest has been waived. The hearing was not recorded.

Discussion

1. Contractor Qualification

Broadmoor possesses a California C-10 Contractor's License that is appropriate to the performance of the Work of the subject project. Broadmoor freely admitted, in a letter of October 8, 2002, that they had forgotten to include the names of their splicing contractor and independent testing contractor in their bid. However, the dollar amount of the bids of these subcontractors was included in Broadmoor's bid. Broadmoor states that they will self-perform the high voltage termination and splicing work and that they will perform the entire Work of the project for the originally bid price. The letter of October 30, 2002 (attached) from Broadmoor, sent to the Port at the request of the Hearing Officer, cites six high voltage projects successfully completed by Broadmoor recently.

The letter of October 30, 2002 (attached) from Triple S, sent to the Port, states that the scope of work of the project includes furnishing and installing 12 kV and 25 kV splices and terminations; that Broadmoor admitted that it forgot to list a certified cable splicing company to perform the required splices and terminations; that Broadmoor has never installed any 25 kV splices or terminations with its own forces; that Steve Weldon of Broadmoor has stated that he will perform the splices and terminations; that Steve Weldon is not qualified to perform the splices and terminations; and that Broadmoor did not correct its subcontractor listing error within the time allowed by the Public Contract Code.

The essential issue is whether Broadmoor satisfies the legal and contractual criteria to receive the contract. As set forth in Section 01610, Page 2, Paragraph 1.09, of the Project Manual, on this Contract, the successful bidder must satisfy two criteria: 1) hold appropriate license, 2) be actively engaged in installation of similar work. Broadmoor possesses a California C-10 (electrical) Contractors License, which is appropriate for this work, and is engaged in similar work. The self-performance requirement can be satisfied by employing a certified cable splicer.

2. Listing of Subcontractors

Triple S states that Broadmoor has not listed a qualified firm to perform the required high voltage terminations, splicing and testing required as part of the work. Let it be noted that Section 16080, "Field Testing Requirements," Paragraph 1.04.C of the Project Manual states that, "The testing and appraisal firm shall be an independent corporation and testing organization which can function as an unbiased testing and evaluation authority." As such the testing firm cannot perform the high voltage terminations and splicing that it would be testing. As stated in the previous paragraph hereinabove, Broadmoor will perform this work.

The portion of the protest of Triple S referring to whether Broadmoor has listed a qualified firm to perform testing is without merit since it is not required by the Public Contract Code to list subcontractors whose function does not include actual construction of the Work of the Project. This interpretation is consistent with past Port practice. By definition, the independent testing firm will not perform construction on this project, but will perform testing and provide test results only.

3. Conclusion and Recommendation

Broadmoor has a current and active State Contractor's License in good standing in the appropriate classification, and they have the requisite experience. Their proposal meets all other requirements indicated in the Project Manual. The process used to solicit bids for the work was in accordance with Port Ordinance No. 1606.

Accordingly, I recommend that the Board reject the bid protest of Triple S Electric Co., and that the Executive Director award the subject contract to Broadmoor Electric Company. This recommendation will not be a final decision until ratified by the Board of Port Commissioners.

Sincerely,



Thomas H. Daniels
Chief Engineer

cc: Tay Yoshitani
John Glover
Joe Wong
John Aidoo
Tom LaBasco
Carl Nagata
Wing Lau
Kor Yan
Paul Banchero



TRIPLE S ELECTRIC CO.

2426 Otis Drive
Alameda, California 94501
510-523-8563

October 3, 2002

The Board of Port Commissioners
530 Water Street
Oakland, CA 94607

Attn: Chief Engineer

Subject: Construction of Interconnection Between Electrical Substations SS-1 and SS1A, Phase 3
Bid Protest
Serial ESS 3

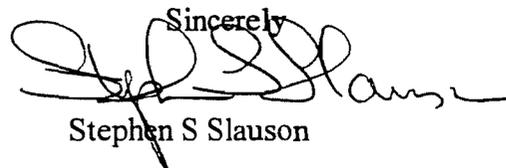
Chief Engineer:

Triple S Electric Co. hereby protests the bid of Broadmore Electric for the above job.

This bid protest is based on the bid proposal of Broadmore Electric for this job. There is no evidence in the bid proposal that Broadmore electric is qualified to perform high voltage terminations required as part of the work. There is also no evidence from the bid proposal that Broadmore Electric has listed a qualified firm to perform the required high voltage terminations, splicing and testing required as part of the work.

The person making this protest of behalf of Triple S Electric is: Stephen S Slauson
2426 Otis Drive
Alameda, CA 94501
510-523-8563

If you have any questions give me a call at 510-523-8563.

Sincerely

Stephen S Slauson

cc: Broadmore Electric

2002 OCT 3 - 3 AM 9:38

RECEIVED
ENGINEERING ADMIN



PORT OF OAKLAND

BY FACSIMILE AND CERTIFIED MAIL

October 7, 2002

All Bidders for:

**Construction of Interconnection between
Electrical Substations SS-1 And SS-1A, Phase 3,
North Field, Oakland International Airport,
Oakland, California**

Contract No. X2001-07-A3

On September 26, 2002 at 3:00 p.m. sealed bids were received by the Chief Engineer for Construction of Interconnection between Electrical Substations SS-1 And SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California. The bids were opened and analyzed by Port Staff. This letter serves as formal notice that Broadmoor Electric Company is the Apparent Successful Bidder.

As set forth in Paragraph 20, "Bid Protest," of Document 00200, "Instructions to Bidders," of the Project Manual, any Bid protest must be submitted in writing to the Chief Engineer before 5:00 p.m. of the fifth (5th) business day following the date of this letter. Please refer to this referenced Paragraph in the Project Manual for the proper procedure. In particular, note the necessity to concurrently transmit a copy of the initial protest document and any attached documentation to all other parties with a direct financial interest which may be adversely affected by the outcome of the protest, including all other Bidders who appear to have a reasonable prospect of receiving an award depending upon the outcome of the protest.

Questions may be addressed to Paul Banchemo, Engineering Services, at (510) 627-1165.

Address correspondence to:

John F. Aidoo
Chief Engineer
Port of Oakland
530 Water St.
Oakland, CA 94607
FAX: (510) 444-5381

Sincerely,

John F. Aidoo
Chief Engineer

LIST OF BIDDERS:

Broadmoor Electric Company	1947 Republic Ave., San Leandro, CA 94577-4220
Triple S Electric Company	2426 Otis Dr., Alameda, CA 94501-5243
Accra Communications Group, Inc	700 Murmansk St., Suite 7, Oakland, CA 94607-5028



PORT OF OAKLAND

VIA FACSIMILE & CERTIFIED MAIL

October 7, 2002

Ms. Patricia L. Raposo
Broadmoor Electric Company
1947 Republic Ave
San Leandro CA 94577-4220

Subject: "Construction of Interconnection between Electrical Substations SS-1
And SS-1A, Phase 3, North Field, Oakland International Airport,
Oakland, California" Contract No. X2001-07-A3

Dear Ms. Raposo:

The Port of Oakland is in receipt of the bid protest letter of Triple S Electric Co. (Triple S) dated October 3, 2002, protesting the bid of Broadmoor Electric Company (Broadmoor) for Construction of Interconnection between Electrical Substations SS-1 And SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California, Contract No. X2001-07-A3. You should have received a copy of the bid protest letter directly from Triple S.

The Port is in the process of evaluating the bid protest of Triple S. In order to ensure that the Port's evaluation is based on all relevant information, the Port requests that Broadmoor provide a written response to each of the issues set forth in the bid protest of Triple S.

Your response must be received by 3:00 p.m. on Wednesday, October 9, 2002.

Sincerely,

John F. Aidoo
Chief Engineer

cc: S. Slauson, Triple S Electric Co.
J. Jackson, Accra Communications Group, Inc.

cc: J. Wong
T. LaBasco
C. Alonzi
B. Reagan
D. Soria
A. Griffin
C. Nagata
W. Lau
K. Yan
V. Powell



TRIPLE S ELECTRIC CO.

2426 Otis Drive
Alameda, California 94501
510-523-8563

October 3, 2002

The Board of Port Commissioners
530 Water Street
Oakland, CA 94607

Attn: Chief Engineer

Subject: Construction of Interconnection Between Electrical Substations SS-1 and SS1A, Phase 3
Bid Protest
Serial ESS 3

Chief Engineer:

Triple S Electric Co. hereby protests the bid of Broadmore Electric for the above job.

This bid protest is based on the bid proposal of Broadmore Electric for this job. There is no evidence in the bid proposal that Broadmore electric is qualified to perform high voltage terminations required as part of the work. There is also no evidence from the bid proposal that Broadmore Electric has listed a qualified firm to perform the required high voltage terminations, splicing and testing required as part of the work.

The person making this protest of behalf of Triple S Electric is: Stephen S Slauson
2426 Otis Drive
Alameda, CA 94501
510-523-8563

If you have any questions give me a call at 510-523-8563.

Sincerely

Stephen S Slauson

cc: Broadmore Electric

2002 OCT -3 AM 9:38

ENGINEERING ADMIN
RECEIVED



PORT OF OAKLAND

VIA FACSIMILE & CERTIFIED MAIL

October 7, 2002

Ms. Patricia L. Raposo
Broadmoor Electric Company
1947 Republic Ave
San Leandro CA 94577-4220

Subject: "Construction of Interconnection between Electrical Substations SS-1
And SS-1A, Phase 3, North Field, Oakland International Airport,
Oakland, California" Contract No. X2001-07-A3

Dear Ms. Raposo:

The Port of Oakland is in receipt of the bid protest letter of Triple S Electric Co. (Triple S) dated October 3, 2002, protesting the bid of Broadmoor Electric Company (Broadmoor) for Construction of Interconnection between Electrical Substations SS-1 And SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California, Contract No. X2001-07-A3. You should have received a copy of the bid protest letter directly from Triple S.

The Port is in the process of evaluating the bid protest of Triple S. In order to ensure that the Port's evaluation is based on all relevant information, the Port requests that Broadmoor provide a written response to each of the issues set forth in the bid protest of Triple S.

Your response must be received by 3:00 p.m. on Wednesday, October 9, 2002.

Sincerely,

John F. Aidoo
Chief Engineer

cc: S. Slauson, Triple S Electric Co.
J. Jackson, Accra Communications Group, Inc.

E

J. Wong

T. LaBasco

C. Alonzi

B. Reagan

D. Soria

A. Griffin

C. Nagata

W. Lau

K. Yan

V. Powell

October 8, 2002

Port of Oakland
530 Water Street
Jack London Square
P.O. Box 2064
Oakland, CA 94604-2064
Tel 510-627-1100
Fax 510-627-1826
Attn: John Aidoo, Chief Engineer.



BROADMOOR
ELECTRIC COMPANY
SINCE 1945

- DESIGN
- CONSTRUCTION
- MAINTENANCE

Re: Construction of Interconnection between Electrical Substations SS-1 and SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California, Contract No. X2001-07-A3.

Subject: Reply to Bid Protest.

Dear John,

Unfortunately, in the last moments before our bid went in (we had two public works projects bidding that same day) and as we waited for pricing, with all the last minute commotion we failed to include the names of our high-voltage splicing contractor and our independent testing contractor in our list of sub-contractors. (This job was bid using quotes from Siemens for testing and California Splicing for terminating as sub-contractors with Broadmoor doing all other phases of the work except for the excavating.)

As far as our qualifications go, Broadmoor Electric Company has been a licensed contractor in the State of California since 1945. During that time the company has provided a full range of electrical services for many private clients including installation, maintenance, and repair of client owned medium voltage systems (over 12KV). Early high voltage clients included the Trojan Powder Works and St. Regis Paper Company, both in San Leandro in the late 1940's and early 50's. I personally have in the past (since 1977) spliced and terminated for clients such as Lucky Stores Distribution Center (now Albertson's) and Ghirardelli Chocolate, both of San Leandro, and DeLaval Turbine in Oakland. Broadmoor has also installed long complicated runs of cable and sub-contracted others to splice, terminate, and test for Port of Richmond, and Dreisbach Cold Storage (the old Safeway plant in Richmond). Broadmoor has also maintained, cleaned, and made emergency repairs, for all of the above plus Kaiser Aerospace in

San Leandro (now Express Parking) and for Sea West Federal Credit Union at the old Oaknoll Naval Hospital in the Oakland Hills. Additionally Broadmoor Electric Company has experience both on the pole and at the pad. Broadmoor has installed and maintained both transformers and switchgear for private clients.

Broadmoor maintains new gloves, hot sticks, belts and spikes, voltage sensors, grounding jumpers, and cutout fuse replacements along with many other miscellaneous high-voltage wiring system components.

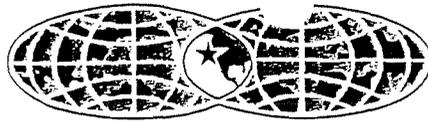
I trust that the above will satisfy any question of Broadmoor's experience in working this project. If you have any further questions regarding this matter please feel free to call me at any time.

Cordially yours,

A handwritten signature in black ink, appearing to read 'Steve Weldon', with a long horizontal flourish extending to the right.

Steve Weldon
Vice President

Cc: Kor Yan, Port Associate Engineer, Electrical and Mechanical Work.
Patricia Raposo, President and CEO, Broadmoor Electric Company.
Steve Mosset, Senior Estimator, Broadmoor Electric Company.



PORT OF OAKLAND

VIA FACSIMILE & CERTIFIED MAIL

October 16, 2002

Ms. Patricia L. Raposo
Broadmoor Electric Company
1947 Republic Ave
San Leandro CA 94577-4220

Subject: Notice of Hearing Regarding Protest to the Award of the Contract for "Construction of Interconnection between Electrical Substations SS-1 And SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California" Contract No. X2001-07-A3

Dear Ms. Raposo:

On September 26, 2002, the Port of Oakland ("Port") received bids for the subject contract. On October 3, 2002, the Port received a letter protesting award of the contract. Pursuant to Port Ordinance 1606, Section 22, a hearing to address the subject protest will be held on Friday, October 25, 2002, at 2:00 p.m., in Conference Room 611, 530 Water Street, Sixth Floor, Oakland, California.

The hearing will provide an opportunity for the competing bidders to present evidence regarding the award of the contract. The Port's decision to hold a hearing in this matter does not constitute a finding: a) regarding the merits of the protest, b) that any particular bid was responsive, c) that any particular bidder was responsible, d) that the protest complied with the procedural requirements for submitting a bid protest, e) that any defect in a bid was or was not inconsequential, or f) that the Port should award any contract. The Port has not reached any final decision with respect to the award of the contract and reserves the right to render a decision with respect to any pertinent issue, including, but not limited to, those listed above.

A copy of Port Ordinance No. 1606, Section 22, is enclosed for your convenience.

Sincerely,

Thomas H. Daniels
Chief Engineer

cc: S. Slauson, Triple S Electric Co.
J. Jackson, Accra Communications Group, Inc.
J. Wong
J. Aidoo
C. Alonzi
T. LaBasco
C. Nagata
K. Yan

Bc: J. Wong
T. LaBasco
C. Alonzi
B. Reagan
D. Soria
A. Griffin
C. Nagata
W. Lau
K. Yan
V. Powell



TRIPLE S ELECTRIC CO.

2426 Otis Drive
Alameda, California 94501
510-523-8563

October 28, 2002

Port of Oakland
100 Water Street
Oakland, CA 94607

To: Mr. Thomas H. Daniels, Chief Engineer
Subject: Interconnection of Electrical Substations SS1 & SS1A
Bid Protest, Additional Information from Broadmoor Electric.
Serial 6

Mr. Daniels:

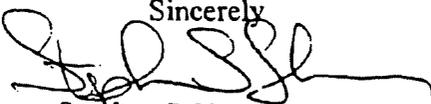
This is in response to the offer from Broadmoor Electric to furnish additional information regarding their qualifications to perform the work. This information was to be in the hands of the Port by Wed. October 30, 2002.

Triple S requests the Port of Oakland fax any information received from Broadmoor electric immediately to Triple S in case Triple S doesn't receive this information from Broadmoor by October 30, 2002.

Triple S has only 2 days to respond to any additional information from Broadmoor and will need all of that time to properly respond.

Thanking you in advance.

Sincerely



Stephen S Slauson

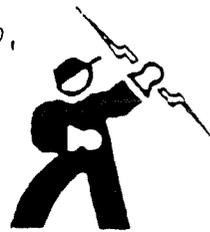
cc: C. Alonzi
J. Aidoo
T. LaBasso
C. Nagata
W. Lau
K. Yan

CC: TRIPLE S ELECTRIC CO.

October 30, 2002

Port of Oakland
530 Water Street
Jack London Square
P.O. Box 2064
Oakland, CA 94604-2064
Tel 510-627-1100
Fax 510-763-8287
Attn: Thomas Daniels

J. AIDOO
C. ALONZI
T. LABASCO
W. LAU
C. NAGATA
P. BANCHERO
K. YAN



BROADMOOR
ELECTRIC COMPANY
SINCE 1945

• DESIGN
• CONSTRUCTION
• MAINTENANCE

Re: Construction of Interconnection between Electrical Substations SS-1 and SS-1A, Phase 3, North Field, Oakland International Airport, Oakland, California, Contract No. X2001-07-A3.

Subject: Broadmoor Electric Company high voltage qualifications and recent past experience.

Dear Thomas,

As per your committee's request we are providing the following list of high voltage work.

#1) Albertson's Distribution Center, San Leandro. Contact Don Young, Head of Maintenance at 510-678-4623.

Broadmoor is responsible for the client-owned primary voltage distribution system for the entire facility including the main substation, and aerial and underground high-voltage feeders to step-down transformers at six buildings. Broadmoor has performed emergency cable replacement, PCB transformer replacement, and emergency fuse replacement due to equipment breakdown and animal intrusion. Over the years Broadmoor has replaced faulty aerial cables, underground cables, cleared animal-caused faults, and repaired and replaced 12kv transformers.

#2) Kaiser Aerospace (old rocket/missile plant in San Leandro off of Doolittle Drive). Contact John Balkwell at 408-532-4750.

Broadmoor cleaned, aligned, and repaired switchblades and replaced high voltage fuses in the main switchgear after a cat caused an arc-over. Broadmoor also closed openings in the equipment. Broadmoor also made safe cut-off and exposed high voltage cables after a partial demolition of parts of the building. Broadmoor also repaired a high voltage aerial installation on a pole after one of the cables came loose from the cross arm.

#3) Dreisbach Cold Storage (old Safeway distribution center, Richmond). Contact Al Pelton at 510-533-6600.

Broadmoor replaced an 800-foot long high voltage cable run along the face of the building at the roofline after shorting-out due to an old faulty expansion joint in the conduit. Broadmoor was also responsible for repair and maintenance of the pullout breakers in the main high-voltage switchgear. Broadmoor also repaired, cleaned and aligned switchblades, repaired and replaced Kirk-key locks, and performed general maintenance on the several substations at the facility.

#4) Sea West Federal Credit Union, Oak Knoll Naval Hospital site. Contact Frank Matous, President and CEO at 510-563-6338.

Replaced a cutout fuse on the pole after a short by a squirrel. Replaced a faulty pad mount high-voltage transformer after the internal fuse holder failed. Replaced the high voltage cable down pole below the cutouts after a squirrel gnawed through the 12kv cable after becoming stuck in the vertical plastic cable cover.

#5) Port of Richmond. Contact Thomas Wilson, Port Maintenance Manager at 510-215-4605.

Broadmoor most recently repaired the main high-voltage switchgear at the main dock facility when the bus installation failed and the 12kv faulted to ground. The repair required dismantling the bus, re-insulating, cleaning the arc-etched porcelain bulkhead supports, hi-pot testing, and re-assembly.

Several years prior Broadmoor also repaired the switchgear and replaced the high voltage cables at the old World War Two Kaiser ship building docks after a mouse shorted-out and destroyed the switch. A subsequent hi-pot test also revealed that the vintage cable was failing and was replaced. This work was done as per the then "Warfinger" Doug?

#6) (Then) Dunavant Cotton Storage (the old Dodge Assembly plant) on Davis Street in San Leandro at the Palvarosa overpass. Contact Alan Knepper, Dunavant of California at 559-448-1846.

Approximately two years ago Broadmoor aided Dunavant in re-habilitating an extremely large facility in San Leandro that had essentially been abandoned some years prior. A substation consisting of numerous high-voltage switchgear sections with attached oil-filled transformers was cleaned, tested, and made safe for possible future use. A smaller 12kv transformer inside the main building was restored to power for supplying

power to the now lighting-only building load. This required re-piping and installing new high voltage cable from the outside sub-station.

I trust that the above will satisfy any question of Broadmoor's recent experience in working high voltage. If you have any further questions regarding this matter please feel free to call me at any time.

Cordially yours,



Steve Weldon
Vice President

Cc: Patricia Raposo, President and CEO, Broadmoor Electric Company.
Steve Mosset, Senior Estimator, Broadmoor Electric Company.



TRIPLE S ELECTRIC CO.

2426 Otis Drive
Alameda, California 94501
510-523-8563

CC: Chris A. Longe
Carl Nagata
Kor Yan
Paul Sanchez
Wing Lau
Lill Brown

October 30, 2002

Port of Oakland
530 Water Street
Oakland, CA 94607

Attn: Mr. Thomas H. Daniels, Chief Engineer
Subject: Construction of Interconnection Between Substations SS1 & SS1A, Phase 3
Request for a Determination that Bid from Broadmoor Electric is Non-Responsive
Serial EES 7

Mr. Thomas:

This is in response to the Port's request for a follow up to the hearing of Oct. 25, 2002

INTRODUCTION

The Port requested quotes from contractors for the Construction of the Interconnect between Substations SS1 & SS1A. Three bids were received and the apparent low bidder was Broadmoor Electric. A bid protest was filed by Triple S Electric Co., because of the belief that Broadmoor Electric wasn't qualified to perform the work required under the contract. In response to the bid protest, the Port conducted a hearing for all parties to present information concerning the bid from Broadmoor Electric.

FINDINGS OF FACT

1. The scope of the work included furnishing and installing 12KV and 25 KV splices and terminations.
2. Broadmoor Electric admitted it forgot to list a certified cable splicing company to perform the required splices and terminations.
3. Broadmoor Electric is a reputable electrical contractor which has experience in some 5KV and 12KV medium voltage installations. Broadmoor Electric has never installed any 25KV splices or terminations with its own forces.
4. Mr. Stephen Weldon, Vice President of Broadmoor Electric, stated he would perform the splices and terminations. Mr. Weldon is a journeyman electrician who has on occasion performed some 5KV and 12KV terminations and is familiar with medium voltage installations.
5. Mr. Weldon is not a certified cable splicer and has no experience in 25KV splices and terminations, as well as some of the required 12KV terminations required of the work. Furthermore Broadmoor Electric has no certified cable splicers on its payroll and IBEW Local 595 has no certified cable splicers available for electrical contractors.

6. Section 16010-1.03 of the specifications required the installation to conform to the rules and regulations of the State of California High Voltage Safety Orders which require high voltage splicing and termination be performed by a certified cable splicer. One of the mandatory requirements for certification is the person must perform terminations and splicing continuously for 5 years.
7. Public Contract Code 4100 et. seq. requires a bidder to list all specialty subcontractors who will perform work on the project at the time the bid is submitted to the awarding authority and permits a bidder two days from the date of the bid to correct any listing errors.
8. Broadmoor Electric never corrected its listing error.

ARGUMENT

Broadmoor Electric is a reputable contractor familiar with bidding requirements for Public Work Contracts. Broadmoor knew it was required to list a certified cable splicing subcontractor to perform the required medium voltage splices and terminations. Broadmoor wanted to list California Splicing to perform the required splices and terminations and forgot to list this firm or any other firm to perform the work. Broadmoor also failed to correct its bidding error within two days of the bid date, as required by Public Contract Code 4100 et. seq.. This failure to properly list a certified cable splicing subcontractor requires Broadmoor perform the work with its own forces, if those forces are qualified to perform the work.

Broadmoor submitted a journeyman electrician, Mr. Weldon, who would perform the required splices and terminations. Mr. Weldon is not a certified cable splicer and has never installed any 25KV splices or terminations and has never installed any of the specialty terminations required of the work. This type of work is difficult and critical to the Port's Airport facility. A shutdown is required which affects certain operations of the Airport and requires the splicing be performed as quickly as possible. In plain language the splicing must be installed correctly the first time. This job is not the place for an inexperienced person to learn the proper splicing techniques, at the risk of affecting the Airport's operations.

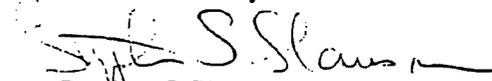
CONCLUSION

Broadmoor Electric doesn't have a qualified person or a certified cable splicer to perform the required splices and terminations required of the work. The time for Broadmoor Electric to correct its bid listing error has long since passed. For all of the above reasons Broadmoor Electric is not qualified to perform the work on the contract.

Triple S Electric Co. respectfully requests the Port of Oakland declare the bid from Broadmoor Electric non-responsive.

cc: Broadmoor Electric

Sincerely


Stephen S Slauson

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 15

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

^{TD}
 SUBJECT: Adoption of New Rates and Charges for the Provision of Electrical Power, and Establishment of Policy on Cost-of-Service Fee, at the Oakland International Airport

SUBMITTED BY: Joseph K. Wong

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

The Port has been buying power and reselling to its Airport tenants for over 70 years. Prior to 2001, with a regulated energy market, long-term contracts and stable wholesale energy prices, the Port was able to keep its electric resale rates at the Airport competitive with Pacific Gas & Electric's (PG&E) rates and earn a reasonable return. However, by year 2001, due to the deregulation in the California energy market and a combination of increases in power consumption, insignificant new generation capacity and high natural gas prices, wholesale energy prices increased substantially, from approximately \$30/MW to \$300/MW. The wholesale price increases caused the Port to increase its resale rates to its customers (mostly Port tenants). Meanwhile, new growth at the Airport required a substantial electrical utility related capital improvement investment of approximately \$30 million. Part of the capital improvement cost was expected to be recovered through the utility business revenues. Because of the unstable energy market, the volatility in wholesale prices, and the need to construct electrical utility related capital improvement, the Port undertook a study to assess the various business alternatives for the Port to supply electric power to all areas of the Port, particularly the airport and maritime facilities.

In June 2001, the Port hired R.W. Beck, a utility business consultant, to perform a study to identify and evaluate the issues and alternatives in supplying electric power for Port related activities. As part of this evaluation, five business plan alternatives were defined and evaluated. They included:

1. Status Quo – No Enterprise: Retain the Port's utility business and run it as a department of the Port's overall operation, no separate cost and revenue tracking accounting or specific budget for utility related capital improvements.
2. Status Quo – Enterprise: Retain the Port's utility business but run it as a separate enterprise, with separate cost and revenue tracking accounting and allocation of capital improvement funds specifically for maintaining and expanding the utility distribution system.
3. Sell to PG&E or other regulated utility.
4. Sell to Alameda Power & Telecom or other consumer-owned utility.
5. Retain ownership but contract for power supply, system operations and maintenance, and customer services.

In April 2002, R.W. Beck completed the study. It concluded that the Port should retain its electric utility business since it can continue to provide quality service at competitive pricing. Ownership of utilities also makes it easier to react to the needs of the Port and the Port's tenants without having to rely on outside agencies that do not have the same sense of urgency or commitment to service that the Port provides to itself and its tenants. The study also recommended that the Port operate its electric assets as a separate business, as well as improvements that should be made in the Port's electric system cost and revenue tracking, rate design philosophy, and electric rules and regulations for the Port.

Port staff was satisfied with R.W. Beck's findings and concurred with their recommendations. In June 2002, R.W. Beck was further contracted to design an appropriate electric system cost tracking structure, implement an appropriate rate design that would be both competitive with PG&E and cover some of the Port's costs for capital improvement projects, and create a set of rules and regulations that could consistently apply to all of the Port's customers.

In the past two months, Port staff has worked closely with R.W. Beck to develop methods and formulas for calculating energy, distribution/demand charges, and cost-of-service charges that will generate enough revenues to cover the costs to maintain the electrical utility business and support utility system capital improvement projects.

Approved by Ordinance
 passed to print

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No.

02410
 BOARD ACTION TAKEN Assistant

SECRETARY OF THE BOARD

DEC - 3 2002
 DATE

ANALYSIS:

To consistently provide the Port with predictable revenue to maintain the utility business and to support future capital improvements, Port staff has developed a 30-year electricity business plan with the objective to provide an average 7% rate of return on investment. This will allow the Port to collect enough revenue for reinvestment into the electrical infrastructure system. The Port's 30-year rate plan will vary from 95% to 117% of the forecasted PG&E rates. The proposed rate is anticipated to be good for five years. Staff will review the business plan annually to ensure the long-term objective is met. Staff will update the Board when any change to the rate or business plan is needed. Accordingly, staff recommends the following amendment to an existing ordinance regarding rates and charges for electrical power at the Airport, and a resolution establishing a policy on a Cost-of-Service Fee:

- (1) Proposed Amendment to Existing Ordinance No. 3439 (revise rates and charges for electrical power Port provides at Airport): Port staff proposes to amend the Port's existing electric power rate ordinance to adjust the rates and charges for electrical power the Port provides at the Airport. The proposed provisions of the amendment to the Port's existing ordinance are set forth in Attachment A. Comparing the existing and the proposed new rates, there are the following differences:

Energy Rate: Existing rate is higher than PG&E's present rate but the new rate will be lower than PG&E's present rate.

Distribution and Demand Rate: Existing rates are approximately the same as PG&E's but the new rates will be higher than PG&E's present rates.

Overall Rate (energy plus distribution and demand rate): Existing rates are higher (approximately 10%) than PG&E's present rates but the new rate is anticipated to be about 5% lower than PG&E's forecasted 2003 rates.

- (2) Resolution Establishing Policy on Cost-of-Service Fee: The electric power rates and charges are not sufficient to finance the cost to the Port of providing new or extended electric service requested by Port customers at the Airport. Utility companies generally assess separate charges for such new or extended electric services. In all cases where the Port provides a new or new extended electric service to a customer at the Airport, it will be necessary for the Port to have a written contract with the customer (such as a lease or lease amendment agreement), and then for the Port to contract with an appropriate construction contractor to install the new or extended service and the upstream infrastructure equipment, if necessary. Port staff proposes that the Board establish a policy that generally, as a condition of the Port agreeing with a customer's request for the Port to provide a new or extended electric service, the Port's customer will pay a Cost-of-Service Fee which will be calculated in accordance with a specific set of guidelines.

The Cost-of-Service Fee is a one-time fee that will be applicable to customers at the Airport who request new electric service or extension to their existing service. The Cost-of-Service Fee will be used to pay for the partial costs of the utility related capital improvement projects. The Port staff's recommended Resolution establishing the Port's Cost-of-Service Fee is set forth in Attachment B.

Environmental

This project has been determined to be categorically exempt from the requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class 1 of Guidelines Section 15301(b), which encompasses the operation of existing publicly-owned electrical utilities. That section exempts minor changes to existing utilities, including adjustments to rates.

General Plan

N/A

Budget

N/A

Sustainability

N/A

Project Labor Agreement

N/A

OPTIONS:

N/A

RECOMMENDATION:

It is recommended that the Board take the following actions:

- (1) Ordinance: Give first reading to an ordinance, in the form of Attachment A, amending Port Ordinance No. 3439 which revises the rates and charges for electrical power provided by the Port at the Airport.
- (2) Resolution: Pass a resolution, in the form of Attachment B, which sets forth the Port's policy for providing to the Port's electric power customers at the Airport new or extended electric service.

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO.

**AN ORDINANCE AMENDING PORT ORDINANCE NO. 3439 AND
ESTABLISHING RATES AND CHARGES FOR ELECTRIC POWER
PROVIDED BY THE PORT AT THE METROPOLITAN OAKLAND
INTERNATIONAL AIRPORT.**

BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. The Board of Port Commissioners ("Board") has adopted Port Ordinances Nos. 3439, 3521, 3621, 3651, 3674 and 3714 to establish rates and charges for certain utilities provided by the Port Department within three areas, which include the Metropolitan Oakland International Airport ("Airport"), the Oakland Army Base and the remainder of the Port Area. In summary, as the result of these ordinances, and it was and is the intention of the Board, that rates and charges for electrical power provided by the Port at the Airport are governed by Section 4 of Port Ordinance No. 3439, as amended (see Section 1 of Port Ordinance No. 3651), rates and charges for electrical power, natural gas, water and sewer services provided by the Port at the Oakland Army Base are governed by Section 3 of Port Ordinance No. 3439, as amended (see Section 1 of Port Ordinance No. 3714) and rates and charges for electrical power provided by the Port at the remainder of the Port Area are governed by Section 2 of Port Ordinance No. 3439, as amended.

Section 2. Section 4 of Port Ordinance No. 3439, as amended, which establishes rates and charges for electric power provided by the Port at the Airport, is hereby amended as follows:

(a) Those provisions within each of the Electric Rate Schedules "A", "B", "C", "D" and "E" which describe the costs that are included in establishing the amount of the Energy Charge (per kWh) and which read as follows: "California Power Exchange and scheduling coordinator fees; congestion charges;" are hereby amended to read as follows: "scheduling coordinator fees; congestion charges; Port labor costs; legal costs; costs to administer and implement public benefit programs".

(b) The amount of the Distribution Charge (per kWh) in Electric Rate Schedule "A" is hereby changed from "\$0.06143" to "\$0.1053".

are hereby amended to read as follows:

"(3) RATES:

<u>Service Voltage:</u>	<u>Secondary</u> <u>(DS)</u>	<u>Primary</u> <u>(DP)</u>
<u>Charge</u>	<u>Amount</u>	
<u>Demand Charge (per KW):</u>		
Maximum Peak Period Demand	\$14.8376	\$14.9061
Maximum Partial Peak Period Demand	\$8.4576	\$6.3763
Maximum Demand	\$5.6683	\$5.6021"

(g) Those provisions in Electric Rate Schedule "E" which read as follows:

<u>Service Voltage:</u>	<u>Secondary</u> <u>(ES)</u>	<u>Primary</u> <u>(EP)</u>
<u>Charge</u>	<u>Rate</u>	
<u>Demand Charge (per KW)</u>		
Maximum Peak-Period Demand	\$8.5125	\$7.225
Maximum Partial-Peak Period Demand	\$3.675	\$2.65
Maximum Demand	\$2.55	\$2.55"

are hereby amended to read as follows:

<u>"Service Voltage:</u>	<u>Secondary</u> <u>(ES)</u>	<u>Primary</u> <u>(EP)</u>
Charge	Rate	
<u>Demand Charge (per KW)</u>		
Maximum Peak-Period Demand	\$15.412	\$15.260
Maximum Partial-Peak Period Demand	\$8.241	\$6.657
Maximum Demand	\$5.718	\$6.406

Section 3. This ordinance shall become effective the later of (a) immediately upon its final approval and (b) January 1, 2003.

Adopted at a meeting held

By the following Vote:

Ayes:

Noes:

Absent:

President.

Attest

Secretary.

Approved as to form and legality:

Port Attorney

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

RESOLUTION NO.

RESOLUTION ADOPTING PORT POLICY ON COST-OF-SERVICE FEE FOR PROVIDING TO PORT ELECTRIC POWER CUSTOMERS AT OAKLAND AIRPORT NEW OR EXTENDED ELECTRIC SERVICES.

WHEREAS the Port provides electric power to customers at the Metropolitan Oakland International Airport ("Airport") as necessary or appropriate in carrying out the powers and duties of the Board of Port Commissioners ("Board"); and

WHEREAS from time to time the Port's electric power customers at the Airport request the Port to provide the customer a new electric service, a distribution line extension from an existing service or an increase in electric load demand from an existing service (herein collectively "new or extended electric service"); and

WHEREAS the Port's rates and charges for the electric power the Port provides to its customers at the Airport are not designed to cover all the costs of providing new or extended electric service, and therefore it is necessary for the Port to be adequately compensated from other than such rates and charges for the cost of the Port to provide the requested new or extended electric service; now, therefore

BE IT RESOLVED that the Board hereby adopts as its policy that, as a condition to the Port providing new or extended electric service to a Port electric power customer at the Airport, the customer shall agree to pay the Port a Cost-of-Service Fee calculated in accordance with the "Port of Oakland Cost-of-Service Fee" attached as Exhibit "1" to this Resolution, or shall provide such other substantially equivalent compensation or consideration that is satisfactory to the Board (or the Executive Director in cases where authority to contract for installation or the new or extended electric service has been delegated to the Executive Director); and be it

FURTHER RESOLVED that when Port staff submits to the Board, or (for matters delegated to the Executive Director for action) when the Port staff submits to the Executive Director, a proposal for providing to a customer at the Airport a new or extended electric service, the proposal shall include the customer's agreement to pay the Port the Cost-of-Service Fee or to provide such other substantially equivalent compensation or consideration to the Port; and be it

FURTHER RESOLVED that nothing in the Resolution is intended to, or shall be construed or interpreted to, commit the Port to providing any new or extended electric service to any customer, or providing any new or extended electric service to any customer on any particular terms or conditions, and the Board reserves in its (and for matters delegated to the Executive Director for action, the Executive Director reserves in the Executive Director's) sole discretion the power to determine in each case whether any such new or extended electric service should be made and, if made, the terms and conditions under which it should be made.

At meeting held

Passed by the following vote:

Ayes:

Noes:

Absent:

Exhibit 1

Port of Oakland Cost-of-Service Fee

- (1) APPLICABILITY: The Cost-of-Service Fee is a one-time fee applicable to all existing and new Port electric power customers at the Airport who are applying for a new electric service, a distribution line extension from an existing service or an increase in electric load demand from an existing service.
- (2) SERVICE AREA: Metropolitan Oakland International Airport
- (3) COST-OF-SERVICE FEE: The Cost-of-Service Fee is the Project Cost minus the Revenue Justified Investment Credit.
- (4) DEFINITIONS: Annual Energy Consumption (kWh): The customer's requested new/additional load demand (kW) multiplied by the Load Factor and the hours of operation in a year.

Average Distribution Rate: Average of Distribution Rates across all rate schedules and for a period of the investment used in the utility business analysis and rate study.

Cost-of-Service Factor: A factor based on an extensive study of the utility business in terms of the total carrying cost, the useful life, the operation and maintenance costs, factor for uncollected revenue, taxes, return and depreciation of the investment in the distribution system. Currently, the Port does not have a cost tracking system that accurately track all of the above for an extensive study. Meanwhile the PG&E's Cost-of-Service Factor will be used. It is defined in PG&E's Rule 15 and the charge is listed in Rule 2, under Item I, Special Facilities.

Infrastructure Cost: The dollar per kWh unit cost of the entire infrastructure for the capacities listed in the Port's Utility Master Plan (UMP) multiplied by the tenant's requested capacity. The dollars per kWh unit cost of the infrastructure is subject to variation each year. This cost is determined by the Port's utility department based on the necessary improvements associated with the anticipated growth in electricity consumption at the Airport, and the anticipated maximum sale that can be generated by the added capacity.

Lateral Service Cost: Materials, labor, engineering and other related costs to construct the lateral.

Load Factor: The ratio of average load to the maximum demand.

Project Cost: Consists of total amount of (a) The Infrastructure Cost, and (b) the Lateral Service Cost to bring a lateral service from the mainline to the customer's facility.

Revenue Justified Investment Credit: Based on the anticipated revenue that the Port can generate from the sale of additional energy as a result of the customer's new service, distribution line extension or increase in energy consumption, the Port may give a Revenue Justified Investment Credit to the customer. This credit is calculated by taking the customer's new/additional Annual Energy Consumption (kWh) multiplied by the Average Distribution Rate over the life of the investment and divided by a Cost-of-Service Factor of 0.1596.

EXAMPLE: A customer is planning to build a new facility at the Airport. Based on the type and use of the facility, the Port utility department establishes an estimate of load demand and approves the customer's proposed load demand of 895 kW, at 0.55 load factor and for a 24-hour per day, 365-day per year operation. Based on the Port's utility business analysis today, the anticipated 38-year average distribution rate is \$0.0402 per kWh. The Cost-of-Service fee for the above facility will be calculated as follow:

$$\begin{aligned} \text{Annual Energy Consumption} &= 895\text{kW} \times 0.55 \text{ load factor} \times 24 \text{ hrs per day} \times 365 \text{ days per year} \\ &= 4,312,110 \text{ kWh/yr} \end{aligned}$$

$$\begin{aligned} \text{Revenue Justified Investment Credit} &= \frac{4,312,110 \text{ kWh energy} \times \$0.0402 \text{ Avg. Dist. Rate per kWh}}{0.1596 \text{ Cost-of-Service Factor}} \\ &= \$1,086,133 \end{aligned}$$

For year 2002-2032 UMP listed \$32.65 million cost for infrastructure for 20,000 kW capacities.

Example's Infrastructure Cost:

$$\begin{aligned} &= \frac{\$32,650,000 \text{ Capital Improvement}}{20,000 \text{ kW max. sale on capacity}} \times 895 \text{ kW customer's requested capacity} \\ &= \$1,633/\text{kW} \times 895\text{kW} \\ &= \$1,461,535 \end{aligned}$$

Lateral Cost = utility department's estimate of say \$20,000

$$\begin{aligned} \text{Cost-of-Service Fee} &= \$1,461,535 + \$20,000 - \$1,086,133 \\ &= \$395,402 \end{aligned}$$

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 3, 2002

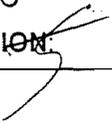
ITEM NO: 21

SUBJECT: Conduct Public Hearing to Receive Comments on Draft Environmental Impact Report for Metroport Project

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

In January 2001, the Board authorized the execution of a Purchase and Sale Agreement with SIMEON Commercial Properties to sell a 23-acre property located at Hegenberger Road and I-880 (the former Ramada Hotel/Century Theaters site) for construction of an approximately 1.3 million square foot Class A office complex and approximately 300-room hotel. SIMEON refers to this proposed complex as "Metroport." The Purchase and Sale Agreement identifies a Due Diligence Period that enables SIMEON to complete the environmental review process prior to close of escrow on the property.

The Port is the lead agency for the Metroport project, and has prepared a Draft Environmental Impact Report (Draft EIR) for it in accordance with the California Environmental Quality Act (CEQA). The Draft EIR was released for a 45-day public review period on November 12, 2002. The review period closes at 5:00 p.m. on December 27, 2002.

ANALYSIS:

Purpose of Public Hearing. Comments on the Draft EIR may be received in writing during the public review period, and may also be received during a public hearing. CEQA does not require the lead agency to hold a public hearing on a Draft EIR, but encourages it. Thus, the purpose of this hearing is to provide an additional opportunity for public comment. Following the hearing close of the public review period, written responses to comments on the adequacy of the Draft EIR will be prepared and presented to the Board and public in a Final EIR. Staff anticipates completing the Final EIR in January 2003. Once the Final EIR has been certified, the Board may consider a development permit for the project.

Potential Environmental Impacts. The Draft EIR indicates that the proposed project may result in significant, but mitigable impacts in the following environmental categories: air quality, biological resources, geological hazards, hazardous materials, hazards to air navigation, water quality, noise, transportation, water supply, and solid waste management. The Draft EIR identifies mitigation measures to reduce these impacts to less than significant levels. In addition, the Draft EIR indicates that the proposed project may result in a significant unavoidable impact to regional air quality as a result of project-related traffic.

The Draft EIR also analyzes six alternatives to the project, including smaller developments and different land uses. Each alternative has been analyzed for potential impacts to the environment as compared to the proposed Metroport project. The potential environmental impacts of the proposed project and each alternative are summarized in the Draft EIR's Executive Summary.

Environmental

Holding a public hearing on a Draft EIR complies with, but is not required by, CEQA.

General Plan

The Draft EIR includes a discussion of the project's conformity with the Oakland General Plan. Further detail regarding this conformity will be provided at the time of the Board's consideration of any development permit for the proposed project.

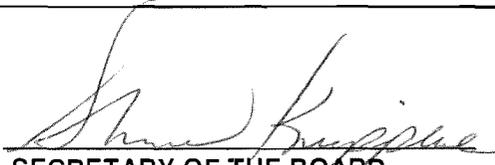
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02421

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Project

No impact.

Sustainability

This hearing provides an additional opportunity for public involvement in evaluating the potential environmental effects of a local project.

Project Labor Agreement

The provisions of the Port Maritime and Aviation Project Labor Agreement do not apply to this Commercial Real Estate Project.

OPTIONS:

1) Open the public hearing and continue it to another date within the comment period and allow Port staff to conduct the hearing.

RECOMMENDATION:

It is recommended that the Board (a) open the public hearing and receive comments from the public regarding the adequacy of the Draft EIR; (b) close the public hearing after all such comments have been made; and (c) direct staff to respond to the comments regarding the adequacy of the environmental analysis in the Final EIR for the project.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 31

SUBJECT: Recommendation That Board Consent to Assignment by SSA Terminals, LLC of its Interest in Berths 57-59 Agreement to SSA Terminals (Oakland), LLC, and to Certain Related Licenses to Use the Berths 57-59 Premises.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges *scd for*

EXECUTIVE OFFICE RECOMMENDATION *S*

BACKGROUND

In 1999, Stevedoring Services of America and Matson Terminals entered into an Agreement whereby they became the sole owners of SSA Terminals, LLC ("SSAT"), a limited liability company, to provide stevedoring, marine terminal and related support services on the West Coast. In Oakland, SSAT operates under a Management Agreement with the Port at Howard Terminal (Berths 67-68), and at Berths 32-34 under a Marine Terminal Lease and Agreement and a Freight Station Lease and Agreement which originally were between the Port and Matson Navigation Company and which ultimately were assigned with the consent of the Port to SSAT.

As part of the Vision 2000 Program development, on April 2, 2002, the Port and SSAT entered into a First Amended and Restated Non-Exclusive Preferential Assignment Agreement for the new Berths 57-59 marine terminal facilities. The Berths 57-59 Agreement enables SSAT to consolidate its operations into one homogeneous facility. The Berths 57-59 Agreement contains provisions that the Port will not unreasonably withhold consent to SSAT's assignment of the Agreement to a limited liability company in which the owners are SSAT and Yusen Terminals, Inc. ("YTI") or to a sub-assignment of portions of the premises to YTI.

Related to these developments, the Grand Alliance consisting of NYK, OOCL, P & O Nedlloyd, and Hapag Lloyd operates at Berth 23. YTI is a subsidiary of shipping line NYK and provides terminal operating services for the Grand Alliance. YTI is the Assignee under the Berth 23 Non-Exclusive Preferential Assignment Agreement with the Port which was assigned to YTI by NYK and NOL with the Port's consent. YTI and the Port recently signed an agreement to terminate the YTI Agreement at Berth 23, in order for YTI to transfer to Berths 57-59. Prior to the YTI transfer, SSAT and YTI desire to enter into various arrangements to demonstrate to the Grand Alliance members that YTI has an interest in Berths 57-59 in order for the Grand Alliance to agree to call at the Berths 57-59 premises.

On May 31, 2002, YTI and SSAT entered into a Marine Terminal Operator Agreement ("SSAT Oakland Agreement"), which authorized the parties to discuss, agree, organize and operate as a marine terminal operator. SSAT states that SSAT Oakland is scheduled to be operational by January 1, 2003. SSAT has requested the Port's consent to the following transactions concerning the Berths 57-59 Agreement:

1. The assignment by SSAT of its interest in the Berths 57-59 Agreement to a newly formed entity, SSA Terminals (Oakland), LLC ("SSAT Oakland"), pursuant to an Assignment and Assumption

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02411

BOARD ACTION TAKEN

Assistant

Sharon K...
SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Agreement in the form previously provided to the Port Attorney's office. The organization of SSAT Oakland will be completed immediately prior to the assignment, and SSAT Oakland's equity holders and members will be SSAT and YTI;

2. The license to use a portion of the Premises subject to the Berths 57-59 Agreement from SSAT Oakland to YTI pursuant to a License Agreement in the form previously provided to the Port Attorney's Office; and
3. The license to use a portion of the Premises subject to the Berths 57-59 Agreement from YTI back to SSAT pursuant to a Subcontract in the form previously provided to the Port Attorney's Office.

SSAT states that each of these transactions is scheduled to be effective when SSAT Oakland commences to do business with the movement of the Grand Alliance to Berths 57-59. The move is presently expected to commence on January 1, 2003.

ANALYSIS AND IMPACT

Port staff has concluded that the above-described transactions for which SSAT has requested Port consent will have no adverse material or financial impact on the Port. Under the Berths 57-59 Agreement, the Board's consent to such transactions does not release SSAT from any of its obligations under the Berths 57-59 Agreement and, under the Assignment and Assumption Agreement referred to above, SSAT Oakland would also assume all of SSAT's obligation under the Berths 57-59 Agreement.

The proposed assignment is categorically exempt under CEQA and the Port of Oakland's CEQA Guidelines, Section 15301 (p) which provides for execution of license and concession agreements where the premises of licensed activity is leased to the same or another person and involving negligible or no expansion of use beyond that previously existing.

SUSTAINABLE OPPORTUNITIES

In accordance with Resolution No. 20467, the above proposed action was evaluated for consistency with the Port's Sustainability Policy dealing with buying or choosing a vendor, entering into a service contract or selecting a vendor, developing a new program or project and entering into a construction or demolition project. The Port's Sustainability Policy applies to actions that are not included in this Agenda Sheet Item.

LIVING WAGE

The above-proposed action has no impact relating to Measure I.

RECOMMENDATION

It is recommended that the Board pass a resolution that consents to the assignment and the two licenses described above, subject to the Port's receipt of an executed Assignment and Assumption Agreement that is acceptable to the Port Attorney.

Agenda Sheet

^{TD}
SUBJECT: Ratification of Change Order to Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000 - Storm Drain Modifications and Modification of Change Order Authority Limit

DATE: December 3, 2002

ITEM NO: 32

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port presently has a Contract with W.E. Lyons Construction Co., Inc., for the **CONSTRUCTION OF CRANE MAINTENANCE BUILDING D-137 AT BERTHS 57-59, VISION 2000, OAKLAND, CALIFORNIA**. The Contract became effective on April 8, 2002, at lump sum and unit prices totaling \$918,533. The work includes constructing a new crane maintenance building including electrical, plumbing and conveyance systems, offices and restrooms.

ANALYSIS:

The aggregate limit for staff approved change orders on this contract is \$91,853.30. As of this date, change orders totaling \$62,091.81 have been approved under the Executive Director's authority. One additional change order, with a total value of \$108,972.50, was necessary in order to drain the awning-covered outside work area where equipment is washed before maintenance work begins. The design called for berms to direct the washwater to an oil/grease separator before discharging it to the storm drain system. The tenant preferred slotted drains around the perimeter of the wash rack area to intercept the wash water.

Change Order	Estimated Cost
1. Storm Drain Modifications.	\$108,973
Estimated Total	\$108,973

To avoid future operational disruptions and costly delays to the work, the Contractor was directed to proceed with the slotted drains as a project enhancement. Ratification of this change order is now requested.

Listed in the table below is a breakdown of the types of change orders issued to date.

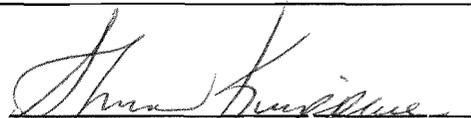
Change Order Type	No. of Items	Cost	% of Contract
Design Modifications	6	\$29,809.00	3%
Project Enhancements	1	\$32,282.00	4%

It is also anticipated that additional change orders, worth an estimated \$40,000 may be necessary to complete the project. This would require an additional \$20,000 in staff authority for project enhancement change orders needed to complete the work of this project. The additional \$20,000 in contingency would allow future change orders to be issued in a timely manner to minimize delay and cost impacts to the project.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution
 No. 02412

BOARD ACTION TAKEN Assistant


 SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Budget

This change order is budgeted under CIP Element No M6.00599.01, Budget/Awards Variance. The funding source is Port Bonds.

RECOMMENDATION:

It is recommended that the Board ratify the change order described above, in the amount of \$108,972.50, and increase staff change order authority by \$20,000 for the above-described project.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY
November 18, 2002

PROJECT TITLE: Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000, Oakland, California

RE: Ratification of Change Order to Contract for Construction of Crane Maintenance Building D-137 at Berths 57-59, Vision 2000 – Storm Drain Modifications and Modifications of Change Order Authority Limit

CIP NO: M6.00585.03

W.O. #'s: 103812

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The ratification of change order to contract for construction of crane maintenance building D-137 at Berths 57-59, Vision 2000 – Storm Drain Modifications and Modifications of Change Order Authority Limit is being tracked under work order # 103812.

Budget: This project is included in the CIP Element # M6.00585.03 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00585.03

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contingency	Tenant Impvt. Work	Totals
M6.00585.03	216	368	9286	500						10370
Total =	216	368	9286	500						10370

Remarks:

- Multiple buildings being constructed for the 57/58/59 Terminal are funded by project element M6.00585.03. Funding from the budget/awards variance M6.00599.01 will be used for the change order work.

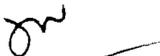
Agenda Sheet

^{TD}
SUBJECT: Ratification of Change Order to Contract for Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Modify Union Pacific Driveways and Relocate and Re-install Signal Heads and Controllers at Ferro and Eldorado Streets

DATE: December 3, 2002
ITEM NO: 33

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Contract with O.C. Jones & Sons, Inc., (O.C. Jones) for **Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000, Oakland, CA**, became effective on July 24, 2001, at lump sum and unit prices totaling \$4,397,153.50. The project consists of widening and relocating Middle Harbor Road from K Street to the Adeline Street bridge overcrossing, with removal of existing railroad tracks and construction of new railroad tracks, bike path, storm drains, sanitary sewer, street lighting, concrete curb and gutter, asphalt concrete paving, signing, striping, and landscaping.

ANALYSIS:

To date, including additional authorization by the Board, Port staff has approved and issued \$537,260.15 in change orders. In addition, the Board has approved \$1,359,069.35 in change orders, including \$873,716.83 for work on another project outside the scope of this contract. The Contract change that is the subject of this Board letter, amounts to \$56,383.41. This would raise the total of staff-approved change orders to \$593,643.56, which exceeds current staff authority for staff-approved change orders provided by Port Ordinance 1606.

The contract work in the Union Pacific (UP) area, at the intersection of Middle Harbor Road and Eldorado Street, adversely affected EBMUD's access to their sanitary sewer pump station and UP's use of their One Spot driveway entrance. Because EBMUD needed daily inspection access to the pump station and UP's operation could not be interrupted, the Contractor was directed to construct driveways to maintain access to the pump station and the UP yard.

During a City inspection of the traffic signals at Eldorado Street and Middle Harbor Road, the City inspector instructed the Port to remove certain signal heads and relocate them to different poles. The City inspector considered the in-place signal head configuration redundant. Because the Contractor had already attached some of the signal heads, a change order was required to have them removed and re-installed at City-preferred locations.

The contractor installed traffic signal controllers along Middle Harbor Road, as shown in the plans. The City later required that the Port remove and deliver the controllers to the City's office for programming. The Contractor was directed to do this. The Contractor returned and re-installed the controllers once the City completed programming them.

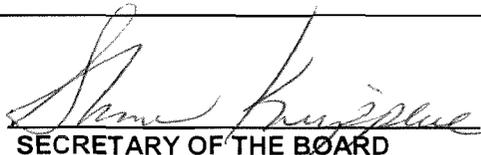
Change Order	Estimated Cost
1. Modify UP Driveways and relocate signal heads.	\$ 56,384.00
Estimated Total	\$ 56,384.00

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02413

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Listed in the table below is a breakdown of the types of pending and issued change orders to date.

Change Order Type	No. of Items	Cost	% of Contract
Design Modifications	7	\$354,241.69	8.1%
Enhancements	3	\$67,804.79	1.5%
Unforeseen Conditions	19	\$444,179.04	10.1%
Field Changes	1	\$44,724.32	1.0%
Regulatory Changes	2	\$11,659.09	0.3%
Omissions	7	\$156,387.15	3.6%
X Work for other projects	1	\$873,716.83	19.9%

Budget

This work is budgeted under CIP Element No. M6.00547.02. The source of funds is Port bonds.

OPTIONS:

EBMUD's sanitary sewer daily inspection operations and UP's One Spot driveway entrance would be interrupted and non-operative if this change order work was not performed in a timely manner. If the sewer lift station became inoperative, the neighboring area (tenants) would have been without sewer facilities. Without UP's One Spot driveway, there would have been a heavy congestion on Middle Harbor Road, because of the blockage of the entrance into the UP yard.

The traffic signals and controllers needed to be modified due to City inspector concerns and City programming. Not performing these tasks would create two unsafe intersections along Middle Harbor Road that are heavily used by truckers and small vehicles.

RECOMMENDATION:

It is recommended that the Board ratify this change order to modify Union Pacific Driveways and relocate and re-install signal heads and controllers at Ferro and Eldorado Streets, for a total of \$56,383.41, as described above.

**PORT OF OAKLAND
ENGINEERING PROJECT MANAGEMENT**

PROJECT BUDGET SUMMARY
November 20, 2002

PROJECT TITLE: Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000, Oakland, California

RE: Ratification of Change Order to Contract for Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Modify Union Pacific Driveways and Relocate and Reinstall Signal Heads and Controllers at Ferro and Eldorado Streets

CIP NO: M6.00547.02

W.O. #'s: 103858

PROPOSED FUNDING SOURCES: Port bonds

Narrative: The ratification of change order to contract for Realignment of Middle Harbor Road, Adeline Street Overcrossing to West of K Street, Vision 2000 – Modify Union Pacific Driveways and Relocate and Reinstall Signal Heads and Controllers at Ferro and Eldorado Streets is being tracked under work order # 103858.

Budget: This project is included in the CIP Element # M6.00547.02 budget which is summarized in Table 1 below.

Table 1: Overall Budget Summary (1000's) for CIP Element M6.00547.02.

Project Components / Element	Port Labor	Port OH	Const Cost	Consult't Cost + CM Cost	Outside Legal	LERRS	Allow. & Contr.	Contin-gency	Tenant Impvt. Work	Totals
M6.00547.02	177	323	4921	500						5921
Total =	177	323	4921	500						5921

Remarks:

1. The change order work will be funded from the budget/awards variance M6.00599.01 in the Vision 2000 Program.

Agenda Sheet

^{TD}
SUBJECT: Award of Contract for Annual Dredging of Port of Oakland Berths for the Period Commencing January 1, 2003 and Ending December 31, 2003, 2004, or 2005

DATE: December 3, 2002

ITEM NO: 34

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong *[Signature]*

EXECUTIVE OFFICE RECOMMENDATION: *[Handwritten mark]*

FACTUAL BACKGROUND:

Two (2) bids were received and opened on October 9, 2002 for **Annual Dredging of Port of Oakland Berths for the Period Commencing January 1, 2003 and Ending December 31, 2003, 2004, or 2005, Oakland, California.** The following bids were received:

BIDDERS	LOCATION	LIABE*	LBABE*	TOTAL BID PRICE
Manson Construction Co.	Richmond, CA		X	\$1,348,500.00
Dutra Construction Co., Inc.	Alameda, CA	X	X	\$1,391,500.00

* LIABE = Local Impact Area Business Enterprise, LBABE = Local Business Area Business Enterprise

A copy of the bid canvass is on file. The location of the work is shown on the attached map.

On September 3, 2002, the Board of Port Commissioners approved the Plans and Project Manual to advertise for bids to be received on October 9, 2002.

ANALYSIS:

Non-Discrimination and Small/Local Business Utilization Policy

In accordance with the Port's Non-Discrimination and Small/Local Business Utilization Policy (Policy), for bid comparison purposes only, if the bids are within 10% or \$1,000,000 (one million dollars), whichever is less, of the apparent low bidder's Total Bid Price, the bids may be modified (lowered) depending on the business location of the bidders and their subcontractors, and the length of time at those locations. The modified bid amount for Manson Construction Co. (Manson) is \$1,278,875 and the modified bid amount for Dutra Construction Co., Inc. (Dutra) is \$1,264,142. Therefore, it is recommended that Dutra be considered to be the lowest responsible bidder for the purpose of this contract.

The Port's Social Responsibility Division (SRD) analyzed the bid for compliance, and concurs with the recommendation.

Subcontractor Listing

Dutra listed the following subcontractors:

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02414

[Signature]
 Assistant SECRETARY OF THE BOARD

DEC - 3 2002

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD DATE

SUBCONTRACTORS SUBCONTRACTING AREA	LOCATION	LIABE	LBABE	"\$" AND "%" OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
<u>Zaccor Companies</u> Dispose of Dredge Material	Alameda, CA	**		\$125,000/8.98%

**Not certified with Port of Oakland at time of analysis

Dutra listed the following for possible local credit:

COMPANY NAME BUSINESS AREA	LOCATION	LIABE	LBABE	"\$" AND "%" OF EACH SUBCONTRACTOR'S BID TO PRIME CONTRACTOR
<u>S & S Trucking</u> Offhaul Dredge Material	Oakland, CA	X		\$30,000 / 2.16%
<u>Northern Trucking</u> Offhaul Dredge Material	Hayward, CA			\$30,000 / 2.16%
<u>MAG Trucking</u> Offhaul Dredge Material	Hayward, CA			\$30,000 / 2.16%
<u>Lois Kay Trucking</u> Offhaul Dredge Material	Oakland, CA	X		\$30,000 / 2.16%

Budget

The budget for the total work is estimated at \$860,000 per year. The cost for the annual maintenance dredging is included in the annual Operating Budget.

Sustainability

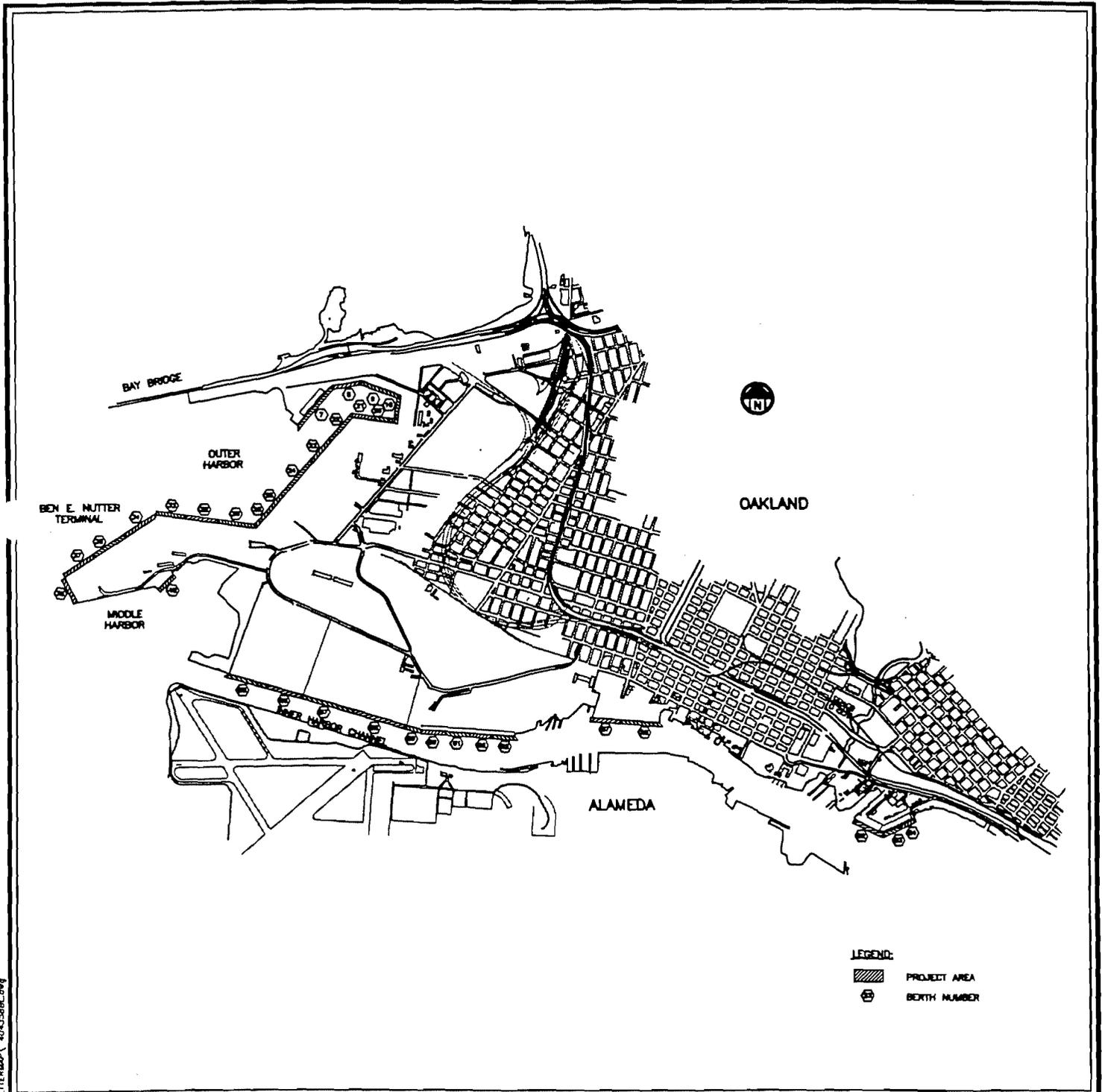
N/A

Project Labor Agreement

The work is covered by the terms of the Maritime and Aviation Project Labor Agreement.

RECOMMENDATION:

It is recommended that Dutra Construction Co., Inc., be found to be the lowest responsible responsive bidder, that the contract for the above project be awarded to Dutra Construction Co., Inc., for the amount of its bid, and that the other bid be rejected and the bid security be returned to its respective bidder.



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PORT OF OAKLAND

Agenda Sheet

^{TD}
SUBJECT: Approval of Revised Administrative Policy AP 109,
Driving on Port Business and Use of Port Vehicles

DATE: December 3, 2002
ITEM NO: 41

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph K. Wong 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

Port Policy AP 109 (and related Port administrative policies) sets forth rules and regulations for driving while on Port business, on general use of Port vehicles, employee's privately-owned vehicles, vehicle assignments, auto allowances, mileage reimbursement, rented vehicles, etc. At the request of the Audit, Budget and Finance Committee, staff has reviewed AP 109 and related policies, and is requesting approval to revise the policies to make it consistent with other government agencies, to *reduce* the number of vehicle assignments, and to provide for opportunities to *reduce* budget expenditures.

ANALYSIS:

The revised policy will provide the Port with a number of cost and energy-efficient options to facilitate employees' transportation needs while on Port business. The options include:

1. Auto allowances for senior management and other employees whose responsibilities require that they utilize their own personal vehicles frequently in the course of business;
2. Non-exclusive use of a Port vehicle for staff who need to access security-restricted Port areas or construction zones;
3. Mileage reimbursement for intermittent use of personal vehicles for Port business;
4. Car pool for intermittent use of a Port vehicle from the motor pool;
5. Public transportation, taxicabs for short trips, and rental cars for long trips, as appropriate.
6. Acquisition and use of electric, CNG, and other energy-efficient vehicles.

The revised policy also tightens up the criteria for exclusive vehicle assignment of a Port vehicle. Exclusive assignment of a Port vehicle, including the taking home of the vehicle, will be granted by the Executive Director only to staff designated as a First Responder required for emergency response and stabilization of Port facilities on a 24-hour basis.

Budget

It is estimated that the revised Policy will result in future annual savings of more than \$50,000 from the Port's Operating Budget, and approximately \$500,000 from the Port's Capital Equipment Budget over the next two years.

Sustainability

This Policy enhances sustainable opportunities. The Port's Fleet Management Group will continue to explore opportunities to purchase alternate fuel vehicles as we replace our retired vehicles. Thirty new electric vehicles have already been added to the Port's expanding fleet of CNG and alternative fuel vehicles.

RECOMMENDATION:

It is recommended that the Board approve the revisions to AP 109 and related policies.

dAgndaNewAutoPolicy12302

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02415

BOARD ACTION TAKEN Assistant SECRETARY OF THE BOARD



DEC - 3 2002

DATE

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 42

SUBJECT: Approval of an Agreement with Kevin Harper CPA for Internal Audit Consulting Services.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Douglas Waring 

EXECUTIVE OFFICE RECOMMENDATION: 

FACTUAL BACKGROUND:

The Port has a temporary professional services agreement under the \$15,000 limit with Kevin Harper CPA a sole practitioner doing business in the Local Business Area to provide internal audit consulting services.

ANALYSIS:

Audit requirements arose that were not anticipated and that required immediate attention. In consultation with the Executive Director, it was decided the most effective way to deal with these audit requirements was to engage a professional outside independent auditor to provide the necessary audit services under the direction of the Port Auditor. Due to increase audit needs, it is necessary at this time to increase the funding for the consultant in order to accomplish the audit work. The cost of this additional work is anticipated to cost \$15,000 over the next 6 months (excluding the amount already expended under the PO).

ALTERNATIVES:

There are two alternatives. The first alternative is to approve the additional funds to accomplish the audits. The second alternative is not to do the audit work.

BUDGET STATUS:

The costs of this contract are budgeted in Audit Services under Professional Services - Other.

LIVING WAGE

Based upon a review of the terms of the agreement and information provided by the contractor, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor the living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply to this agreement because the contractor employs fewer than the threshold number of employees (5 employees working on Port-related work under the contract for coverage under Port Ordinance 3666 and 21 employees working on Port-related work for coverage under Charter Section 728). However, the contractor will be required to certify that should living wage obligations become applicable, the contractor shall comply with all of its obligations.

RECOMMENDATION:

It is recommended that the Board authorize a contract with Kevin Harper, CPA in an amount not to exceed \$30,000 (including the present contract amount of \$15,000).

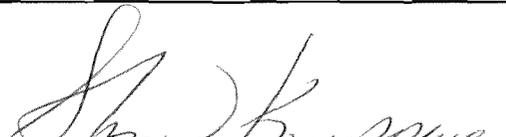
- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution

No. 02422

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 43

SUBJECT: Approval to enter in an agreement with the Oakland Private Industry Council to share the costs and responsibilities of supervision and direction for an Apprenticeship Recruitment Coordinator position to address the local hire requirements of the Project Labor Agreement.

PROGRAM AREA:

- Airport Operations
Commercial Real Estate
Maritime Operations
Overall Operations

SUBMITTED BY: Bernida Reagan

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

In 2000 the Port of Oakland and the City of Oakland entered in an agreement to share the cost of an Apprenticeship Recruitment Coordinator position to assist local residents interested in the building trades into Construction Apprenticeship Programs.

In fiscal year 2002, the City of Oakland was no longer able to financially support this position and the incumbent in the position resigned. However, with the current fiscal year budget the Division of Social Responsibility Employment Resources Development Program obtained budget approval to continue this contractual position and \$40K was allocated as the Port's share of cost.

Under the terms of the agreement OPIC will be the hiring employer for the position. A one-year contract will be established for an Apprenticeship Recruitment Coordinator who will report to the OPIC and the Port of Oakland's Division of Social Responsibility.

ANALYSIS:

This position will directly address recruitment and assistance needs of individuals in the Local Impact Areas (LIA) and Local Business Areas (LBU) who are interested in the building trades.

Living Wage:

This position will pay approximately \$22.50/hr with benefits, well above the living wage.

Budget:

\$40,000 has already been approved in the 2002 Social Responsibility Division budget for this position. The Oakland Private Industry Council has received approval of \$50,000 from the Workforce Investment Board for this position.

Sustainability:

The Apprenticeship Recruitment Coordinator position will directly impact the ability of the Port to recruit and refer local journey level and apprentices for Port construction projects for the Project Labor Agreement.

RECOMMENDATIONS:

It is recommended that the Board approve the agreement with the Oakland Private Industry Council and authorize execution of an agreement consistent with the terms outlined above.

- MOTION
RESOLUTION
ORDINANCE
INFORMATION ONLY

Approved by Resolution

02416 BOARD ACTION TAKEN

Assistant

SECRETARY OF THE BOARD

DATE

DEC - 3 2002

Agenda Sheet

DATE: December 3, 2002

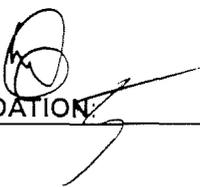
ITEM NO: 44

SUBJECT:

Approval to enter into an agreement with Grace Under Pressure Ltd. in the amount of \$20,000 for event planning and consulting service relative to PortFest 2003.

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Harold P. Jones 

EXECUTIVE OFFICE RECOMMENDATION:

FACTUAL BACKGROUND:

On Saturday, June 7, 2003 the Port of Oakland will host PortFest - the annual celebration of the Port. This event brings together the local community during a free day of multi-cultural music, dance and educational activities. It is an opportunity to showcase the Port as an important economic force in the region and to raise awareness of its mission to build a strong community through strategic business activities and partnerships. The event has been recognized by the California State Legislature for its contribution to the recently established California Maritime Transportation Month, and was acknowledged by a formal resolution of the California State Assembly and Senate.

Specific PortFest goals are to:

- Increase public awareness of the Port of Oakland through a festive community outreach program that celebrates the Port, its mission and the people it serves.
- Educate the public about the Port's history and its international business operations in three main industries: Maritime, Aviation, and Commercial Real Estate.
- Introduce career opportunities in the above industries.
- Build corporate partnerships and demonstrate how these business partnerships benefit the community.
- Recognize local organizations for the valuable services and programs they bring to the community by inviting them to participate and awarding a select few with program sponsorship grants.

ANALYSIS:

PortFest has garnered more media coverage and public recognition with each successive year. Last year, the festival at the Oakland waterfront drew some 25,000 people, an increase of approximately 5000 people over the previous year's attendance. Professional promotion and advertising efforts has helped to significantly maximize publicity. Professional event management is essential to executing a major event like PortFest.

Grace Under Pressure Ltd. has been identified as the most appropriate resource to collaborate with the Communications Division in producing this important Port sponsored event. In addition to their knowledge and expertise in event production, they also possess valuable contacts and vendor relationships in the entertainment industry. Their professional capabilities in event management will compliment the efforts of the Port of Oakland's Communications Division staff. Their group is also familiar with Jack London Square properties and constraints relative to staging an event of this size.

FISCAL IMPACT:

The amount requested has been established in the Communications budget for FY 02-03 to cover this contract.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02417

BOARD ACTION TAKEN

Assistant


SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Subject:

Approval to enter into an agreement with Grace Under Pressure, Ltd. in the amount of \$20,000 for event planning and consulting service relative to PortFest 2003.

Page 2 of 2

SUSTAINABILITY:

Several exhibit displays and demonstrations relative to the Port's recycling efforts, environmental programs and sustainability policy are regularly included in PortFest activities.

LIVING WAGE:

Grace Under Pressure Ltd. is not subject to the Port of Oakland Living Wage Ordinance or the City of Oakland's Living Wage Charter, Sec. 728.

RECOMMENDATION:

It is recommended that the Board approve an agreement with Grace Under Pressure Ltd. in the amount of \$20,000 for event planning and consulting services relative to PortFest 2003. An additional amount of \$5000 may be added as a contingency for additional expenses, if approved by the Executive Director, for a total amount not to exceed \$25,000.

Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 45

SUBJECT: Approval To Enter Into An Agreement For A Study on Maritime Activity Impacts on Congressional and State Legislative Districts

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Jerry A. Bridges and Harold P. Jones

EXECUTIVE OFFICE RECOMMENDATION:

Factual Background:

The Port has pursued federal and state funding for a wide variety of capital improvement programs. In 1999 the federal Water Resources Development Act authorized the necessary funding for the Oakland Harbor Navigation Improvement Project (-50 foot project). The project must be appropriated every year through separate appropriations legislation throughout the life of the project (four to five years). We are working closely with our congressional representatives on an on-going basis to secure this necessary funding.

In addition to funding for the -50 foot project, the Port will be going to Congress next year to ask for funding for other projects including the JIT, the Inland Rail project and the BART Airport Connector. Congress will also be establishing the next generation of the Transportation Equity Act, since the current TEA-21 is set to expire in 2003. The Port will be seeking authorization for funding for several of its projects through this process.

At the state level, the Port will again be requesting funding for the -50 foot project as well as making another attempt to seek passage of a bond measure that would fund Port security and other infrastructure projects. The state has not actively engaged in funding infrastructure-specific projects in quite some time.

Securing the funding for long-range capital-intensive projects such as these is a challenge. This was the case even in the late 1990s, during a time when there were state and federal budget surpluses. As these surpluses turned into deficits in a recession economy, our task has become even more difficult, especially when the government's budget priorities have focused on national security and combating terrorism in the wake of the September 11 terrorist attacks.

Last year, the Port Board of Commissioners authorized John Martin Associates to conduct a study of the flow of cargo broken down by Congressional districts as well as state legislative districts. This information was used to conduct very aggressive advocacy efforts. More than 1100 letters and dozens of phone calls were generated to members of Congress in support of the Port's dredging appropriations request. This study was also used at the state level to promote the propose bond measure in the state legislature. This type of information was invaluable and will be essential if we are to mount the same advocacy efforts as last year.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No.

02418

BOARD ACTION TAKEN

Assistant



SECRETARY OF THE BOARD

DEC - 3 2002

DATE

Strategic Analysis:

In order for the Port to be successful in securing the necessary funding for its infrastructure projects during a time of limited budgets and competing interests, it is essential that we engage in an aggressive campaign. Part of our success in securing the necessary authorization in 1999, and appropriations over the past three years, was attributed to our ability to demonstrate the broad impact of the Port of Oakland's activities to Congressional Districts not only throughout California, but to Congressional Districts outside of California. We were able to do that by compiling cargo shipper information from regions outside of the Bay Area, and correlate these shippers with Congressional Districts and States. Armed with highly technical information, we were able to make arguments to Members of the California Congressional Delegation and key Members of the House and Senate outside of California regarding the importance of the Port of Oakland to their Districts and States. This effort has demonstrated that the most effective way to approach lobbying members of the State Legislature and Congress is to show them the nexus between their Districts and the Port of Oakland.

In the past, we have been able to produce this information on a case-by-case basis. However, in order to maximize our effectiveness at the state and federal levels, it is important that our lobbying efforts utilize a more comprehensive approach. Therefore, we are proposing to hire Martin Associates to update their research that will identify key exporters and importers throughout California and the Nation. In addition, the company will match these shippers to State Legislative Districts in California, and the federal Congressional Districts inside of California and also outside of the state. Unfortunately, because of the decennial redistricting, much of the study will have to be redone. We expect that over the next 9 years, very little work will have to be done to update this study. By commencing this study once again, we will be able to more fully show the Port's many positive impacts on many Congressional and State Legislative Districts. We will then utilize that information to approach Members for their support. By "customizing" the Port's value to their Districts, we believe that these elected officials will be more likely to support the Port's projects/funding requests. We believe that this will be an essential component of any advocacy effort.

Sustainability Opportunities:

One of the key components of sustainability opportunities is the economic factor. The purpose of commissioning this study is to discover the broad-reaching economic impacts that Port's maritime activity has throughout the state and country. With the knowledge that we obtain from this report, we will be in a much stronger position to lobby for funding for our projects. Without funding for the harbor deepening and related projects, the Port of Oakland will not be in a position to sustain its projected revenues and to provide the resulting anticipated increases in employment and economic vitality for our region. This study will provide us with the research tools to maximize our lobbying efforts to maintain and enhance our position as a competitive seaport.

Other sustainability efforts include: utilizing CD-ROM instead of paper for the raw data for the project and teleconferencing instead of in-person meetings.

Options:

We can either continue our lobbying effort without this valuable information and do our best to make our case before the governmental bodies or we can utilize this information to better increase our chances for legislative success.

Recommendation:

It is recommended that the Board authorize the Executive Director to enter into a contract for \$35,000 with Martin Associates. In addition, we respectfully request that an additional \$10,000 be available for unforeseen and exceptional circumstances. The term of the agreement will be from December 2002-March 2003. The project will be jointly funded by the Maritime and Communications Division budgets.

Agenda Sheet

DATE: December 3, 2002

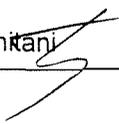
ITEM NO: 46

SUBJECT: Approval of Group Incentive Compensation Program Goals for Fiscal Year 2002-03

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

BACKGROUND

The Port of Oakland maintains a group incentive pay program to reward the employees in participating representation units with a modest financial incentive based upon the Port's achievement of Board-approved financial performance goals.

The employee representation units participating in the program and their respective financial goal indicators are as follow:

Representation Unit	Employees	Financial Goal Indicator
Unit C	Western Council of Engineers	Operating Ratio
Unit D	FLSA Non-exempt ¹	Adjusted Operating Income
Unit E	FLSA Exempt ²	Adjusted Operating Income
Unit F	International Brotherhood of Electrical Workers, Local 1245	Operating Ratio
Unit H	FLSA Exempt ²	Adjusted Operating Income

For each fiscal year, the Board approves the respective financial goals derived from the approved fiscal year's budget. The threshold goal, expressed as either indicator, is performance equal to budget. Additional incentive is provided to certain employees if financial performance is better than budget. The cost of funding incentive payments is considered when establishing the goals. Determination of budget performance is based upon the audited financial statements.

Incentive amounts are calculated as a percentage of salary and paid during the following fiscal year, over a six (6) or twelve (12) month schedule as provided by Administrative Policy or Memorandum of Understanding. Incentives do not increase base salary.

The financial goals and incentives for fiscal year 2002-03 have been calculated based upon the approved budget and are contained in the Table on file with the Secretary of the Board.

During the remainder of fiscal year 2002-03, management will be reviewing incentive compensation to determine if there is a program that better serves the interests of the Port and its employees. The revised program will be proposed for implementation in fiscal year 2003-04.

RECOMMENDATION

It is recommended that the Board approve the goals and incentives for fiscal year 2002-03 as contained in the Table on file with the Secretary of the Board.

¹ Employees eligible for overtime pursuant to the Fair Labor Standards Act

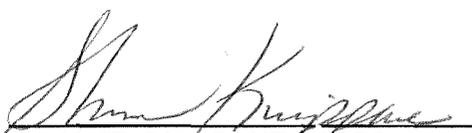
² Management, administrative and professional employees not eligible for overtime pursuant to the Fair Labor Standards Act

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Resolution No. 02419

BOARD ACTION TAKEN

Assistant


 SECRETARY OF THE BOARD

DEC - 3 2002

DATE

PORT OF OAKLAND
PROPOSED PERFORMANCE PROGRAM FOR ELIGIBLE EMPLOYEES IN UNITS C, D, E, F, AND H
(PORT PREMIUM)
BUDGETED FISCAL YEAR 2002-03

<u>Adjusted Operating Income</u> (in \$000's)	% Oper Exp before CIP Dept Credits and Depr & Amort to Oper Rev	One-Time Port Premium (Not Added to Base)			
		<u>Unit C</u>	<u>Units D and E</u>	<u>Unit F</u>	<u>Unit H</u>
68,300	70.1%	1.5%	1.5%	1.5%	1.5%
70,600	69.1%	1.5%	1.5%	1.5%	3%
72,900	68.1%	1.5%	1.5%	1.5%	4%
75,200	67.1%	1.5%	1.5%	1.5%	5%

Proposed Eligibility Requirement - same as Units C and F

- 1) Must be a regular full time employee
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PORT OF OAKLAND
PROPOSED PERFORMANCE PROGRAM FOR ELIGIBLE EMPLOYEES IN UNITS C, D, E, F, AND H
(PORT PREMIUM)
BUDGETED FISCAL YEAR 2002-03

<u>Adjusted Operating Income</u> <u>(in \$000's)</u>	% Oper Exp before CIP Dept Credits and Depr & Amort to Oper Rev	One-Time Port Premium (Not Added to Base)			
		<u>Unit C</u>	<u>Units D and E</u>	<u>Unit F</u>	<u>Unit H</u>
68,300	70.1%	1.5%	1.5%	1.5%	1.5%
70,600	69.1%	1.5%	1.5%	1.5%	3%
72,900	68.1%	1.5%	1.5%	1.5%	4%
75,200	67.1%	1.5%	1.5%	1.5%	5%

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Board of Port Commissioners - PORT OF OAKLAND

Agenda Sheet

DATE: December 3, 2002

ITEM NO: 47

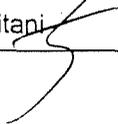
SUBJECT: PERSONNEL ITEMS

- Amendment of Salary Schedule Assignment
- Creation of Classification/Position

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- Overall Operations

SUBMITTED BY: Joseph D. Echelberry 

EXECUTIVE OFFICE RECOMMENDATION: Tay Yoshitani 

FACTUAL BACKGROUND:

I. AMENDMENT OF SALARY SCHEDULE ASSIGNMENT--Ordinance (2 Readings)

A. It is requested that the Board approve the amendment of the salary schedule assignment for the classification of **Airport Terminal Expansion Program Director** from Salary Schedule 596.02 (a--\$9220; b--\$9681; c--\$10,165; d--\$10,776; e--\$11,422) to **Salary Schedule 590.8** (a--\$8965; b--\$9413; c--\$9885; d--\$10,477; e--\$11,107). This amendment will result in a salary alignment for the current classification in order to maintain parity with incumbents in the classification of Port Principal Engineer.

II. CREATION OF CLASSIFICATION/POSITION--Ordinance (2 Readings)

A. It is requested that the Board approve the creation of the classification **Engineering Specialist Projects Administrator** and assignment to **Salary Schedule 568.7** (a--\$8007; b--\$8408; c--\$8828; d--\$9359; e--\$9921). This classification will result in a salary alignment with the classification of Port Dredging Program Manager.

CLASSIFICATION	OPER/ CIP	DIVISION	# OF POSITIONS	REP. UNIT	SALARY SCHEDULE ASSIGNED
Engineering Specialist Projects Administrator	CIP	Engineering	1	E	Salary Schedule 568.7 (a--\$8007; b--\$8408; c--\$8828; d--\$9359; e--\$9921)

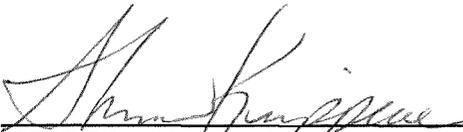
RECOMMENDATION

It is recommended that the Board of Port Commissioners approve the preceding amendment of salary schedule assignment and creation of classification/position.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance
passed to print

BOARD ACTION TAKEN Assistant


SECRETARY OF THE BOARD

DEC - 3 2002

DATE

RESOLUTION RECOGNIZING OAKLAND CITY COUNCILMAN DICK SPEES' 24 YEARS OF SERVICE ON THE OAKLAND CITY COUNCIL AND HIS MANY CONTRIBUTIONS TO OAKLAND, INCLUDING PROVIDING GREAT LEADERSHIP AND SUPPORT ON BEHALF OF THE PORT OF OAKLAND

WHEREAS, Councilman Dick Spees has served with great distinction on the Oakland City Council for 24 years representing Oakland City Council District 4; and

WHEREAS, Councilman Spees through his many efforts as a City leader helped support the mission of the Port of Oakland to create economic vitality, jobs and waterfront enjoyment for Oakland and the region; and

WHEREAS, Councilman Spees served as Co-Chair of the Oakland City/Port Liaison Committee working to coordinate efforts of the City and Port on behalf of all Oaklanders; and

WHEREAS, Councilman Spees worked over several decades to help bring the BART – Oakland International Airport Connector to reality, which included serving as Co-chair of the BART– Oakland Airport Connector Stakeholders Committee; and

WHEREAS, Councilman Spees served as a vital advocate on behalf of Oakland International Airport while serving on the Association of Bay Area Governments' Regional Airport Planning Committee; and

WHEREAS, Councilman Spees helped Oakland promote international trade as a Co-Founder and Vice-Chairman of the Bay Area World Trade Center and as a founding member and as a member of the Board of Directors of the Regional Trade Development Alliance of Northern California (BAYTRADE); and

WHEREAS, Councilman Spees has over the years been a tireless advocate of the Port's harbor deepening program, which has required substantial funding from the federal government; now, therefore, be it

RESOLVED, that the Oakland Board of Port Commissioners congratulates Councilman Dick Spees on his retirement and thanks him for his many significant contributions to the Port of Oakland and the greater Oakland community.

Approved by Resolution
No. 02405

Agenda Sheet

DATE: November 19, 2002

SUBJECT: First Reading of an Ordinance Approving the Terms and Conditions of a Wireless Telecommunications Agreement with GTE Mobilnet of California (#1 Airport Drive, South Airport)

ITEM NO: 11

SUBMITTED BY: Steven J. Grossman *[Signature]*

**DUPLICATE
OF PRIOR**

PROGRAM AREA:

- Airport Operations
- Commercial Real Estate
- Maritime Operations
- ~~Other Operations~~

EXECUTIVE OFFICE RECOMMENDATION: *[Signature]*

Summary

FACTUAL BACKGROUND:

CALENDAR MEMO

Item 2

This action would approve an ordinance authorizing the execution of a Wireless Telecommunications Agreement (WTA) with GTE Mobilnet of California, a California limited partnership, doing business as Verizon Wireless (GTE). It covers approximately 144 square feet of telecommunications room space in Building M-102 plus five antenna locations throughout the South Airport in the ticketing area (Building M-101), in Terminal 1 (Building M-103) and in Terminal 2 (Building M-130). GTE currently provides its services at the Airport pursuant to a Wireless Telecommunications Lease Agreement (Lease) dated December 18, 1997. The Lease is for an initial term of five years with one five-year option to extend; GTE failed to timely exercise its option, so the Lease will expire on December 31, 2002. Under the terms of the Lease, GTE currently pays monthly rental of \$2,588.21, based on a combination of square footage usage and per-antenna charges. Along with increased rental as outlined below, entering into the WTA will provide for consistency among the various wireless system operators at the Airport.

Consistent with other telecommunications service providers at the South Airport, GTE has agreed to a monthly rental structure of \$3,050 plus \$25 per antenna. At the inception of the WTA, GTE will continue to operate its five existing antenna locations; therefore, initial monthly rental will be \$3,175. GTE operates alongside AT&T Wireless (Bay Area Cellular Telephone Company), Nextel (Nextel of California, Inc.), Sprint PCS (Sprint Spectrum Realty Company, L.P.), and Cingular Wireless (Pacific Bell Wireless, LLC), as a wireless telecommunications service provider to customers at the Airport.

ALYSIS:

The key business terms and conditions of the proposed WTA are as follows:

- Term: Five-year term (no option to extend);
- Administrative Fee: \$5,000 due upon execution of WTA by GTE;
- Rental: \$3,050 (for right to operate within the South Airport including use of space in the telecommunications room in Building M-102) plus \$25 per antenna per month with the total subject to annual CPI increases;
- Premises: Approximately 144 square feet of telecommunications room space in Building M-102 plus various antenna locations to be determined by GTE depending on service needs and as approved by the Port. Initially, GTE will operate five antennae;
- Termination: Either party has the right to terminate upon 180 days for any reason; if GTE terminates, it owes a termination fee of 3 months' rental. GTE has the right to terminate upon 30 days' notice if it loses its license or permit to operate as a wireless telecommunications service provider; in such case only, no termination fee is due;
- Security Deposit: \$10,000 subject to annual CPI increases; and,
- Standard Provisions: As determined by Port Attorney.

- MOTION
- RESOLUTION
- ORDINANCE
- INFORMATION ONLY

Approved by Ordinance passed to print

#3726

BOARD ACTION TAKEN

[Signature]
SECRETARY OF THE BOARD

NOV 19 2002

DATE

This aviation project conforms to established aviation uses and has been determined to be consistent with the transportation designation of the City of Oakland Comprehensive Plan.

This project has been determined to be categorically exempt from requirements of the California Environmental Quality Act and the Port CEQA Guidelines pursuant to Class I of Guidelines Section 15301(p) which exempts renewals, extensions or amendments to leases or license and concession agreements where the premises or licensed activity was previously leased or licensed to the same or another person, and involving negligible or no expansion of use beyond that previously existing.

LIVING WAGE:

Based upon a review of the terms of the WTA and information provided by the tenant, it appears that neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the Charter of the City of Oakland apply at this time to GTE's occupancy of space at the Airport, because GTE operates an unstaffed telecommunications facility and because the agreement is for an amount less than \$50,000.

SUSTAINABILITY:

There are no obvious environmental opportunities involved in this project.

OPTIONS:

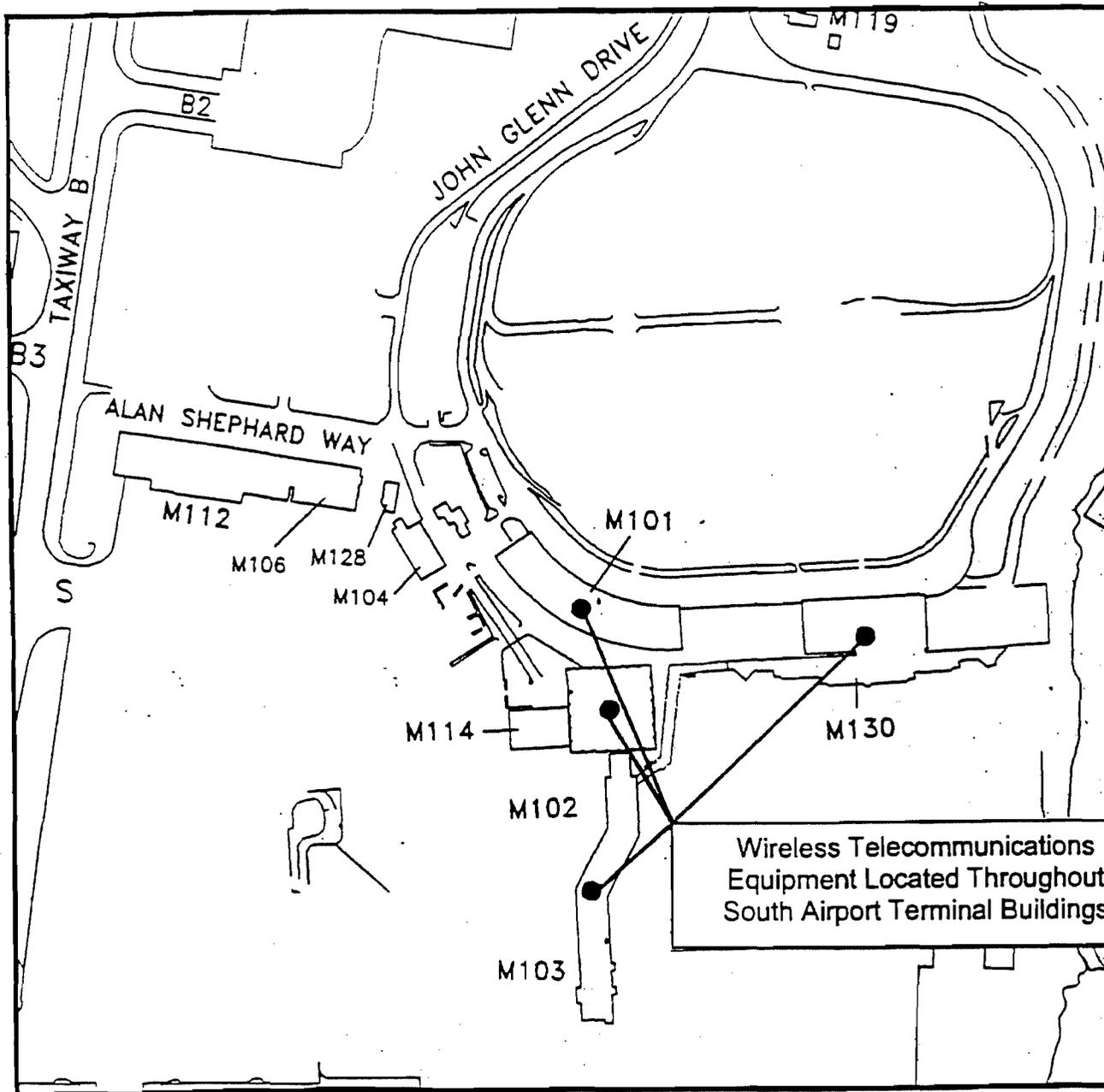
1. Approve terms and conditions of the Wireless Telecommunications Agreement with GTE Mobilnet of California as described above and authorize its execution;
2. Reject the Wireless Telecommunications Agreement with GTE Mobilnet of California, but recommend different terms and conditions; or
3. Reject the Wireless Telecommunications Agreement.

RECOMMENDATION:

It is recommended that the Board give first reading to an ordinance approving the above-described terms and conditions of the Wireless Telecommunications Agreement with GTE Mobilnet of California subject to the Port Attorney's review and approval of the Wireless Telecommunications Agreement.

Board of Port Commissioners
Calendar Item

First Reading of an Ordinance Approving the Terms
and Conditions of a Wireless Telecommunications
Agreement with GTE Mobilnet of California (#1 Airport
Drive, South Airport)



Airport Properties

Port of Oakland



Oakland
International Airport
North Airport

Map Not to Scale