



Legislation Text

File #: 2022-0223, Version: 1

DATE: September 13, 2022

SUBJECT:

ELECTRICAL IMPROVEMENTS PHASE 3 AT TAMT

A) RESOLUTION APPROVING THE TRANSFER OF FUNDS WITHIN THE DISTRICT FY 2023 BUDGET, TRANSFERRING \$1,200,000 FROM THE CAPITAL IMPROVEMENT PROGRAM APPROPRIATED ITEM (FROM COLD IRONING PHASE 2 AT B STREET AND BROADWAY PIERS PROJECT) TO THE EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS APPROPRIATED ITEM FOR THE ELECTRICAL IMPROVEMENTS PHASE 3 AT TENTH AVENUE MARINE TERMINAL PROJECT PURSUANT TO BPC POLICIES NO. 90 AND NO. 120.

B) ORDINANCE AMENDING THE FY 2023 DISTRICT BUDGET INCREASING THE EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS APPROPRIATED ITEM BY \$3,084,208 FOR THE ELECTRICAL IMPROVEMENTS PHASE 3 AT THE TENTH AVENUE MARINE TERMINAL PROJECT, SOURCED FROM LCFS PROCEEDS.

C) RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AWARDED BASE BID SCHEDULE A AND ADDITIVE BID SCHEDULE B OF CONTRACT NO. 2021-09 TO LEED ELECTRIC INC. IN THE AMOUNT OF \$8,857,208 FOR THE ELECTRICAL IMPROVEMENTS PHASE 3 AT TENTH AVENUE MARINE TERMINAL PROJECT, SAN DIEGO, CALIFORNIA AS AUTHORIZED BY THE BOARD IN THE FY 2022 ECONOMIC RECOVERY PROGRAM APPROPRIATION.

EXECUTIVE SUMMARY:

Staff recommends the San Diego Unified Port District (District) Board of Commissioners (Board) approve plans and specifications and authorize award of an Economic Recovery Program (ERP) Project construction contract to Leed Electric Inc. in the amount of \$8,857,208 for the construction of Electrical Improvements Phase 3 at Tenth Avenue Marine Terminal (TAMT) Project. The project involves upgrades to the existing electrical grid system and provides the infrastructure required to power two "first of its kind" electric mobile cranes.

The plans and specifications define the contract work which includes but is not limited to the following:

- Base Bid Schedule A for the construction of new underground concrete encased electrical duct banks, conduit, medium voltage electrical cables, wires, and conductors, installing new concrete equipment pads, electrical manholes, and a crane substation. Electrical equipment in this base bid schedule also includes transformers, switchgears, surge protectors, grounding,

and power vaults and (6) six crane power outlets along with testing and commissioning of the new electrical system.

- Additive Bid Schedule B for the construction of (3) three new crane power outlets, underground concrete encased electrical duct banks, electrical cables, wiring, conduit, and bollards.

The construction contract was advertised on July 29, 2022. Construction bids were opened on August 30, 2022. (2) Two bidders responded with bids ranging from \$8,857,208 to \$8,964,300. The responsive bids are listed in Attachment A. The lowest responsive and responsible bid was received from Leed Electric Inc. in the amount of \$8,857,208.

To fund this construction contract and contingency, additional funds are needed to cover the additional scope necessary to service two new electric mobile cranes, which was added after the initial budget for this project was established. The additional funds are recommended to come from 1) A grant from the Air Pollution Control District in the amount of \$2,723,000 and 2) proceeds from the sale of Low Carbon Fuel Standards (LCFS) credits in the amount of \$3,084,208 and 3) cost savings from Cold Ironing Phase 2 B Street and Broadway Peers project in the amount of \$1,200,000.

RECOMMENDATION:

A) Adopt a resolution approving the transfer of funds within the District FY 2023 Budget, transferring \$1,200,000 from the Capital Improvement Program appropriated item (from Cold Ironing Phase 2 at B Street and Broadway Piers project) for the Electrical Improvements Phase 3 at Tenth Avenue Marine Terminal Project pursuant to BPC Policies No. 90 and No. 120.

B) Adopt an Ordinance amending the FY 2023 District Budget increasing the Equipment Outlay and Other Capital Projects appropriated item by \$3,084,208 for Electrical Improvements Phase 3 at Tenth Avenue Marine Terminal, sourced from LCFS proceeds.

C) Adopt a Resolution approving plans and specifications and awarding Base Bid Schedule A and Additive Bid Schedule B of Contract No. 2021-09 to Leed Electric Inc. in the amount of \$8,857,208 for the Electrical Improvements Phase 3 at Tenth Avenue Marine Terminal Project, San Diego, as authorized by the Board in the FY 2022 Economic Recovery Program.

FISCAL IMPACT:

This project was approved in the FY 2022 ERP Capital Outlay budget for \$2,000,000 from TAMT Electrical and Substation project as was a project for \$1,685,000 for the Purchase of Electrical Utility Trucks at TAMT. The funds for the Purchase of Electrical Utility Trucks have been combined into the funds for the TAMT Electrical and Substation project for a total amount of \$3,685,000. ERP funds of \$600,000 have already been allocated for design costs with \$3,085,000 remaining.

As part of agenda 2022-0246 in this same Board meeting, if approved by the Board, the District will receive \$2,723,000 in grant funding from the Air Pollution Control District (APCD). The approval of

this agenda will authorize \$3,084,208 from Low Carbon Fuel Standards (LCFS) credit proceeds and a transfer of cost savings from Cold Ironing Phase 2 B Street and Broadway Piers project. The projected funding sources are summarized in the table below:

Source	Amount
Economic Recovery Program (ERP)	\$3,085,000
Air Pollution Control District (APCD)	\$2,723,000
Low Carbon Fuel Standards (LCFS)	\$3,084,208
Cold Ironing Phase 2 B Street Savings (\$500k are LCFS credits)	1,200,000
Total:	\$10,092,208

In addition, approval of this agenda item will authorize the expenditure of construction bid, soft costs, capital labor, and allow a 10% construction contingency pursuant of BPC Policy No.110 for a revised recommended budget of \$9,932,930. See table summary below:

Budget Items	Amount
Construction Bid	\$8,857,208
Contingency - 10%	\$885,722
Soft Costs	\$60,000
Capital Labor (FY 2023)	\$130,000
Total Recommended Budget	\$9,932,930

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port with a healthy and sustainable bay and its environment (Green Port).
- A thriving and modern maritime seaport.
- A Port that is a safe place to visit and work.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

A) Electrical Improvements Phase 3 at TAMT Project is comprised of two distinct segments. A summary of the project is described below:

Segment 1: This portion of the project upgrades the existing 12kV electrical distribution system at TAMT. This was included in the District's Major Maintenance program as identified in the Asset Management Program (AMP). The scope of the work was obtained from a consultant study (dated September 2018) titled "12kV Electrical System Study at 10th Avenue Marine Terminal - Final Submittal". The existing infrastructure is over 50 years old and is no longer reliable. The complete electrical grid upgrade of TAMT in this study is comprised of six (6) phases. Phases 1 and 2 were

previously completed as part of the TIGER project.

Segment 2: The Port acquired two new KONE Electrified Cargo Cranes as part of the ERP (File 2021-0393), which will require supporting infrastructure to plug them in for power and recharging. The cranes are expected to arrive by May 2023. The electrical infrastructure was added to the original scope for Electrical Improvements Phase 3 at TAMT Project. This additional work involves the implementation and installation of electrical infrastructure upgrades to integrate electrical servicing and charging equipment to support two electric cranes at TAMT.

Electrical Improvements Phase 3 at TAMT Project is an Economic Recovery Program (ERP) project, ERP CAP Appropriated Item Res. 2021-133 & Ord. 3026, with \$3,685,000 in funding, with \$600,000 allocated to soft costs. To fund the additional scope necessary for the infrastructure of the electric cranes, the Port is committed to receive \$2,723,000 in grant funding from the Air Pollution Control District (APCD) if agenda 2022-0246 is approved concurrently. Approval of this agenda's resolutions will also fund \$3,084,208 from Low Carbon Fuel Standards (LCFS) credits.

The construction contract was advertised on July 29, 2022. Construction bids were opened on August 30, 2022. (2) Two bidders responded with bids ranging from \$8,857,208 to \$8,964,300. The responsive bids are listed in following table and Attachment A.

Company	Bid Amount	Location
Leed Electric Inc.	\$8,857,208	Santa Fe Springs, CA
Ace Electric Inc.	\$8,964,300	San Diego, CA

Based on a review of the bids, the lowest responsive and responsible bid was determined to be submitted by Leed Electric Inc. in the amount of \$8,857,208. The engineer's construction cost estimate was \$7,600,000.

Upon Board authorization, construction is expected to commence in October 2022 and be completed in October 2023.

General Counsel's Comments:

The Office of the General Counsel has reviewed and approved this agenda and proposed ordinance and resolutions, as presented, as to form and legality.

Environmental Review:

The proposed Board actions, including without limitation, resolution approving an appropriation of \$3,084,208 Low Carbon Fuel Standards (LCFS) credit proceeds to the Electrical Improvements Phase 3 Project; resolution approving plans and specifications and awarding contract No. 2021-09 to Leed Electric Inc. in the amount of \$8,857,208 for the Electrical Improvements Phase 3 at Tenth Avenue Marine Terminal Project as authorized by the Board in the FY 2022 Economic Recovery Program appropriation; and, adopting an ordinance amending the FY 2023 Equipment Outlay and Other Capital Projects Budget to increase Electrical Improvements Phase 3 at the Tenth Avenue Marine Terminal Project by \$4,284,208 was adequately analyzed in the Final Environmental Impact Report (FEIR) for the Tenth Avenue Marine Terminal Redevelopment Plan and Demolition and Initial Rail Component (UPD# EIR-2015-39, SCH #2015-031046, Clerk Document No. 65901) prepared and certified by the District on December 13, 2016 (Resolution No. 2016-199). The proposed project is not a separate project for CEQA purposes but is a subsequent discretionary approval related to a previously approved project. (CEQA Guidelines § 15378(c); *Van de Kamps Coalition v. Board of Trustees of Los Angeles Comm. College Dist.* (2012) 206 Cal.App.4th 1036.) Additionally, pursuant to CEQA Guidelines Sections 15162 and 15163, and based on the review of the entire record, including without limitation, the FEIR, the District finds and recommends that the proposed Board actions do not require further environmental review as: 1) no substantial changes are proposed to the project and no substantial changes have occurred that require major revisions to the previous FEIR due to the involvement of new significant environmental effects or an increase in severity of previously identified significant effects; and 2) no new information of substantial importance has come to light that (a) shows the project will have one or more significant effects not discussed in the previous FEIR, (b) identifies significant impacts more severe than those analyzed in the previous FEIR, (c) shows that mitigation measures or alternatives are now feasible that were identified as infeasible and those mitigation measures or alternatives would reduce significant impacts, or (d) shows mitigation measures or alternatives which are considerably different from those analyzed in the previous FEIR would substantially reduce one or more significant effects on the environment. Because none of these factors have been triggered, pursuant to CEQA Guidelines §15162(b), the District has determined no further analysis or environmental documentation is necessary. Accordingly, the proposed Board actions are merely a step in the furtherance of the original project for which environmental review was performed and no supplemental or subsequent CEQA has been triggered, and no further environmental review is required.

The proposed Board actions comply with Section 87 of the Port Act, which allows for the establishment, improvement, and conduct of a harbor, and for the construction, reconstruction, repair, maintenance, and operation of wharves, docks, piers, slips, quays, and all other works, building, facilities, utilities, structures, and appliances incidental, necessary, or convenient, for the promotion, accommodation of commerce and navigation. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board actions are consistent with the Public Trust Doctrine.

The proposed Board actions are considered excluded development pursuant to Sections 8.a. Existing Facilities (1), (2), (4), and (12); 8.b. Replacement or Reconstruction (1) and/or 8.c. New Construction or Conversion of Small Structures (2) of the District's Coastal Development Permit Regulations because the project would consist of electrical infrastructure upgrades that would involve a negligible change of the existing use of the property. A categorical determination of exclusion and

notice of approval was previously issued for this project on June 30, 2022 and became effective 10 working days after notification to California Coastal Commission staff, since no appeals were received. Therefore, issuance of a Coastal Development Permit or subsequent exclusion is not required for the proposed Board actions.

Diversity, Equity, and Inclusion Program:

A 5% SBE goal was established for this contract opportunity. Leed Electric Inc. is an SBE and included three (3) SBE subcontractors for an additional 38.9% SBE participation; 31.6% of which is also Disadvantaged Business Enterprise (DBE) participation.

Respondents	Cert	Subs	Subs Cert	DEI Policy	Total Workforce			Executives		
					Total	Women	BIPOC	Total	Women	BIPOC
Leed Electric Inc.	SBE	Applied Engineering Concepts	SBE	Yes	118	8	58	3	1	2
		DeYoung Power Systems Inc.	SBE							
		SRK Engineering	SBE/DBE							

PREPARED BY:

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Attachment(s):

Attachment A: Bid Responses