



Legislation Text

File #: 2021-0406, **Version:** 1

DATE: January 11, 2022

SUBJECT:

RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AWARDING CONTRACT NO. 2019-14 TO BAKER ELECTRIC, INC. IN THE AMOUNT OF \$268,000 FOR THE COLD IRONING (SHORE POWER) PHASE II AT B STREET AND BROADWAY PIERS PROJECT, SAN DIEGO, CALIFORNIA AS AUTHORIZED BY THE BOARD IN THE FY 2019-2023 CAPITAL IMPROVEMENT PROGRAM

EXECUTIVE SUMMARY:

Staff recommends that the San Diego Unified Port District (District) Board of Commissioners (Board) approve plans and specifications and authorize the award of a Capital Improvement Project construction contract to Baker Electric, Inc. in the amount of \$268,000 for the construction of Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project.

To comply with the pending January 2023 California Air Resource Board (CARB) At-Berth Regulation emission reduction requirements, in April 2021, the Board acted to facilitate the installation of the Cold Ironing Phase II at B Street and Broadway Piers Project (Project). At that meeting, the Board, among other things, amended the FY 2021 budget, approved an amendment to the FY 2019-2023 CIP, and authorized a sole source purchase agreement for equipment for the Project. Through this contract, the District will further implementation of the Project through installation of the previously purchased cold ironing phase 2 medium voltage electrical equipment, and will remove, replace, and terminate medium voltage cables.

The construction contract was advertised on November 18, 2021. Construction bids were opened on December 8, 2021. Three (3) bidders responded with bids ranging from \$268,000 to \$ 488,000. The lowest responsive and responsible bid was received from Baker Electric, Inc. in the amount of \$268,000. The Engineer's construction cost estimate was \$500,000.

RECOMMENDATION:

Adopt a Resolution approving plans and specifications and awarding Contract No. 2019-14 to Baker Electric, Inc. in the amount of \$268,000 for construction of the Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project as authorized by the Board in the FY 2019-2023 Capital Improvement Program.

FISCAL IMPACT:

Funds for the Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project is budgeted in the FY 2019-2023 Capital Improvement Program (CIP).

Approval of this agenda item will authorize the expenditure of \$268,000

COMPASS STRATEGIC GOALS:

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

- A Port with a healthy and sustainable bay and its environment.

DISCUSSION:

In December 2007, the California Air Resources Board (CARB) adopted its At-Berth Regulation to reduce air emission from ships while docked at berth. This regulation requires the installation of electrical infrastructure referred to as shore power (cold ironing) to power and allow ships to shut down their diesel auxiliary engines while at berth. In 2008, the Board authorized the installation of the first phase shore power system at B Street Cruise Ship Terminal. The first phase shore power system was constructed in 2009 and has been in service since 2010.

Over time, CARB's At-Berth Regulation has become more stringent and starting on January 1, 2023, with a few exceptions, all cruise ships calling in San Diego will need to connect to shore power. To comply with the updated regulation, the District must install phase 2 shore power infrastructure to double the capacity of its existing shore power system by January 1, 2023.

On April 13, 2021, to facilitate compliance with the At-Berth Regulation, the Board provided initial approvals associated with the Project, including amending the budget and the FY 2021 budget and the FY 2019-2023 CIP, and authorizing the purchase of equipment for the Project. Based on this authorization, staff continues to implement the Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project. Staff originally identified four (4) major agreements necessary to complete the project. Each of the four (4) agreements included a separate cost estimate and required Board approval. In addition to the four identified agreements and costs, an estimated internal labor cost and project contingency cost (approximately 5%) were added to the project budget. When totaled, it was estimated that this project would cost \$4.6 million. For clarity, all four (4) agreements, along with original cost estimates, internal labor cost and contingency cost are listed in the table below:

Agreement	Budgeted	Actual	Variance
(1) Equipment Purchase Agreement	\$2,874,325	\$2,874,325	\$0
(2) Construction Management Agreement	\$257,150	\$257,150	\$0
(3) Construction Contract (Public Works)	\$600,000	\$268,000	(\$332,000)
(4) SDG&E New Service Agreement	\$500,000	\$TBD	\$TBD
(5) Estimated Internal Labor	\$150,000	\$TBD	\$TBD
(6) Project Contingency (approx.5%)	\$218,525	\$TBD	\$TBD
Subtotal	\$4,600,000	\$TBD	\$TBD

The Board had previously authorized agreements (1) and (2) at the April 13, 2021 Board Meeting. The third agreement to allow the implementation of this contract is the subject of this agenda. Staff recommends award of the construction contract listed as item No. three (3) in the amount of \$268,000.

This Project will install District provided cold ironing phase 2 electrical equipment, and will remove, replace, and terminate medium voltage cables. The project's construction plans, and specifications were advertised on November 18, 2021. Bids were opened on December 8, 2021. A total of three (3) construction bids were received ranging from \$268,000 to \$488,000 as listed in the following table:

Company	Bid Amount	Location
Baker Electric, Inc.	\$268,000	Escondido Ca.
Chula Vista Electric, Inc.	\$358,236	Santee Ca.
ACE Electric, Inc.	\$488,000	San Diego Ca.

Based on review of the bids, the lowest responsive and responsible bid was submitted by Baker Electric, Inc., in the amount of \$268,000. The Engineer's construction cost estimate for this work was \$500,000. Staff recommends the Board approve the Resolution adopting plans and specifications and award Contract No. 2019-14, to Baker Electric, Inc. for the Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project, San Diego, California in the amount of \$268,000. The spread between the low bidder and engineer estimate is higher than normally anticipated for a typical District public works project. However, this spread was anticipated since the underground infrastructure, including the concrete pad where the phase II equipment will be placed were constructed during the phase I shore power project (installed in 2010). The scope of this agreement is the installation of Port provided equipment, placing cables in the existing conduit and termination of the cable. The cost of installation and cable termination is influenced by the years of experience the low bid contractor possesses.

The fourth and final agreement to complete this project will be the SDG&E new service agreement. Once SDG&E completes their design and finalizes their cost estimate, staff will present the SDG&E infrastructure improvements agreement to the Board for consideration.

Upon Board authorization, construction is expected to commence in March 2022 and be completed by July 2022.

Staff recommends the Board approve the plans and specifications and award Contract No. 2019-14 to Baker Electric, Inc. in the amount of \$268,000 for the construction of the Cold Ironing (Shore Power) Phase II at B Street and Broadway Piers Project.

General Counsel's Comments:

The General Counsel's Office has reviewed the agenda sheet and attachments, as presented to it, and approves them as to form and legality.

Environmental Review:

The proposed Board actions, including without limitation, a resolution approving plans and specification and awarding a contract for the Cold Ironing (Shore Power) Phase 2 at B Street and Broadway Piers Project was adequately covered in the Mitigated Negative Declaration (MND) for the B Street Pier Shore Power Project (SCH #2009111064), certified by the District on January 5, 2010 (Resolution No. 2010-07). The proposed Board actions are not a separate "project" for CEQA purposes, but subsequent discretionary approvals 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 MND, the District finds and recommends that the 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 MND 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 MND, (b) identifies significant impacts would not be more severe than those analyzed in the MND, (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, and (d) no changes to mitigation measures or alternatives have been identified or are required. Pursuant to CEQA Guidelines §15162(b), the District finds and recommends that no further analysis or environmental documentation is necessary. Accordingly, the proposed Board actions are merely a step-in 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 Sections 21, 35, 81, and 87 of the Port Act which allow for the Board to pass resolutions, to do all acts necessary and convenient for the exercise of its powers, to use funds for the necessary expenses of conducting the District, and for the use of tidelands 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, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient, for the promotion and 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 project is consistent with the Public Trust Doctrine.

The proposed Board actions were covered in the CDP for B Street Shore Power Project (CDP-2010-001; Clerk Document No. 55970) approved by the District on January 5, 2010 (Resolution No. 2017-08). The proposed Board actions are consistent with the project in that CDP. No additional action under the California Coastal Act is required at this time.

Diversity, Equity, and Inclusion Program:

Due to limited sub opportunities, no SBE goal was established for this contract.

PREPARED BY:

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Attachment(s):

Attachment A: Project Location

Attachment B: Tabulation of Bids