



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting February 8, 2022

DATE: January 28, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Eileen Francisco, Interim Director, Aviation Facilities and Capital Programs
Wayne Grotheer, Director, Aviation Project Management Group

SUBJECT: Bldg. 161G AVM Facility Upgrade – Irregular Bid (CIP #800924) (Short Form)

Amount of this request: \$500,000

Total estimated project cost: \$3,472,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to award and execute a construction contract to the low bidder for an irregular bid outcome with only one bid submitted and increase the project budget in the amount of \$500,000 to cover costs of project bid for the Building 161G AVM Facility Upgrade Project (CIP #800924). The amount of this request is \$500,000 for a total estimated project cost not to exceed \$3,472,000.

SUMMARY

This request is asking for authorization to proceed with awarding and executing a construction contract on an irregular bid as required by Resolution No. 3605 Paragraph 4.2.3.4. Only one bid was received in response to the construction advertisement which qualifies the bid as irregular. Additionally, the bid came in 24.6% over the engineer’s estimate which also qualifies the bid as irregular. The bid received was \$1,563,933 which is \$308,993 over the engineers estimate of \$1,255,000. The additional funds requested in this action will be used to cover the difference of the bid amount and to ensure funds are available for project contingency. The additional funds represent an increase of 16.6% over the original total project authorization.

The recommendation is to accept the proposed bid. Through analysis of the received bid, the sole bidder (Prime contractor) is a Women and Minority Business Enterprise (WMBE) and new to leading work at the Port. This firm has committed to exceeding the project goal of 12% WMBE participation with an aspirational goal of 20%. The project scope has been value engineered during the planning and design process to balance the building needs for daily operation versus the longevity of the building. Rejecting this current bid would further delay the needed replacements and upgrades and will incur significant additional costs required to readvertise the project that may not result in any additional bids or in lower bids.

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The 161G Aviation Maintenance (AVM) Facility (known as Air Cargo 4) at the Airport is a 50-year-old former mail sorting facility that has had minimal updates and modifications. The maintenance groups housed in this facility operate 24 hours a day, 365 days a year, and perform critical maintenance work to keep the airport and runways operational. This project will replace obsolete and failing Heating, Ventilation, and Air Conditioning (HVAC) systems, replace lighting with new energy efficient lighting, and provide essential communication connections to the building and offices. These upgrades will provide a reliable working space for the approximately 120 Port maintenance staff that operate from this critical facility.

ATTACHMENTS

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

July 13, 2021 – The Commission authorized construction

November 12, 2019 – The Commission authorized design