

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**

**OF THE**

**CITY OF OAKLAND**

The regular meeting, was held on Tuesday, December 16, 1997, at the hour of 2:15 p.m., in the Council Chambers, City Hall, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Harris, Lockhart, Loh, Taylor

and President Ortiz - 5

Commissioners absent: Cole and Kramer - 2

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Director of Maritime, Ray Boyle; Director of Strategic and Policy Planning; Director of Equal Opportunity; Acting Chief Financial Officer, Fred Rickert; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

**Certification of the Final EIR for the Airport Development Program (ADP), Findings Concerning Significant Effect of the Project, Adoption of Mitigation Measures of the Project, Adoption of Mitigation Monitoring and Reporting Program, Statement of Overriding Considerations for the Unavoidable Adverse Impacts, Approval of the ADP** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port of Oakland proposes to implement the Airpory Development Program at Metropolitan Oakland International Airport (MOIA). The Port, the lead local agency for the project, has prepared, pursuant to the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR). A copy of the Final Environmental Impact Report (Final EIR), including appendices, has been provided to each member of the Board under separate cover. The Final EIR analyzes the potential environmental consequences from proposed Airport development improvements at MOIA. The proposed project requires environmental review of both federal and local actions. Project components which require federal actions require compliance with the National Environmental Policy Act (NEPA). The Port's

proposed Airport Development Program includes expansion of MOIA's Terminals 1 and 2, construction of the Airport Roadway Project, Augmentation of roads and parking facilities, construction of airline and airport support facilities, relocation of air cargo and facility developments and construction of a remote aircraft parking apron and widening of taxiways. Collectively, these improvements would relieve existing and forecast congestion throughout the MOIA reducing passenger and air cargo service inconvenience and delay. The program elements included in the ADP are planned and designed for the year 2000, for 13.8 million airline passengers (MAP), and 1.0 million tons of cargo. The Final EIR analyzes potential environmental impacts relating to noise, land use, air quality, socioeconomics, water quality, cultural resources, biotic communities, endangered and threatened species, wetlands, flooding, coastal zone management, farmland, energy supply and natural resources, aesthetics, light, solid waste, hazardous materials and waste, transportation circulation, parking, geology, and public services. The Final EIR evaluates the following on-Airport project alternatives: the proposed ADP; the Moderate Build Alternative, which provides for a reduced level of development for various ADP components; the No Action Alternative, which would construct none of the projects proposed in the ADP; the Regional Airport System Plan (RASP); and the City of Alameda's proposed "settlement agreement". The Final EIR also evaluates the following off-Airport alternatives: a new Bay Area air carrier airport site; civilian re-use or shared use of military airfields including Alameda Naval Air Station, Hamilton Army Air Field, and Moffett Field; and alternative technologies including high speed rail services in the "California Corridor", other modes of transport, civilian tiltrotor and vertiports, and telecommunications and telecommuting. On April 15, 1992, the Port of Oakland issued a Notice of Preparation (NOP) of an Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the MOIA's Airport Development Program. Similarly, the FAA issued a Notice of Intent (NOI) on December 29, 1992 to prepare a joint EIR/EIS for MOIA. Subsequent to the issuance of the NOP and NOI, the Port and FAA held a joint scoping meeting for federal, state, and local agencies and the general public on January 27, 1993. The purpose of this meeting was to provide an early and open process for determining the scope of issues to be addressed related to the proposed action, the ADP. Comments made at these meetings and written

comments received by both the Port and the FAA on the NOP and NOI, respectively, are included in Appendices A and B of the Final EIR. Between 1992 and 1994, the Port and the FAA made the decision to include the Airport Roadway Project in the ADP and changed portions of the ADP project description. To allow the public to comment on these changes, the Port issued a Supplemental NOP on November 11, 1994, and the FAA issued a Supplemental NOI on December 16, 1994. The supplemental NOP and NOI and subsequent written comments are also included in Appendices A and B, respectively, of the Final EIR. In September 1996, the FAA and Port issued a Draft EIS/EIR. The public comment period ended on December 30, 1996. The Port and FAA received over 500 comment letters on the draft document from public agencies, businesses, organizations, and individuals. Two public hearings occurred on November 6, 1996, at which written and oral comments were received. The comment letters ranged from one page letters to multi-volume comment reports from agencies. The Port, in consultation with the FAA, prepared written responses to the comments received, as well as modifications to the DEIS/EIR. The written responses to the comments received, as well as modifications to the DEIS/EIR. The written responses to comments are contained in an appendix to the Final EIR. The Port issued a Final EIR for review by interested persons and public agencies on December 3, 1997. The requested action before the Board includes: general findings and overview which include the purpose, description of environmental impact report, consideration and certification of the environmental impact report, changes to the environmental impact report and severability; recommended findings relating to mitigation measures, environmental impacts and alternatives which include findings relating to mitigation measures, adoption of mitigation measures, adoption of mitigation monitoring and reporting program, findings regarding modifications to mitigation measures made by the Final EIR, findings relating to alternative which include moderate build alternative, no project alternative, and other alternatives evaluated in the EIR; statement of overriding considerations; and approval of airport development program. It was recommended that the Board adopt a resolution certifying that it has reviewed and considered the information contained in the Final EIR for the Airport Development Program, that the EIR has been prepared in compliance with the CEQA, the State CEQA Guidelines and the Port CEQA Guidelines and finding that the Final EIR reflects the

independent judgment of the Board; adopting the mitigation measures set forth in Appendix 1 as conditions of approval of the Airport Development Program; adopting the Mitigation Monitoring and Reporting Program set forth in Appendix 2; adopting the CEQA findings regarding mitigation measures, project impacts, and alternatives; adopting a statement of overriding considerations finding that the benefits of the proposed project outweigh the project's significant adverse environmental impacts; and approving the Airport Development Program, including the Airport Roadway Project, and committing to the Port's pro-rata local match share of the eligible project costs for the Airport Roadway Project. The following individuals appeared before the Board to comment on the proposed Airport Development Program: Councilman Ignacio De La Fuente; Bernard Collins of United Parcel Service; John Esplana of Southwest Airlines; Zack Wasserman of Alameda County Transportation Authority; Jennie Mitchell of Alaska Airlines; Ralph Appezzato, Mayor of Alameda; Sandy Waters of Kaiser Air Inc.; Vice-Mayor Garry Loeffler and June Catalano of City of San Leandro; Melody Marr of Airport Area Business Association; Ann Broadwell of Steamfitters Local 342; Tom Guarino of San Leandro Chamber of Commerce; Ellison Folk of Shute, Mihaly & Weinberger representing CLASS; Bob Canter of Fly Oakland Forum; Sue Markland Day of CAAlliance for Jobs; Barbara Tuleja of CLASS; Tom Himmelberg of San Leandro Unified School District; Linda Perry of San Leandro Unified School District; Ester Holcomb of San Leandro Unified School District; Paul Fettig of San Lorenzo Unified School District; Mark Clement of Oakland Airport Hilton; Brian Wiese of East Bay Regional Park District; David Johnson of Oakland Commerce Corporation; Joe Haraburda of Oakland Metropolitan Chamber of Commerce; Greg Rowe of Oakland Metropolitan Chamber of Commerce; Jon Rodgers of Aircraft Pilots of the Bay Area; Mason Rashid of Davis West Homeowners; Richard E. Winnie of Oakland - Sharing the Vision; Russell Moran, Bus owner, Oakland; Howard Beckman of San Lorenzo Homeowner; Francis Gallo of Neighborhood Aviation Advisory Committee of San Leandro; Thomas Jordan, Community of Harbor Bay Isle; Howard Ransom; Jacquee Castain, Webster Tract Neighbors; and Alfonso Loera, resident of Oakland. After considerable discussion Commissioner Loh moved the introduction of the appropriate resolution, the motion was seconded and passed unanimously. The recommendation was approved on passage of a Resolution No. 97376.

**Relocation of DSR-Senator/Cho Yang from Howard Terminal to Seventh Marine**

**Container Terminal** was the subject of a memo to the Board from the Director of Maritime notifying the Board that DSR-Senator Lines and Cho Yang Shipping Company conduct joint operations, currently referred to as the Tricontinental Service, at Charles P. Howard Terminal under a Terminal Use Agreement (TUA) which expires December 31, 2000. Terminal services at Howard Terminal are provided by Stevedoring Services of America (SSA). Hanjing Shipping Company calls at Seventh Street Marine Container Terminal under a TUA where terminal services are provided by Marine Terminals Corporation (MTC). Hanjin assumed a majority share of DSR-Senator Lines earlier this year. This new arrangement prompted a re-evaluation of terminal operations by DSR-Senator/Cho Yang and Hanjin in order to save on operational expenses. DSR-Senator/Cho Yang has also agreed to have MTC provide it with terminal services. In accordance with their TUA, DSR-Senator/Cho Yang has requested their operations be transferred to Seventh Street with a scheduled target date after January 1, 1998. This transfer will allow them to consolidate their operations with Hanjin so that terminal services can be provided by MTC. It was recommended that the Board approve the transfer of the DSR-Senator/Cho Yang TUA to the Seventh Street Terminal for a period of one year and extending such transfer of the Terminal Use Agreement for the balance of the existing term expiring December 31, 2000. The recommendation was approved on passage of Resolution No. 97377.

**Extension of Term for Maersk Pacific, Ltd. Non-Exclusive Preferential Assignment**

**Agreement at Berth 24** was the subject of a memo to the Board from the Director of Maritime notifying the Board that Maersk Pacific, Ltd. (Maersk) conducts operations at Outer Harbor Berth 24 under a ten year Non-Exclusive Preferential Assignment Agreement. The base term of this Agreement is scheduled to expire December 31, 1997. Negotiations with Maersk regarding a new Agreement have been ongoing for several months. Maersk has been evaluating its terminal requirements which may eventually lead to expanded operations in Oakland and their review includes a vessel deployment study with the possibility of additional Oakland calls. As their review is not yet completed and in order to provide Maersk sufficient time to review their future terminal requirements and conclude ongoing negotiations, it was recommended that the Board approve an extension of Maersk's Non-Exclusive

Preferential Assignment Agreement for ninety days beyond its current expiration date. The recommendation was approved on passage of an Resolution No. 97378.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointment of Michael Collins, as Senior Equipment Systems Engineer, effective December 22, 1997, at \$5,567.00; John Pierre, as Port Equipment Driver, effective December 22, 1997, at \$4,052.00; and Jack Trollinger, as Port Equipment Driver, effective December 22, 1997, at \$4,052.00. Further recommended was the rescission of Sam Li, as Port Senior Programmer/Analyst, effective December 8, 1997 and Keith Saunders, as Port Equipment Service Worker, effective December 1, 1997; and the creation of one additional position of Port Equipment Driver for use in the Airport Division. The recommendations were approved on passage of Resolution No. 97379 for appointments, Resolution No. 97368 for the rescissions, and on an ordinance to print for creation of an additional position.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Lockhart, Loh,  
Taylor and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

RESOLUTION NO. 97376

CERTIFYING REVIEW AND CONSIDERATION OF FINAL ENVIRONMENTAL IMPACT REPORT ON THE AIRPORT DEVELOPMENT PROGRAM, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SAID REPORT AND PROJECT, ADOPTING AND INCORPORATING INTO THE PROJECT CERTAIN MITIGATION MEASURES AND MITIGATION MONITORING AND REPORTING PROGRAM FOR SUCH MITIGATION MEASURES, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS FOR UNAVOIDABLE SIGNIFICANT IMPACTS ON THE ENVIRONMENT, APPROVING THE AIRPORT DEVELOPMENT PROGRAM (INCLUDING THE MEASURE B AIRPORT ROADWAY PROJECT) AND COMMITTING TO THE PORT'S PRO-RATA LOCAL MATCH SHARE OF ELIGIBLE PROJECT COSTS FOR THE AIRPORT ROADWAY PROJECT."

"RESOLUTION NO. 97377

APPROVING AND AUTHORIZING EXECUTION OF FIFTH SUPPLEMENTAL AGREEMENT WITH DSR-SENATOR LINES GMBH AND CHO YANG SHIPPING COMPANY, LTD."

"RESOLUTION NO. 97378

APPROVING AND AUTHORIZING EXECUTION OF TENTH SUPPLEMENTAL AGREEMENT WITH MAERSK PACIFIC, LTD."

"RESOLUTION NO. 97379

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97380

AMENDING PORT RESOLUTIONS NOS. 97336 AND 97351 AND RESCINDING PORT RESOLUTION NO. 97368 CONCERNING CERTAIN APPOINTMENTS."

Port Ordinance No. 3404 being, "AN ORDINANCE AMENDING SECTION 11.0064 OF PORT ORDINANCE NO. 867 ADDING AN ADDITIONAL POSITION OF SENIOR MANAGEMENT ASSISTANT - MARINE COMMERCIAL REPRESENTATIVE V-A," was read a second time and passed by the following vote:

Ayes: Commissioners Harris, Lockhart, Loh,

Taylor and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING TRANSFER OF TERMINAL USE AGREEMENT WITH DSR-SENATOR LINES GMBH AND CHO YANG SHIPPING COMPANY, LTD. FROM CHARLES P. HOWARD TERMINAL TO SEVENTH STREET MARINE CONTAINER TERMINAL," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 9.05 OF PORT ORDINANCE NO. 867 ADDING AN ADDITIONAL POSITION OF SEMISKILLED LABORER," was read a first time and passed to print by the following vote:

Ayes: Commissioners Harris, Lockhart, Loh,

Taylor and President Ortriz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

At the hour of 4:35 p.m., the Board entered into closed session pertaining to conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: two cases; and reconvened in open session at the hour of 4:45 p.m.

At the hour of 4:50 p.m. the meeting was adjourned on a motion duly made and seconded.

A handwritten signature in cursive script, appearing to read "Cheryl C. Marshall", is written over a horizontal line.

Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting, was held on Tuesday, December 2, 1997, at the hour of 3:10 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present:        Cole, Harris, Kramer, Lockhart, Loh,  
   Taylor and President Ortiz - 7

Commissioners absent:        None

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Director of Strategic and Policy Planning; Director of Equal Opportunity; Acting Chief Financial Officer, Fred Rickert; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

The minutes of regular meeting of September 16, 1997 were approved as submitted and ordered filed.

Amendment of Funding and Implementation Agreements with Alameda County Transportation Authority (ACTA) for Airport Roadway Project, MOIA was the subject of a memo to the Board from the Director of Engineering notifying the Board that 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 Metropolitan Oakland International Airport and through the Airport to Bay Farm Island, Alameda. On May 7, 1996, the Board approved and authorized execution of three related agreements for the Airport Roadway Project: a "Measure B Funding Agreement" with the Alameda County Transportation Authority(ACTA), the City of Oakland and the City of Alameda; a "Measure B Implementation Agreement" with ACTA; and an agreement with ACTA that the agreed-upon appraised value of the Port's Contributed Property for the Airport Roadway Project is \$9.5 million, subject to adjustment to account for substantial design changes. Subsequent to all parties executing these agreements, the Port and the Federal Aviation Administration (FAA) released a Draft EIS/EIR

for the Airport Development Program. The Airport Roadway Project is included in the Draft EIS/EIR. The Board is scheduled to consider approval of the Airport Roadway Project at its December 16, 1997, meeting, after the Board considers certification of the Airport Development Program EIR. ACTA, Oakland and Alameda are expected to consider approval of the Airport Roadway Project thereafter. The FAA's action on the Airport Roadway Project is not expected until the summer or fall of 1998, after the Final EIS on the Airport Development Program is completed. As the result of events since the Measure B Funding Agreement and Implementation Agreement were executed by the parties, major amendments are now proposed to the agreements. The project cost estimate increased from \$81.71 million to \$97.5 million, due to cost escalation and safety, engineering concerns and mitigation measures identified in the environmental review process. Each party's respective share of eligible project costs is ACTA 79.1%, Port 13.11%, Alameda 7.39% and Oakland 0.31%. Under the proposed amendment to the Funding Agreement, the parties would share the first \$11.225 million of increased cost according to the same percentage allocation, but the next three levels of increased costs would be share as follows: \$1,327,000.00, Port - 63%, Oakland - 1.5%, Alameda - 35.5%, ACTA - 0%; \$1,938,000.00, Port - 97.6%, Oakland, - 2.3%, Alameda - 0%, ACTA - 0%; and \$1,300,000.00, Port - 100%, and Oakland, Alameda and ACTA - 0%. Under the new project cost estimate of \$97.5 million, the Port's total dollar share would be increased by \$5.59 million from \$10.72 million to \$16.21 million. Originally, the Port's \$10.72 million share was to be provided by contributing \$9.5 million in property and \$1.22 million in services or cash. Under the new proposal the Port's increased \$16.21 million share would be provided by contributing \$11.5 million in property and \$4.71 million in services or cash. The Hazardous Materials Budget, for remediation of property to be acquired from third parties and for remediation of existing dedicated roadways, is proposed to be reduced from \$7.7 million to \$3 million based on the results of the Phase I and Phase II investigations. The Port would also be responsible for any post-project completion treatment of contaminated groundwater required to be pumped to operate the new Airport Roadway underpass at Doolittle Drive. By executing the proposed amendment to the Funding Agreement, the parties would commit to their respective shares of costs after January 1, 1998, for completing the design work for the project and preacquisition work

for acquiring third party property (collectively called "Pre-Construction Soft Costs"), at a total project cost not to exceed \$3 million. The Port's share of the \$3 million of Pre-Construction Soft Costs would be approximately \$400,000.00. Under the proposed amendment, the Funding Agreement and Implementation Agreement will automatically terminate if all Development Approvals are not obtained by March 1, 1999. That date is tailored to be requirement under state law that the approximately \$12 million of ACTA's share of costs, which is funded under the State Local Transportation partnership Program, cannot be funded unless all projects contracts are awarded by June 30, 1999. Under the proposed amendment to the Funding Agreement, ACTA, Alameda and Oakland each are required to act on approving the Airport Roadway Project, and the Port, Alameda, and Oakland each are required to act on committing to its respective share of total project costs, within 60 days after the Port certifies the EIR and files a Notice of Determination on the Project. It was recommended that the Board approve and authorize the execution of an amendment to the Measure B Funding Agreement and the Measure B Implementation Agreement. The recommendation was approved on passage of a Resolution No. 97359.

Authorization to Prepare and Execute an Agreement with Airport & Aviation Professionals, Inc. as Airline Liaison on the Airport Terminal Expansion Program was the subject of a memo to the Board from the Director of Aviation notifying the Board that the program to develop an expanded two-level terminal, six-level garage, and twelve new boarding gates at the Airport will require extensive coordination with the airlines. The rates and charges the airlines will pay to operate from the new facility will be adjusted upwards to help pay for portions of the project. The airlines will have a strong interest in the facilities to be constructed as well as the cost and phasing of the project. The project is incredibly complicated; there are too many airlines to give equal time to each and every one; airlines frequently do not get along amongst themselves; and representatives with the authority to agree and approve are generally out of town, very busy, and hard to reach. Inevitably, one or more of the airlines is left out and consensus and cooperation is next to impossible to achieve. The airlines, having recognized this situation, have requested that the Port set up an airlines liaison office to facilitate the Airport Terminal Expansion Program. The consultant's function is to coordinate

and facilitate criteria setting, reviews of submittals, and consensus among the airlines throughout the project. Much of the coordination will be to minimize ongoing construction impacts and to assure that no airline is left out in the communications. The role is labor intensive as the consultant will be doing much of the airlines' reviews of drawings and submittals. The consultant will be the port's one point of contact with the airlines on expansion issues. In order for the Port to control the costs of the airline liaison consultant, the consultant's contract is with the Port. The consultant has been selected by the airlines as someone the airlines trust, and their ability to fulfill the liaison functions have been verified by the Port. It was recommended that the Board authorize an agreement with Airport & Aviation Professionals, Inc. (AvAirPros), the firm the airlines have selected to perform this function. AvAirPros proposed scope of work was found to be appropriate and their fee reasonable for the services required; and they have committed to hire an intern(s) from Oakland. In addition, it is possible that the airlines may ask the airlines liaison office to perform additional functions such as detailed reviews of design documents or cost estimates. As these services are needed, AvAirPros will hire LIA firms as available to perform said functions. It is proposed that the scope of services will be limited to the first phase of the terminal expansion program in order to verify that the scope of work and cost estimate are appropriate, even though AvAirPros's services will be required for the duration of the terminal expansion program. AvAirPros will be paid at their standard billing rates and actual expenses with a maximum compensation of \$375,000.00. It is also proposed that the Executive Director be authorized to approve up to an additional \$95,000.00 for potential changes in scope. The contract will be from July 1, 1997 until December 31, 1998. The recommendation was approved on passage of Resolution No. 97360.

**Approval of an Agreement to Extend Right-of-Entry and Indemnity Agreement with United Parcel Service, Inc., South Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that United Parcel Service, Inc. entered into a 45-day Right-of-Entry and Indemnity Agreement with the Port effective November 1, 1997. The ROE provides for approximately 94,000 square feet of unimproved land in the vicinity of Air Cargo Road, South Airport. The rent under this temporary agreement is \$9,635.00 per month. The premises are used by UPS for

temporary storage of air containers and truck trailers during UPS annual "peak period" holiday operations. The premises are located in an isolated area accessible to off-Airport vehicles, as well as UPS' airfield operations on the South Airport. Under this proposed extension agreement, UPS is seeking continued occupancy of these same premises, for the same purposes through April 15, 1998. It was recommended that the Board approve the extension through April 15, 1998. The recommendation was approved on passage of an Resolution No. 97361.

**Approval of New License and Concession Agreement with Bay Avionics, Inc., North Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval to approve the agreement with Bay Avionics, Inc., for 3,162 square feet of hangar space, 2,058 square feet of shop space, and 5,200 square feet of apron space in and adjacent to Building L-310, East, at \$2,200.00 per month, effective October 1, 1997. The recommendation was approved on passage of Resolution No. 97362.

**Award of Contract for Replacement of Fuel Storage Tank MF-11 at Building M-104, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the four bids received and recommending award of the contract to CAL Inc., the responsible bidder, at \$96,167.54. The recommendation was approved on passage of Resolution No. 97363.

**Snoodles Four LLC Lease Termination** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that the Snoodles Four LLC group signed a Letter of Intent in July 1995, and entered into a lease in December 1996, with Oakland Portside Associates (OPA) covering 9,717 square feet in Water Street II on the corner of Washington and Water Streets. The rental commencement date provided in the lease was July 1, 1997. The monthly payment consists of minimum rent of \$11,174.55 plus expenses of \$4,631.78 for a total monthly payment of \$15,806.33. The total amount owed covering the period of July through November 1997 is \$79,031.65. In addition, late charges in the amount of \$13,227.90 have also accrued. During a series of discussions over the summer, representatives of the Snoodles group requested a rental abatement until the restaurant opened for business, and the addition of \$100,000.00

in OPA's contribution to the tenant improvement allowance. The Port countered with the following: the additional \$100,000.00 in construction costs would be shared jointly by each party (OPA would increase the current \$297,000.00 allowance by \$50,000.00 and Snoodles would increase its equity contribution by \$50,000.00); and the rental and expense obligation would be deferred to April 1998, and the nine months of payments would be amortized over the ten-year term of the lease, and paid as special rent. A letter was sent on October 21, 1997, requesting that Snoodles provide a response to this proposal by October 24, 1997, to determine whether the project could move forward. No written proposal has been received to date. The only response staff has received is a telephone message advising that the construction plans are complete, have received Health Department approval, and will be submitted to the Port. However, the basic economic issues have not been resolved, and no rent or expenses have been paid as of November 19, 1997. It was recommended that the staff proceed with all necessary actions to enforce the lease provisions and, if necessary, that the tenant be found to be in default of the lease, and that OPA be authorized to terminate the lease.

Mr. Lawrence Lloyd and Ms. Eleanor Boswell-Raine appeared before the Board representing Snoodles. They asked the Board to avoid any termination and explained the problems associated with their efforts to put the operation together. After considerable discussion, Commissioner Harris moved that Snoodles be given until the Board's meeting on January 6, 1998, to provide the following: completed and approved plans and specifications; current confirmation of loan agreement; retention of Construction Manager with authority to make decisions; and submittal of proposed menu and operating guidelines. The motion was seconded and passed unanimously.

**Application to the State of California, Department of Transportation, Environmental Enhancement Mitigation, for Grant of Fund Acquisition of Private Land at Dennison Street**

was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that the Trust for Public Land (TPL) and the Spanish Speaking Unity Council, have asked that the Port take a lead role in a joint application with the City of Oakland for a grant for \$300,000.00. The grant funding for the program would be provided by Caltrans through its Environmental Enhancement Mitigation Program (EEMP) under the Roadside Recreation category. The grant funds

would be used to acquire some private property which is part of the former Cryer Boatyard on Dennison Street; the Port already owns the portion of the property which fronts on the water. Acquisition of the private portion of the site would simplify some of the issues associated with the property, including the issue of the leasing of the property since the building on the site encroaches on Port land. If the property could be acquired, the remediation funding justification would be that the site would be developed as an open space which Caltrans could use to offset some mitigation requirements for some of the earthquake work the agency is doing on the I-880 Corridor. TPL has agreed to do all the administrative tasks necessary to apply for this funding source. The City of Oakland's office of Parks, Recreation and Cultural Service will also be a cosigner on the grant application. As part of this process, the City Council would pass a similar resolution supporting the grant application in early December. While the Port and the City, with TPL's assistance, will make application for the funding, there is no guarantee that the funding is assured and no requirement that the funds be accepted. It was recommended that the Board pass a resolution authorizing the application to Caltrans for an Environmental Enhancement Mitigation Program grant for funding for the purpose of acquiring property. The recommendation was approved on passage of Resolution No. 97364.

Approval of Supplemental Agreement with Harza Engineering Company of California for the Galbraith Dredged Material Facility Groundwater and Air Quality was the subject of a memo to the Board from the Director of Engineering notifying the Board that the San Francisco Regional Water Quality Control Board (RWQCB) issued Order 94-131 to the Port on September 30, 1994. This order authorized the placement of dredged material from the Oakland Harbor -42' Deepening into the Galbraith Dredged Material Facility constructed at the former Galbraith Golf Course. The RWQCB authorization includes conditions for submitting preliminary plans and baseline data, monitoring the facility's operations and ambient environment, and contingency planning for any damage to the facility or other unforeseen incidents. Based on the terms of the RWQB's Order, on October 17, 1995, the Port executed an Agreement with Harza Engineering Company of California (Harza) to assist in the development of plans and baseline data, to monitor the operations at the facility, and to report the monitoring results during the delivery, decant, and drying phases of the project.

Under this agreement, Harza also performed environmental and geotechnical monitoring of the site, such as ground water quality testing and air quality monitoring. The maximum contract amount with Harza was \$350,156.00 with an additional \$90,000.00 in contingency funds approved by the Executive Director. To date, \$46,500.00 of the \$90,000.00 contingency funds available under the original agreement have been authorized by the Executive Director. After the agreement was executed, the RWQCB expanded its interpretation of the conditions of Order 94-131 and required the Port to perform a Tidal Influence Study, Groundwater Electrical Conductivity Study, development and monitoring of piezometer wells, and additional ground water sampling. This work was not scoped as part of the original contract between the Port and Harza. On January 23, 1996, the Board approved a First Supplemental Agreement with Harza for this additional work requested by the RWQCB. The First Supplemental Agreement maximum authorized payment is \$149,100.00 with \$30,000.00 in contingency funds approved by the Executive Director. None of the \$30,000.00 contingency funds available under the first supplemental agreement have been used. Under the original schedule for the Galbraith portion of the Oakland Harbor -42' Deepening, the delivery of dredge material to the Galbraith site, and therefore the monitoring of the site, should be complete by now. However, Dutra Dredging Company has delayed the delivery of dredge material to Galbraith, and negotiations between Dutra and the Corps of Engineers regarding completion of the work have delayed the project schedule. The Port now anticipates that the delivery of dredge material to Galbraith will be complete in early 1998. The Port has paid Harza \$491,522.00 for professional consultant services to date. It was recommended that a Second Supplemental Agreement with Harza be approved to increase the compensation under the contract so that Harza can continue the environmental and geotechnical monitoring required by the RWQCB from now through the anticipated closure of the Galbraith site in September 1998. This supplemental agreement would be a maximum amount of \$160,000.00. This will increase the total maximum authorized amount to \$779,256.00. The recommendation was approved on passage of Resolution No. 97365.

**Approval of Plans and Specifications for Demolition of Building D-421, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineering

recommending approval and authority to advertise for bids for the demolition. The work consists of demolition and removal of Building D-421, a 5-story, 360,000 square foot warehouse. CEQA and NEPA requirements are completed, and the Board certified the Final EIR/EIS. The recommendation was approved on passage of Resolution No. 97366.

Personnel Items contained in a memo to the Board from the Chief Administrative Officer recommending the appointment of Conrado M. Perdiguerra, as Aviation Public Works Specialist, effective December 8, 1997, at \$5,017.00 per month; Thora Tan, as Airport Terminal Maintenance Coordinator, effective December 8, 1997, at \$4,328.00 per month; Gayla J. Hays-Sanchez, as Commercial Representative III-B, effective December 8, 1997, at \$4,840.00; Robert C. Martinez, as Deputy Port Attorney III, effective December 8, 1997, at \$7,882.00; and Steven Gregory, as Senior Port Strategic Planner, effective December 8, 1997, at \$5,817.00 per month. Also recommended was the amendment of Sam Li, as Port Senior Programmer/Analyst, from November 24, 1997 to December 8, 1997; the creation of one additional position of Senior Management Assistant-Marine Commercial Representative V-A; and the revision of job specifications for Associate Port Environmental Scientist, Assistant Port Environmental Scientist, Port Environmental Assessment Supervisor, and Properties Assistant. The recommendations were approved on passage of Resolution No. 97367 for appointments, Resolution No. 97368 for amending certain appointments, Resolution No. 97369 for job specifications; and on an ordinance to print for creation of an additional position.

Execution of Memorandum of Understanding with the City of Oakland Regarding Traffic-Related Impacts was the subject of a memo to the Board from the Director of Engineering notifying the Board that on December 2, 1996 the Board approved an agreement directing Port staff and City staff to work together to develop a Memorandum of Understanding (MOU) or other appropriate form of agreement to provide consistent criteria for the analysis and evaluation of traffic-related impacts on traffic infrastructure resulting from either Port-approved or City-approved projects. Recognizing that both Port and City development projects depend upon the same network of streets and highways, the Board and the City Council directed staff to establish mutually agreeable and equitable methodologies to address potential traffic-related impacts of development projects; identify

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mitigation measures that could reduce or avoid such impacts; and allocate responsibilities for implementing mitigation measures. The City and Port established a working group of City and Port staff which produced the proposed MOU taking the following actions: Communication and Coordination - staff shall jointly establish a communication forum that meets on an "as need" basis to discuss proposed development projects that could generate traffic-related impacts of mutual concern, and explore potential associated mitigation measures, exchange current lists of development projects proposed within each agency's jurisdiction, and exchange current lists of each agency's Capital Improvement Projects, and identify opportunities for cooperation on transportation infrastructure improvements and grant applications; Traffic Analysis Scope of Work - before proceeding with a project-related traffic analysis under CEQA, Lead Agency staff (City or Port) shall notify appropriate staff of the other agency and forward a draft of the proposed traffic analysis scope of work for review and comment, and if there are any substantive concerns, staff of both agencies shall cooperatively strive to reach agreement on the scope of work (including study area boundaries, focus areas such as residential neighborhoods, methodology, and time horizon for analyzing traffic-related impacts); Identification of Potential Traffic-Related Impacts and Definition of Preliminary Mitigation Measures - Lead Agency staff shall present traffic analysis findings and proposed mitigation measures to staff of the other agency, and both parties shall seek to resolve issues before the reviewing agency provides comments that will be incorporated into the Lead Agency's environmental documentation; and CMA Deficiency Plan Cost Sharing - in the event that the Alameda Congestion Management Agency requires the City of Oakland to prepare a deficiency plan, the Port shall provide a fair share financial contribution, to be determined on the basis of a variety of factors, and shall have an opportunity to participate in preparation of the plan. It was recommended that the Board authorized the Executive Director to execute the MOU. The recommendation was approved on passage of Resolution No. 97370.

Supplemental Agreement with DuDell and Associates, Inc. was the subject of a memo to the Board from the Governmental Affairs Specialist, Harold Jones, notifying the Board that on October 7, 1997, the Board approved an agreement with DuDell & Associates, Inc. along with Community

Assessment Research & Evaluation, Inc. would on behalf of the Port develop and implement a proactive communications and community relations strategy to educate and influence the public, opinion leaders, elected officials, community groups, Port tenants, and local businesses relative to the then proposed Pan Pacific Expo 2002, reuse of the Oakland Army Base, maritime expansion, and the BART-Oakland Airport Connector project. The original recommendation was that the Board authorize a six-month contract with DuDell & Associates, Inc. for an amount of \$233,000.00 and in an effort to address the immediacy of these efforts, the Board approved an amount of \$100,000.00 to begin the initial phase of these efforts. In order to achieve these objectives, it is imperative that these activities continue to insure ongoing focus and results. It was recommended that the Board authorize the Executive Director to enter into a First Supplemental Agreement with Dudell & Associates, Inc. for the balance of the amount of \$133,000.00, originally requested. The recommendation was approved on passage of Resolution No. 97371.

Amendment to Contract for Executive Search Services was the subject of a memo to the Board from the Executive Director notifying the Board that on August 5, 1997, the Board authorized staff to execute a contract with Montgomery West to conduct an executive search for the Director of Corporate Communications. This search is nearing completion and Montgomery West identified an excellent pool of candidates for the Corporate Communications position. It was recommended that the Board authorize the preparation and execution of the agreement with Montgomery West, also known as Management Solutions, to provide service for the search for the position of Chief Financial Officer with a fee schedule not to exceed \$27,000.00, including incidental expenses. The recommendation was approved on passage of Resolution No. 97372.

Approval of Consultant Agreement with Andersen & Associates to Provide for Salary Surveys for Certain Unrepresented Groups was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that the Port is recommending Ralph Andersen and Associates to conduct salary surveys, perform desk audits and update classification specifications for the exempt and Unrepresented employees in Rep. Units D and E. Ralph Anderson and Associates is a Sacramento based management consulting firm and they represent private and public sector clients and

offer services in personnel management, resource utilization, organization and management and executive recruitment. It is recommended that the Board approve the agreement with Ralph Andersen and Associates for the salary surveys with the cost of the contract not to exceed \$50,000.00. The recommendation was approved on passage of Resolution No. 97373.

Approval of Second Supplemental Agreement with IEDA was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that Industrial Employers and Distribution Association (IEDA), a non profit organization, has provided assistance in the areas of employer-employee relations, contract negotiations and preparation of draft memoranda of understanding. It was recommended that the Board approve the Second Supplemental Agreement with IEDA, in the amount of \$25,000.00, to cover the remainder of the year. The recommendation was approved on passage of Resolution No. 97374.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,

Taylor and President Ortiz - 7

Noes: None

Absent: None

RESOLUTION NO. 97359

APPROVING AND AUTHORIZING EXECUTION OF AMENDMENT TO FUNDING AGREEMENT AND IMPLEMENTATION AGREEMENT WITH THE ALAMEDA COUNTY TRANSPORTATION AUTHORITY FOR THE AIRPORT ROADWAY PROJECT."

"RESOLUTION NO. 97360

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH AIRPORT & AVIATION PROFESSIONALS, INC. CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97361

AUTHORIZING AND APPROVING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH UNITED PARCEL SERVICE, INC."

"RESOLUTION NO. 97362

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH BAY AVIONICS, INC."

"RESOLUTION NO. 97363

AWARDING CONTRACT TO CAL INC., FOR REPLACEMENT OF FUEL STORAGE TANK MF-11 AT BUILDING M-104, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97364

AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION FOR FUNDS FOR THE ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM TO FUND THE ACQUISITION OF PRIVATE LAND ON DENNISON STREET."

"RESOLUTION NO. 97365

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH HARZA CONSULTING ENGINEERS AND SCIENTISTS FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97366

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDING D-421, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97367

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97368

AMENDING PORT RESOLUTION NO. 97336 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97369

APPROVING JOB SPECIFICATIONS FOR THE POSITIONS OF ASSOCIATE PORT ENVIRONMENTAL SCIENTIST, ASSISTANT PORT ENVIRONMENTAL SCIENTIST, PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR AND PROPERTIES ASSISTANT."

"RESOLUTION NO. 97371

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH DUDELL & ASSOCIATES, 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."

"RESOLUTION NO. 97372

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH MANAGEMENT SOLUTIONS, INC. FOR EXECUTIVE SEARCH SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97373

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH RALPH ANDERSON AND ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97374

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH INDUSTRIAL EMPLOYERS AND DISTRIBUTORS ASSOCIATION CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97375

APPOINTING RAYMOND BOYLE TO THE POSITION OF DIRECTOR OF MARITIME."

Port Ordinance No. 3402 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH PACIFIC FM, INC.," and Port Ordinance No. 3403 being, AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTIONS 5.0199 AND 7.023 ADDING ADDITIONAL POSITIONS WITHIN EXISTING PORT

"RESOLUTION NO. 97370

APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING REGARDING TRAFFIC RELATED IMPACTS."

"RESOLUTION NO. 97371

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH DUDELL & ASSOCIATES, 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."

"RESOLUTION NO. 97372

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH MANAGEMENT SOLUTIONS, INC. FOR EXECUTIVE SEARCH SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97373

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH RALPH ANDERSON AND ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97374

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH INDUSTRIAL EMPLOYERS AND DISTRIBUTORS ASSOCIATION CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97375

APPOINTING RAYMOND BOYLE TO THE POSITION OF DIRECTOR OF MARITIME."

Port Ordinance No. 3402 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH PACIFIC FM, INC.," and Port Ordinance No. 3403 being, AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTIONS 5.0199 AND 7.023 ADDING ADDITIONAL POSITIONS WITHIN EXISTING PORT

CLASSIFICATIONS AND ADDING SECTION 10.008 AND 10.0285 CREATING NEW POSITIONS," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 11.0064 OF PORT ORDINANCE NO. 867 ADDING AN ADDITIONAL POSITION OF SENIOR MANAGEMENT ASSISTANT - MARINE COMMERCIAL REPRESENTATIVE V-A." was read a first time and passed to print by the following vote:

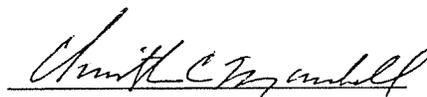
Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortriz - 7

Noes: None

Absent: None

At the hour of 4:30 p.m., the Board entered into closed session pertaining to conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Pacific Gas & Electric Company, U.S. District Court Case No. C-97-00894-SBA; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: one case; public employee discipline/dismissal/release; and reconvened in open session at the hour of 5:04 p.m.

At the hour of 5:05 p.m. the meeting was adjourned on a motion duly made and seconded.



Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting, was held on Tuesday, November 18, 1997, at the hour of 3:25 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Lockhart, Loh, Taylor  
and President Ortiz - 7

Commissioners absent: None

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Director of Strategic and Policy Planning; Director of Equal Opportunity; Acting Chief Financial Officer, Fred Rickert; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

Report on No Bids Received and Authorization to Dispense with Formal Bids for Furnishing Maintenance and Service for Parking Lot Revenue Control Systems for Period Commencing January 1, 1998 and Ending December 31, 1998, 1999 or 2000, South Airport, MOIA was the subject of a memo to the Board from the Director of Engineering notifying the Board that on September 16, 1997, the Board authorized receipt of bids for the project. No bids were received for this project. Due to a delivery problem experienced by Federal Express, the Port received one bid package the day after bids were due. That bid was submitted by Ascom Trindel Corporation, formerly Elsydel, Inc., the company that is currently providing maintenance and service for the airport parking lot revenue control system. Due to the highly specialized nature of the work, few contractors picked up the contract documents. Contractors who picked up the documents determined that they may not be able to obtain the proprietary equipment in time to perform the work.. Since Ascom Trindel Corporation is familiar with the parking lot revenue control systems, it was recommended that the Port dispense with formal bidding procedures and negotiate and execute a contract with Ascom Trindel Corporation. The recommendation was approved on passage of a Resolution No. 97342.

Approval of Consultant Agreement with John T. Warren & Associates, Inc. for Engineering Design Services for Reconstruction of Apron SE of Building L-812 and Portion of Taxiway "D", North Airport, MOIA was the subject of a memo to the Board from the Director of Engineering notifying the Board that the North Airport pavements, originally constructed in the early thirties and forties for the aircraft of those times, are showing deterioration, especially concrete aprons, because of age and usage by modern-day heavier aircraft. This project is part of a program to reconstruct existing aprons and taxiways at the North Airport to enhance the safety and extend the life of the facilities. The consultant is to provide engineering design services for the reconstruction of existing concrete apron southeast of Building L-812 and a portion of Taxiway D. The work includes: reconstruction of approximately 140,000 square feet of concrete apron and taxiway; installation of a new 8-inch waterline, ground rods, storm drainage system; and pavement striping and markings, in conformance with all applicable City, State, and FAA codes and standards. In addition, the consultant will design a master grading and drainage plan for the entire North Airport. Approximately 100 Requests for Proposals were sent out and eleven proposals were received. It was recommended that the Board authorize the agreement with John T. Warren & Associates, Inc. to perform the required design services for this project. The amount of the agreement will not exceed \$500,000.00 based on the agreed scope of work and terms of the contract. It was also requested that the Executive Director be authorized to approve up to an additional \$100,000.00 for potential changes in scope. This project is partially funded by the FAA, which has already approved the selection and the execution of the agreement with JWA. The recommendation was approved on passage of Resolution No. 97343.

Authorization to Sign Agreement with San Jose International Airport to Share Equipment at FAA TRACON was the subject of a memo to the Board from the Director of Aviation notifying the Board that one component of the Airport Noise and Operations Monitoring System is computer equipment installed at the FAA Bay TRACON facility which allows the Airport to receive flight operations data directly from the FAA. Our equipment is connected to the FAA's Flight Data Input/Output (FDIO) equipment. San Jose International Airport received permission from the FAA to obtain the same data from the FDIO that is currently being received by the Port and they have

requested the sharing of the use and costs of the equipment of the Port installed equipment at the TRACON. The Port has agreed to their request, and in exchange San Jose has agreed to pay the Port one-half of the original cost of the equipment plus half of any future maintenance or repair fees. The purchase price of the equipment, including installation, was \$50,000.00; therefore, San Jose would pay the Port \$25,000.00. It was recommended that the Board enter into an agreement with San Jose International Airport that allows them to share the computer equipment installed at FAA Bay TRACON, in exchange for their sharing the costs of purchase and maintenance of the equipment. The recommendation was approved on passage of an Resolution No. 97344.

**Approval of an Agreement to Extend Right-of-Entry and Indemnity Agreement with National Car Rental System, Inc.** was the subject of a memo to the Board from the Director of Aviation notifying the Board that the Port approved a one-year Right-of-Entry and Indemnity Agreement with National Car Rental System, Inc. effective September 9, 1996 providing for installation and operation of three ground water monitoring wells on its service facility site located on Neil Armstrong Way, South Airport. In order to continue to meet Alameda County's regulatory requirements for evaluation of the concentration of dissolved petroleum in the ground water gradient at the site, National is requesting an extension of its ROE agreement through September 8, 1998. It was recommended that the Board approve the extension of the ROE with National Car Rental System, Inc. The recommendation was approved on passage of Resolution No. 97345.

**Award of Contract for Installation of Water Main for ARFF Facility and Connection of Earhart Road Water Main, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the nine bids received and recommending award of the contract to McGuire and Hester, the low bidder, at \$404,404.00. The recommendation was approved on passage of Resolution No. 97346.

**Approval of Change Order for Martin Luther King, Jr. Regional Shoreline Wetlands Project, Including Additive Alternates B3 and B6** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the contract with Fanfa to construct the Martin Luther King, Jr. Regional Shoreline Wetlands Project which is to create an approximately 71.5-acre wetland

complex at the Distribution Center. The work involves excavating and grading existing fill; breaching the outboard levee; and constructing a pedestrian bridge and various improvements. The project is a part of a litigation settlement regarding the Distribution Center and the Airport. The settlement was approved on August 9, 1994, when the Board approved two Consent Decrees setting for the terms of the settlement. Under the Consent Decrees, the Port committed to spend \$2.1 million (partially subject to inflation) to plan, design, and construct the wetland mitigation project. Since the costs anticipated to perform that work, including the construction contract, are below that amount, the other parties to the Consent Decrees have requested that the remaining funds to be used to perform additional work at the site. The Contractor has submitted a proposal and a price not to exceed \$165,000.00 to perform all the work and has requested twenty calendar days additional contract time. It was recommended that the Board authorize the Chief Engineer to negotiate a change order with Fanfa, Inc. for an amount not to exceed \$165,000.00. The recommendation was approved on passage of Resolution No. 97347.

Authorize Professional Services Agreement to Develop Business Plan for the Joint Intermodal Terminal was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that the Maritime Division has been developing plans for the construction of the Joint Intermodal Terminal (JIT) as an element of the Vision 2000 Program. An operating plan for the JIT has been developed and a programmatic environmental review has been completed under the Vision 2000 EIR/EIS certified by the Board. A Request for Proposal, has been released for the design and preparation of plans and specifications for the initial phase of the JIT. The JIT project continues to receive Intermodal Surface Transportation Efficiency Act funding for preliminary engineering and planning and the Metropolitan Transportation Commission has recently obligated an additional \$7.9 million in ISTEA funding for initial construction. The Maritime Division is opening negotiations with the Burlington Northern Santa Fe for a use agreement to cover their operations at the facility. Additional negotiations with the Union Pacific Railroad will also occur to provide for trackage rights to serve the JIT and for eventual use of the facility by Union Pacific. These negotiations require a clear understanding of the economic and operational forces which shape the railroad industry. It was recommended that the Board authorize retaining of the Kingsley Group, a nationally-recognized

railroad consulting firm, which is headquartered in San Francisco, is 50% owned by a minority resident of Oakland. The Kingsley Group is uniquely qualified to perform these services due to their experience in railroad economic and marketing analysis, their involvement in negotiating and managing operating contracts for maritime-related clients and their knowledge of the local railroad system. The Port proposes to enter into a contract with the Kingsley Group for services up to \$80,000.00. The Port will be reimbursed through ISTEA funding for up to 88% of all expenditures. The recommendation was approved on passage of Resolution No. 97348.

**Approval of Consultant Agreement for Engineering Design Services for Construction of a Container Yard and Gate for Berths 55/56, Inner Harbor Channel** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port's Vision 2000 Program consists of a Joint Intermodal Terminal and up to five container terminals along the north side of Oakland's Inner Harbor Channel at the former FISCO facilities. Construction of a container yard and gate at Berths 55/56 is one of the first phases of this program. After reviewing six Requests for Proposal, JWD was unanimously recommended for selection to perform the required professional design services for this project. The Port is negotiating with JWD which is anticipated that the amount of the agreement will not exceed \$4,000,000.00, with an additional \$750,000.00 for potential changes in scope. It was recommended that the Board authorize a professional service agreement with JWD. The recommendation was approved on passage of Resolution No. 97349.

**Ten Year Lease Agreement with Pacific FM, Inc. for Radio Station KDIA** was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that Pacific FM, Inc. purchased Oakland Radio Station KDIA in 1995. The present Lease Agreement with the Port, which was assigned to Pacific FM is scheduled to expire January 31, 2001. KDIA occupies approximately 6.9 acres of land and water area including radio towers and transmitter building near the Bay Bridge toll plaza. The monthly rental is \$1,959.00 with annual adjustments based upon changes in the Consumer Price Index. The owners of Pacific FM recently decided to divest themselves of all broadcast holdings, including Radio Station KDIA. Indications are that the negotiations are progressing for ABC Radio to acquire Radio Station KDIA from Pacific FM. However, with slightly

more than 3 years remaining on the current Port Lease Agreement, it has become difficult for Pacific FM to finalize its sale of Radio Station KDIA because the new owner would want to amortize its costs associated with ownership over a longer period of time. The Port is proposing a new 10 year Lease Agreement with Pacific FM and will not terminate the Agreement during the first 5 years of the term. Commencing with the sixth year of the term and in the event future Port requirements necessitate changes in use to the leased area and adjacent area in the vicinity precluding continuous of radio broadcasting, then the Port shall have the right to terminate upon one year's written notice. In such event of said required change in land use, the Port shall also terminate the lease agreements of transmitter sites in the adjacent areas to the Radio KDIA site. The new rental will be \$3,750.00 per month which amount is similar to what the Port recently negotiated with radio station KIQI-AM. At the end of every 12 months, the monthly rental will be increased in accordance with the percentage change in the Consumer Price Index for the 12 month period immediately preceding the annual adjustment date and in no case will this adjustment result in the lowering of the then existing monthly rental. The present performance deposit of \$3,706.00 will be increased to \$11,206.00. Commencing with the new Lease Agreement, KDIA will make ten monthly payments of \$750.00 to the Port so that the deposit will equate to the increased amount and thereafter the performance deposit will be adjusted by the same percentage increase as the annual rental adjustment. KDIA will continue to be responsible for all maintenance. Insurance requirements will conform to current Port requirements. It was recommended that the Board approve a new 10 year Lease Agreement with Pacific FM and consent of an assignment of the Lease Agreement to such other entity as deems appropriate following sale of Radio Station KDIA. The recommendation was approved on passage of an ordinance to print.

**Award of Contract for Demolition of Building D-413, Harbor Transportation Center**

was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board of the twelve bids received and recommending award of the contract to R& B Equipment, Inc., the low bidder, at \$335,710.00. The recommendation was approved on passage of Resolution No. 97350.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointments of Darlene F. Rounds, as Commercial Representative II, at

\$3,530.00 per month, effective November 24, 1997; Michael Chinn and Betsy Kwok, as Extra Position # and Extra Position #2 for Port Staff Accountant I, at \$3,720 per month, effective November 3; Saw May Khoo, as Port Staff Accountant II, at \$4,142.00 per month, effective November 3, 1997; Jim McDonnell, as Port Electrician, at \$4,534.00 per month, effective January 5, 1998; Elizabeth D. Franco, Cornel I. Hammons, and Mary Ann Shaffer, as Documentation and Statistics Analyst, Traffic Representative II, at \$4,349.00 per month, effective November 24, 1997; Eva W. Kong, as Trade Research Analyst-Marine Commercial Representative II, at \$4,359 per month, effective November 24, 1997; Madonna M. Medeiros, as Senior Pricing and Insurance Analyst, Traffic Representative IV, at \$5,619.00 per month, effective November 24, 1997; Charles Drane, as Port Electrician, at \$4,534.00 per month, effective December 8, 1997; and Keith Saunders, as Port Equipment Service Worker, at \$3,009.00 per month, effective December 1, 1997. Also recommended was the amendment of the appointment date of Sterling Luke, as Port Senior Financial Analyst, from November 24, 1997, to December 1, 1997; a maternity leave of absence without pay for Julie Green, Airport Serviceman, through and including April 30, 1998; and the rescission of the appointment of Frank A. Hicks, as Port Electrician. Further recommended was the creation of one position of Airport Terminal Maintenance Coordinator; one position of Aviation Public Works Specialist; two positions of Port Staff Accountant I; one additional position of Senior Port Strategic Planner; and the examination announcement for Assistant Port Environmental Scientist, Associate Port Environmental Scientist, Supervising Diver, and Port Principal Engineer. The recommendations were approved on passage of Resolution No. 97351 for appointments, Resolution No. 97352 for amending certain appointments, Resolution No. 97353 for leave of absence, Resolution No. 97354 for examination announcements; and on an ordinance to print for creation of positions.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

RESOLUTION NO. 97342

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR FURNISHING MAINTENANCE AND SERVICE FOR PARKING LOT REVENUE CONTROL SYSTEMS FOR THE PERIOD COMMENCING JANUARY 1, 1998 AND ENDING DECEMBER 31, 1998, 1999 OR 2000, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING NEGOTIATION AND EXECUTION OF A CONTRACT WITH ASCOM TRINDEL CORPORATION FOR SUCH WORK."

"RESOLUTION NO. 97343

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH JOHN T. WARREN & ASSOCIATES, INC. FOR ENGINEERING DESIGN CONSULTING SERVICE CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97344

AUTHORIZING AND APPROVING EXECUTION OF AN AGREEMENT WITH SAN JOSE INTERNATIONAL AIRPORT."

"RESOLUTION NO. 97345

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH NATIONAL CAR RENTAL SYSTEM, INC."

"RESOLUTION NO. 97346

AWARDING CONTRACT TO MCGUIRE AND HESTER, FOR INSTALLATION OF WATER MAIN FOR AIRCRAFT RESCUE AND FIRE FIGHTING FACILITY AND CONNECTION OF EARHART ROAD WATER MAIN, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, A.I.P. 3-06-0170-12, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97347

APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH FANFA INC., FOR MARTIN LUTHER KING, JR. REGIONAL SHORELINE WETLANDS PROJECT, OAKLAND, CALIFORNIA INCLUDING ADDITIVE ALTERNATES B3 AND B6."

"RESOLUTION NO. 97348

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH THE KINGSLEY GROUP FOR MARITIME CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97349

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH JORDAN WOODMAN DOBSON FOR ENGINEERING DESIGN CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97350

AWARDING CONTRACT TO R & B EQUIPMENT, INC., FOR DEMOLITION OF BUILDING D-413, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97351

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97352

AMENDING PORT RESOLUTION NO. 97301 AND PORT RESOLUTION NO. 97336 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97353

RATIFYING LEAVE OF ABSENCE TO JULIE GREEN, AIRPORT SERVICEMAN."

"RESOLUTION NO. 97354

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF ASSISTANT PORT ENVIRONMENTAL SCIENTIST, ASSOCIATE PORT ENVIRONMENTAL SCIENTIST, SUPERVISING DIVER AND PORT PRINCIPAL ENGINEER."

"RESOLUTION NO. 97355

GRANTING SOUTHWEST AIRLINES CO., PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97356

GRANTING VALET PARKING SERVICE, PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97357

GRANTING MI HIU BASS, HYANG HUI KIM AND KAP KIM, DOING BUSINESS AS HAHN'S HIBACHI, PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97358

AUTHORIZING CERTAIN INDIVIDUALS TO EXECUTE DOCUMENTS RELATING TO THE OFFICE OF EMERGENCY SERVICES."

Port Ordinance No. 3398 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH GTE MOBILNET OF CALIFORNIA AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. 3399 being, AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF TERMINAL USE AGREEMENT WITH OCEAN MANAGEMENT, INC. (FESCO)," Port Ordinance No. 3400 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 TO ESTABLISH CERTAIN NEW SALARY SCHEDULES, TO CREATE CERTAIN NEW POSITIONS WITHIN EXISTING PORT CLASSIFICATIONS AND TO REVISE SALARY SCHEDULE FOR A CERTAIN POSITION," and Port Ordinance No. 3401 being, "AN ORDINANCE AMENDING SECTION 2 OF PORT ORDINANCE NO. 1660 PROVIDING FOR CONTRIBUTIONS TOWARD THE COST OF GROUP DENTAL INSURANCE FOR EMPLOYEES OF THE PORT OF OAKLAND," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH PACIFIC FM, INC.," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 AMENDING SECTIONS 5.0199 AND 7.023 ADDING ADDITIONAL POSITIONS WITHIN EXISTING PORT CLASSIFICATIONS AND ADDING SECTION 10.008 AND 10.0285 CREATING NEW POSITIONS," were read a first time and passed to print by the following vote:

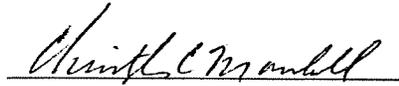
Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

At the hour of 4:35 p.m., the Board entered into closed session pertaining to conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: three cases; and reconvened in open session at the hour of 5:40 p.m.

At the hour of 5:41 p.m. the meeting was adjourned on a motion duly made and seconded.

A handwritten signature in cursive script, reading "Christy C. Marshall", is written over a horizontal line.

Secretary of the Board

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The meeting was reconvened on Friday, October 31, 1997, at the hour of 2:40 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, Vice President Kramer presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Lockhart, Loh and  
Vice President Kramer - 4

Commissioners absent: Harris, Taylor and President Ortiz - 3

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Director of Strategic and Policy Planning; Director of Equal Opportunity; Acting Chief Financial Officer, Fred Rickert; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

At the hour of 3:05 p.m. President Ortiz joined the meeting and assumed the chair.

**Recommend Approval of a New Lease with GTE Mobilnet of California for 144 Square Feet of Terminal Space and Five Antennas** was the subject of a memo to the Board from the Director of Aviation notifying the Board that GTE Mobilnet of California operates, installs, and maintains wireless telecommunication sites comprising wireless telephone, radio and telecommunications services to the public. GTE has entered into Right-of-Entry and Indemnity Agreement with the Port effective February 3, 1997, providing for approximately 200 square feet of Type II terminal space between Column lines 35 and 36 and match lines x and y (including necessary cable, utility runs and utility access) in lower level of Building M-103, Terminal 1. Five radio antenna (GPS module/operational test antenna) will be located in various locations throughout Terminals I and II. This 45 day ROE agreement and two 120 days extension were approved until a proposed multi-year Lease could be reviewed. The proposed lease will be five years. The lease may be terminated by the Port on a 6 months' notice and by GTE on 3 months' notice. The lease allows for a one time option to GTE to extend the term of the Lease for an additional five year period. The monthly rental will be \$2,190.00, based on \$10.00 per square foot for 144 square feet of space and \$150.00 per month for five antennas to be placed on the property. The monthly rental will be adjusted annually by

no less than three percent based on CPI. In addition to the monthly rental, GTE shall pay to the Port a one-time nonrefundable, administrative fee of \$2,000.00 to partially reimburse the Port for administrative costs incurred in connection with this Lease. Prior to commencement of the term of the Lease, GTE shall pay the Port the sum of \$7,500.00 as a security deposit. It was recommended that the Board approve the proposed Lease with GTE. The recommendation was approved on passage of an ordinance to print.

**Approval of Lease Modifications/Supplement with the United States of America, Department of Transportation, Federal Aviation Administration** was the subject of a memo to the Board from the Director of Aviation recommending approval of a lease extension with the FAA. The FAA currently occupies a total of 3,622 square feet of space in Terminal I and Building M-104 for its operation of the South Airport's Air Traffic Control Tower which is currently in its final option period ending September 30, 1997. The present rent is \$2,143.64 per month. The FAA proposes to extend the term of the Lease for one year from September 30, 1997 through September 30, 1998. The FAA presently is conducting soils analyses on a proposed new ATCT site near Fed Ex Metroplex. If such analyses proves to be positive, the FAA would lease the new ATCT site and consolidate the activities of both the North and South ATCTs onto one site under a long-term lease. This project is categorically exempt and does not require preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97325.

**Approval of First Supplemental Agreement with Existing Tenant Trans-Box Systems, Inc. North Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that Trans-Box Systems, Inc., a courier service, occupied several former Navy barracks buildings on the North Field pursuant to a License and Concession Agreement, dated October 1, 1993 at a monthly rental of \$10,789.17. The agreement expired on September 30, 1994, and TBS has continued to occupy the premises pursuant to the agreement's holdover provisions. The Port and TBS propose to enter into a First Supplemental Agreement dated October 1, 1997 to extend the term of the Original Agreement, adjust the rent for changes in the Consumer Price Index and to reflect deletions of space due to flooding-related relocations due to TBS' operational needs and to the Port's contractual

obligations to other tenants. The Original Agreement would be modified by the deletion of the following: 2,088 square feet of shop and 1,152 square feet of paved parking in and adjacent to Building L-621, effective September 30, 1994; 4,175 square feet of storage, 726 square feet of dock, 880 square feet of paved land and 1,000 square feet of unpaved parking in and adjacent to Building L-870 Annex, effective January 31, 1995; 1,940 square feet of office/shop space, 3,107 square feet of shop space, 433 square feet of dock; 1,965 square feet of paved parking and 2,520 square feet of unpaved land in and adjacent to Building L-643, effective July 17, 1995; and 671 square feet of office/shop in Building L-643, effective June 23, 1997. The remaining premises TBS occupies as of June 24, 1997 consists of 2,327 square feet of shop in Building L-621, 17,517 square feet of office, shop storage and unpaved land in and adjacent to Building L-633, and 17,642 square feet of office, shop and unpaved land in and adjacent to Building L-635. Monthly rental would be modified as follows: October 1, 1994 through January 31, 1995 - \$10,295.27; February 1, 1995 through July 17, 1995 - \$9,265.86; July 18, 1995 through September 30, 1995 - \$7,802.64; October 1, 1995 through September 30, 1996 - \$7,919.68; October 1, 1996 through June 23, 1997 - \$8,117.67; June 24, 1997 through September 30, 1997 - \$7,938.34; and October 1, 1997 through September 30, 1998 - \$8,152.67. It was recommended that the Board approve the First Supplemental Agreement with Trans-Box Systems, Inc. The recommendation was approved on passage of an Resolution No. 97326.

**Approval of New License and Concession Agreement with I.S.B.A., Inc. dba Oakland Flyers, South Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new license and concession agreement with I.S.B.A., Inc., for 1,180 square feet of office space and 3,130 square feet of apron space in and adjacent to Building L-712, at a monthly rent of \$1,056.69, effective October 1, 1997. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97327.

**Approval of Lease Supplement with the United States of America, Department of Transportation, Federal Aviation Administration, North Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of a lease supplement with the FAA

for 2,000 square feet of office and storage space in Building L-904, at a yearly rate of \$52,715.04, effective October 1, 1997. The recommendation was approved on passage of Resolution No. 97328.

**Adoption of a Mitigated Negative Declaration and Approval of Plans and Specifications for the Demolition of Buildings G-301, G-302, G-303 and G-305, Inner Harbor** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition work; and approval of the appropriate environmental document. The work consists of demolition of four buildings and removing two underground fuel tanks. The Port staff has completed the environmental review of the proposed project and the work is subject to an Initial Study, and the Port's Environmental Planning Department recommends approval of a Mitigated Negative Declaration. The recommendation was approved on passage of Resolution No. 97329.

Mr. Daniel Herbot and Mr. Winton Hill, both representing the Oakland Strokes, appeared before the Board to thank the Board for allowing the rowing club to remain on the site during demolition.

**Approval to Dispense with Formal Bids for Construction and Installation of Container Cranes at Berths 55-56** was the subject of a memo to the Board from the Director of Engineering recommending approval to dispense with formal bid procedures and to invite proposals from prequalified manufacturers. The plans and specifications are for four cranes, with an option that may be exercised within 24 months for three additional cranes. The new terminals will have the cranes set back from the face of the wharf 25 feet. This will require the four cranes to be larger than any other container cranes in Oakland. The outreach will be 175 feet instead of the present 167 feet, with a 200-foot long boom. The lift height will be 115 feet above the dock. The height of this crane will be too tall to fit under the Bay Bridge, and will require providing partial on-site erection. The size of the crane will permit handling containers stacked six high on the decks of the new "beyond Panamax" ships. These new cranes will be the largest cranes of this type ever built, and designing them to have the desired lift height and outreach without exceeding the overall wheel load limit will present difficult design problems. In order to assure that only qualified manufacturers submit proposals to design and build the cranes, it is desired to solicit proposals only from prequalified firms that have extensive in-

house engineering capability, recent experience in the design and construction of large modern cranes, and have at least one container crane in operation in the United States. The Engineering Division has prequalified six companies and these companies were bidders on the Seventh Street Crane. They are as follows: Paceco, Inc., San Mateo, California; IMPSA International, Argentina; Samsung Heavy Industry Co. Ltd., Korea; ZPMC, Shanghai, China; Sunkyong Limited, Hanjin Heavy Ind., Korea; and Noel GMBH, Germany. The specifications include provisions for liquidated damages in the amount of \$8,000.00 per crane per day in the event the contractor does not complete the work in the specified time. The recommendation was approved on passage of Resolution No. 97333.

New Terminal Use Agreement with FESCO at Charles P. Howard Terminal was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that Russia's Far East Shipping Co. (FESCO) runs an independent liner service in the Australia - U.S. West Coast trade. FESCO Australia North America Line (FANAL) presently calls at Terminal 3 at the Port of Richmond. The shipping line offers a nine-day frequency service with direct calls at Auckland, Sydney and Melbourne. FANAL has been looking for a more modern marine terminal which will provide faster operational turnaround as well as greater flexibility, especially in the area of access to rail service and has been reviewing facilities at the Port of San Francisco and Oakland. FANAL wishes to enter into a Terminal Use Agreement and will use the Charles P. Howard Terminal where terminal services will be provided by Stevedoring Services of America. The TUA will be for five years and the agreement will provide FANAL the option to cancel the TUA at the conclusion of and up until 45 days after each contract year during the term of the Agreement. The conditions of the TUA are consistent with previous Terminal Use Agreements as follows: Dockage - the Port will provide FANAL an initial discount of 20% from the prevailing Port Tariff rates for dockage at the time vessels activity occurs, at the end of the contract year, if FANAL does not elect to exercise its option to cancel the TUA, then FANAL shall receive from the Port an additional refund of 10% of the full Port Tariff dockage; and Wharfage - FANAL will be subject to a Minimum Annual Guarantee Breakpoint of 4,500 loaded TEUs during each contract year and FANAL's wharfage presently equates to an estimated Port Tariff amount of \$90.00 per loaded TEU. In lieu of this estimated Port Tariff amount, all cargo up to the

MAG/Breakpoint, except containerized autos, will be assessed the fixed wharfage amount of \$70.00 per loaded TEU. All cargo which exceeds the MAG/Breakpoint level during the contract year will be assessed the fixed wharfage amount of \$62.00 per loaded TEU. All containerized autos shall be charged the fixed wharfage amount of \$40.00 per container and will count towards the MAG/Breakpoint level. Each contract year, FANAL shall receive from the Port an additional refund of 10% from the estimated Port Tariff wharfage amount for containerized cargo as well as from the full Port Tariff amount for containerized automobiles and breakbulk cargo. It was recommended that the Board approved the TUA with FANAL. The recommendation was approved on passage of an ordinance to print.

**Resolution Supporting Port's Expression of Interest in Public Benefit Conveyance for the Port Use of Oakland Army Base** was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that the Oakland Base Reuse Authority (OBRA), as part of its preparation of a reuse plan for the Oakland Army Base, is in the process of considering notices of interest from qualified non-profit groups for the conveyance of surplus real estate at the Base through a Public Benefit Conveyance (PBC). Ultimately, after appropriate environmental documentation has been completed and a reuse plan adopted, the OBRA will make recommendations to the Defense Department and sponsoring federal agencies concerning applications for conveyance. The Maritime Administration would be the federal sponsor and disposal agency for any PBC for port facility uses. The Port has submitted to OBRA on August 15, 1997 its Notice of Interest/Pre-Application for Public Benefit Conveyance. The Port's August 15 submittal fulfilled the requirements of Phase I of the OBRA's PBC process. On September 11, 1997, the OBRA informed the Port that its Notice of Interest had been reviewed and is complete. Additional information and material is now requested by OBRA for Phase II of OBRA's PBC planning process, which OBRA has requested be submitted by November 3, 1997. In addition to more detailed plans for site development, OBRA has requested a formal resolution from applicants' governing boards "stating that the respective boards have been presented with information outlining plans for property conveyance at the Oakland Army Base, new construction and rehabilitation costs, maintenance of property, and future operation of such programs

for not less than 30 years. This resolution should include a statement that it is the intent of the boards to support such action by appropriating or raising the necessary funds." Any formal application by the Port for a Public Benefit Conveyance of Oakland Army Base property would be submitted in the future, to the federal disposal agency, after the Port's receipt of a formal notice from that agency. The Board's adoption of the resolution sought by OBRA is an expression of interest and intention and will assist OBRA in preparation of a reuse plan. Any PBC conveyance will require a subsequent application by the Board to the federal disposal agency. Also, the Board's resolution is without prejudice to the Port's existing rights in the Oakland Army Base. It was recommended that the Board pass the appropriate resolution requested by ORB for preparation of the Public Benefit Conveyance. The recommendation was approved on passage of Resolution No. 97334.

Amendment of Compensation Provisions for Wharfage Through Supplemental Agreements with APL, TraPac and Hyundai Merchant Marine was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that Hyundai Merchant Marine (HMM) conducts operations at the Seventh Street Marine Container Terminal and has entered into a Reciprocal Slot Exchange Agreement with the Global Alliance group of shipping lines comprised of Orient Overseas Container Line (OOCL), American President Lines (APL) and Mitsui O.S.K. Lines (MOL). In Oakland, APL's operations are domiciled at its Middle Harbor Terminal where OOCL is a secondary user; and MOL calls at Berth 30 where terminal services are provided by its terminal operating subsidiary, TransPacific Container Service Corporation (TraPac). The present Agreements with APL and TraPac provide that APL's containers handled at TraPac Berth are treated as APL's activity under the Middle Harbor Terminal compensation terms with APL; and MOL's containers handled at APL's Middle Harbor Terminal are treated as MOL's activity under the compensation terms of the Berth 30 Agreement with TraPac. Additionally, OOCL's containers handled at TraPac Berth 30 are treated as secondary use activity under the Middle Harbor Terminal compensation terms with APL. With HMM's recent entry into the Global Alliance, the Board approved an interim modification to the HMM and TraPac Agreements so that MOL containers handled at the Seventh Street Terminal are treated as MOL activity under the Berth 30 compensation terms with TraPac; and, HMM containers

handled at Berth 30 are treated as HMM activity under the Seventh Street Terminal Compensation terms with HMM. The guiding principle underlying these arrangements is that the Port remain financially whole despite the vessel slot exchanges among the shipping lines. In the meantime, Global Alliance cargo activity has now changed again and in order to maintain the Port's revenue stream whole it is necessary to expand the action taken by the Board on October 21, 1997 by making the following proposed modifications to the APL and HMM Agreements: HMM cargo activity from APL or OOCL vessels at the Middle Harbor Terminal will be subject to the same compensation terms and economic benefits presently received at the Seventh Street Terminal; APL cargo activity from HMM vessels at the Seventh Street Terminal will be subject to the same compensation terms and economic benefits presently received at the Middle Harbor Terminal; i.e., no charge will accrue to the benefit of the Port in addition to the existing fixed compensation; and OOCL cargo activity from HMM vessels at the Seventh Street Terminal will be subject to the same compensation terms and economic benefits presently received as the Middle Harbor Terminal, i.e., in accordance with the secondary use provisions tariff charges will be split 60% APL/40% Port. It was recommended that the Board approve the proposed modifications to the APL and HMM Agreements as outlined as such other provisions deemed appropriate by the Executive Director which are Port revenue neutral, consistent with existing provisions of the Port's APL and TraPac Agreements and will accommodate the Global Alliance, and authorizing execution of appropriate agreements. The recommendation was approved on passage of Resolution No. 97335.

**Approval of Plans and Specifications for Demolition of Building D-513, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition. The work consists of demolition and removal of Building D-513, a 74,000 square foot warehouse. The work is necessary in order to clear the site for construction of the Joint Intermodal Terminal beginning in mid-1998. The CEQA and NEPA requirements were completed with the Board certification of the Final EIR/EIS on September 2, 1997. The recommendation was approved on passage of Resolution No. 97330.

**Approval of Right of Entry, Indemnity and Extension Agreement with Caltrans for**

**Landscaping on Radio Road** was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that on July 29, 1994, the Port sold to the State of California Department of Transportation (Caltrans) two parcels of Port land for the purposes of widening I-80 next to the Bay Bridge Toll Plaza. The deed also included a temporary construction easement for a strip of Port owned property comprising of 62,194 square feet, approximately 33 feet wide and 2,000 feet long on the northside of Radio Road. This temporary easement expires January 1, 1998, Caltrans has requested an extension of this easement until January 1, 2003. Caltrans also wishes to enter into a new Right-of-Entry and Indemnity Agreement on an additional parcel of Port property located adjacent to and north of this strip. This parcel is approximately fifteen feet wide and plus or minus 2,000 feet long. Caltrans wishes to control exotic plant species in this area and protect the native species landscaping required by the Bay Conservation and Development Commission. The one year extension for easement along with the new one year Right-of-Entry and Indemnity Agreement is required so that Caltrans and Port staff can appraise the parcels. Caltrans will prepare and submit an offer of fair market value of a right of entry/temporary easement for the period January 1, 1998 to January 1, 2003. It is recommended that the Board approve the one year Right-of-Entry, Indemnity and Extension Agreement to Caltrans. The recommendation was approved on passage of Resolution No. 97331.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointments of: George Turner, as Aviation Marketing Manager, at \$7,462.00 per month, effective December 1, 1997; Leandro U. Denoga, as Port Staff Account I, at \$3,543.00 per month, effective November 24, 1997; Mary McKinley, as Airport Security Systems Technician, at \$3,273.00 per month, effective November 10, 1997; David Henning and Nicole D. Vaughn, as Relief Telephone Operator, at \$15.09 per hour, effective November 10, 1997; Shirley Stanforth, as Senior Secretary, at \$3,385.00 per month, effective November 24, 1997; Sam Li, as Port Senior Programmer/Analyst, at \$4,480.00 per month, effective November 24, 1997; Faith Fuller-Tompkins, as Payroll and Benefits Analyst, at \$4,134.00 per month, effective November 10, 1997; George W. Alston, Jr., as Diver, at \$5,105.00 per month, effective November 10, 1997; Delphine Provost, as

Junior Environmental Planner, at \$3,543.00 per month, effective November 10, 1997; Sterling Luke, as Port Senior Financial Analyst, at \$4,841.00 per month, effective November 24, 1997; Ysmael G. Sumabat, as Port Staff Accountant I, at \$3,543.00 per month; and Bobbie Hall Johnson, as Intermediate Typist Clerk, at \$2,658.00 per month, effective November 12, 1997. Also recommended was the creation of one additional position of Commercial Representative VI; one position of Diving Supervisor; one additional position of Assistant Port Environmental Scientist; two additional positions of Associate Port Environmental Scientist; one additional position of Port Electrician; one additional position of Port Field Representative I; one position of Documentation and Statistics Analyst-Traffic Representative II; one position of Trade Research Analyst-Marine Commercial Representative II; Senior Pricing and Insurance Analyst-Traffic Representative IV; and one additional position of Port Electrician. Further recommended was creation of salary schedule for the classification of Diver; creation of salary schedule for the classification of Diving Supervisor; amendment of salary schedule assignment for classification of Wharfinger; and examination announcements for Properties Assistant, Port Maintenance Foreman, Airport Operations Supervisor, Airside, Associate Port Environmental Planner, and Port Environmental Assessment Supervisor. The recommendations were approved on passage of Resolution No. 97336 for appointments, Resolution No. 97337 for examination announcements; and on an ordinance passed to print for creation of positions and salary schedules.

**Purchase of New Vehicles and Equipment and Sale of Surplus Vehicles** was the subject of a memo to the Board from the Acting Chief Financial Officer recommending approval to suspend formal bids and authorize the acquisition of twenty-one vehicles and equipment through the State of California contracts as available and by open market procurement for vehicles and equipment not available through the State at a cost estimate of \$589,000.00, plus taxes and fees; and find and determine a total of seventeen vehicles and equipment scheduled for replacement as inadequate, obsolete, and/or worn out and authorize their sale through open market. The recommendation was approved on passage of Resolution No. 97338.

**Authorization to Purchase Network, Servers, Backbone and Routing Equipment, Port-wide Client Software and to Upgrade the HP-3000 Business Computer** was the subject of a memo

to the Board from the Chief Administrative Officer notifying the Board that the Port's network environment has been in a continuous state of growth and modification since its inception. Over that time it has grown from a single processor Hewlett-Packard mini-computer (HP 3000) to a wide area network spanning all areas of the Port. While workstation hardware has generally kept pace with this growth, much of the network backbone equipment is over nine years old. Recent provisions for Internet access, multi-user databases and shared graphics applications have put additional stress on these systems resulting in many network slowdowns and failures during periods of heavy load. To further the problem, the existing HP 3000 is also in need of upgrade. The current model of series, Series 948, was installed in 1991. As with all computers made at that time, the technology in this model is obsolete, and HP no longer manufactures the 948 Series. Finally, to complete the migration from DOS based platforms to client-server capable graphic based platforms, the Port needs to implement the next phase of software upgrades throughout the Port. This would include establishing Windows 95 or Windows NT as the base platform and upgrading or replacing the associated office/work-group software, Microsoft Office, and other network related software. It was recommended that the Board authorize the purchase of network servers, backbone and routing equipment, Port-wide client software and to upgrade the HP-3000 business computer, at a cost estimated at \$665,000.00. The recommendation was approved on passage of Resolution No. 97339.

Approval to Enter into Contracts with Delta Dental and Consumer Dental and to Terminate Met Life, Effective January 1, 1998 was the subject of a memo to the Board from the Chief Administrative Officer recommending approval to enter into contracts with Delta Dental and Consumer Dental and to terminate Met Life effective January 1, 1998. Prior to 1995, the Port provided dental benefits to Port employees through a self-funded arrangement between the City of Oakland and Travelers Insurance Company. In 1995, Metropolitan Life Insurance Company purchased Travelers. Port employees received dental benefits under the terms of a self-funded arrangement established pursuant to Administrative Services Agreement between the City and Met Life. Although under the Met Life contract, employees were receiving benefits identical with those

previously provided by Travelers, the experience with Met Life has been swamped with administrative difficulties. As a result, the Port with employee and Union input, began a process of reviewing alternative providers for the Port's dental benefits program who will provide benefits equal to those established under the Travelers plan. Delta Dental has the most extensive network of participating dentists of those plus considered and Delta has agreed to revise their contract by providing a no-loss no-gain clause. Also Consumer Dental operates on the same principle as an HMO and has primary care facilities locally in Oakland and eleven other Bay Area cities and has submitted a proposal to provide dental and orthodontia care at their facilities. These services would be provided with no deductible costs to employees for preventive care at a monthly premium costs of \$53.25 per participating employee, including dependents. Consumer Dental has offered to provide their services at the optional election of the employees. The contracts with these providers include brokerage commissions to Saylor and Hill at 2% of administrative fees under Delta Dental's plan and 2% of premiums under Consumer Dental's plan. The contracts were approved on passage of Resolution No. 97340 and on passage of an ordinance to print providing for contributions toward the cost of the dental insurance.

**Approval of Specifications for Annual Contract for Performing Emergency Spill Response or Emergency Repairs in a Hazardous Environment for Port of Oakland Facilities**

was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the contract. The specifications for this contract include a provision allowing the Port to renew the contract in one year increments through December 31, 2000. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, including the bid amount for percentage mark-up for direct labor costs. The contract will be used for work requiring quick response, such as emergency spill response, environmental clean-up work, and emergency utility repairs in a hazardous environment; or for small projects of abatement and/or removal of hazardous materials where it is uneconomical to follow the normal contracting process. The recommendation was approved passage of Resolution No. 97332.

Mr. Samuel Rasheed, Port Pricing Analyst, appeared before the Board to note that he had been denied promotional opportunities, that had been awarded to others. He asked the Board to review the Port's practices.

Mr. Larry Hendel, Staff Manger, Local 790, appeared before the Board to ask that the previously approved date for retroactivity be reinstated to the July 12, 1997 date vice the amended date of June 28, 1997. The request was associated with the Salary Ordinance No. 3390 previously approved by the Board. The Board did not change the start date.

Mr. Robert Gordon appeared before the Board to make certain comments and suggestions concerning train traffic on Embarcadero.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh  
and Vice President Kramer - 5

Noes: - None

Absent: Commissioner Taylor and President Ortiz - 2

RESOLUTION NO. 97325

AUTHORIZING, APPROVING AND EXECUTING A LEASE MODIFICATION/  
SUPPLEMENTAL WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF  
TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97326

APPROVING AND AUTHORIZING EXECUTION OF FIRST SUPPLEMENTAL  
AGREEMENT TO LICENSE AND CONCESSION AGREEMENT WITH TRANS-BOX  
SYSTEMS, INC. LOCATED AT 8260 BOEING STREET, 1080 AND 1090 BEACHY  
STREET, NORTH AIRPORT, METROPOLITAN OAKLAND INTERNATIONAL  
AIRPORT, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97327

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND  
CONCESSION AGREEMENT WITH I.S.B.A., INC., DOING BUSINESS AS OAKLAND  
FLYERS."

"RESOLUTION NO. 97328

AUTHORIZING, APPROVING AND EXECUTING A LEASE SUPPLEMENTAL WITH  
THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION,  
FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97329

CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR DEMOLITION OF BUILDINGS G-301, G-302, G-303 AND G-305, 321 EMBARCADERO, OAKLAND, CALIFORNIA, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT, APPROVING THE MITIGATED NEGATIVE DECLARATION, APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDINGS G-301, G-302, G-303 AND G-305, INNER HARBOR, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97330

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDING D-513, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97331

APPROVING AND AUTHORIZING EXECUTION OF A RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH THE STATE OF CALIFORNIA (EXTENSION OF TERM OF TEMPORARY CONSTRUCTION EASEMENT AND RIGHT OF ENTRY FOR LANDSCAPING PURPOSES IN VICINITY OF BAY BRIDGE TOLL PLAZA)."

"RESOLUTION NO. 97332

APPROVING SPECIFICATIONS FOR ANNUAL CONTRACT FOR PERFORMING EMERGENCY SPILL RESPONSE OR EMERGENCY REPAIRS IN A HAZARDOUS ENVIRONMENT FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING JANUARY 1, 1998 AND ENDING DECEMBER 31, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, AND CALLING BIDS THEREFOR."

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh  
and President Ortiz - 6

Noes: None

Absent: Commissioner Taylor - 1

"RESOLUTION NO. 97333

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR CONSTRUCTION AND INSTALLATION OF CONTAINER CRANES AT BERTHS 55-56, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING SOLICITATION OF PROPOSALS FROM PREQUALIFIED MANUFACTURERS."

"RESOLUTION NO. 97334

SUPPORTING PORT'S EXPRESSION OF INTEREST IN PUBLIC BENEFIT CONVEYANCE FOR PORT USE OF OAKLAND ARMY BASE."

"RESOLUTION NO. 97335

APPROVING AND AUTHORIZING EXECUTION OF AMENDMENTS TO TERMINAL ASSIGNMENT AGREEMENTS WITH AMERICAN PRESIDENT LINES, LTD. AND TRANS PACIFIC CONTAINER SERVICE CORPORATION AND AMENDMENT TO TERMINAL USE AGREEMENT WITH HYUNDAI MARINE CO., LTD."

"RESOLUTION NO. 97336

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97337

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF PROPERTIES ASSISTANT, PORT MAINTENANCE FOREMAN, AIRPORT OPERATIONS SUPERVISOR, AIRSIDE, ASSOCIATE PORT ENVIRONMENTAL PLANNER AND PORT ENVIRONMENTAL ASSESSMENT SUPERVISOR."

"RESOLUTION NO. 97338

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 AND EQUIPMENT."

"RESOLUTION NO. 97339

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PURCHASE AND INSTALL COMPUTER EQUIPMENT AND SOFTWARE WITHOUT COMPETITIVE BIDDING."

"RESOLUTION NO. 97340

FINDING AND DETERMINING THAT PROPOSED CONTRACTS WITH DELTA DENTAL PLAN OF CALIFORNIA AND WITH GOLDEN WEST HEALTH PLAN FOR DENTAL COVERAGE FOR ELIGIBLE PORT EMPLOYEES THAT SUBSCRIBE FOR DENTAL COVERAGE UNDER EITHER PLAN, AND FOR THEIR DEPENDENTS CONSTITUTE CONTRACTS FOR PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENTS FOR SAME."

Port Ordinance No. 3390 being, "AN ORDINANCE ADDING SECTION 1.3399 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," was read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh and President Ortiz - 5

Noes: Commissioner Kramer - 1

Absent: Commissioner Taylor - 1

Port Ordinance No. 3393 being, "AN ORDINANCE AMENDING SECTIONS 2, 9, 10.1, 10.2, 10.3 AND 10.12 OF PORT ORDINANCE NO. 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No. 3394 being, "AN ORDINANCE GRANTING AND AUTHORIZING EXECUTION OF AN EASEMENT TO EAST BAY MUNICIPAL UTILITY DISTRICT," and Port Ordinance No. 3395 being, "AN ORDINANCE FORMULATING AND ESTABLISHING CONDITIONS AND PROCEDURES FOR THE CONDUCT AND REGULATION OF EVENTS HELD IN JACK LONDON SQUARE PORTION OF THE PORT AREA," and Port Ordinance No. 3396 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH AM-PM SERVICE CO. AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. 3397 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH ORO SPANISH BROADCASTING, INC. AND DIRECTING RECORDATION THEREOF," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
and President Ortiz - 6

Noes: None

Absent: Commissioner Taylor - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH GTE MOBILNET OF CALIFORNIA AND DIRECTING RECORDATION THEREOF," was read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh  
and Vice President Kramer - 5

Noes: None

Absent: Commissioner Taylor and President Ortiz - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF TERMINAL USE AGREEMENT WITH OCEAN MANAGEMENT, INC. (FESCO)," and Port Ordinance No. \_\_\_\_ being, AN ORDINANCE AMENDING PORT

ORDINANCE NO. 867 TO ESTABLISH CERTAIN NEW SALARY SCHEDULES, TO CREATE CERTAIN NEW POSITIONS WITHIN EXISTING PORT CLASSIFICATIONS AND TO REVISE SALARY SCHEDULE FOR A CERTAIN POSITION,” and Port Ordinance No. \_\_\_\_ being, “AN ORDINANCE AMENDING SECTION 2 OF PORT ORDINANCE NO. 1660 PROVIDING FOR CONTRIBUTIONS TOWARD THE COST OF GROUP DENTAL INSURANCE FOR EMPLOYEES OF THE PORT OF OAKLAND,” were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
and President Ortiz - 6

Noes: None

Absent: Commissioner Taylor - 1

At the hour of 3:50 p.m., the Board entered into closed session pertaining to conference with real property negotiator - property - 2 acre site at 50 Martin Luther King Way, Oakland, California, negotiating parties - Port of Oakland and Cal-Pine Corporation, under negotiation - Price and terms of payment; legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9. Name of Case: Claim of Estate of Guo-Fu Liang; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: three cases; and reconvened in open session at the hour of 4:10 p.m.

The following resolution was introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh  
and President Ortiz - 6

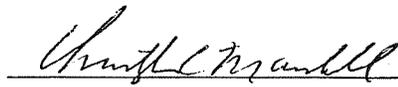
Noes: None

Absent: Commissioner Taylor - 1

“RESOLUTION NO. 97341

COMPROMISING AND SETTLING CLAIM OF YU MEI MA; LAI YING ZENG YAU;  
LI KUAN ZEN; MEI LAND ZENG; FAN QUING ZENG; FAN RONG ZENG; AND THE  
ESTATE OF GUO FU LIANG.”

At the hour of 4:15 p.m. the meeting was adjourned on a motion duly made and seconded.

A handwritten signature in cursive script, appearing to read "Charles Marshall", is written over a horizontal line.

Secretary of the Board



gross receipts less than \$3,000.00, 3% of monthly gross receipts greater than or equal to \$3,000.00 but less than \$5,000.00, 4% of monthly gross receipts greater than or equal to \$5,000.00 but less than \$6,000.00, and 5% of monthly gross receipts greater than \$6,000.00; for the period commencing July 1, 1999 through June 30, 2000, rent due the Port from the Ready For Take Off cart operators would be 7% of all monthly gross receipts; for the period commencing July 1, 2000 and thereafter, rent due the Port from the Ready For Take Off cart operators would be 10% of all monthly gross receipts; the difference in the original 5% rent due to the Port and retroactively reduced rent would be available to the cart operators currently in business at the Airport in the form of a rent credit, if any operator's occupancy at the airport terminates, then any remaining rent credit would be forfeited and not returned to the operator. The Ready For Take Off cart operators generated approximately \$600,000.00 in gross receipts over the first 13 months on which 5% rent (\$30,000.00) is due the Port, the retroactive rent credit would total approximately \$10,000.00 reducing the amount of rent due the Port to \$20,000.00. The Ready For Take Off cart operators would not be subject to ATS' Lease requirement to pay nonmanagement personnel not less than the generally prevailing rate of per diem wages for work of a similar character in the locality; and the Ready For Take Off cart operators would not be subject to ATS's Lease requirement to employ an independent certified public accountant, but instead, the Ready For Take Off cart owner or the operator's chief financial officer would be required to furnish each April 1st the required written statements to ATS and the Port certifying that the rental payments made during the prior year were made pursuant to the terms of the Lease and Concession Agreement between the Port and ATS and the License Agreement between ATS and the cart operator. It was recommended that the Board approve the Third Supplemental Agreement with Air Terminals Services Inc. The recommendation was approved on passage of Resolution No. 97317.

**An Ordinance Amending Sections 2.c and 9.a(2) of Port Ordinance 1149 Relating to Changes for use of Facilities at Metropolitan Oakland International Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that Port Ordinance 1149 provides that only Airport Operators who lease or license space from the Port in the airline terminal complex benefit from the lower of two landing fee rates. It was recommended that the Board adopt

the proposed changes for aircraft operated by Airline Operators who lease or license space from the Port in the airline terminal complex; or are listed as a scheduled carrier in the Official Airline Guide; or lease or rent a minimum of 20,000 square feet of land or ramp area on the South Airport on at least a month-to-month basis; or lease or rent a minimum of 2,200 square feet of air cargo building space on the South Airport on at least a month-to-month basis. This rate would be \$0.94 per 1,000 pounds landing weight. Fees governing commercial operations, aircraft parking, assigned ramp spaces, T-hangars, Port-a-Ports and tiedowns are charged at an hourly or monthly increment; and also on pages 5 and 6 (Section 9.a(2)), the words "Hours or" should be deleted from the column heading "Hours or Monthly Rate" so they read "Monthly Rate" only. The recommendation was approved on passage of an ordinance to print.

**First Reading of an Ordinance Granting Easement to East Bay Municipal Utility District (EBMUD) for Installation of Water Main Serving the ARFF Facility, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on November 7, 1995, the Board authorized the execution of the agreement with EBMUD to design the water line extension for the Aircraft Rescue and Fire Fighting Facility, perform construction inspection, furnish materials, and connect to their existing water main in Air Cargo Road. Under the terms of the agreement, the Port will have the water main constructed and EBMUD will own and maintain the new water system up to the meter. Another provision in the agreement with EBMUD requires the Port to grant EBMUD an easement for the water main extension. The easement shall be revocable by the Port in the event that EBMUD ceases to use the pipeline for the transmission and distribution of water. The proposed water main extension is about 2,600 feet long and is under Air Cargo Road and the perimeter of the ARFF Facility parking area. The easement covers approximately 1.2 acres with 62% in the Air Cargo Road and 38% under the perimeter of the parking area. This water main extension is only to provide water service to the ARFF Facility and the Port is paying for the extension and under the terms of the agreement there is no separate fee for the property rights. On November 15, 1994, the Board approved the Initial Study and Mitigated Negative Declaration for the ARFF Facility relocation and Improvement of the ARFF Facility. It was recommended that the Board approve the proposed changes

with an effective date of November 5, 1997. The recommendation was approved on passage of an ordinance to print.

**Jack London Square Events Policy** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that over the past nine years, through intensive marketing and leasing efforts, Jack London Square has become a major community events center in the Bay Area. With events ranging from the Farmers Market on Sundays throughout the year to the traditional Lighted Yacht Parade and Fourth of July fireworks. Jack London Square has become an attractive venue for both large and small events. The Port has received numerous requests to host events, and have found it necessary to develop an events policy to clarify the Port's goals and objectives for events at the Square. The policy outlines the primary objectives of events at the Square: to encourage activities for the benefit of the Port of Oakland's tenants and subtenants, and to enhance access of the citizens of Oakland and the region to the waterfront area. It also establishes policies and procedures to encourage self-supporting events by providing for the recovery of the incremental costs incurred by the Port in connection with the events. The policy will also establish procedures for obtaining event permits and vendor permits and authorizes the Director of Commercial Real Estate to establish fees for events and vendor permits. It was recommended that the Board approve of an ordinance governing events', policies and procedures covering Jack London Square. Ms. Shirley Everett, Ms. Dorothy King and Mr. Ronnie Stewart appeared before the Board to ask that the policy be amended to provide for non-Port tenants to receive equal access to the events. President Ortiz thanked them for their comments and noted that the Port had a higher obligation to its tenants. The recommendation was approved on passage of an ordinance to print.

**Approval of New License and Concession Agreement with Harrison's Boat Center, Inc.** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending approval of a new agreement with Harrison's Boat Center, Inc., for 44,800 square feet of vacant land, at \$1,792.00 per month. The recommendation was approved on passage of Resolution No. 97318.

**Lease Agreement with AMPM Service Co., Inc. at the Harbor Transportation Center**

was the subject of a memo to the Board from the Acting Director of Maritime recommending approval of a lease with AMPM Service Co., Inc. AMPM provides maritime equipment maintenance/repair and container storage operations on land area located near the corner of 5th Avenue and Embarcadero, at a monthly rental of \$5,022.83. AMPM is now interested in relocating operations to the Harbor Transportation Center (HTC). A 5 year lease agreement with AMPM for the HTC facility will occupy 43,052 square feet, including 21,780 square feet of open area, with a monthly rental of \$7,977.00. Beginning each subsequent year the rental will automatically be increased by no less than 3% no more than 5% based upon the percentage change in the Consumer Price Index for the 12 month period immediately preceding the annual adjustment date. In consideration of this rental level, AMPM will hire and provide a two year training internships for up to 5 West Oakland residents during each 2 year training period. Consequently, the potential is for up to 15 West Oakland residents being trained over the term of the Agreement. If operations change to where AMPM utilizes additional outside open area beyond that specified in the Lease Agreement then AMPM will pay rental for such area based upon the prevailing Port tariff rate for such area. In the event the AMPM discontinues the training program the rent will automatically increase from \$7,977.00 to \$11,965.00 per month. AMPM will pay for all utilities and be responsible for all maintenance and repair to the property, including surface, utilities and fencing as well as any utility improvements which may be required during the term of the Agreement. The Lease Agreement may be canceled by either party upon 180 days written notice. Beyond the base 5 year term, the Agreement will be subject to renegotiation of term and compensation. The Lease Agreement provides for a mutually beneficial commercial arrangement and provides a unique opportunity to fulfill the desires of the local community. The project is categorically exempt and does no require preparation of an environmental document. The recommendation was approved on passage of an ordinance to print.

**Oro Spanish Broadcasting - 10 Year Lease Agreement** was the subject of a memo to the Board from the Acting Director of Maritime recommending approval of a new lease with Oro Spanish Broadcasting. Oro occupies 12.75 acres of water and land on the north side of the Bay Bridge toll

plaza as a radio transmitter site for radio station KIQI-AM under a ten year Lease Agreement with the Port which will expire on December 31, 1997. Oro has requested a new 10-year lease Agreement. Although the new lease Agreement term will be for 10 years, the Port may terminate the lease Agreement upon one year's written notice if the Assigned Area is required for other Port uses. In the event there is a change of ownership in the radio station the Port reserves its right to assign the premises to the new ownership. The new rental will be \$3,750.00 per month and at the end of every 12 months the monthly rental will be increased in accordance with the percentage change in the Consumer Price Index for the 12 month period immediately preceding the annual adjustment date; in no case will this adjustment result in the lowering of the then existing monthly rental. The present performance deposit of \$7,405.00 will be increased to \$12,405.00. Commencing with the new lease Agreement, Oro will make 10 monthly payments of \$500.00 to the Port so that the deposit will equate to the increased amount. Oro will continue to be responsible for all maintenance, including road access, insurance requirements would conform with the current Port requirements, and all other terms and conditions of the existing Agreement will remain the same. The recommendation was approved on passage of an ordinance to print.

**Ratification of Change Order to Current Dredging Contract to Do Critical Shoal Removal Work** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port has a contract with Manson Construction & Engineering for the dredging work. The work consisted of dredging the berths to the depths indicated and disposing of suitable material at the Alcatraz disposal site, and removal and placement of contaminated dredge spoils at the Berth 10 rehandling site. The work was suspended under the terms of the Corps of Engineers and BCDC permits from January 1, 1997 to March 1, 1997, during the herring spawning season. During the months of December, January, and February, the flooding in the Sacramento River Delta greatly increased the siltation rate and shoaling throughout the Port, adding to the volume of materials to be removed under the contract. Berths 35 and 37, while not scheduled to be dredged under this contract, also showed shoaling which affected ship traffic. The necessary permit amendments were obtained from the Corps and the Contractor was directed to dredge Berths 35 and 37 to contract elevations.

The dredging of additional material the contract berths was paid for under the unit price provisions of the contract. It was recommended that the Board ratify the change order with Manson to remove 22,013 cubic yards in the amount of \$77,045.50. The recommendation was approved on passage of Resolution No. 97319.

**Approval of Increased Funding under the Agreement with Hartman Consulting Corporation** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port currently has an agreement with the Hartman Consulting Corporation to conduct Habitat and Hydrodynamic investigations in support of the -50 foot Deepening Project. It is recommended that the Board authorize a First Supplemental Agreement with Hartman to provide additional services for the expansion of the biological sampling program; preparation of documentation required under the Endangered Species Act; preparation of sections of the EIR/S for the 50-foot project; and support for the Port's public outreach efforts. The original Board approval authorized a maximum compensation of \$996,040.00 with an additional \$250,000.00 contingency allowance which increased the maximum allowable compensation to \$1,246,040.00. The cost to complete all of these additional tasks will exceed the current maximum by \$175,000.00. Therefore, it is further recommended to increase to a total of \$1,421,040.00 for a new authorized maximum. Additionally, it was recommended that \$150,000.00 be available for change in scope of work. The recommendation was approved on passage of Resolution No. 97320.

**Supplemental Agreements with Hyundai Merchant Marine Col. Ltd. and Tra Pac Amending Compensation Provisions for Wharfage** was the subject of a memo to the Board from the Acting Director of Maritime recommending approval of modifications to the Agreements for Mitsui O.S.K Lines cargo from and to Hyundai Merchant Marine Co., Ltd. vessels at the Seventh Street Terminal to be subject to the same compensation terms and economic benefits presently receive at Berth 30; and HMM cargo on MOL vessels at Berth 30 will be subject to the same compensation terms and economic benefits presently received the Seventh Street Terminal. The supplemental agreements will be filed with the Federal Maritime Commission in accordance with the Shipping Act of 1984. The recommendation was approved on passage of Resolution No. 97322.

**Secondary Use Request of American President Lines for South Seas Steamship Co. Ltd.**

**to Use the APL Terminal** was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that the South Seas Steamship Co. (South Seas) provides shipping services between the West Coast and the South Pacific Islands and New Zealand. Two vessels serve the Pacific Basin Trade providing dry, breakbulk, heavy lift and refrigerated container service to the South Pacific market. Locally, marine terminal operations had been conducted at the Port of Richmond. However, over the past few months, South Seas sought other terminal facilities for their Northern California operations and after discussions with Port staff and terminal operators, South Seas decided upon relocating terminal operations to Oakland. South Seas has committed to use the American President Lines facility as its regularly published Northern California port of call for a five year period. It is recommended that the Board approve APL's request for South Seas as a secondary user of APL's facility under the requirements of the Preferential Assignment Agreements. The recommendation was approved on passage of Resolution No. 97321.

**Travel Authorization** was the subject of a memo to the Board from the Secretary of the Board recommending approval for the travel of the Acting Director of Maritime, Ray Boyle, and the Manager of Strategic Marketing to Taipei, Taiwan, Hong Kong and Beijing, China; Seoul, Korea and Tokyo, Japan on or about the period November 3 to 16, 1997, to call on shipping lines. Also recommended was approval for the travel of the Board members and the Executive Director to Taipei, Taiwan; Manila, Philippines, Beijing and certain cities in China on or about the period November 3 to 15, 1997, for calls on shipping lines and trade purposes. The recommendation was approved on passage of Resolution No. 97323.

The following resolution was introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Kramer, Taylor  
and President Ortiz - 4

Noes: Commissioner Loh - 1

Absent: Commissioners Cole and Lockhart - 2

RESOLUTION NO. 97317

AUTHORIZING THE EXECUTION OF A THIRD SUPPLEMENTAL AGREEMENT TO LEASE AND CONCESSION AGREEMENT (NEWSSTAND AND GIFT SHOP) WITH AIR TERMINAL SERVICES, INCORPORATED."

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Kramer, Loh, Taylor  
and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Lockhart - 2

"RESOLUTION NO. 97318

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH HARRISON'S BOAT CENTER, INC."

"RESOLUTION NO. 97319

APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH MANSON CONSTRUCTION & ENGINEERING CO., FOR DEEPENING OF BERTHS 23, 21, 30, 32, 33, 67, 68, PORT OF OAKLAND, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97320

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH HARTMAN CONSULTING GROUP FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SECOND SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97321

CONSENTING TO DESIGNATION OF SECONDARY USE BY AMERICAN PRESIDENT LINES, LTD. TO SOUTH SEAS STEAMSHIP CO. AND APPROVING AMERICAN PRESIDENT LINES, LTD. USE AGREEMENT WITH SOUTH SEAS STEAMSHIP, CO."

"RESOLUTION NO. 97322

AUTHORIZING EXECUTION OF SUPPLEMENTAL AGREEMENTS WITH TRANS PACIFIC CONTAINER SERVICE CORPORATION AND HYUNDAI MERCHANT MARINE CO. LTD."

"RESOLUTION NO. 97323

CONCERNING CERTAIN TRAVEL."

"RESOLUTION NO. 97324

APPROVING AND AUTHORIZING EXECUTION OF SETTLEMENT AGREEMENTS WITH 1) WILLIAM CHARLES GROENIGER, JR., WILLIAM CHARLES GROENIGER, JR. TRUST, MICHAEL H. GROENIGER, GROENIGER & COMPANY, AND 2) ROYAL INSURANCE COMPANY."

Commissioner Taylor informed the Board that the Administration Committee had reviewed the questions of "represented employees" and non-represented employees and in particular to the obligations and standards that the Board was responsible for. She then moved that the retroactive date for the non-represented employees be established for the pay period beginning June 28, 1997 as opposed to the previous date from the last meeting which established July 12, 1997, as the effective date.

After discussion, the motion was seconded by Commissioner Harris and passed with 4 ayes and Commissioner Kramer voting no. The appropriate salary ordinance was approved on passage to print.

Port Ordinance No. 3388 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A MASTER LEASE AND SITE MANAGEMENT AGREEMENT WITH DIABLO COMMUNICATIONS INC.," and Port Ordinance No. 3389 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH TILDEN CORPORATION," and Port Ordinance No. 3391 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1166, RELATING TO EMPLOYEE PARTICIPATION IN THE PROGRAM, ADDING SECTION, AUTHORIZING PAYMENT OF CASH IN LIEU OF BENEFITS UPON PROOF OF ALTERNATE MEDICAL COVERAGE" and Port Ordinance No. 3392 \_\_\_ being, "AN ORDINANCE AMENDING AND CORRECTING SECTION 1.3397 OF PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," were read a second time and passed by the following vote:

Ayes: Commissioners Harris, Kramer, Loh, Taylor and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Lockhart - 2

Port Ordinance No. 3390 being, "AN ORDINANCE ADDING SECTION 1.3399 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," was amended and read a first time and passed to print by the following vote:

Ayes: Commissioners Harris, Loh, Taylor and President Ortiz - 4

Noes: Commissioner Kramer - 1

Absent: Commissioners Cole and Lockhart - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTIONS 2, 9, 10.1, 10.2, 10.3 AND 10.12 OF PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE GRANTING AND AUTHORIZING EXECUTION OF AN EASEMENT TO EAST BAY MUNICIPAL UTILITY DISTRICT," and Port Ordinance No. \_\_\_\_ being, " AN ORDINANCE GRANTING AND AUTHORIZING EXECUTION OF AN EASEMENT TO EAST BAY MUNICIPAL UTILITY DISTRICT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE FORMULATING AND ESTABLISHING CONDITIONS AND PROCEDURES FOR THE CONDUCT AND REGULATION OF EVENTS HELD IN THE JACK LONDON SQUARE PORTION OF THE PORT AREA," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH AM-PM SERVICE CO. AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF LEASE WITH ORO SPANISH BROADCASTING, INC. AND DIRECTING RECORDATION THEREOF," were read a first time and passed to print by the following vote:

Ayes: Commissioners Harris, Kramer, Loh, Taylor  
and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Lockhart - 2

At the hour of 4:30 p.m., the Board entered into closed session pertaining to conference with legal counsel existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases:

City of Oakland v. Keep on Trucking Company, Inc., et al, U.S. District Court Case No. C-95-0372-  
CW; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to  
subdivision (c) of Section 54956.9: three cases; conference with real property negotiator, property -  
9.1 acre site located on the westerly side of Middle Harbor Road, southerly of 7th Street in Outer  
Harbor, Oakland, California, negotiating parties - Port of Oakland and Dongavy Investments, Ltd.,  
under negotiation - Price and Terms of Payment; and reconvened in open session at the hour of 5:45  
p.m.

At the hour of 5:50 p.m. the meeting was adjourned to Friday, October 31, 1997 at the hour  
of 2:30 p.m.

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**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting, was held on Tuesday, October 7, 1997, at the hour of 3:15 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Loh, Taylor  
and President Ortiz - 6

Commissioners absent: Lockhart - 1

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Director of Strategic and Policy Planning; Director of Equal Opportunity; Acting Chief Financial Officer, Fred Rickert; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

**Informal Session:** The Board received a report from the Director of Engineering on the procedures to obtain "Request for Qualifications" for the Airport Development Program.

**Appearances:** Mr. Herb Turetsky, owner of Pizzeria Uno, appeared before the Board to express his concerns over the competitive nature of the new restaurant additions to Jack London Square.

Mr. Harry Davsky, President of A.M.P.B. Security, Inc., appeared before the Board to ask when certain security contracts would be up for review. He noted that one of the airport contracts has not be rebid in over four years. The Director of Aviation informed the Board that the contract would not be out for bid until all the new security, traffic, and roadway improvements were in place.

**Diablo Communications Master Lease and Site Management Agreement** was the subject of a memo to the Board from the Director of Aviation recommending that the Board approve a proposal from Diablo Communications Incorporated for a Wireless Telecommunications Master Lease and Site Management Agreement. The agreement would authorize Diablo to master lease a storage facility located in Terminal One for an unmanned telecommunications facility, be responsible for

building the necessary infrastructure and then securing and administering agreements with individual carriers to operate telecommunications facilities serving the Airport. Diablo will use the property as one of a series of collocated Carrier wireless telecommunications sites comprising a portion of those Carriers' system for furnishing wireless telephone, radio and telecommunications services to the public. Diablo will be responsible for resolving collocation issues and for compliance with electromagnetic fields or radio fields laws and regulations, including without limitation, standards established by American National Standards Institute. The Agreement will have a five-year term, with a 6 month termination provision for the Port and 3 month termination provision for Diablo. The Agreement allows for three consecutive option terms, each for a five year period. Monthly rent will be based on the number of major carriers outlined: 1 of 5 - \$500.00; 2 of 5 - \$1,000.00; 3 of 5 - \$1,000.00; 4 of 5 - \$2,000.00; and 5 of 5 - \$2,000.00. The monthly rent will be adjusted annually by no less than three nor more than five percent based on CPL. The Agreement also provides for percentage rent. The Port will receive the greater of the monthly rent, or percentage rent based on the following: during the initial eighteen calendar months of the term of the Agreement Diablo will pay the Port forty percent of the Gross Revenues from the Property; and during the remainder of the term of the Agreement and any extensions, Diablo will pay the Port: (I) sixty percent of the Gross Revenues from any Carriers listed below i.e., Carriers with which the Port had discussions or negotiations regarding wireless telecommunications facilities prior to the date of this Agreement and (ii) forty percent of all other Gross Revenues derived from the Property. The Port reserves the right to inspect and audit all revenues and expenses derived from the Property. Diablo will collect and pay the percentage rent to the Port on a monthly basis. Prior to the commencement of the term of the Agreement, Diablo shall pay the Port the sum of \$10,000.00 as a security deposit. If Diablo has a net worth of at least \$5 million or Diablo provides a guaranty of this agreement to Port, in a form acceptable to the Port duly executed by Diablo's parent entity then Diablo shall not be required to make a Security Deposit. Diablo will provide the Port the estimated cost of removing Diablo's and the Carrier's Improvements from the Property. The Port shall have the right to review and approve Diablo's estimated removal cost. Diablo will be required to post a Supplemental Security Deposit to cover the cost of removing its

equipment upon termination of the Agreement, unless Diablo's net worth exceeds \$10 million. This net worth requirement will be subject to annual confirmation. The agreement is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of an ordinance to print.

**Approval of Lease Modification/Supplement with the United States of America, Department of Transportation, Federal Aviation Administration** was the subject of a memo to the Board from the Director of Aviation recommending approval of a lease modification/supplement which would extend the term of the lease from September 30, 1997 through September 30, 1998. The FAA currently occupies approximately 500,000 square feet of land on Air Cargo Road. This is a possible site for new Air Traffic Control Tower for both North and South airports. The FAA is conducting soils investigations and other studies to ascertain the suitability of the premises for the construction, maintenance and operation of an Air Traffic Control Tower, which if built, would replace both the Port's existing control towers. The project is categorically exempt and does not require preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97305.

**Approval of Plans and Specifications for Replacement of Fuel Storage Tank MF-11, Building M-104, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the work. The work consists of removing the existing 8,000-gallon underground fuel storage tank and installing one new above-ground 8,000-gallon fuel tank for the three emergency back-up generators which serve the South Airport Runway lights, the South Airport terminal complex, and the Airport roadway lights. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of an Resolution No. 97306.

**Approval of Plans and Specifications for Installation of Water Main for ARFF Facility and Connection of Earhart Road Water Main, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for work. The work consists of two phases, the first phase is to install approximately 2,600 feet of piping

from the existing water main on Air Cargo Road to the ARFF Facility currently under construction. This water main will provide domestic and fire water protection service for the new facility. The second phase is to connect the water main on Earhart Road to the existing water main in Airport Drive. The Earhart Road water main piping connection is approximately 1,400 feet. The piping will improve the water flow in the North Airport for fire water protection service. On November 7, 1995, the Board authorized the execution of the agreement with EBMUD to design the water line extension for the ARFF Facility, perform construction inspection, furnish materials and make the connection to their existing main in Air Cargo Road. Under the terms of the agreement, EBMUD will own and maintain the new water system up to the meter after installation. On October 7, 1994, the Board authorized the execution of the agreement with EBMUD to design the water line connection for Earhart Road, perform construction inspection, furnish materials and make the connection to their existing main in Airport Drive. Under the terms of the agreement, EBMUD will own and maintain the new water system up to the Airport Water Meter Station after installation. The Board has previously approved the Initial Study and Mitigated Negative Declaration for both ARFF facility and Earhart Road reconstruction and improvements. The recommendation was approved on passage of Resolution No. 97307.

**Recommended Approval of a New Lease Agreement with Park-Tilden Corporation for 5,782 Square Feet of Warehouse Space at 2400 Embarcadero** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending approval of an agreement with Park-Tilden Corporation for 5,782 square feet of warehouse space in Building J-321. The warehouse operations include administrative offices, furniture delivery service, storage, repair, refinishing and the wholesale and retail sale of antiques. The principal terms and conditions include: a term of three years with no option to extend; monthly rental will be \$1,700.00 per month; monthly rental will be adjusted every 12 months based on the percentage change in the Consumer Price Index for the 12 month period immediately preceding the adjustment date and in no event shall the rental rate decrease; a security deposit equal to three times the monthly rent shall be required and the deposit shall be adjusted by the same percentage and on the same date as any adjustments to the monthly rent; the

premises shall be used for the storage, refinishing, sale and delivery of antiques; the premises shall be taken "as is;" the lessee shall carry insurance in the amounts and type coverage required by the Port's Risk Management; the lessee shall be responsible for all maintenance and repair to the premises, excluding the roof, skylights and exterior walls which the Port shall maintain; the lessee shall pay for all utilities; the lessee shall pay for taxes and assessments including possessory interest taxes; the lessee shall obtain all licenses and permits; and the lease contains the Port's standard provisions regarding equal employment, nondiscrimination and the employment resources development and affirmative action program. The recommendation was approved on passage of an ordinance to print

**Assignment of Lease with Larry P. Chao and Julie C. Chao to Theodore A. Eden and Dorothy Bergamaschi, as Tenants in Common, for the Property Located at 1900 and 2000 Embarcadero** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending consent to the assignment of the leases from Larry P. Chao and Julie C. Chao to Theodore A. Eden and Dorothy A. Eden, as tenants in common, consent to the encumbrance of the leasehold interest. and execution of various other real estate documents. Larry P. Chao and Julie C. Chao are lessee by assignment, as per Port consent on July 26, 1994, of the two ground leases for the Cove II and Cove IV office buildings in the Embarcadero Cove area. The improvements consist of approximately 140,000 square feet of office space on 5.77 acres of land. The leases are to expire in 2042. The Port receives a total of approximately \$214,674.00 a year in minimum rent against 8% of the gross receipts from office rents and 3 1/2% from the restaurant and retail gross receipts. The Port has received a request from the lessees, to consent to the assignment of the leases to Theodore A. Eden and Dorothy A. Eden, as tenants in common. The office buildings are currently 100% leased. As a part of the assignment, the assignees will secure a loan in the amount of \$9,400,000.00 from Trans Atlantic Capital Company, L.L.C. The initial release amount of the loan amount would be \$5,400,000.00 and subsequent funding to occur within 9 months after the initial release amount to equal \$4,000,000.00. The loan amount of \$9,400,000.00 would not exceed 75% of the appraised value based on an appraisal of the property to be performed by CB Commercial. The purchase price of the property is \$11,050,000.00. The purchase price includes reimbursement to the lessee for tenant

improvements in the amount of \$550,000.00. The recommendation was approved on passage of Resolution No. 97308.

**Award of Contract for Construction of Electrical Panel Enclosure, Jack London Square**

was the subject of a memo to the Board from the Director of Engineering notifying the Board of the one bid received and recommending award of the contract to Ray's Electric, the bidder, at \$69,000.00. The recommendation was approved on passage of Resolution No. 97309.

**Award of Contract for Construction of Estuary Park Improvements, Inner Harbor**

was the subject of a memo to the Board from the Director of Engineering notifying the Board of the three bids received and recommending award of the contract to Consolidated Landscape Services, Inc., the lowest responsible bidder, at \$89,995.00. The recommendation was approved on passage of Resolution No. 97310.

**Authorization to Dispense with Formal Bids for Asbestos Removal and Deconstruction of Buildings D-724 and D-821 at Harbor Transportation Center**

was the subject of a memo to the Board from the Acting Director of Maritime notifying the Board that on September 24, 1996, the Board granted approval for Youth Employment Partnerships (YEP), a non-profit organization to deconstruct Building D-733 and to recycle the lumber as part of YEP's construction training program.

The Port's experience with YEP was very positive. YEP recently received funding to continue their successful program; however, in order for this money, they need to begin their on-site operations by November 1, 1997. Buildings D-724 and D-821 have been identified as suitable for deconstruction by YEP, and it was recommended that the Board find and determine that it is in the best interests of the Port to dispense with competitive bidding and authorize an agreement with YEP to deconstruct Buildings D-724 and D-821 at a cost not to exceed \$90,000.00. Prior to the deconstruction work, the Port needs to remove and dispose of asbestos siding from the buildings. Because the YEP program must begin in November, it was also recommended that the Board find and determine that it is in the best interest of the Port to dispense with formal competitive bidding for the asbestos abatement work and received informal proposals for the work. The recommendation was approved on passage of Resolution No. 97311.

**Approval for Executive Director to Amend Memorandum of Understanding with BCDC and City of Oakland to Develop an Oakland Waterfront Public Access Plan and to Expend an Additional \$20,000.00 to BCDC Staff** was the subject of a memo to the Board from the

Director of Engineering notifying the Board that on June 18, 1996, the Board authorized the Executive Director to enter into a Memorandum of Understanding with the City of Oakland and the Bay Conservation and Development Commission (BCDC) to establish a planning process to develop an Oakland Waterfront Public Access Plan, and authorized the Executive Director to expend up to \$20,000.00 to support BCDC staff participation in this effort and the Port and City of Oakland entered into an MOU on March 4, 1997. To this effect, the major elements of the MOU include: to establish a partnership among the City, Port and BCDC; to establish a planning process for development of an Oakland Waterfront Public Access plan; to establish a public participation forum to provide input to the Public Access Plan; and to establish an implementation strategy for public access to occur along the Oakland waterfront, including a "public access credit system" or "mitigation bank" concept and possible funding mechanisms. The Public Access Plan is integrated very closely with the Oakland Waterfront Estuary Plan, and public access recommendations will be an outgrowth of the Estuary Plan framework. The Estuary Plan is scheduled for completion in late Fall, 1997. The Public Access Plan effort, originally scheduled for 12 months, will need an extension to incorporate the Estuary Plan findings. Furthermore, BCDC has requested an extension to develop a public access credit system that conforms with the San Francisco Bay Plan. As BCDC programs are limited, BCDC has requested that the Port assist BCDC by providing \$20,000.00 in additional funding for their participation in this additional effort.. BCDC's involvement in completing this Plan and credit system is desired and it was recommended that the Board amend the MOU to expend an additional \$20,000.00 to support BCDC. The recommendation was approved on passage of Resolution No. 97312.

**Port Participation in Pan Pacific Exposition Feasibility Study Review and Selection of Preferred Site** was the subject of a memo to the Board from the Director of Strategic and Policy Planning notifying the Board that on May 20, 1997, the Board authorized the Executive Director to provide a one-half of the funding for the Pan Pacific Exposition Feasibility Study. This study was

recommended to the City Council by the City Manager, and the Council requested the Port's participation. The final report has been completed by the consultant, Bay Area Pan Pacific Expo, Inc. The City staff report recommends that the City Council accept the report; hold one or more public hearings to explain and receive comments on the proposed Exposition; select a single site among those identified as the preferred location; direct staff to resolve any outstanding site issues and report back to Council within 60 days; and direct staff to enter into exclusive negotiations with Bay Area Pan Pacific Expo, Inc. for the use of the site to mount the Exposition, and report back to Council within 30 days. The Port is an equal contributor with the City in funding this study, and a portion of each of the potential sites is within the Port area. Therefore, it is appropriate that the Board have an active role in the evaluation of the study and, if the decision is made to proceed with the Exposition, in the selection of the preferred site. It was recommended that the Board formally request of the City Council that the public hearings on the Exposition be joint hearings of the City Council and the Board of Port Commissioners; and the site selection be made by the City Council with the consent of the Board of Port Commissioners. The recommendation was approved on passage of Resolution No. 97313.

**Recommended Approval of An Agreement with Dudell and Associates** was the subject of a memo to the Board from the Government Affairs Specialist notifying the Board that the Port is faced with a number of critical issues that have generated strong public interest. The outcome of each will have significant and long-term effects on future growth and activities at the Port. The projects and issues that involve the Port and are being discussed in a number of public forums by various legislative bodies are the reuse of the Oakland Army Base, the proposed Pan Pacific Expo, maritime expansion, our plan for the estuary and the BART-Oakland Airport Connector. A proactive communications strategy must be developed and implemented to educate and influence the public, opinion leaders, elected officials, community groups, Port tenants, and local businesses. It was recommended that the Board authorize a six month contract with Dudell & Associates, Inc. with an estimated cost of \$198,150.00 for the period. Dudell & Associates, Inc. is a public relations firm that has worked with both public and private sector organizations in developing key messages, media campaigns, and positioning strategies. DuDell focuses on the management of critical public relations campaigns for

infrastructure projects with an emphasis on transportation, the environment and land use. After considerable discussion concerning the proposed costs and necessity of the services, Commissioner Taylor moved that the agreement be approved with a cap of \$100,000.00 subject to further review to increase the funding. The recommendation was approved on passage of Resolution No. 97314.

**Approval of 4% Salary Increase for Underrepresented Employees** was the subject of a memo to the Board from the Chief Administrative Officer recommending approval of the compensation and benefit proposal for unrepresented and management employees (employees in Representation Units D and E, respectively). It was recommended that unrepresented and management employees be provided a cost of living increase of 4%, effective July 1, 1997 through and including June 30, 1998; and "cash in lieu" of medial coverage in which employees with medical coverage through a family member would be permitted to withdraw from the Port medical program, and receive 50% of the Kaiser North premium at the appropriate rate (single, double or family), and to receive this benefit, an employee would be required to provide proof of medical coverage.

Ms. Vanessa Brooks, President of Local 790, Port of Oakland Chapter and Mr. Larry Hendel, Staff Manager of Local 790, appeared before the Board to state that they negotiated and concurred with an effective date of July 12, 1997 for their salary increase and it was unfair to provide for retroactivity for the unrepresented groups to July 1, 1997 as recommended.

After considerable discussion on the difference between the represented groups and the non represented groups, Commissioner Harris, moved that the effective date for the non represented groups be changed to July 12, 1997. Commissioner Kramer seconded the motion and Commissioner Taylor asked that the subject be reviewed in an appropriate committee. President Ortiz directed the review and asked for a vote to continue the process. The motion passed with six ayes. The recommendation was amended and approved on passage of an ordinance to print.

**Non-Discrimination Policy** was the subject of an oral report to the Board from the Port Attorney suggesting new procedures concerning the Port's past affirmative action requirements. The recommendations were considered in a report entitled "Port Policy on Non-Discrimination and Small

Local Business Utilization." The Port Attorney recommended the report be officially adopted by the Board and implemented. The recommendation was approved on passage of Resolution No. 97315.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Lockhart - 1

RESOLUTION NO. 97305

AUTHORIZING, APPROVING AND EXECUTING A LEASE MODIFICATION/SUPPLEMENT WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97306

APPROVING PLANS AND SPECIFICATIONS FOR REPLACEMENT OF FUEL STORAGE TANK MF-11 AT BUILDING M-104, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97307

APPROVING PLANS AND SPECIFICATIONS FOR INSTALLATION OF WATER MAIN FOR AIRCRAFT RESCUE AND FIREFIGHTING FACILITY AND CONNECTION OF EARHART ROAD WATER MAIN, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, A.I.P. 3-06-0170-12, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97308

CONSENTING TO ASSIGNMENT OF LEASE FROM LARRY P. CHAO AND JULIE C. CHAO TO THEODORE A. EDEN AND DOROTHY A. EDEN."

"RESOLUTION NO. 97309

AWARDING CONTRACT TO GRUINDL INC., DBA RAY'S ELECTRIC, FOR CONSTRUCTION OF ELECTRICAL PANEL ENCLOSURE, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS TO BE PROVIDED IN CONNECTION THEREWITH."

"RESOLUTION NO. 97310

RELIEVING GOODLAND LANDSCAPE CONSTRUCTION, OF ITS BID FOR CONSTRUCTION OF ESTUARY PARK IMPROVEMENTS, INNER HARBOR, OAKLAND, CALIFORNIA; AWARDING CONTRACT TO CONSOLIDATED LANDSCAPE SERVICES, INC., FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BOND TO BIDDERS."

"RESOLUTION NO. 97311

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTACT WITH THE YOUTH EMPLOYMENT PARTNERSHIP, INC., FOR DECONSTRUCTION OF BUILDINGS D-724 AND D-821, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK, AND TO CONTACT FOR ASBESTOS REMOVAL AT BUILDINGS D-724 AND D-821, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS."

"RESOLUTION NO. 97312

APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO AGREEMENT WITH THE CITY OF OAKLAND AND THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION TO DEVELOP AN OAKLAND WATERFRONT PUBLIC ACCESS PLAN."

"RESOLUTION NO. 97313

REQUESTING THE CITY COUNCIL TO HOLD JOINT PUBLIC HEARINGS WITH THE BOARD OF PORT COMMISSIONERS ON THE PROPOSED PAN PACIFIC EXPOSITION AND TO MAKE ANY SITE SELECTION WITH THE CONSENT AND APPROVAL OF THE BOARD OF PORT COMMISSIONERS."

"RESOLUTION NO. 97314

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH DUDELL AND ASSOCIATES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97315

APPROVING AND ADOPTING A POLICY ON NON-DISCRIMINATION AND SMALL LOCAL BUSINESS UTILIZATION IN PORT PROFESSIONAL SERVICE CONSULTANT CONTRACTS AND CONSTRUCTION CONTRACTS."

"RESOLUTION NO. 97316

GRANTING DOLLAR SYSTEMS, INC., PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. 3386 being, "AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE NO. 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No. 3387 being, "AN ORDINANCE AMENDING SECTION 2.01 OF PORT ORDINANCE NO. 867 TO

ADOPT A NEW SALARY SCHEDULE FOR AIRPORT OPERATIONS SUPERVISOR, AIRSIDE," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Lockhart - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A MASTER LEASE AND SITE MANAGEMENT AGREEMENT WITH DIABLO COMMUNICATIONS INC.," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH PARK TILDEN CORPORATION," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE ADDING SECTION 1.3399 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEVELOPMENT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 1166, RELATING TO EMPLOYEE PARTICIPATION IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, HEALTH BENEFITS PROGRAM, ADDING SECTION 7, AUTHORIZING PAYMENT OF CASH IN LIEU OF BENEFITS UPON PROOF OF ALTERNATE MEDICAL COVERAGE," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING AND CORRECTING SECTION 1.3397 OF PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh, Taylor  
and President Ortriz - 6

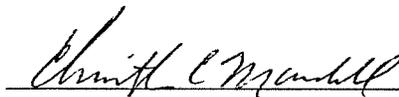
Noes: None

Absent: Commissioner Lockhart - 1

At the hour of 6:20 p.m., the Board entered into closed session pertaining to conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of case: Claim of Estate of Guo-Fu Liang; conference with legal counsel - anticipated litigation, significant

exposure to litigation pursuant to subdivision (c) of Section 54956.9; four cases; conference with Labor Negotiator, as provided for under Government Code Section 54957.0; and reconvened in open session at the hour of 6:45 p.m.

At the hour of 7:00 p.m. the meeting was adjourned on a motion duly made and seconded.

A handwritten signature in cursive script, reading "Christ C. Merrill", is written over a horizontal line.

Secretary of the Board



easement so long as the noise levels do not increase substantially in the future and so long as the interior noise levels of the insulated homes meet the requirements of the State of California Noise Standards. Participation in the current Pilot Program and future extensive Sound Insulation Program is voluntary. If eligible homeowners choose not to participate in the program, the State will consider their homes in compliance with state law since the Airport has offered to provide insulation. The Airport staff worked with the FAA to determine the eligibility boundaries for the sound insulation program which includes approximately 600 townhomes and 37 single family homes on Bay Farm Island close to the bay. It was recommended that the Board authorize the Executive Director to enter into Easement and Release Agreements with all homeowners who participate in the Airport Sound Insulation Program. The recommendation was approved on passage of Resolution No. 97289.

**Approval to Assess Penalty to Fred Risard Construction for Adding Subcontractor** was

the subject of a memo to the Board from the Director of Engineering notifying the Board of the contract with Fred Risard Construction for remodeling restrooms in Buildings M-103 and M-103, South Airport. The contract was based on lump sum price items totaling \$236,780.00. The work consisted of remodeling the existing restrooms on the second floor of M-103 to match the existing restrooms on the first floor of M-102, so that the restrooms will be similar in appearance in Terminal 1.

The women's restrooms in M-103 will be modified to improve their appearance and functional adequacy. All the restrooms will comply with ADA and Title 24 Building Code requirements after they are remodeled. On August 25, 1997, Risard requested permission to add Cobel Glass as a subcontractor to perform the installation of the mirrors. The value of the subcontract is \$3,000.00. Risard did not list Cobel at the time bids were submitted due to an error in interpreting the construction drawings. The Contractor was informed that an addition is permitted only in cases of public emergency or necessity and that such is not the case with their request. They were informed of the penalties involved as stated in the General Provisions. After careful review of Risard's situation, it is felt that there was no apparent intent by Risard to subvert the subcontract requirements. It was recommended that the Board assess Fred Risard Construction a penalty of \$300.00 for violating

Paragraph of the General Provisions. The recommendation was approved on passage of Resolution No. 97290.

**Approval of New Lease with Existing Tenant United States of America, Department of Transportation, Federal Aviation Administration, North Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of an agreement with United States of America, Department of Transportation, Federal Aviation Administration, for 2,825 square feet of office space, 120 square feet of lobby/restrooms and 2,000 square feet of unpaved parking in and adjacent to Building L-619, North Airport, at \$3,714.00 per month, effective October 1, 1997. The recommendation was approved on passage of an Resolution No. 97291.

**Approval of New License and Concession Agreement with Sky Trek International Airlines, Inc., South Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new license and concession agreement with Sky Trek International Airlines, Inc. The Agreement would authorize airline operations under the name of Sun West International two times per week. The agreement would have a one-year term commencing August 28, 1997, with a 30-day termination provision, Sky Trek has an agreement with Delta Airlines to utilize their ticket counter, office and bag make-up space in the terminal, and therefore, no space rental fees will be charged. Aviation Finance will collect landing fees; and a \$22,000.00 performance deposit is provided for in the Agreement. The project is categorically exempt and does not require the preparation of environmental document. The recommendation was approved on passage of Resolution No. 97292.

**An Ordinance Amending Section 9 of Port Ordinance 1149 Relating to Charges for Use of Storage Facilities by Non-Based Airlines at North and South Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that storage rate tables for both passenger and cargo aircraft are contained in Port Ordinance 1149 and include North and South Airport operations. These rate tables do not distinguish between those airlines that are based at Oakland and non-based airlines who use airport facilities from time to time and do not have space rental agreements. Throughout other sections of the ordinance provisions are made to access non-

based airlines at a higher rate (approximately 18% ) for airport services such as landing fees, baggage fees, security fees, terminal use fees and holdroom use fees. A table of new storage rates has been developed for North and South Airport passenger and cargo aircraft for non-based airlines. These rates are 18% more than the rates charged for based airlines. As storage revenues are shared with the airlines in the airline rates and charges' calculations, the additional revenues generated by these increases will have the effect of reducing landing fees for our based airlines. A new rate at 50% of standard storage rates has been developed for cargo aircraft disabled for more than three days. It was recommended that the Board adopt an ordinance reflecting the fee schedule and reduced fee for disabled aircraft with an effective date of October 1, 1997. The recommendation was approved on passage of an ordinance to print.

**Approval of Specifications for Furnishing Maintenance and Service for Parking Lot Revenue Control Systems for the Period Commencing January 1, 1998, and Ending December 31, 1998, 1999, or 2000, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the renewal contract. The contract includes a provision allowing the Port to renew the contract in one-year increments through December 31, 2000. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, except that the unit price bid amounts will be increased in proportion to the Construction Cost Index of the Engineering News Record (U.S. City Average). The recommendation was approved on passage of Resolution No. 97293.

**Approval to Negotiate Change Order to Reroof Building M-101, Terminal 1, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the contract with South Bay Maintenance Company, Inc. to perform seismic improvements to Building M-101, Terminal 1. The work consists of furnishing and installing structural steel bracing; bolting of concrete roof slabs; relocation of electrical conduits and equipment; rerouting plumbing; and abating asbestos. During the work, South Bay had to open portions of the roof in order to connect the steel bracing frames and bolt the concrete roof slabs. The contractor was responsible for repairing all

consequential damage to the roof and has done so. Due to the extent of the work that occurred on the roof, the adequacy of the roofing membrane as it currently exists was questionable. At the completion of the contract work, the Port had the contractor perform a water test on the roof to check for leaks and the condition of the roof. All current leaks were repaired and the roof was made water tight. Unfortunately, as a result of the water test, the overall condition of the roof membrane has been found to be suspect. There is a major concern that it will not adequately serve its purpose this coming winter nor last the next 5 to 7 years until the new Terminal is constructed as part of the Airport Development Program. The Aviation Division has requested that the roof membrane be replaced immediately to better ensure water tightness this coming year and during the time frame until the building is replaced. The work is estimated will cost less than \$200,000.00. It was recommended that the Chief Engineer be authorized to negotiate a change order with South Bay Maintenance Company, Inc. who will contact with three local roofing contractors who are Vitton Construction Co., Inc., C. Overaa & Co., or Pioneer Roofing Organization (who have roofing contracts currently in progress at the Airport) to reroof Building M-101. The recommendation was approved on passage of Resolution No. 97294.

**Substitution of Drywall and Janitorial Cleanup Subcontractors for "Remodeling Restrooms in Buildings M-103 and M-130, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port presently has a contract with Fred Risard Construction for remodeling improvements. Risard has requested to substitute for the subcontractors listed for performing the drywall and janitorial cleanup work on the subject contract. The contractor has stated that the listed subcontractors, L & S Construction and Rainbow are unwilling to enter into contracts to perform the work. which is considered a valid basis for substitution of subcontractor. The Port has given written notice to L & S and Rainbow that Risard has requested the substitution of their firm; and the Port has not received a reply from L & S or Rainbow. Risard has requested that Pace Drywall be listed as their new drywall subcontractor and Riley's Janitorial Service and Supply be listed as their new janitorial cleanup subcontractor. It was recommended that L & S Construction be deleted as the listed subcontractor for drywall and Pace Drywall be added to perform the work; Rainbow Enterprises be deleted as the listed subcontractor for janitorial cleanup work and

Riley's Janitorial Service and Supply be added to perform the work. The recommendation was approved on passage of Resolution No. 97296.

Jack London Square Events Policy was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending that the Board adopt certain policies pertaining to the events at Jack London Square. Ms. Dorothy King, owner of Everett and Jones Barbecue, appeared before the Board to note that the proposed policy would not allow non-Port tenants of Jack London Square to participate in events at the Square. After considerable discussion, the item was held over until the next meeting to allow all parties to better understand the proposal.

Approval to Assess Penalty to Fanfa, Inc. for Adding Subcontractor was the subject of a memo to the Board from the Director of Engineering notifying the Board that the contract with Fanfa, Inc. for Martin Luther King Jr. Regional shoreline wetlands project, including additive alternates B3 and B6, became effective on August 4, 1997, with a completion date of February 27, 1998. The contract is based on a lump sum and unit price items totaling \$1,232,664.61. The project will create an approximately 71.5-acre wetland complex at the Distribution Center. The work involves excavating and grading existing fill; breaching the outboard levee; and constructing a pedestrian bridge and various improvements. Excess dirt excavation during the wetland creation will be placed on an adjacent 35-acre undeveloped site called the "Retained Site". On August 20, 1997, Fanfa requested permission to add Central Fence Company as a subcontractor to perform the fencing work. The value of the subcontract is \$48,870.00. Due to clerical error, Fanfa inadvertently did not list a subcontractor to perform the fencing work. The Contractor was informed, that an addition is permitted only in cases of public emergency or necessity and that such is not the case with their request. They were informed of the penalties involved as stated in the General Provisions. After careful review of Fanfa's situation, it was felt that there was no apparent intent by Fanfa to subvert the subcontract requirements, therefore, a penalty of 10 percent of the subcontract amount would be appropriate. It was recommended that the Board assess Fanfa, Inc. a penalty of \$4,887.00 for violating Paragraph 34 of the General Provisions. The recommendation was approved on passage of Resolution No. 97297.

**Substitution of Landscape and Janitorial Cleanup Subcontractors for "Alterations to Barnes and Noble Building, Jack London Square"** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port presently has a contract with Fred Risard Construction for the alterations to Barnes and Noble Building. Risard has requested Board approval to substitute for the subcontractors listed for performing the landscape and janitorial cleanup work on the subject contract. The Contractor has stated that its listed subcontractors, C&C Landscape, Inc. and Rainbow Enterprises are unwilling to enter into contracts to perform the work. The Port has given written notice to C&C and Rainbow that Risard has requested the substitution of their firms; and the Port has received no reply from C&C and Rainbow. Risard has requested that Consolidated Landscape be listed as their new landscape subcontractor; and Riley's Janitorial Service and Supply be listed as their new janitorial cleanup subcontractor. The request was approved on passage of Resolution No. 97298.

**Approval of Consulting Agreement with CH2MHILL/John T. Warren & Associates, a Joint Venture, for Engineering Design Services for Construction of Wharf at Berths 55/56, Inner Harbor Channel** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port's Vision 2000 Program consists of a Joint Intermodal Terminal and up to 5 container berths along the north side of Oakland's Inner Harbor Channel. The construction of a container wharf at Berths 55/56 is the first phase of the program. It was recommended that the Board authorize the preparation and execution of an agreement with CH2MHILL/John T. Warren & Associates, a joint venture to provide engineering design services. The selection of HILL/JTW was based on their project team's presentation, joint venture status, team members, and extensive design experience on container wharves. The Port staff is currently negotiation with HILL/JTW on scope and terms of the contract. It is anticipated that the amount of the agreement will not exceed \$3,000,000.00, and it is requested that the Executive Director be authorized to approve up to an additional \$600,000.00 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's required

completion date of October 1999. The recommendation was approved on passage of Resolution No. 97299.

**Plans and Specifications for Demolition of Building D-413, Harbor Transportation**

**Center** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition. The work consists in general of demolition and removal of Building D-413, a 74,000 square foot warehouse. The work is necessary in order to provide a site for stockpiling and processing concrete rubble generated by future demolition projects. The CEQA and NEPA requirements were completed with Board certification of the Final EIR/EIS on September 2, 1997, and the signing of the Record of Decision by the Navy on August 27, 1997. The First Supplemental Memorandum of Agreement with the State Historic Preservation Officer was fully executed on April 11, 1997, and the Advisory Council on Historic Preservation on April 30, 1997. The recommendation was approved on passage of Resolution No. 97300.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointments of Emily Regnier, as Commercial Representative V, effective September 22, 1997, at \$5,931.00 per month; Rachel Hess, as Associate Port Environmental Scientist, effective September 22, 1997, at \$4,516.00 per month; Lawrence Dirksen, as Senior Engineering Assistant, effective September 22, 1997, at \$4,162.00 per month; Frank Hicks, as Port Electrician, effective September 22, 1997, at \$4,360.00 per month; Donald J. Russell, as Port Electrician, effective September 22, 1997, at \$4,360.00 per month; and Benny L. Taylor, as Semiskilled Laborer, effective August 25, 1997, at \$3,623.00 per month. Also recommended was the creation of the classification of Airport Operations Supervisor, Airside. The recommendations were approved on passage of Resolution No. 97301 for appointments and on an ordinance to print for new salary schedule for Airport Operations Supervisor, Airside.

**Action on Integrated Financial Management Study** was the subject of a memo to the Board from the Acting Chief Financial Officer notifying the Board of the need to develop the requirements for an integrated financial system (software) to replace the current software which is not in compliance with Year 2000 requirements and is technically obsolete. The objectives are to identify

software that will meet the business needs of the revenue departments; promote efficiency and improved work flow in the delivery of services to tenants, customers and internal users; provide greater flexibility to MIS staff related to maintenance, updates and modifications of software; and reduce operating costs. Proposals were solicited from professional firms specializing in software selection and work flow analysis. A total of 11 proposals were received and six firms were interviewed and evaluated by a committee comprised of representatives from Aviation, Commercial Real Estate, Maritime, EOE, Engineering, MIS and Finance Departments. The top ranked firm is SoftResources of Seattle, Washington with Grant & Smith, an Oakland-based, accounting and consulting firm as subcontractor for 20-25% of the work. It was recommended that the Board authorize the preparation and execution of the agreement with SoftResources, in an amount not to exceed \$190,000.00, for professional services related to the selection of Integrated Financial System software. The recommendation was approved on passage of Resolution No. 97302.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

**RESOLUTION NO. 97289**

**AUTHORIZING EXECUTION OF EASEMENT AND RELEASE AGREEMENTS WITH ALL HOMEOWNERS PARTICIPATING IN THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT SOUND INSULATION PROGRAM."**

**"RESOLUTION NO. 97290**

**ASSESSING FRED RISARD CONSTRUCTION, CONTRACTOR FOR REMODELING RESTROOMS IN BUILDINGS M-103 AND M-130, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, A PENALTY FOR SUBCONTRACTING WORK FOR WHICH ORIGINAL BID DID NOT DESIGNATE A SUBCONTRACTOR."**

**"RESOLUTION NO. 97291**

**APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."**

"RESOLUTION NO. 97292

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH SKY TREK INTERNATIONAL AIRLINES, INC."

"RESOLUTION NO. 97293

APPROVING SPECIFICATIONS FOR FURNISHING MAINTENANCE AND SERVICE FOR PARKING LOT REVENUE CONTROL SYSTEMS FOR THE PERIOD COMMENCING JANUARY 1, 1998 AND ENDING DECEMBER 31, 1998, 1999 OR 2000, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97294

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO APPROVE ISSUANCE OF A NEGOTIATED CHANGE ORDER, WITHOUT COMPETITIVE BIDDING, FOR REROOFING BUILDING M-101, TERMINAL 1, METROPOLITAN OAKLAND INTERNATIONAL, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97295

THIS NUMBER NOT USED."

"RESOLUTION NO. 97296

AUTHORIZING SUBSTITUTION OF DRYWALL AND JANITORIAL CLEANUP FOR REMODELING RESTROOMS IN BUILDINGS M-103 AND M-130, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97297

ASSESSING FANFA, INC., CONTRACTOR FOR MARTIN LUTHER KING, JR. REGIONAL SHORELINE WETLANDS PROJECT, OAKLAND, CALIFORNIA, INCLUDING ADDITIVE ALTERNATES B3 AND B6, A PENALTY FOR SUBCONTRACTING WORK FOR WHICH ORIGINAL BID DID NOT DESIGNATE A SUBCONTRACTOR."

"RESOLUTION NO. 97298

AUTHORIZING SUBSTITUTION OF LANDSCAPE AND JANITORIAL CLEANUP FOR ALTERNATIONS TO BARNES AND NOBLE BUILDING, JACK LONDON SQUARE, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97299

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CH2MHILL AND JOHN T. WARREN & ASSOCIATES, JOINTLY, FOR ENGINEERING DESIGN CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97300

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDING D-413, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97301

CONCERNING CERTAIN APPOINTMENTS.."

"RESOLUTION NO. 97302

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SOFTRESOURCES FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97303

GRANTING BUDGET RENT A CAR SYSTEMS, INC., PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97304

APPROVING APPRAISAL OF THE FAIR MARKET VALUE OF THAT CERTAIN OCTOBER 7, 1997, LEASE BETWEEN THE PORT AND RINGSBY PACIFIC LTD. (AS AMENDED), ESTABLISHING JUST COMPENSATION THEREFOR AND DIRECTING THE EXECUTIVE DIRECTOR TO MAKE AN OFFER TO ACQUIRE LESSEE'S INTEREST IN SAID LEASE."

Port Ordinance No. 3378 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES POSTAL SERVICE AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. 3379 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH OAKLAND FUEL FACILITIES CORPORATION," and Port Ordinance No. 3380 being, "AN ORDINANCE REVISING AND RESTARTING THE RULES AND REGULATIONS FOR THE PORT OF OAKLAND'S MARINAS AND FOR FIXING THE RATES AND CHARGES IN CONNECTION THEREWITH," and Port Ordinance No. 3381 being, "AN ORDINANCE ADDING SECTION 1.3398 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," and Port Ordinance No. 3382 being, "AN ORDINANCE ADDING SECTION 1.3397 TO PORT ORDINANCE NO. 867 FIXING THE

COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT," and Port Ordinance No. 3383 being, "AN ORDINANCE AMENDING SECTION 1.03 OF PORT ORDINANCE NO. 867," and Port Ordinance No. 3384 being, "AN ORDINANCE AMENDING SECTION 1.30 OF PORT ORDINANCE NO. 867," and Port Ordinance No. 3385 being, "AN ORDINANCE AMENDING SECTION 1.32 OF PORT ORDINANCE NO. 867," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 2.01 OF PORT ORDINANCE NO. 867 TO ADOPT A NEW SALARY SCHEDULE FOR AIRPORT OPERATIONS SUPERVISOR, AIRSIDE," were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

At the hour of 6:05 p.m., the Board entered into closed session pertaining to conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: three cases; conference with Labor Negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.6; conference with real property negotiator, property - 9.1 acre site located on the westerly side of Middle Harbor Road, southerly of 7th Street in Outer Harbor, Oakland, California, negotiating parties - Port of Oakland and Dongary Investments,

Ltd. (2225 7th Street, Oakland, CA), under negotiation - price and terms of payment; and reconvened in open session at the hour of 7:05 p.m.

At the hour of 7:10 p.m. the meeting was adjourned on a motion duly made and seconded.

A handwritten signature in cursive script, appearing to read "Keith C. Randall". The signature is written in dark ink and is positioned above the printed title.

Secretary of the Board



approval of an agreement with the United States Postal Service, for 8,000 square feet of warehouse, 12,800 square feet of apron and 4,800 square feet of paved parking in and adjacent to Building L-812, at \$4,283.33 per month, effective January 1, 1998; and with United States Postal Service, for 10,000 square feet of warehouse and office, 16,000 square feet of apron and 2,700 square feet of paved parking in and adjacent to Building L-812, at \$5,958.33 per month, effective January 1, 1998. The recommendation was approved on passage of Resolution No. 97265.

**Approval of New License and Concession Agreement with Ogden Aviation Terminal Services, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval of an agreement providing for their ground handling service for Tower Air, Inc. The agreement would have a one-year term commencing on June 27, 1997, with a 30-day termination provision. No premises would be granted by this agreement; Ogden would perform its work at the Terminal gate(s) between flight times; the rental is a minimum of \$250.00 per month; and effective January 1, 1998, the rental will be \$250.00 per month or 10% of gross revenues, whichever is greater. The recommendation was approved on passage of Resolution No. 97266.

**Approval of New License and Concession Agreement with Aero Nova, Inc., South Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of an agreement providing access to the South Airport for their ground handling service for contracts with Federal Express, United Parcel Service, Evergreen and Empire. The agreement would have a one-year term commencing July 1, 1997, with a 30-day termination provision. No premises would be granted by this agreement; Aero Nova would perform its work on the airlines' premises between flight times; and rental is a minimum of \$250.00 per month or 10% of gross revenues, whichever is greater. The recommendation was approved on passage of Resolution No. 97267.

**First Reading of Ordinance Approving a Lease with an Existing Tenant United States Postal Service , South Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that the Postal Service has been a tenant on the South Airport since 1992 and currently occupies approximately 4,400 square feet of air cargo space in Building M-106 under an agreement to extend Right-of-Entry and Indemnity Agreement, effective July 1, 1997 with the current

monthly rent of \$3,300.00. It is recommended that the Port enter into a three-year Lease with the Postal Service for the same space and at the same monthly rent. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of an ordinance to print.

**First Reading of Ordinance Approving a Lease with Oakland Fuel Facilities Corporation, a Non-Profit Entity, for Construction and Operation of a Motor Gas ("MOGAS")**

**Fueling Facility, South Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that Oakland Fuel Facilities Corporation (OFFC) is a non-profit entity comprised of a consortium of the major airline operators (FedEx, UPS, Southwest, United, American, Delta, American West, Alaska Airlines, etc.) and was formed to operate and maintain low cost fueling operations for air carriers serving the Airport. OFFC currently leases the Airport's aircraft fuel farm and operates the Airport's hydrant fuel system. OFFC seeks approval of the construction, operation, and maintenance of a MOGAS fueling facility to be located between Taxiways B, S and T. The MOGAS facility would replace the one currently operated by the Port. DynAir Fueling, Inc., OFFC's present third-party operator of the Airport's fuel farm and hydrant fueling facilities, would be the MOGAS manager. OFFC would purchase and install equipment which is comprised of one, 20,000 gallon, multiple compartment, double wall steel fuel storage tank, to be located above ground; one Petro Vend fuel management system to control up to four hoses with an encoding machine; and an inventory control keyed system permitting accurate tracking and recordation of individual corporate use of the system. The terms of the lease with OFFC are as follows: Premises, two separate parcels totaling 2,877 square feet of existing aircraft and vehicle apron area, located between Taxiways B, S, and T; Term, approximately seven years, through September 30, 2004, no options to extend the term; Uses, to construct, equip, maintain, and operate a self-service, ground vehicle fueling facility, permitting individual and corporate use of the system; Rent, rental of \$14,154 per year with rental adjustment every thirty months based on the percentage increase in the Consumer Price Index; Improvements, State-of-the-art fueling system; Liability Insurance, OFFC to maintain through the life of the lease \$100 million in general liability insurance and \$10 million in comprehensive auto liability;

Third Party Service Provider, OFFC's initial third party service provider (contractor/manager) would be DynAir Fueling, Inc.; Toxic Materials, OFFC to indemnify and be responsible for all contamination of the Airport caused by MOGAS fueling operations; and other terms and conditions. The project is categorically exempt and does not require the preparation of an environmental document. It was recommended that the Board approve and authorize execution of the lease with the Oakland Fuel Facilities Corporation. The recommendation was approved on passage of an ordinance to print.

**Ratification for Submittal of Application to Federal Aviation Administration (FAA) and Acceptance of FAA Grant Offer for AIP-20** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on January 7, 1997, the Board approved the submittal of an Airport Improvement Program (AIP) Grant Preparation to the Federal Aviation Administration (FAA) to fund the reconstruction of concrete apron southeasterly of Building L-812 and a part of Taxiway D project on the North Field. The total estimated cost of the project is \$3,650,000.00. In order to ensure that the grant offer can be processed prior to the end of the Federal fiscal year (September 30, 1997), the grant application had to be submitted by July 31, 1997, therefore, an application was submitted by the Port to the FAA on July 25, 1997. The FAA has now indicated that it intends to make to the Port a Grant Offer of \$2,779,045.00 under AIP-20 entitlement funds for Federal fiscal year 1997. The Port's share at \$870,955.00 will be funded by the Passenger Facility Charges (PFC) Program. It was recommended that the Board ratify the submittal of the grant application to the FAA for the project; and authorize the President of the Board or the Executive Director to accept the Grant Offer for AIP 20 when finally released, based upon the terms and conditions. The recommendation was approved on passage of Resolution No. 97268.

Mrs. Beth Arron, Executive Director, Bay Area Black Contractors Association, appeared before the Board to ask that the two demolition projects before the Board not be awarded. She noted that the projects could be altered to provide for more participation for her member firms. The Port Attorney informed that the Board that the proposed alteration to the bidding rules were under study, however, the recommended awards of contracts meet all of the existing criteria for Port projects.

**Award of Contract for Demolition of Buildings L-727 and L-729, North Airport, MOIA**

was the subject of a memo to the Board from the Director of Engineering notifying the Board of the eight bids received and recommending award of the contract to Clauss Construction, the low bidder, at \$118,680.00. The recommendation was approved on passage of Resolution No. 97269.

**Award of Contract for Demolition of Buildings L-870, L-870A and L-874, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the eight bids received and recommending award of the contract to Clauss Construction, the low bidder, at \$104,000.00. The recommendation was approved on passage of Resolution No. 97270.

**Revision of Port Ordinance No. 2161 Establishing the Rules and Regulations for the Port of Oakland's Marinas and for Fixing the Rates and Charges in Connection Therewith** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Port Ordinance No. 2161 contains rules and regulations for the Port Marinas, as well as the marina rates and charges. It was recommended that Ordinance No. 2161 be amended to grant a 7% overall increase rounded off in marina rental rates, excluding Seabreeze, and that these new rates would be effective October 1, 1997. It is further recommended that the following provisions be revised and new provisions be incorporated in the ordinance in order to make it consistent with other non Port marina standard rules and regulations. Jack London Square and North Basin Marine guest and charter docks will be included in the definition of "Port Marina Areas" in the Definitions Section. Tenant occupancy stay will be increased to 14 consecutive nights from the existing 7 consecutive nights found in the Vessels as Abodes provision. A noise restriction for the hours from 10:00 p.m. to 9:00 a.m. will be added to Section 16 Hours of Operation. A new provision, Pets in the Marinas, will be added to institutionalize the rules and restrictions governing berthers having their pets in marinas and in other Port areas. Grounds for eviction for failure to comply will be added to Sanitation, Discharge of Refuse, Sewage, or Waste Matter in the Port Area or Port Marinas. In Section 7, Mooring or Berthing, language will be added stating that vessels cited for trespassing shall be towed at the owner's expense, including administrative costs incurred by the Port. Various proposed change to Section 8:

addition of language allowing same berth occupancy of dinghies, rafts, and small boats without additional charge; clarification of the method used to measure boat lengths; a monthly fee for dinghies, rafts and small boats stored outside of the berth shall be \$1.00 per linear foot; a monthly fee for floats, row boats and small craft shall be between \$15.00 and \$18.00 per float; application fee of \$100.00 will replace one-half of one month's rental fee; a \$10.00 key/card deposit charge will replace the existing \$5.00 charge; and a new subsection (8), Credits, will allow the use of unoccupied berths by visitors, with prior permission from berther, for overnight stays with berther receiving a credit in the amount of one-half of the rental collected from the visitor. A new subsection (6) in Section 9, will restrict the boarding and removal of goods from a vessel without prior written approval from the Port. Lien costs shall be no less than \$300.00 with all subsequent liens assessed at a higher rate. Language will be added to Section 12 requiring prior written approval from the harbormaster for construction or structural alterations to vessels and prior notification of party, parties, or contractor(s) hired. In addition, Section 13 will restrict vehicle storage in parking lots without prior written approval from the Harbormaster. Changes to Section 17, include provisions for prior approval from the Commercial Real Estate Director before any signs are posted on the vessel and for permitted size and wording. Section 19 revisions include: a new provision requiring an owner of a transient vessel to remove the vessel within 24 hours of notice from the Port; revised rates for day and overnight guests in specific marinas from \$10.00 per day to \$10.00 per night for boats under 49 feet, \$20.00 per night for boats up to 60 feet, \$0.50 per linear foot per night for boats larger than 60 feet; no charge for visitors who stay less than 4 hours in designated areas; and a new provision requirement that prepaid overnight visitors submit any request for credit for unused nights in writing to the Harbormaster. Credit must be used within six months from the original requested date. Section 19 language will state that the Port shall have the right to revoke any berthing agreement if the "stray (electric) current problem" is not corrected in what is deemed a reasonable time by the Port. The recommendation was approved on passage of an ordinance to print.

**Execution of Fund Transfer Agreement - Enhancement of Ferry Terminal at Jack**

**London Square** was the subject of a memo to the Board from the Director of Engineering notifying

the Board that on July 8, 1997, the California Transportation Commission (CTC) approved the Clean Air and Transportation Improvement Act (Proposition 116) grant in the amount of \$406,127.00 to construct enhancements at the existing Oakland/Alameda Ferry Terminal Facility Terminal at the foot of Clay Street in Jack London Square. This project will improve the public access and use of the ferry system serving the Oakland/Alameda area and San Francisco. As a condition of the Fund Transfer Agreement, the State requires that the Port shall conform to any and all environmental obligations established in CTC Resolution G-91-2 regarding hazardous waste indemnification. The CTC Resolution G-91-2 requires the Port to indemnify the State of California from any hazardous materials remediation costs that the Port might incur on this project. The Port accepts full responsibility to exercise due diligence and to pay for and remove any hazardous waste remains in conformance with applicable State and Federal law. It was recommended that the Board authorize the execution of the Fund Transfer Agreement. The recommendation was approved on passage of Resolution No. 97271.

**Certification of the Final EIS/EIR for the Disposal and Reuse of the FISCO/Vision 2000**

**Maritime Development, Findings Concerning Significant Effects of the Project, Adoption of Mitigation Measures of the Project, Adoption of Monitoring and Reporting Program,**

**Statement of Overriding Considerations for the Unavoidable Adverse Air Quality Impacts,**

**Authorization of the Executive Director to Enter into a Local Cooperative Agreement with**

**MTC to Accept ISTEA Funds for Phase I of the JIT** was the subject of a memo to the Board from

the Director of Engineering notifying the Board that pursuant to the Defense Base Closure and Realignment Act of 1990, and implemented by the base closure process of 1995, the Fleet and Industrial Supply Center, Oakland (FISCO) is scheduled for closure in September, 1998. To support the disposal of FISCO via special legislation (Public Law 104-106, Section 2867) to the Port of Oakland, a joint Environmental Impact Statement/Environmental Impact Statement/Environmental Impact Report (EIS/EIR) was prepared in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). This EIS/EIR analyzes the potential environmental consequences from the proposed Navy disposal and Port of Oakland reuse of FISCO.

the NEPA Federal actions evaluated in this EIS/EIR are the disposal of 136 acres of non-reversionary

Navy property and Federal Highway Administration funding approval for the first phase of the Port's Joint Intermodal Terminal (JIT) through the Intermodal Surface and Transportation Efficiency Act (ISTEA) of 1991. Approximately 392 acres of the 528-acre FISCO site will revert to the Port's ownership when the Navy has no further use of the site. The local CEQA project evaluated is the proposed reuse of the 528-acre FISCO site, as well as some 290 acres of additional non-Navy property outside the FISCO boundary, in accordance with the Port's Vision 2000 Program. The Port's reuse plan, or the Vision 200 Program, proposes developing ship, rail and truck cargo handling facilities to meet the anticipated demand for transportation services in the San Francisco Bay Area and Northern California and to serve markets in the Midwest and beyond. The Vision 2000 Program is consistent with the FISCO site's Port Priority Use designation in the Bay Conservation and Development Commission (BCDC) and Metropolitan Transportation Commission (MTC) 1996 Seaport Plan, and will allow expansion of Port marine and rail facilities to meet competitive demands in the West Coast market. The EIS/EIR evaluates four reuse alternatives and also evaluated is the No Action alternative, which is the closure of FISCO with the non-reversionary property remaining Federal ownership. The EIS/EIR analyzes potential environmental impacts relating to land use, public services, socioeconomics, cultural resources, visual resources, biological resources, water resources, geology and oils, traffic and circulation, air quality, noise, utilities, and hazardous materials and waste. The Board is requested to approve the Reduced Harbor Fill alternative which will provide a Vision 2000 Program consisting of the phased development of (1) approximately 320 acres for a JIT serving the Union Pacific, Southern Pacific, and Burlington Northern/Santa Fe Railroads; (2) approximately 275 acres of marine terminal space including five new berths along the Oakland Inner Harbor and the relocation of the Harbor Transportation Center and Middle Harbor Road; and (3) approximately 31 acres of public waterfront access and 196 acres of marine habitat enhancement in the Oakland Middle Harbor. The following environmental consequences will result from the implementation of the Reduced Harbor Fill Alternative of the Vision 2000 program which at significant and mitigable to less than significance impact to land use from the removal of existing Middle Harbor Park; impact to public services from the removal of Spectrum Medical Care Clinic, located on Seventh Street; impact to

cultural resources from the demolition of historic buildings and structures in the Naval Supply Center, Oakland Historic District and the demolition of the north training wall on Port property; impact to visual resources from the loss of viewing opportunities to the Estuary at Middle Harbor Park; impact to biological resources from the loss of least tern foraging habitat and the sedimentation of eelgrass beds; impact to water resources from pollutants in runoff to the Bay, from dredging contaminated material, and from reducing the depth of submerged areas of the Oakland Middle Harbor; impact to geology and soils from public exposure to earthquakes; from damage to structures and utilities from ground shaking; from damage to slopes, foundations, structures and utilities from liquefaction; from settlement and from differential settlement; impact to hazardous materials and waste from exposure to polychlorinated biphenyl hazardous waste; hazardous waste storage tanks, oil/water separators and hazardous waste impoundments; and hazardous waste associated with historic land use activities on non-Navy properties; impacts to cultural resources, water resources, utilities and hazardous materials; a significant impact from the Port alone to air quality from automobile, truck, rail and ship-related ozone precursor emissions (ROG, Nox, PM10, SOx) which may not be mitigable to less than significance and significant but mitigates to less than significance impact to air quality from air emissions associated with demolition and construction activities; and significant cumulative impacts to traffic and circulation, air quality and noise which may not be mitigable to less than significance. The Port and the navy published a Notice of Preparation and a Notice of Intent in the Federal Register. The two agencies held a joint scoping meeting on June 13, 1996, which during the scoping period, the Port/Navy received 19 letters and 7 comments at the scoping meeting. All concerns were addressed in the Draft EIS/EIR. In addition, the Port held five public meetings in the West Oakland community to solicit feedback and views on the Vision 2000 program and public access objectives. The Draft EIS/EIR was circulated for a 45-day public review period on March 7, 1997, and a Notice of Availability was published in the Federal Register and in three local newspapers. During this review period, 21 letters were received from interested agencies, organizations and individuals; and nine submitted comments at the public hearing. All issues raised by the public through the 45-day public review period are addressed in the Final EIS/EIR. No new or additional environmental impacts were

raised during the public comment period. Where appropriate, changes were made in the Final EIS/EIR text. CEQA requires in Public Resources Code Section 21081 that no public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is carried out unless the public agency makes one or more of three findings as follows, the changes or alterations have been required in, or incorporated into the project which mitigate or avoid the significant effects on the environment. The changes, alterations, or other mitigation measures have been incorporated into the project that mitigate or avoid all but one project-related impact (air quality) and three cumulative-related impacts (air quality, traffic and circulation and train noise), to levels that are insignificant. 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. All mitigation measures contained in the final EIS/EIR that reduce significant impacts that result from implementation of the Reduced Harbor Fill Alternative of the Vision 2000 Program are within the responsibility and jurisdiction of the Port except for some of the mitigation measures for impacts to air quality, which are within the responsibility and jurisdiction of the Port except for some of the mitigation measures for impacts to air quality, which are within the responsibility and jurisdiction of the California Air Resources Board (CARB), the Bay Area Air Quality Management District (BAAQMD) and the U.S. EPA. Specific economics, legal, social, technological, or other considerations, including considerations for the provision for employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report. All the potentially significant adverse impacts listed can feasibility be mitigated to levels that are less than significant through implementation of mitigation measures included in the Mitigation and Monitoring Program, with the exception of the significant and unmitigable impact to air quality associated with automobile, truck, rail and ship-related air pollutant emissions and the significant and unmitigable cumulative impacts to traffic and circulation, noise and air quality. The air quality impacts are possibly mitigable to less than significance by actions of other agencies. Automobile, truck, rail and ship traffic-related ozone precursor emissions, (i.e., reactive organic compounds), nitrogen oxides (NOx) PM10 precursor

emissions (sulfur oxide (Sox), and direct PM10 emissions resulting from all of the reuse alternatives create significant air quality impacts. In addition, however, as a result of cumulative growth in the Bay Area, ozone precursors, PM10 precursors and direct PM10 are also projected to be significant by the year 2010 without implementing the Vision 2000 program. Many of these comment letters suggested air quality mitigation measures that had been investigated in preparing the Draft EIS/EIS and that were further discussed in the Final EIS/EIR. These mitigation measures include: redesign project to reduce emissions; limit number of trucks; use nondiesel alternatives; enforce local truck emission standards; develop system of fines for trucks not complying with emissions standards; compulsory training for truck drivers of dangers of emissions; vehicle inspection programs; trees and park buffers as air pollution mitigation; ban trucks from local resident streets; and install air monitors. With the exception of installing air monitors, these mitigation measures are outside the control of the Port, are infeasible, and/or do not provide any reduction in the impact on air quality that could result from the Vision 2000 program. During preparation of the Final EIR/EIS, the Port was aware that the project would result in significant air quality impacts, and that no mitigation measures subject to the Port's jurisdiction could reduce those impacts to a level of insignificance. The Port did not receive comments from the BAAQMD during the 45 day review period. The Port solicited a letter from BAAQMD after the close of public review and the BAAQMD opted to meet and confer with the Port in lieu of a letter. The Port scheduled two different meetings with the District, after close of the formal comment period, to solicit their guidance and advise as to mitigation measures that should be evaluated further. In addition, the Golden Gate University Environmental Law and Justice Clinic ("Golden Gate Clinic") subsequent to the close of the comment period has suggested additional mitigation measures to reduce air quality impacts. The Port has evaluated all of the District's and Golden Gate Clinic's suggestions, and Port staff now recommends that the Port commit to continuing to explore air quality mitigation measures as the Port pursues project-specific environmental documents. There are four different categories of mitigation measures that could potentially reduce the impacts of Seaport expansion. The first category are those measure. During preparation of the Final EIR/EIS, the Port was aware that the project would result in significant air quality impacts, and that no mitigation measures subject to the Port's

jurisdiction could reduce those impacts to a level of insignificance. The Port did not receive comments from the BAAQMD during the 45 day review period. The Port solicited a letter from BAAQMD after the close of public review and the BAAQMD opted to meet and confer with the Port in lieu of a letter.

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the Port staff believes are feasible at this, the programmatic stage and that the Port staff recommends the Board adopt as a part of the Mitigation and Monitoring Program and those measures include: development of a trip reduction program for maritime employees/tenants, institute parking fees at new marine terminals, institute employee parking cash out policy at marine terminals, restrict the supply of parking of tenant employees, and provide transit subsidies to tenant employees, these measures will have only marginal benefits on air quality and will not reduce emissions enough to eliminate the significant air quality impacts of the project. The third category of air quality mitigation measures are those measures that the Port cannot yet find to be feasible. Feasibility depends on specific design, market, economic, operational, contractual and other issues which cannot be resolved at a programmatic conceptual level, and the results of on-going investigations by other agencies. These measures include the following: purchasing emissions offsets, currently, emissions offset costs would be expected to be in the range of \$10,000.00 to \$20,000.00 per ton, although this range is subject to significant variation, given the extremely competitive maritime port business, and the lack of detailed economic information at this programmatic state, the feasibility of purchasing emissions offsets cannot be determined at this time but will need to be determined when the details of specific project elements are available; and establishing a program for reducing tug speeds/emissions while in harbor, the SCAQMD has decided to investigate further feasibility of a program to require tug boats to reduce speeds/emissions while in the harbor. Port staff recommends that the Board find the Board cannot find the measure in the third category to be feasible at this time and that the Port will evaluate these measures further before approval or construction of specific elements of the project. The fourth category of mitigation measures are those measures over which the Port has no authority and which are subject to the control of other agencies. EPA and the CARB have authority to establish emission controls for motor vehicles and power plants. The BAAQMD has authority and responsibility to prepare a State Implementation Plan (SIP) that accounts for emission increases associated with general economic growth, and prepare cost-effective strategies for emission reduction. Both EPA and the CARB have evaluated additional emission controls for both trucks and ships. It is apparent that such controls could reduce the overall emissions from Port activity to below the levels associated with the

no project alternative. For example, the EIS/EIR reports that the project would increase emissions of reactive organic gasses (ROG) from trucks by 38 tons/year by the year 2010. Increased regulatory controls of emissions from trucks that achieved a 12% decrease in ROG emissions from all port-related trucking activities would directly offset the increase associated with growth in truck traffic. The FEIS/EIR includes a discussion of significant and unmitigable cumulative impacts involving traffic impacts to the region's freeway system, traffic-related air quality impacts and rail-related noise impacts from the combination of other non-project but closely related past, present, and reasonably foreseeable future projects in the East Bay. The second category of mitigation measures that are feasible to adopt now to mitigate air quality impacts will also mitigate cumulative traffic and circulation impacts, but only to a minor extent and not to a level of insignificance. Port staff recommends that the Board find that none of such potential mitigation measures is feasible for the specific economic, legal, social, technological and other reasons as set forth more fully on pages 6-13 through 6-15 of the Final EIS/EIR. Since the Vision 2000 Program Final EIS/EIR is a programmatic document, further environmental review is required before any of the specific elements (marine terminal development, JIT, dredging and filling, public access development, etc.) can be constructed. 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 Final EIR, but are not at least substantially mitigated, the agency shall state in writing the specific reasons to support its action based on the Final EIR and/or other information in the record. This statement is referred to as a "statement of overriding considerations." Although the Port is unable at this time to find that the project-related air quality significant impact and significant cumulative noise, air quality and traffic impacts identified above can feasibly be reduced to levels of insignificance, the project will generate economic and transportation benefits of regional significance that will override these impacts. The project will allow the Port to remain in a competitive West Coast point of entry for cargo movement to the Bay Area, Northern California and the Midwest and beyond. The Final EIS/EIR reports a broad array of economic benefits, including the creation of 10,000 additional new jobs above the no project alternative by 2010, an additional \$257 million in direct wages and salaries and, in general, employment and personal

income increases of 59% compared to the No Project case. Worker spending of this payroll would create additional economic benefits throughout the Bay Area economy. It was recommended that the Board find the benefits of the project outweigh the significant effects of the project for the following specific reasons, i.e., the project will: make productive utilization of un-utilized lands; expand the area immediately behind the marine waterfront available for maritime cargo-related uses; enable better and more appropriate use of scarce Bay Area resources -- water frontage on a maintained, deepwater shipping channel; provide for new, expanded and improved intermodal maritime cargo transfer and rail facilities; provide the facilities needed by the Port to remain competitive with other West Coast ports and to accommodate the forecasted demand for cargo movements throughout the year 2010 as indicated in the BCDC/MTC Seaport Plan; improve the operating efficiency of the existing, crowded intermodal rail yard and improve its ability to provide quick, satisfactory service to maritime cargo customers; develop modern intermodal rail facilities that would be available to the Navy in the event of a national emergency; help offset the adverse socioeconomic effects of recent military base closures by using FISCO lands to provide local and regional economic revitalization -- jobs, revenue generation, needed rail yard expansion; create job opportunities where those formerly existing on FISCO will be lost because of Base down sizing; result in creation of an estimated 10,000 additional new jobs above conditions in 2010 without the Project; result in total direct annual wages and salaries of approximately \$690,000,000.00, or an estimated \$257,000,000.00 more than without the Project, worker spending of this payroll will create additional economic benefits throughout the Bay Area economy; result in total employment and personal income 50% higher compared to the No-Project Alternative; remove and dispose of hazardous building materials, e.g. asbestos siding, lead painted wood; demolish and remove structures which are fire and seismic safety hazardous without economically impractical amounts of retrofitting; add 31 acres of park, open space and continuous public access around Middle Harbor; and develop new wildlife habitat enhancement of approximately 196 acres in the Middle Harbor area. Based on the foregoing the Vision 2000 Program's contribution to the Bay Area economy, competitively-priced transportation of cargo, employment and public park, public access and habitat enhancement significantly outweighs the air quality, traffic and circulation and train noise impacts that

cannot be mitigated. As mentioned, further evaluation to select additional feasible mitigation measures to reduce significant impacts will be explored in future environmental documents prior to approval or construction of elements of the program. It was recommended that the Board adopt a resolution certifying that it has reviewed and considered the information contained in the Final EIS/EIR for the Disposal and Reuse of FISCO and the Vision 2000 Program, and that it has been prepared in compliance with CEQA, the State CEQA Guidelines and the Port CEQA Guidelines; approving the Reduced Harbor Fill Alternative of Vision 2000 Program, subject to the adopted mitigation measures; finding that the mitigation measures as listed in attachment A will avoid or substantially lessen the significant environmental effects identified in the Final EIS/EIR except for project-related air quality impacts, and cumulative traffic, noise and air quality impacts; adopting the Mitigation and Monitoring Program as said program is revised by addition of the mitigation measures for air quality and traffic and circulation as contained in the memo and the Port will be responsible agency to implement this program; making the findings described above regarding the feasibility of mitigation measures for air quality, traffic and circulation and train noise significant impacts; adopting a statement overriding considerations that the benefits of the proposed project outweigh the unavoidable project listed above and cumulative impacts; and finding the Final EIS/EIR reflects the independent judgment of the Board. It was further recommended that the Board authorize the Executive Director to enter into a Local Cooperative Agreement with MTC to accept \$7 million in ISTEA funds for implementation of Phase I of the JIT, an element of the Vision 2000 Program.

Ms. Nancy Nadel, West Oakland Resident, Mr. Willie Keyes, West Oakland Resident and Mr. Levi Oliphant, Student Clinician, all appeared before the Board to state personal concerns with regard to the air quality in West Oakland and asking for more mitigation to improve the air quality.

The recommendation was approved on passage of Resolution No. 97272.

**Approval of Consulting Services for Hydrographic Surveying to Support the Routine Soundings and Maintenance Dredging Programs, and for On-Call Miscellaneous Specialized Surveys, As Required** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port contracts with outside consulting firms to provide all hydrographic

(underwater survey) services in support of the Maritime and Commercial Real Estate Divisions. Hydrographic soundings are required to determine and monitor the available depth of water and the situation rate for all of the Port's deepwater berths. Other related services which are required are pre- and post-dredge soundings (use to determine pay quantities), emergency soundings, soundings of marinas, and other specialized marine survey services, such as side scan sonar and sub-bottom profiling. The firms which have the capacity of providing the range of services needed by the Port, especially in the time frames that are crucial to project scheduling, utilize sophisticated electronic instrument systems which provide very accurate. It was recommended that the Board approve the preparation and execution of two separate agreements. The first contract is with G.B. Star (GBS) that includes pre- and post-dredge soundings (including quantity calculations) for the maintenance dredging, all emergency soundings, and specialized surveys such as side scan sonar, multibeam, sub-bottom profiling, and magnetometer surveys. GBS will be compensated for their services in accordance with their submitted rate schedule and the contract is for three years, commencing on October 1, 1997 and ending September 30, 2000, with the maximum payment under the proposed agreement to be \$400,000.00 for the three years, and that up to \$50,000.00 of additional work can be authorized by the Executive Director. The second contract will be with PLS Surveys, Inc. which will do the biannual soundings of all of the Port's deepwater berths. PLS readily accepts and embraces the mentorship of GBS in their capacity as quality assurance managers who, as a Certified Inshore Hydrographer, will ensure that the quality of our existing program is homogeneous and that there is a seamless transition from data providers. PLS will be compensated for their services in accordance with their submitted rate schedule and the contract will be a period of one year, commencing on October 1, 1997, through and including August 31, 1998, with the provision to renew the contract in one-year increments through September 30, 2000, with a maximum payment of \$200,000.00 for the three years, and that up to \$50,000.00 of additional work that can be authorized by the Executive Director. It was recommended that the Board approve the two separate agreements. The recommendation was approved on passage of Resolution No. 97273 for GBS and Resolution No. 97274 for PLS.

**Approval to: 1) Hire Ackland International, Inc. to Design Modifications to Crane Rail Pile Support System at Berth 24, Outer Harbor; and 2) Dispense with Formal Bids for that Construction Work** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the need to strengthen the crane rail pile support system at Berth 24. As a result of a recent wharf capacity study, it has been determined that the existing pile support system must be strengthened to support the new heavier cranes and in order to minimize delay in use of these cranes by the tenant, the pile system must be strengthened promptly. In order to expedite the completion of the work, it was recommended that the Board authorize the hiring of Ackland International, Inc., to perform the design using Liftech Consultant, Inc. and Geomatrix (which jointly conducted the wharf capacity study) as their subconsultants; and to dispense with formal bids and authorize the Executive Director to obtain informal quotations and execute a contract to strengthen the crane rail pile support system. The estimated design cost will be approximately \$100,000.00 and the construction will be approximately \$1,000,000.00. The recommendation was approved on passage of Resolution No. 97275.

**Award of Contract for Construction of 115/12KV Substation and 12KV Distribution System - Phase III, Outer Harbor and Seventh Street Terminals** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the four bids received and recommending award of the contract to Mid Valley Electric, the low bidder, at \$391,236.00. The recommendation was approved on passage of Resolution No. 97276.

**Award of Contract for Demolition of Maintenance Shed at Galbraith Golf Course** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the six bids received and recommending award of the contract to Covey Trucking Company, the low bidder, at \$24,815.00. The recommendation was approved on passage of Resolution No. 97277.

**Approval of Agreement with Geraghty & Miller, Inc. for Professional Expert Review of Contaminated Port Properties** was the subject of a memo to the Board from the acting Director of Engineering notifying the Board that the soils beneath some Port properties are contaminated with petroleum hydrocarbons caused by releases from spills, underground tanks, former bulk fueling

facilities, etc. Several studies performed by various professional consultants over the year have generated large amounts of data. However, depending on site specifics, interpreting the meaning of this information can be caused for considerable professional debate. Proper interpretation is essential if Port staff is to properly advise the Board on the best course of action for cleanup or for seeking financial recovery from responsible parties such as former tenants. It was recommended that the Board authorize the preparation and execution of a contract with Geraghty & Miller, Inc. for an amount not to exceed \$60,000.00. The recommendation was approved on passage of Resolution No. 97278.

**Approval of Contract with Levine-Fricke-Recon for Consultant Services for Hazardous Material Mapping Project** was the subject of a memo to the Board from the Acting Chief Financial Officer notifying the Board that the Executive Director, Port Attorney and Port staff believe it is necessary to develop a comprehensive environmental record of all Port property. The purpose of this effort is to develop a matrix to manage environmental concerns of Port property associated with former, current and future tenant activity; to evaluate potential development; and to limit environmental liability. This study will allow the Port to map the Port Area where hazardous releases are known to have occurred or where past land uses would cause concern that releases may have occurred. The consultant will define objectives, particularly the use of database/GIS system, review current technology, define the universe of data that will be required to meet those objectives, provide to the Port a range of options and related costs to meet immediate and incremental long-term needs, and provide a schedule that meets the Port's objectives. The benefits of this mapping will be to: assist Engineering in planning and constructing improvement projects; provide environmental support to field personnel; support any current or future litigation; and support any hazardous material disclosure. It was recommended that the Board authorize the preparation and execution of an agreement with Levine-Fricke-Recon, at a cost not to exceed \$31,500.00, to perform this work. The recommendation was approved on passage of Resolution No. 97279.

**Contract with ARC Limited to Update Port Administrative Policies and Procedures** was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that the Port's Administrative Manual has not undergone a comprehensive revision in several years. Revisions

of selected, existing policies and procedures have been carried out on a quarterly, semi-annual or as needed basis, but such revisions have been restricted to the structure and format of the present manual. It is recommended that the Board authorize the hiring of ARC Limited to update the Port's policies and procedures; to develop new policies and procedures; and to create a separate Policy and Reference Guide for a fee not to exceed \$37,000.00 and it is further recommended that the Executive Director be authorized to increase the total compensation by \$6,000.00 for additional related services in policy and procedure research and documentation. The recommendation was approved on passage of Resolution No. 97280.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: Commissioners Cole, Kramer and Lockhart - 3

**RESOLUTION NO. 97265**

**APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AMENDMENTS TO LEASE WITH THE UNITED STATES POSTAL SERVICE."**

**"RESOLUTION NO. 97266**

**APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH OGDEN AVIATION TERMINAL SERVICES, INC.."**

**"RESOLUTION NO. 97267**

**APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH AERO NOVA INC."**

**"RESOLUTION NO. 97268**

**RATIFYING AND APPROVING SUBMITTAL OF APPLICATION TO FEDERAL AVIATION ADMINISTRATION UNDER THE AIRPORT IMPROVEMENT PROGRAM AND ACCEPTING GRANT OFFER FOR AIRPORT IMPROVEMENT PROGRAM, PROJECT NO. 20."**

**"RESOLUTION NO. 97269**

**AWARDING CONTRACT TO CLAUSS CONSTRUCTION, FOR DEMOLITION OF BUILDINGS L-727 AND L-729, NORTH FIELD METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF**

BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97270

AWARDING CONTRACT TO CLASS CONSTRUCTION, FOR DEMOLITION OF BUILDINGS L-870, L-870A AND L-874, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97271

APPROVING AND AUTHORIZING EXECUTION OF FUND TRANSFER AGREEMENT WITH THE STATE OF CALIFORNIA FOR ENHANCEMENT OF JACK LONDON SQUARE TERMINALS."

"RESOLUTION NO. 97272

CERTIFYING REVIEW AND CONSIDERATION OF FINAL ENVIRONMENTAL IMPACT STATEMENT/FINAL ENVIRONMENTAL IMPACT REPORT ON DISPOSAL AND REUSE OF FLEET AND INDUSTRIAL SUPPLY CENTER, OAKLAND/VISION 2000 MARITIME DEVELOPMENT, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SAID STATEMENT/REPORT AND PROJECT, ADOPTING AND INCORPORATING INTO THE PROJECT CERTAIN MITIGATION MEASURES AND ADOPTING A MITIGATION REPORTING AND MONITORING PROGRAM FOR SUCH MITIGATION MEASURES, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE SIGNIFICANT IMPACTS REGARDING AIR QUALITY, TRAFFIC, CIRCULATION AND NOISE, APPROVING AND PREFERRED ALTERNATIVE (REDUCED HARBOR FILL), AND APPROVING AND AUTHORIZING AN AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR ISTE A GRANT FUNDING FOR PHASE I OF THE PROPOSED JOINT INTERMODAL TERMINAL."

"RESOLUTION NO. 97273

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH G. B. STAR FOR HIDROGRAPHIC SURVEYING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97274

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH PLS SURVEYS, INC. FOR HIDROGRAPHIC SURVEYING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97275

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ACKLAND INTERNATIONAL, INC., FOR ENGINEERING DESIGN SERVICES CONSTITUTES PROFESSIONAL OR SPECIALIZED SERVICES; AUTHORIZING EXECUTION OF SAID AGREEMENT; FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR STRENGTHENING CRANE RAIL FILE SUPPORT SYSTEM AT BERTH 24, OUTER HARBOR WITHOUT COMPETITIVE BIDDING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS."

"RESOLUTION NO. 97276

AWARDING CONTRACT TO CLYDE G. STEAGALL, INC., DBA MID VALLEY ELECTRIC, FOR CONSTRUCTION OF 115/12KV SUBSTATION AND 12KV DISTRIBUTION SYSTEM - PHASE III, OUTER HARBOR AND SEVENTH STREET TERMINALS, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97277

AWARDING CONTRACT TO PACIFIC WESTERN AIRMOTIVE, INC., DBA COVEY TRUCKING COMPANY, FOR DEMOLITION OF MAINTENANCE SHED AT GALBRAITH GOLF COURSE, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97278

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GERAGHTY & MILLER, INC. CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97279

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH LEVINE-FRICKE-RECON CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97280

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ALANA ROSS COLEMAN DBA ARC LIMITED TO UPDATE PORT ADMINISTRATIVE POLICIES AND PROCEDURES MANUAL, CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97281

GRANTING JBN LODGING, LLC, PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. 3376 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION," and Port Ordinance No. 3377 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE WITH NATIONAL FURNITURE LIQUIDATORS, INC., AND GRANTING RENT CONCESSION", were read a second time and passed by the following vote:

Ayes: Commissioners Harris, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: Commissioners Cole, Kramer and Lockhart - 3

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES POSTAL SERVICE AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH OAKLAND FUEL FACILITIES CORPORATION," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE REVISING AND RESTARTING THE RULES AND REGULATIONS FOR THE PORT OF OAKLAND'S MARINAS AND FOR FIXING THE RATES AND CHARGES IN CONNECTION THEREWITH," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE ADDING SECTION 1.3398 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF

CERTAIN EMPLOYEES OF THE PORT DEPARTMENT,” and Port Ordinance No. \_\_\_\_ being, “AN ORDINANCE ADDING SECTION 1.3397 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN EMPLOYEES OF THE PORT DEPARTMENT,” and Port Ordinance No. \_\_\_\_ being, “AN ORDINANCE AMENDING SECTION 1.03 OF PORT ORDINANCE NO. 867,” and Port Ordinance No. \_\_\_\_ being, “AN ORDINANCE AMENDING SECTION 1.30 OF PORT ORDINANCE NO. 867,” and Port Ordinance No. \_\_\_\_ being, “AN ORDINANCE AMENDING SECTION 1.32 OF PORT ORDINANCE NO. 867,” were read a first time and passed to print by the following vote:

Ayes: Commissioners Harris, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: Commissioners Cole, Kramer and Lockhart - 3

At the hour of 4:22 p.m., the Board entered into closed session pertaining to conference with legal counsel existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases: Yoshi's/Frost/Tsuji v. Morimoto Architects, Alameda County Superior Court Case No. 766528-8, Edward Schmucker v. Port of Oakland, Alameda County Superior Court Case No. 750602-2, United States of America and State of California, etc., v. Information Systems and Networks Corporation, U.S. District Court Case No. 96-0956 DLJ, Augustus Collins, et al v. Port of Oakland, Alameda County Superior Court Case No. 764840-1, City of Oakland v. Cheng, et al, Alameda County Superior Court Case No. 722704-0, and City of Oakland v. Keep On Trucking Company, Inc., et al, U.S. District Court Case No. C-95-03721-CW; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: two cases; conference regarding public security, facilities, employees, as provided for under Government Code Section 54957; conference with Labor Negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.6; and reconvened in open session at the hour of 5:30 p.m.

The following resolutions were introduced and passed separately by the following vote after the closed session:

Ayes: Commissioners Harris, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: Commissioners Cole, Kramer and Lockhart - 3

"RESOLUTION NO. 97282

APPROVING AND RATIFYING EXECUTION OF OAKLAND PORTSIDE ASSOCIATES SETTLEMENT AGREEMENT WITH MORIMOTO ARCHITECTS AND FROST/TSUJI ARCHITECTS."

"RESOLUTION NO. 97283

APPROVING APPOINTMENT OF SPECIAL COUNSEL."

"RESOLUTION NO. 97284

RATIFYING AND APPROVING EXECUTION OF SETTLEMENT AGREEMENT WITH AUGUSTUS COLLINS, ROBERT CAPURRO AND TERRY TAYLOR."

"RESOLUTION NO. 97285

APPROVING APPOINTMENT OF SPECIAL COUNSEL."

"RESOLUTION NO. 97286

APPROVING AND AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT WITH BRITZ, INC., AND AMENDING PORT RESOLUTION NO. 97161."

"RESOLUTION NO. 97287

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH THE UNITED STATES GOVERNMENT."

As provided for in the By-Laws, the Board held election of Officers with Commissioner Taylor nominating the following: President, Celso D. Ortiz, First Vice President, David Kramer, Second Vice President, John Loh, Secretary, Christopher C. Marshall, Assistant Secretaries, Sharon Krippene, Patricia Saito. There were no further nominations and the election of officers was confirmed on passage of Resolution No. 97288

The following resolution was introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Loh, Taylor  
and President Ortiz - 4

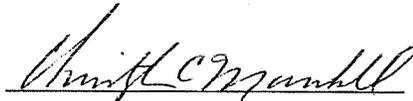
Noes: None

Absent: Commissioners Cole, Kramer and Lockhart - 3

“RESOLUTION NO. 97288

DECLARING ELECTION OF OFFICERS TO BE EFFECTIVE SEPTEMBER 3, 1997.”

At the hour of 6:10 p.m. the meeting was adjourned on a motion duly made and  
seconded.



Secretary of the Board

**SPECIAL MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

On Friday, July 25, 1997, President Ortiz called for a Special Meeting of the Board to be held on Monday, August 4, 1997, at the hour of 10:00 a.m., in the Board Room, second floor, 530 Water Street, Oakland, California. The purpose of the meeting was to conclude the business of the Board scheduled for their regular meeting of August 5, 1997, as it was expected that there would not be a quorum available on Tuesday.

The Special Meeting was held on Monday, August 4, 1997, at the hour of 10:03 a.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice relating to the Special Meeting having been given and posted.

Commissioners present: Cole, Kramer, Lockhart, Taylor  
and President Ortiz - 5

Commissioners absent: Harris and Loh - 2

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Minority Business Outreach Coordinator, Joan Kuhn; Internal Auditor; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

The minutes of the regular meeting of July 15, 1997 were approved as submitted and ordered filed.

**Approval of Seventh Supplemental Agreement with Environmental Science Associates for Preparation of Environmental Documentation for the Airport Development Program** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port has negotiated six supplemental agreements with Environmental Science Associates (ESA) in order to add to the scope of work and increase the compensation since March 1988. To date, the maximum total compensation payable under the contract is \$1.6 million. The seventh supplemental agreement pertains to work by tasks with costs and scheduled delivery dates. The proposed agreement provides

the Executive Director the authority to modify the work to provide flexibility. The agreement also includes the addition of four new M/WBE subconsultants. The Local Area Participation in this supplemental agreement is 15% which is the maximum percentage that can be accomplished without schedule delays. The proposed maximum additional compensation of \$950,000.00 will cover work ESA performed during the 1996/1997 fiscal year and work ESA will perform on the Airport Development Program during 1997-1998. It is proposed that up to \$100,000.00 of additional work may be authorized for unforeseen changes in work scope. It was recommended that the Board approved the Seventh Supplemental Agreement. The recommendation was approved on passage of Resolution No. 97244.

**Approval of New Lease with Existing Tenant United States of America, Department of Transportation, Federal Aviation Administration** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with United States of America, Department of Transportation, Federal Aviation Administration, for 2.9247 acres of land at Grumman Street near Earhart Road, effective July 1, 1997, at no rent to the Port. The recommendation was approved on passage of Resolution No. 97230.

**First Reading of Ordinance Approving Airport Land Lease with United States of America, Department of Transportation, Federal Aviation Administration** was the subject of a memo to the Board from the Director of Aviation was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with United States of America, Department of Transportation, Federal Aviation Administration, for 1.41 acres of land at the southeast end of Runway 11-29, effective November 1, 1997, at no rent to the Port. The recommendation was approved on passage of an ordinance to print.

**Approval of New License and Concession Agreement with Existing Tenant The Hertz Corporation** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with The Hertz Corporation, for 83,831 square feet of fenced and lighted paved land adjacent to Building L-619 and 57,132 square feet of unimproved land adjacent to Building

L-719, at \$13,950.66 per month, effective December 1, 1996. The recommendation was approved on passage of Resolution No. 97231.

**Approval of New License and Concession Agreement with Existing Tenant Robert F. Brown** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with Robert F. Brown, for 461 acres of land, American Canyon, Napa County, at \$1,088.00 per year, effective June 1, 1997. The recommendation was approved on passage of Resolution No. 97232.

**Award of Contract for Construction of Asphalt Concrete Overlay for Taxiways V and Y, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Gallagher & Burk, Inc., the low bidder, at \$733,540.00. The recommendation was approved on passage of Resolution No. 97233.

**Award of Contract for Reroofing of Building L-820, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the seven bids received and recommending award of the contract to Pioneer Roofing Organization, the low bidder, at \$313,000.00. The recommendation was approved on passage of Resolution No. 97234.

**An Ordinance Approving and Authorizing Execution of a Lease Between Port of Oakland ("Port") and National Furniture Liquidators, Inc. ("NFL") for Premises Located at 845 Embarcadero and Granting Two Months Rent Concession** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that on August 10, 1993 the Board consented to M & N Trucking's sublease of the premises to NFL. M&N's lease term expired on March 4, 1997. NFL wishes to enter into a lease with the Port for the premises which NFL continues to occupy. The premises consists of 44,792 square feet of warehouse space which includes 4,000 square feet of office space and is used for storage, distribution, and sale of new and used furniture. The basic terms of the lease include: a term of 5 years; effective March 5, 1997; monthly rental for 4/1/97 to 3/31/98 at \$13,069.00, 4/1/98 to 3/31/99 at \$13,438.00, 4/1/99 to 3/31/2000 at \$13,886.00, and 4/1/2000 to 3/31/2002 at \$14,333.00. Lessee is responsible for all maintenance and

repairs required to sustain the condition of the premises including the roof, and a security deposit of \$15,000.00. Should the Port decide to develop the property at anytime during the term or any extended term of the lease agreement, the Port may, at its sole discretion, terminate the lease agreement provided that the Port has given six months written notice to Lessee and pays Lessee \$52,276 (four months rent) during the first year of the Lease, \$40,314.00 (three months rent) during the second year, \$27,772.00 (two months rental during the third year, \$13,886.00 (one month) during the fourth year of the Lease term. Further in consideration of NFL's replacement of the HVAC system and for business operation interruptions caused by installation of a new monitoring well and readings of the existing well, Lessee shall be given a concession equal to two months rent credit to cover Lessee's actual costs resulting from such interruptions and the Port is not liable for real estate commission related to this transaction. It was recommended that the Board approve a lease with National Furniture Liquidators, Inc. The recommendation was approved on passage of an ordinance to print.

**Execution of the Third Supplemental Agreement to the Lincoln Property Company**

**Purchase and Sale Agreement** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that in November 1995, the Board approved an ordinance authorizing the execution of a Purchase and Sale Agreement with Lincoln Property Company for the Port's sale to Lincoln of a 9.1 acre parcel located at Alice and Embarcadero Streets. On November 19, 1996, the Board approved an extension of the Approval Deadline Date in the Agreement from May 1, 1997 to August 1, 1997 in order to accommodate Cirque du Soleil's schedule. In December, 1996, a group called Citizens for Site B filed a lawsuit challenging the EIR for the project. The case was heard in Alameda County Superior Court on June 30, 1997, and a decision handed down on July 8, 1997 stating that the Port's EIR for the project was legally sufficient, and denying the request by Citizens for Site B that a Writ of Mandate be issued to the Board to set aside its certification of the EIR and approval of the project. If Citizens for Site B appeal, it could take up to one year or more. The current contract requires that Lincoln close escrow within 30 days after the Approval Deadline Date, with a provision that the close of escrow can be delayed up to six months if Lincoln makes monthly payments of \$25,000.00. Lincoln has requested that the Port extend the Approval Deadline Date from August 1,

1997 to a date that is three months after a non-appealable judgment is set forth, or November 1, 1998, whichever is first. Lincoln has agreed to allow the Port to continue to use the property at no charge after escrow closes until they are ready to begin construction in order to accommodate the parking operations while new parking lots and programs are constructed and put into operation and Lincoln has agreed to give six months notice confirming the date expected to begin construction. Lincoln shall provide the Port with 120 days' notice prior to the closing date of their intent to close escrow in order to allow the Port to commence and complete the environmental remediation due to lender requirements. It was recommended that the Board authorize entering into a Third Supplemental Agreement to the Purchase and Sale Agreement with Lincoln Property Company. The recommendation was approved on passage of Resolution No. 97246.

**Port Consent to Amend the Coliseum Redevelopment Project Area Boundary of the Coliseum Redevelopment Plan** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that the City of Oakland is proposing to expand the existing Coliseum Area Redevelopment Project Area by adding 264 acres in the Fruitvale neighborhood. The boundaries of the added area are Fruitvale Avenue, International Boulevard, 22nd Avenue, Livingston Avenue, 23rd Avenue and the municipal boundary in the Estuary. In 1995, the Port and the Oakland Redevelopment Agency entered into a Memorandum of Understanding which outlines the respective roles, responsibilities, limitations and conditions to guide the agencies in carrying out the objectives of the redevelopment area including a provision (Section 1) that the Redevelopment Agency " . . . shall not amend the boundaries of the (Coliseum) project area to include property under jurisdiction of the Port ... without the prior consent of the Port." In this case, the area to be added does include additional land within Port jurisdiction, between Glascock Street and the Estuary. Pursuant to the MOU, the Redevelopment Agency has requested Port consent to amend the boundaries of the Project Area. Staff reviewed the City's objectives and programs to be employed within the additional areas of the Project Area and has been satisfied that amending the district boundaries will not have adverse impacts on the Port's property or planning interests and will likely benefit the Fruitvale neighborhood. Extending the boundaries as proposed will allow the benefits of the current Tax

Increment program to be applied. It was recommended that the Board certified that it has reviewed the proposed amendments, considered the Negative Declaration, and consents to the proposed amendments pursuant to the MOU between the Port and the Agency. The recommendation was approved on passage of Resolution No. 97247.

**Approval of Agreement with Security by Design for Engineering Design Services to Upgrade the Existing Security System, Jack London Square** was the subject of a memo to the Board from the Director of Engineering recommending approval of an agreement with Security by Design Services to upgrade the Port security needs at JLS. The maximum payment that can be made under the proposed agreement is \$172,000.00 with certain additional work in the amount of \$28,000.00 available at the discretion of the Executive Director. It was recommended that the Board approve the Agreement with Security by Design Services. The recommendation was approved on passage of Resolution No. 97248.

**Approval of Second Supplemental Agreement with Levine-Fricke-Recon for Professional Design Services for the Wetland Restoration Project at the Distribution Center** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port currently has a contract with Levine-Fricke-Recon for \$427,913.00 plus a \$40,000.00 contingency to conduct technical studies, prepare the preliminary and final design, and support the Port during the construction period for the Martin Luther King Jr. Regional Shoreline Wetlands Project at the Distribution Center. That work, except for the construction period support which will begin shortly, has been completed to the satisfaction of all the parties to the Consent Decrees which gave rise to this project. Most of the authorized contingency fund has been expended during this effort. The parties to the Consent Decrees have identified a number of new construction items to be considered for implementation with the remaining funds. The services of Levine-Fricke-Recon are required to conduct feasibility studies of the proposed new construction tasks, and to prepare designs for those that are feasible. It was recommended that Levine-Fricke-Recon be paid at agreed upon billing rates, on a time and materials basis, for this work at a maximum compensation of \$30,000.00, thus increasing their total maximum compensation to \$495,089.00. If additional work is necessary, it was also

recommended that the Executive Director be authorized to approve up to a total of \$10,000.00 for additional work.. The cost of all the work to be performed under the second supplemental agreement will be counted against the Port's \$2.5 million total commitment to this project which excludes Port staff time, soil contamination characterization and removal, and the cost of the Distribution Center land. The recommendation was approved on passage of Resolution No. 97249.

**Approval to Retain Michael Willis & Associates in conjunction with the Sedway Group, Inc. to Perform Consulting Planning Services for the Hegenberger Gateway Study** was the subject of a memo to the Board from the Director of Strategic and Policy Planning notifying the Board that Mayor Harris has requested that the Port collaborate with the City of Oakland on a joint effort to analyze what can be done to enhance the image and development potential of the "gateway" to the airport along Hegenberger Road and 98th Avenue. On July 15, 1997, the Board authorized the Port joint participation in the study with the City's Community & Economic Development Agency, and approve a cost-sharing formula by which the Port and City equally share the costs of the study. It was recommended that the Board approve the team of Michael Wills & Associates (MWA) and the Sedway Group, Inc. to provide planning services associated with the Hegenberger Gateway Study; direct the Executive Director to forward the Board's approval of the consultant team to the City Council; and authorize the Executive Director to make arrangements to reimburse the City of Oakland up to 50% of the total study cost. It is proposed to complete the study for \$65,000.00 within five months and within the budget and schedule established by the Port and City. The recommendation was approved on passage of Resolution No. 97250.

**Plans and Specifications for the Construction of Enhancements to Ferry Terminal, Jack London Square** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. The work consists of construction of new street lighting and banner poles on Clay Street southerly of Embarcadero, a ship mast at the foot of Clay Street, a promenade from Water Street to the Ferry pier, a sheltered waiting pavilion at the entrance to the pier, a security gate at the end of the pier and ferry

informational signage. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97235.

**Plans and Specifications for the Construction of Electrical Panel Enclosure, Jack London Square** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the electrical improvements. The work consist of construction of a six-sided enclosure with stucco walls, doors incorporating removal display panels and a fabric awning roof to hide the panel and enhance the aesthetics of the plaza in front of the Waterfront Plaza Hotel porte cochere at the foot of Washington Street. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97236.

**Plans and Specifications for the Construction of Estuary Park Improvements, Inner Harbor** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. The work consists of construction of a public access pathway; installation of picnic tables, benches, trash receptacles, irrigation system and sod; relocation of five existing palm trees and construction of concrete footings for two sculptures. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97237.

**Approval of a Building Permit Application for Jetro Cash & Carry Tenant Improvements** was the subject of a memo to the Board from the Director of Engineering recommending approval for certain interior improvements to the leased space at 105 Embarcadero. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97238.

**Recommendation to Approve Fourth Amendment to Lease from Navy for Fleet and Industrial Supply Center (FISCO), Authorize Application to Western Area Power Administration (WAPA) for Electrical Power Use at FISCO and Approve Utilities Service Agreement** was the subject of a memo to the Board from the acting Director of Maritime notifying the Board that the Port has been negotiating with the United States Navy with the goal of leasing from the

Navy the Fleet and Industrial Supply Center, Oakland (FISCO) and these negotiations were guided by the provisions of a Memorandum of Understanding between the Navy and the Port. Under this Lease and three subsequent amendments, the Port has incrementally leased approximately 190 acres of upland area at FISCO, all of which is currently subleased to Port tenants. The Port and Navy have now finalized the fourth amendment for the leasing of the remaining 341 acres of the Base of which, approximately 238 acres are upland and approximately 103 acres are submerged. The Navy will continue occupying about 168 acres, called the "Reserve Area", until it gradually phases out over the next 14 months. Under prior lease amendments, the Port was required to take over the operation and maintenance (O&M) of most of the utility systems and other infrastructure located within the Port's lease area at no cost to the Government. However, as a condition of the final lease phase, the Port will now be required to perform O&M for utility systems located within all 430 acres of upland area at FISCO, including the Government's Reserve Area. The Port will utilize the Navy's current certified defense contractor, J.A. Jones, under existing purchase orders to perform the work. Because the Port will be performing O&M for the benefit of the Navy, the Navy is willing to compensate the Port under a Utilities Service Contract with the Navy's Public Works Center (PWC) which provide for a lump sum payment to the Port of \$330,000.00 for the 14-month term. Repairs that cost in excess of \$10,000.00 and that benefit only the Navy's Reserve Act will be undertaken and paid for by the Navy. During the Navy's continued occupancy at FISCO, the Port will continue to purchase power from the Government under the Government's current agreement with the Western Area Power Administration (WAPA). The recommendation was approved on passage of Resolution No. 97251 for the fourth amendment, Resolution No. 97252 for allocation of power from Western Area Power Administration, and Resolution No. 97253 for utilities service contract.

**Supplemental Agreement with TraPac to Extend Timeframes to Accommodate the Global Alliance at Berth 30** was the subject of a memo to the Board from the acting Director of Maritime notifying the Board that in the latter part of 1995, American President Lines (APL), Mitsui O.S.K. Lines, Ltd. (MOL), Orient Overseas Container Line (OOCL) and Nedlloyd announced they had formed a Global Alliance. In a related development APL and Matson Navigation announced a 10

year Strategic Alliance to share vessel space in the Pacific trade and the Board approved an interim set of Agreements with MOL's terminal subsidiary, TransPacific Container Service Corporation (TraPac), which conducts maritime operations at Berth 30, as well as with APL at Berths 60-63, addressing a number of issues affecting terminal requirements and revenue streams related to the Global Alliance. The interim arrangement with TraPac is contained in a Fifth Supplemental Agreement to their Berth 30 Assignment Agreement. The Fifth Supplemental Agreement with TraPac and the corresponding APL interim Agreements were structured to accommodate the Global Alliance and the APL/Matson Strategic Alliance while at the same time assuring the Port's continued compliance with requirements of its bond finance obligations and protection of revenue streams. The interim Agreements were negotiated with the likelihood that APL would relocate its terminal operations and the Port would eventually negotiate a long term agreement with TraPac that would provide a facility which would accommodate the combined operations of the Global Alliance partners. APL's negotiations with Singapore's Neptune Orient Lines (NOL) and decision to be acquired by NOL has resulted in APL operations remaining at Berths 60-63. Although TraPac and APL no longer plan to combine terminal operations, it is now necessary to amend the Port/TraPac Agreement for the remaining term in order to accommodate vessel and cargo operations for the Global Alliance at TraPac's Berth 30, the APL facility or the Matson Terminal; and, for the Port to remain whole under the guiding principle which was previously established. Key elements of the proposed amendment to the TraPac Agreement include the following: Vessel & Cargo Use Provisions, the present use provisions from the Fifth Supplemental Agreement shall be carried forward, an additional provision shall be added recognizing Mitsui cargo loaded to or discharged from Mexican Line vessels handled at Berth 30, the APL Terminal or at the Matson terminal as Berth 30 primary cargo, the current secondary use provisions in the Fifth Supplemental Agreement will basically remain unchanged with the added clarification that Mexican Line cargo loaded to or discharged from Mexican Line vessels handled at Berth 30, the APL Terminal or the Matson terminal shall not be included as primary or secondary for the Berth 30 Agreement because this is accounted for in the APL Agreements; Special Facilities Revenues, this definition, as presently incorporated in the Fifth Supplemental Agreement, shall remain unchanged; and

Repairs and Maintenance, the Port's maintenance and repair requirements in the current Fifth Supplemental Agreement indicating the manner of computing Non-Debt Service Revenues for purposes of ascertaining the amount of the Port's obligations to pay for certain types of repairs shall continue. The new Supplemental Agreement with TraPac shall be consistent with the Port's financial obligations under the indenture for the Special Facilities Bonds which financed Berth 30 construction for MOL and the Port and shall be approved as to form and legality by the Port Attorney. It was recommended that the Board approve the proposed modifications to the MOL Berth 30 Agreement. The recommendation was approved on passage of Resolution No. 97254.

**Approval to Prepare and Execute an Agreement with Parsons Engineering Science, Inc. for the Preparation of Environmental Studies and Environmental Review for the Berths 55-58 Project** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port plans to construct and operate four new marine terminals on the Oakland Inner Harbor (Vision 2000, i.e., long-term development of the Fleet Industrial Supply Center Oakland). These terminals, known as Berths 55-58, are urgently in need to provide wharfs and terminals yards for Port tenants. In order to construct and operate Berths 55-58, the Port must complete an assessment of potential environmental impacts, as required by the California Environmental Quality Act and the National Environmental Policy Act. From recent previous proposals, the firm of Parsons Engineering Science, Inc. was selected for the Berth Project work. Parsons is a large, multi-national consultant firm specializing in engineering and environmental consulting whose Northern California regional headquarters is located in Oakland. In evaluation of Parsons, the Port was impressed by Parsons' project management skills and organizational structure. These skills will be critical on the Berths Project, which will involve extensive coordination and management of information with the -50 project team. The consultant has agreed to prepare the study at an agreed-upon billing and wage rate for a total cost not to exceed \$527,000.00 and it is requested that the Executive Director be authorized to approved up to \$123,000.00 of additional work. It was recommended that the Board approved an agreement with Parsons Engineering Science, Inc. for the Berth Project work.. The recommendation was approved on passage of Resolution No. 97255.

Approval to Dispense with Formal Bids for Dredging Berths 60-63 was the subject of a memo to the Board from the Director of Engineering notifying the Board that deepening of Port Berths 60-63 is being done as part of the contract through the Corps of Engineers for the deepening of the channel to -42'. The Contractor (Dutra) on that job has experienced delays in deepening these berths. The Port's tenant at this terminal has indicated a need for these berths to be deepening before the end of this year. It was recommended that the Board dispense with formal bidding procedures and that the Chief Engineer be authorized to execute a contract change order with Manson Dredging for this work. Manson Dredging is currently working for the Port in deepening several berths in the Outer Harbor, with disposal of much of that material at the Deep Ocean Disposal Site (DODS) and is expected to be completed in August 1997. The Port has asked Manson for an informal price quote to deepen Berths 60-63; taking suitable materials to the DODS and the remaining 10,000 cubic yards to the Berth 10 facility to be trucked to Galbraith at a later date by another Port contractor. The work is estimated to cost no more than \$350,000.00. The recommendation was approved on passage of Resolution No. 97256.

Award of Contract for Demolition of Building C-128, Outer Harbor was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to ICONCO, Inc., the low bidder, at \$72,945.00. The recommendation was approved on passage of Resolution No. 97239.

Ratification of Change Order for "Construction of Temporary Access Road to Berth 24, 25 and 26, Outer Harbor Terminal was the subject of a memo to the Board from the Director of Engineering notifying the Board that the contract with Bay Cities Paving and Grading, Inc. for the work became effective on March 10, 1997. The contract was based on a lump sum and unit prices for a total bid price of \$641,897.80. The work consists of excavating, paving, striping, fencing, and street and yard lighting to construct a temporary access road to Berths 24, 25, and 26 and to incorporate some paved open area into the adjacent container yard. Currently, the Port is in the bidding process for the "Construction of 115/12 KV Substation and 12 KV Distribution System - Phase III," which was to include the installation of 600 feet of high voltage conduits and 4 pull boxes in an alignment which

crosses the new access road and the newly incorporated yard area. It was originally anticipated that the projects would be concurrent; however, this did not occur. In order to minimize costs disruption to the tenants using the road and yard area and to minimize costs, the Engineering Design and Maritime Departments decided to have the conduits and pull boxes installed under this contract before the new road was paved and yard occupied. It was recommended that the Board ratify the change order in the amount of \$53,770.50 to Bay Cities Paving and Grading, Inc. for excavating and installing conduit and pull boxes. The recommendation was approved on passage of Resolution No. 97240.

**Approval to Negotiate Change Order for "Demolition of Slab and Foundations for Building D-733, Including Alternate B, Harbor Transportation Center"** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the contract with Evans Brothers, Inc. became effective on April 9, 1997. The work consists of demolishing the dock high building slab and foundations, capping utilities, installing Port-furnished fill, and installing crushed concrete as the wearing surface at a lump sum and unit price for a total bid of \$313,699.00. The site was designed to furnish a temporary rocked yard for storage of trucks, chassis, and containers. However, the tenant use has changed and the Maritime Division has requested that the site be paved with asphalt concrete to accommodate the needs of the tenant. It is estimated that the work will cost less than \$120,000.00. It is recommended that the Chief Engineer be authorized to negotiate a change order with Evans Brothers, Inc. to pave the area formerly occupied by Building D-733. The recommendation was approved on passage of Resolution No. 97241.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Katrina Anderson, as Telephone Operator, effective August 11, 1997, at \$2,775.00 per month. Further recommended was the leave of absence of Diane Heinze, Associate Port Environmental Scientist, for 106 working days through and including December 12, 1997; amendment of appointment date of Kim Fogel, Senior Secretary, from July 21, 1997 to August 5, 1997; and approving the rescission of the appointment of Nerissa Andrion who would have been appointed to the position of Senior Secretary, effective July 21, 1997. The recommendation was

approved on passage of Resolution No. 97257 for appointment; Resolution No. 97258 for leave of absence; and Resolution No. 97259 for rescinding an appointment.

**Authorization to Execute MOU with Local 790 and Proposed First Reading of an Ordinance Providing for the Implementation** was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that the membership of the Port of Oakland Chapter, Service Employees International Union, Local 790, voted to accept the terms of a five year Memorandum of Understanding, effective July 1, 1997 through and including June 30, 2002. The major provisions of the contract include: Salary Increase, a five year wage package with all employees moving through salary rates from Rate A to Rate E with the following additional across the board increases - 4% effective July 15, 1997, 3.5% effective July 1, 1998, 3.5% effective July 1, 1999, a minimum of 2.5% to a maximum of 5% COLA effective July 1, 2000, and a minimum of 2.5% to a maximum of 5% COLA effective July 1, 2001; Contracting Out, the Port will notify the Union sixty days in advance of its intention to contract out work at newly acquired or constructed Port facilities if that work is performed by Port employees at existing facilities; Welfare Reform, in the event the Port becomes involved in a Workfare Program, it will meet and confer with the Union; and Union Negotiating Team, the Port will only pay for eight members of the Union's negotiating team during negotiations in the year 2002. It was recommended that the Board ratify and confirm the five year Memorandum of Understanding between the Port and SEIU Local 790, effective July 1, 1997 through and including June 30, 2002. It was also recommended that at the meeting of the Board on September 2, 1997, the Board give first reading to the ordinance necessary to implement the provisions of the Memorandum of Understanding. The recommendation was approved on passage of Resolution No. 97245.

**Declaration of Port Revenue Fund Surplus for FY 96-97; Recommendation to Transfer Surplus to General Fund of City; and Approval to Reimburse the City for General Services and Lake Merritt Trust Purposes** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that 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 \$1,389,258.00 in the Port Revenue Fund. Such a surplus would be sufficient to reimburse the City for General Services payments of \$403,000.00 for fiscal year 96-97 and reimbursement for net City expenditures of local funds for Lake Merritt trust purposes up to \$986,258.00. 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 96-97, together with the cash flow forecasts and projected net income for FY 97-98, will provide sufficient funds to support the Port's operating budget for FY 97-98, 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. 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 the \$403,000.00 for General Services and \$986,258.00 for Lake Merritt would be made in accordance with the Eleventh and Twelfth Supplemental Agreements to the MOU. It was recommended that the Board determine that there is a surplus in the amount of \$1,389,258.00, or any other amount, in the Port Revenue Fund which is not currently necessary for any of the purposes stated in clauses First through Eight of Section 717(3) of the Charter, 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. The recommendation was approved on passage of Resolution No. 97260.

**Approval of Memorandum of Understanding with the City of Oakland for Special Services Payments for Fiscal Year Ending June 30, 1998** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the FY 1997-98 Operating Budget and Capital Award Budget includes \$1,577,900.00 for Special Services Payments to the City of Oakland, which covers police services at the Airport and Jack London Square, as well as other specified administrative services that the City provides to the Port. In addition to the Port budgeting this payment in the operating budget, the City and Port must execute an annual Memorandum of Understanding (MOU) covering these Special Services Payment. The special services include: City

Clerk, Finance, Personnel, Airport Security, Overweight Vehicles, Jack London Square and Dental Premiums. It was recommended that the Board authorize execution of a Memorandum of Understanding with the City of Oakland for the FY 97-98 Special Services Payments for an amount not to exceed \$1,577,900.00 plus actual dental premiums incurred by the Port. The recommendation was approved on passage of Resolution No. 97261.

**Authorization for Professional Search Consultant for Position of Director of Corporate Communications** was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that the staff has solicited proposals from executive search firms for assistance in filling the proposed position of Director of Corporate Communications. There were four search firms interviewed and it was recommended that the Board authorize the preparation and execution of a contract with Montgomery West, San Francisco, at a contract price not to exceed \$30,000.00; and with certain additional work available at the discretion of the Executive Director. The recommendation was approved on passage of Resolution No. 97262.

**Renewal of Potomac Hull and Machinery and Protection and Indemnity Insurance** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the Port provides Hull and Machinery and Protection and Indemnity insurance on the vessel. This insurance will expire on September 1, 1997. The Port has received three quotations and the best pricing continues to be from the incumbent Commercial Union at a 4.5% lower premium than last year even though there has been an increase in tours and cruises. A separate policy is maintained for pollution liability for \$1,484.27 per year. It was recommended that the Board authorize the renewal of the Potomac's Hull and Liability Policy and Pollution Policy for a premium of \$52,834.27. The recommendation was approved on passage of Resolution No. 97242.

**Travel Authorization** contained in a memo to the Board from the Secretary of the Board recommending approval for the travel of Commissioner John Loh, to South Africa on or about the period of August 1, 1997 to August 10, 1997, to participate in the Mayor of Oakland's International Trade Mission to Africa. The recommendation was approved on passage of Resolution No. 97243.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Kramer, Lockhart,

Taylor and President Ortiz - 5

Noes: None

Absent: Commissioners Harris and Loh - 2

RESOLUTION NO. 97230

APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97231

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH THE HERTZ CORPORATION."

"RESOLUTION NO. 97232

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ROBERT F. BROWN."

"RESOLUTION NO. 97233

AWARDING CONTRACT TO GALLAGHER & BURK, INC., FOR CONSTRUCTION OF ASPHALT CONCRETE OVERLAY FOR TAXIWAYS V AND Y, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97234

AWARDING CONTRACT TO PIONEER ROOFING ORGANIZATION, FOR REROOFING OF BUILDING L-820, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97235

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ENHANCEMENTS TO FERRY TERMINAL, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97236

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ELECTRICAL PANEL ENCLOSURE, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97237

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ESTUARY PARK IMPROVEMENTS, INNER HARBOR, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97238

GRANTING JETRO CASH AND CARRY, PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97239

AWARDING CONTRACT TO ICONCO, INC., FOR DEMOLITION OF BUILDING C-128, OUTER HARBOR, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97240

APPROVING AND RATIFYING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH BAY CITIES PAVING AND GRADING, INC., FOR CONSTRUCTION OF TEMPORARY ACCESS ROAD TO BERTHS 24, 25, AND 26, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97241

APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH EVANS BROTHERS INC., FOR DEMOLITION OF SLAB AND FOUNDATIONS FOR BUILDING D-733, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, INCLUDING ALTERNATE B."

"RESOLUTION NO. 97242

AUTHORIZING RENEWAL OF POTOMAC HULL AND MACHINERY AND PROTECTION AND INDEMNITY INSURANCE."

"RESOLUTION NO. 97243

CONCERNING CERTAIN TRAVEL."

"RESOLUTION NO. 97244

FINDING AND DETERMINING THAT A PROPOSED SEVENTH SUPPLEMENTAL AGREEMENT WITH ENVIRONMENTAL SCIENCE ASSOCIATES FOR ENVIRONMENTAL CONSULTING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97245

RATIFYING MEMORANDUM OF UNDERSTANDING WITH SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 790."

"RESOLUTION NO. 97246

APPROVING AND AUTHORIZING EXECUTION OF THIRD SUPPLEMENTAL AGREEMENT TO THE PURCHASE AND SALE AGREEMENT WITH LINCOLN PROPERTY COMPANY N.D., INC., FOR THE PORT OF OAKLAND'S SALE OF AN APPROXIMATELY NINE ACRE PARCEL OF LAND LOCATED IN JACK LONDON SQUARE."

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Lockhart, Taylor  
and Vice President Kramer - 4

Noes: None

Absent: Commissioners Harris, Loh and President Ortiz - 3

"RESOLUTION NO. 97247

CONSENTING TO AMENDMENT OF COLISEUM REDEVELOPMENT PROJECT AREA BOUNDARY."

"RESOLUTION NO. 97248

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SECURITY BY DESIGN FOR DESIGN CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97249

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH LEVINE-FRICKE-RECON FOR ENVIRONMENTAL CONSULTING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97250

APPROVING RECOMMENDATION TO CITY COUNCIL FOR RETENTION OF MICHAEL WILLIS & ASSOCIATES AND THE SEDWAY GROUP FOR PLANNING CONSULTING SERVICES IN ASSOCIATION WITH THE HEGENBERGER GATEWAY STUDY AND AUTHORIZING A COST-SHARING AGREEMENT WITH THE CITY OF OAKLAND FOR THE STUDY."

"RESOLUTION NO. 97251

APPROVING AND AUTHORIZING EXECUTION OF FOURTH AMENDMENT TO LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF THE NAVY, REGARDING THE FLEET AND INDUSTRIAL SUPPLY CENTER, NAVAL SUPPLY CENTER OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97252

APPROVING AND AUTHORIZING APPLICATION AND EXECUTION OF AGREEMENT FOR ALLOCATION OF POWER FROM WESTERN AREA POWER ADMINISTRATION."

"RESOLUTION NO. 97253

APPROVING AND AUTHORIZING EXECUTION OF UTILITIES SERVICE CONTRACT WITH UNITED STATES OF AMERICA FOR UTILITIES AT NAVAL FLEET AND INDUSTRIAL SUPPLY CENTER, OAKLAND."

"RESOLUTION NO. 97254

AUTHORIZING EXECUTION OF SUPPLEMENTAL AGREEMENT WITH TRANS PACIFIC CONTAINER SERVICE CORPORATION."

"RESOLUTION NO. 97255

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH PARSONS ENGINEERING SCIENCE, INC. FOR PREPARATION OF ENVIRONMENTAL STUDIES AND ENVIRONMENTAL REVIEW FOR BERTHS 55-58 PROJECT CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97256

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR DREDGING OF BERTHS 60 THROUGH 63, MIDDLE HARBOR TERMINAL, OAKLAND, CALIFORNIA, WITHOUT COMPETITIVE BIDDING AND APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH MANSON CONSTRUCTION & ENGINEERING CO. FOR SUCH WORK."

"RESOLUTION NO. 97257

CONCERNING CERTAIN APPOINTMENT."

"RESOLUTION NO. 97258

RATIFYING LEAVE OF ABSENCE TO DIANE HEINZE, ASSOCIATE PORT ENVIRONMENTAL SCIENTIST."

"RESOLUTION NO. 97259

AMENDING IN PART AND RESCINDING IN PART PORT RESOLUTION NO. 97223 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97260

PROVIDING FOR THE PAYMENT TO THE CITY FOR GENERAL SERVICES PROVIDED TO THE PORT AND FOR THE REIMBURSEMENT OF CERTAIN CITY EXPENDITURES FOR LAKE MERRITT TIDELAND TRUST PURPOSES, AND MAKING CERTAIN DETERMINATIONS IN CONNECTION THEREWITH."

"RESOLUTION NO. 97261

APPROVING AND AUTHORIZING EXECUTION OF A SUPPLEMENTAL AGREEMENT TO MEMORANDUM OF UNDERSTANDING WITH THE CITY OF OAKLAND FOR PROVISION OF AND PAYMENT FOR FISCAL YEAR 1997-98 SPECIAL SERVICES."

"RESOLUTION NO. 97262

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MONTGOMERY WEST L.L.C. FOR EXECUTIVE SEARCH CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97263

APPROVING APPOINTMENT OF SPECIAL COUNSEL."

"RESOLUTION NO. 97264

RATIFYING AND APPROVING APPOINTMENT OF SPECIAL COUNSEL."

Port Ordinance No. 3375 being, "AN ORDINANCE RATIFYING THE ADDITION OF SECTION 1.3396 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES OF THE PORT DEPARTMENT", was read a second time and passed by the following vote:

Ayes: Commissioners Cole, Lockhart, Taylor

and Vice President Kramer - 4

Noes: None

Absent: Commissioners Harris, Loh and President Ortiz - 3

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION," and Port Ordinance No.

\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF LEASE WITH NATIONAL FURNITURE LIQUIDATORS, INC., AND GRANTING RENT CONCESSION," were read a first time and passed to print by the following vote:

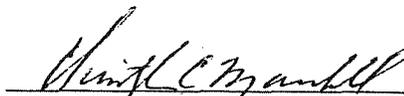
Ayes: Commissioners Cole, Lockhart, Taylor  
and Vice President Kramer - 4

Noes: None

Absent: Commissioners Harris, Loh and President Ortiz - 3

At the hour of 11:42 a.m., the Board entered into closed session pertaining to conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: Port of Oakland v. United Public Employees, Local 790, SEIU, (Grievance of Benny Taylor - Discharge), Oakland Citizens for Site B, et al v. Port of Oakland, et al, Alameda County Superior Court Case No. 777066-9; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: four cases; personnel and conference with Labor Negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.6.

At the hour of 12:15 p.m., Commissioner Lockhart excused himself from the meeting and the meeting was adjourned due to the lack of a quorum.



Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS  
OF THE  
CITY OF OAKLAND**

The meeting, formal portion, was held on Tuesday, July 15, 1997, at the hour of 3:12 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present:            Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Commissioners absent:            None

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Acting Director of Maritime, Ray Boyle; Director of Equal Opportunity; Internal Auditor; Director of Strategic and Policy Planning; Acting Media Relations Manager, Lynn Joiner; and Secretary of the Board.

The minutes of the regular meeting of July 1, 1997 were approved as submitted and ordered filed.

**Certification of Initial Study/Mitigated Negative Declaration and Approval of Plans and Specifications for Demolition of Buildings L-727 and L-729, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition work. The buildings are approximately 40-55 years old, unoccupied and significantly deteriorated, and it is in the best interest of the Port to eliminate the unsafe structures and reduce their associated costs. The environmental review of the proposed project under the California Environmental Quality Act and the Port CEQA Guidelines has been completed. The work was subject to an Initial Study. The Port's Environmental Planning Department recommends approval of a Mitigated Negative Declaration. The document has been circulated, and a copy has been provided to the Board. The mitigation measures include handling and disposal of hazardous materials to comply with regulations; and compliance with Best Management Practices to

reduce noise and air quality impacts during construction. The Port received comments from four entities and appropriate responses were prepared. It was recommended that the Board certify the Initial Study/Mitigated Negative Declaration and authorize advertising for bids for the demolition work. The recommendation was approved on passage of Resolution No. 97212.

**Certification of Initial Study/Mitigated Negative Declaration and Approval of Plans and Specifications for Demolition of Buildings L-870, L-870A and L-874, North Airport.**

**MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition work. The buildings are approximately 40-55 years old, unoccupied and significantly deteriorated, and it is in the best interest of the Port to eliminate the unsafe structures and reduce their associated costs. The environmental review of the proposed project under the California Environmental Quality Act and the Port CEQA Guidelines has been completed. The work was subject to Initial Study. The Port's Environmental Planning Department recommends approval of a Mitigated Negative Declaration. The document has been circulated, and a copy has been provided to the Board. Mitigation measures include handling and disposal of hazardous materials to comply with regulations; and compliance with Best Management Practices to reduce noise and air quality impacts during construction. The Port received comments from four entities and appropriate responses were prepared. It was recommended that the Board certify the Initial Study/Mitigated Negative Declaration and authorize advertising for bids for the demolition work. The recommendation was approved on passage of Resolution No. 97213.

**Approval of New License and Concession Agreement with Existing Tenant Hilltop Aviation Services, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with Hilltop Aviation, for 403 square feet of ticket counter space, 315.48 square feet of office space and 1,887 square feet of bag make-up space in Building M-101, at \$125/four hour maximum continuous use period plus

10% of Gross Revenue, effective June 1, 1997. The recommendation was approved on passage of Resolution No. 97214.

Approval of an Agreement to Extend Right-of-Entry and Indemnity Agreement with GTE Mobilnet of California was the subject of a memo to the Board from the Director of Aviation notifying the Board that GTE Mobilnet of California entered into a Right-of-Entry and Indemnity Agreement with the Port effective February 3, 1997. The ROE Agreement covered approximately 200 square feet of terminal space in the lower level of Terminal I. Five radio antennas (global positioning satellite test antennas) were installed atop Terminals I and II. GTE has only been authorized to install and operate an unmanned cellular telephone switching and radio transmitting/receiving station, with related operational and maintenance uses. The current monthly rental is \$1,250.00. The 45-day ROE Agreement was issued as an interim agreement while a proposed multi-year Lease was being negotiated. As the terms of the Lease were not finalized at the conclusion of the term of the ROE Agreement (March 19, 1997), an Agreement to Extend Right-of-Entry and Indemnity Agreement was approved, effective March 20, 1997 through July 17, 1997. To continue GTE's occupancy, a second ROE Extension is proposed effective July 18, 1997 through November 14, 1997 pending the finalization of the terms of the proposed multi-year Lease. It was recommended that the Board approve the Extended Right-of-Entry and Indemnity Agreement with GTE. The recommendation was approved on passage of Resolution No. 97215.

Approval of License and Concession Agreement with Corse-Air International Airlines, S.A., South Airport was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with Corse-Air International Airlines, S.A., for 403 square feet ticket counter, 315.48 square feet of office and 1,887 square feet of bag make-up space in Building M-101, at \$125/four hour maximum continuous use period, effective May 1, 1997. The recommendation was approved on passage of Resolution No. 97216.

Recommended Approval of Fiscal Year 97-98 Annual Target Rental Rates for License and Concession Agreements was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending the Board approve procedures for the renewal of existing License and Concession Agreements. These procedures provide that the Board may under closed session provide instructions to negotiators, concerning the annual renewal rental rate for each tenant. The target rents for the Commercial Real Estate Division tenants will be presented for consideration by the Board in closed session for implementation of the procedure. The renewals of the existing License and Concession Agreements are categorically exempt and do not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97217.

Management Agreement Modifications with Pansini Oakland Associates was the subject of memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Pansini Oakland Associates (POA) has been the Port's parking management contractor for Jack London Square since January 1994. Since January 1994, management fee paid to the company has been \$7,837.00 per month. With the opening of the cinema and other businesses, the parking operator has increased its services by implementing tenant-assisted parking in the underground garage, handling parking and traffic control for a larger number of events, including the Cirque du Soleil and expanding its hours of operation. Since the Board passed an ordinance increasing the parking rates, parking revenue for Jack London Square has more than doubled. POA played a significant role in helping the Port set the rates and marketing the program to the tenants. Gross parking revenue for the next 12-month period should approach \$3.0 million, up from the \$1.2 million generated annually at the old rates. POA and the Port are continuously upgrading the parking operation technology with the most current level of revenue control and accountability. The parking operations have increased from 12 to 18 hour a day operation to a 22 hour per day operation. POA has had to increase staffing, hours of

operation, and supervision to keep up with the added activities of Jack London Square, including the special events. Their contract expires on December 31, 1997 with a one-year option to extend. In view of these changes it is proposed to increase the management fee paid to POA from \$7,837.00 to \$11,516.00 per month and to extend the term to include an additional one-year option to extend the term. It is recommended that the Board authorize the Executive Director to enter into an amended agreement with Pansini Oakland Associates, effective July 1, 1997, to provide for an increase in the management fee, two additional one-year options to extend the term, and other minor modifications. The recommendation was approved on passage of Resolution No. 97218.

**Port Consent to Amend the Coliseum Redevelopment Project Area Boundary of the Coliseum Redevelopment Plan** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that the City of Oakland is proposing to expand the existing Coliseum Area Redevelopment Project Area by adding 265 acres in the Fruitvale neighborhood. The boundaries include Fruitvale Avenue, International Boulevard, 22nd Avenue, Livingston Avenue, 23rd Avenue, and the municipal boundary in the Estuary. When the current Coliseum Redevelopment Project Area was established in 1995, it included land within Port planning jurisdiction. The Port and the Oakland Redevelopment Agency have entered into a Memorandum of Understanding which outlines the respective roles, responsibilities, limitations and conditions to guide the agencies in carrying out the objectives of the redevelopment area. The Redevelopment Agency, as Lead Agency, has not yet adopted its proposed Negative Declaration of significant environmental impacts that is required by CEQA before either the Board, as Responsible Agency, or the Redevelopment Agency can approve this project amendment. The Agency is undertaking an expedited approval process to meet internal deadlines and expects to approve both the Negative Declaration and the project amendment itself on July 22, 1997. It was recommended that the Board pass a motion stating that the Board has no substantive problems with the Agency's proposal to amend the Coliseum Redevelopment Plan and

Coliseum Area Redevelopment Project boundaries as proposed and that the Board will place on its calendar for action no later than August 5, 1997, consideration of the Agency's adopted Negative Declaration and consent to the proposed amendments. The recommendation was approved on a motion by Commissioner Harris, seconded by Commissioner Taylor and passed unanimously.

Request Resolution Authorizing Negotiation with Michael Kuhn for a Two Year Option to Purchase Vacant Land Located at Edgewater Drive and Pardee Lane for Baxter Healthcare Corporation Expansion was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Michael Kuhn owns a parcel of real estate in the Business park located at 7799 Pardee Lane that is leased to Baxter Healthcare Corporation. Mr. Kuhn has requested a two year option to purchase 2.2 acres located at Pardee Lane and Edgewater Drive, adjacent to the existing Baxter site, to allow for the planned Baxter expansion. Baxter requires an additional 300,000 square feet of office and laboratory space and will create ninety new jobs. The construction costs are estimated at \$2.5 million. It is proposed to enter into an option to purchase agreement with Mr. Kuhn with monthly payments of \$1,000.00. The option payments would be non-refundable. A two year option is realistic given the length of the environmental process and they must also prepare the site for development, secure financing, complete design specifications, prepare construction plans and contracts, obtain necessary permits, and comply with environmental regulations. It is expected that the sales price of the land would be not be less than \$7.50 per square foot or \$722,000.00 total. Survey and soil tests completed indicated that a large slough traverses the property, therefore, construction costs will be increased by the added cost of site preparation prior to development. It was recommended that the Board authorize negotiations with Michael Kuhn for a two year option to purchase land at Pardee Lane and Edgewater Drive, for non-refundable monthly payments of \$1,000.00 during the option term, and for a sales price of not less than \$7.50 per square foot. The recommendation was approved on passage of Resolution No. 97219.

July 15, 1997

Port Participation in Hegenberger Gateway Study was the subject of a memo to the Board from the Director of Strategic and Policy Planning notifying the Board that Mayor Harris has requested that the Port collaborate with the City of Oakland on a joint study to develop ways to enhance the image and development potential of the "gateway" from the Airport into the City along Hegenberger Road and 98th Avenue. The north side of Hegenberger Road is within the Port Area, while the south side is under City planning jurisdiction. The City and Port are collaborating on improvements to 98th Avenue as part of the Airport Roadway Project. The study will develop uniform development and design objectives which can be applied to both Port and City jurisdictions in the Hegenberger-98th Avenue corridor to create an attractive City gateway to and from the Airport. Development opportunities on both Port-owned and private property will also be identified, with an objective of providing enhanced traveler amenities in the corridor. The Port agrees with the City's recommendation to hire a consultant to perform this study, and a scope of work for consultant assistance together with a Request for Proposals has been prepared. It is intended that the Port and City share responsibilities equally for managing and paying for the study. There will be staff representatives from each agency and will serve on a Steering Committee to oversee the consultant's recommendations, and will jointly serve as a Technical Advisory Committee to insure technical accuracy. CEDA will administer the contract, and will be responsible for day-to-day management of the study process. The estimated cost of the study will be approximately \$65,000.00, Port's share of the costs would be 50%, or \$32,500.00. It was recommended that the Board approve the Port's participation in the Hegenberger Gateway Study, and authorize the Executive Director to enter into a cost-sharing agreement with the City. The recommendation was approved on passage of Resolution No. 97220.

Award of the Contract for Replacement of Fuel Storage Tank EF-04 at Fire Station #2 was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Tank Protect

Engineering of North California, the low responsible bidder, at \$43,9960.00. The recommendation was approved on passage of Resolution No. 97221.

**Award of Contract for Demolition of Building D-243, Harbor Transportation Center**

was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Covey Trucking Company, the low responsible bidder, at \$221,570.00. The recommendation was approved on passage of Resolution No. 97222.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointment of Raymond Boyle, as Acting Director of Maritime, effective July 21, 1997, at \$8,991.00 per month; Fred W. Rickert, as Acting Chief Financial Officer, effective September 1, 1997, at \$7,877.00 per month; Joyce B. Washington, as Acting Director of Commercial Real Estate, effective July 21, 1997, at \$7,063.00 per month; Reven Washington, as Port Equipment Mechanic, effective July 21, 1997, at \$3,750.00 per month; Nerissa Andrion, as Senior Secretary, effective July 21, 1997, at \$2,945.00 per month; Kim Fogel, as Senior Secretary, effective July 21, 1997, at \$2,945.00 per month; and Wilfred Adajar, as Youth Aide Class "C", effective July 16, 1997, at \$8.94 per hour. Also recommended was the ratification of increase of salaries for employees represented by Western Council of Engineers (WCE) for an increase by 2.5% effective June 28, 1997. The recommendations were approved on passage of Resolution No. 97223 for appointments; Resolution No. 97224 for employees acting powers and duties; and an ordinance to print for salary increases for certain officers and employees.

**Contract with ARC Limited to Update Port Administrative Policies and Procedures**

was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that the Port's Administrative Manual has not undergone a comprehensive revision in several years. At the request of Commissioner Taylor the item was referred to staff and the Administration Committee for appearance review.

The following resolutions were introduced and passed separately by the following

vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

"RESOLUTION NO. 97212

CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR DEMOLITION OF BUILDINGS L-727 AND L-729, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT; APPROVING THE MITIGATED NEGATIVE DECLARATION; APPROVING PLANS AND SPECIFICATIONS FOR SAID PROJECT; AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97213

CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR DEMOLITION OF BUILDINGS L-870, L-870A AND L-874, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT; APPROVING THE MITIGATED NEGATIVE DECLARATION; APPROVING PLANS AND SPECIFICATIONS FOR SAID PROJECT; AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97214

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH HILLTOP AVIATION SERVICES, INC."

"RESOLUTION NO. 97215

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH GTE MOBILNET OF CALIFORNIA."

"RESOLUTION NO. 97216

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CORSE-AIR INTERNATIONAL AIRLINES, S.A. (CORSAIR)."

"RESOLUTION NO. 97217

INSTRUCTING PORT STAFF REGARDING RENTAL RATES AND TERMS TO BE NEGOTIATED WITH EXISTING OR PROSPECTIVE LICENSEES OF CERTAIN COMMERCIAL REAL ESTATE PROPERTIES."

"RESOLUTION NO. 97218

AUTHORIZING A FIRST AMENDMENT TO THE PARKING AGREEMENT WITH PANSINI OAKLAND ASSOCIATES."

"RESOLUTION NO. 97219

AUTHORIZING NEGOTIATION FOR AN OPTION TO SELL VACANT LAND LOCATED AT EDGEWATER DRIVE AND PARDEE LANE IN THE OAKLAND AIRPORT BUSINESS PARK TO MICHAEL KUHN FOR EXPANSION OF BAXTER HEALTHCARE CORPORATION'S FACILITY."

"RESOLUTION NO. 97220

APPROVING PORT PARTICIPATION WITH CITY IN HEGENBERGER GATEWAY STUDY AND AUTHORIZING COST-SHARING AGREEMENT WITH CITY FOR THE STUDY."

"RESOLUTION NO. 97221

AWARDING CONTRACT TO TANK PROJECT ENGINEERING OF NORTHERN CALIFORNIA, INC., FOR REPLACEMENT OF FUEL STORAGE TANK EF-04 AT FIRE STATION #2, 100 JACK LONDON SQUARE, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97222

AWARDING CONTRACT TO PACIFIC WESTERN AIRMOTIVE, INC., DBA COVEY TRUCKING CO., FOR DEMOLITION OF BUILDING D-243, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97223

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97224

ASSIGNING CERTAIN EMPLOYEES ACTING POWERS AND DUTIES."

"RESOLUTION NO. 97225

THIS ITEM NOT USED.

"RESOLUTION NO. 97226

COMPROMISING AND SETTLING CLAIM OF SAMUEL WALTON AND  
AUTHORIZING EXECUTION OF SETTLEMENT AGREEMENT."

"RESOLUTION NO. 97227

GRANTING NEXTEL COMMUNICATIONS, PERMISSION TO PERFORM  
CERTAIN WORK."

"RESOLUTION NO. 97228

GRANTING COST PLUS, INC., PERMISSION TO PERFORM CERTAIN  
WORK."

"RESOLUTION NO. 97229

GRANTING OAKLAND PORTSIDE ASSOCIATES, PERMISSION TO  
PERFORM CERTAIN WORK."

Port Ordinance No. 3373 being, "AN ORDINANCE AMENDING SECTION 9 OF  
PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT  
METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No.  
3374 being, "AN ORDINANCE AMENDING SECTION 10.07 OF PORT ORDINANCE  
NO. 867 AMENDING SALARY SCHEDULE ASSIGNMENT FOR CLASSIFICATION  
OF AIRPORT OPERATIONS SPECIALIST AIRSIDE/LANDSIDE," were read a second  
time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE RATIFYING THE ADDITION  
OF SECTION 1.3396 TO PORT ORDINANCE NO. 867 FIXING THE COMPENSATION  
OF CERTAIN OFFICERS AND EMPLOYEES OF THE PORT DEPARTMENT."

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,

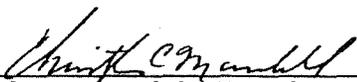
Taylor and President Ortiz - 7

Noes: None

Absent: None

At the hour of 5:00 p.m.; the Board entered into closed session pertaining to conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Steam Valve Machine Company, et al, Alameda County Superior Court Action No. 777068-7, Samuel Walton v. Port of Oakland, Workers' Compensation Appeals Board No. OAK 0236532; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: three cases; personnel and conference with Labor Negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.0 and 54957.6; conference with real property negotiator, property - various existing commercial real estate tenants, Oakland, California, negotiating parties - Port of Oakland and various tenants, under negotiation - price and terms of payment; and reconvened in open session at the hour of 6:50 p.m.

At the hour of 6:55 p.m. the meeting was adjourned on a motion duly made and seconded in the memory of and with respect to the late Leo R. Brien, Director of Maritime.

  
Secretary of the Board



**Award of Contract for Modifications to Existing Electrical Systems, Buildings L-150 and L-210, North Field, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the two bids received and recommending the award of the contract to Steiny and Company, Inc., the low bidder, at \$128,763.40. The recommendation was approved on passage of Resolution No. 97199.

**Approval of New License and Concession Agreement with Tri-Star Airline Services, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new agreement with Tri-Star Airline Services, Inc., for 93 square feet of office space in Building L-142, at \$250.00 per month, effective June 1, 1997. The recommendation was approved on passage of Resolution No. 97200.

**Award of Contract for Martin Luther King, Jr. Regional Shoreline Wetlands Project** was the subject of memo to the Board from the Director of Engineering notifying the Board of the 7 bids received and recommending award of the contract to bidder F at the low bid price plus additive alternatives B3 and B6, totalling \$1,232,664.61. The recommended award of the contract is a necessary step in implementing the Consent Decrees in Golden Gate Audubon Society, Inc. V. United States Army Corps of Engineers, C-87-6063-TEH, United States District Court for the Northern District of California. The Consent Decrees entered in 1994, settled wetland fill litigation involving the South Airport and the Distribution Center. Under the Consent Decrees, the Port would be allowed to maintain as a permitted fill an approximately 39-acre Air Cargo Site at the Airport filled in the mid-1980s, and to maintain fill and undertake additional fill in an approximately 35-acre site at the Distribution Center, but the Port is required to provide \$2,500,000.00 for construction and maintenance of the approximately 71-acre Mitigation Project Site at the Distribution Center in order to mitigate for the fill. After construction, the Port will convey title to the Mitigation Project Site to the East Bay Regional Park District. It was also noted that a recent California Court of Appeals decision in the Southern California rules that an alternative bid procedure, such as the procedure used for the Wetlands Project, was

permissible so long as the procedure also excluded favoritism and the appearance of impropriety. The Court of Appeals' concern was that the selection of alternatives might be based on favoritism for a certain bidder instead of being based on legitimate concerns such as price and other public benefits. The Court of Appeals specifically recognized two alternatives available to avoid favoritism: making the decision on alternatives without knowledge of the names of the bidders; and determining the order of the alternatives prior to opening the bids. For the Wetlands Project, a limited budget of approximately \$1,500,000.00 for the construction contract was available from the \$2,500,000.00 of fixed funds, the remainder of the fixed funds having been spent or required to be set aside for planning, design and future monitoring and maintenance costs. Therefore, alternative bidding, which included Deductive Alternatives as well as Additive Alternatives, was considered essential, but the order of alternatives would depend upon pricing and could not be determined before bid opening. Accordingly, the Consent Decree parties and members of Port staff who were involved in selecting the bid alternatives to be recommended for award (referred to as "the Recommendation Group") made their recommendations without knowledge of the names of the bidders beyond the letter designation given to each bidder at the time of bid opening. The Recommendation Group quickly reached consensus on the recommendation that is now before the Board. It was recommended that the Board pass a resolution selecting Additive Alternatives B3 and B6; and to be added to the base bid and award the contract to bidder F, the lowest responsible bidder. The recommendation was approved on passage of Resolution No. 97201. The Board was then informed that the low bidder was Fanfa, Inc.

**Approval of a Building Permit Application for Hahn's Hibachi Tenant Improvements**

was the subject of a memo to the Board from the Director of Engineering recommending approval for construction of improvements to their new leased space for a Korean restaurant in the former Port Office Building, now know as the Tribune Building. The work involves installation of a raised open-air seating area in the front of the building, exterior facade

remodeling, and interior improvements in the vacant space on the ground floor of the Tribune Building. Hahn's will occupy approximately 2000 square feet with approximately half the space devoted to seating. The project is categorically exempt and does not require preparation of an environmental document. The estimated value of the work is \$200,000.00. The recommendation was approved on passage of Resolution No. 97202.

**Approval of Consultant Agreement with Science Applications International Corp. (SAIC) for Professional Services to Perform Feasibility Study and Environmental Documentation for the -50 Foot Navigation Improvements (Dredging) Project** was the subject of a memo to the Board from the Director of Engineering notifying the Board that in order to obtain cost-sharing authorization through the Water Resources Development Act of 1998 for the -50 Feet Navigation Improvements Project, the Port must finalize a feasibility study and environmental documentation. The Board has previously approved contracts for geotechnical, sediment investigation, and Middle Harbor disposal/habitat design. It was recommended that the Board approve a contract with Science Application International Corp. (SAIC) to perform the feasibility study and environmental documentation. The SAIC team consists the following firms proposing to complete the following percentages of work: GAIA, for project/alliance partner, deputy project manager and local liaison, human health, hazardous materials and waste, at 19%; Ackland International, for visual resources, land use, recreation, public access, at 3%; Basin Research, for cultural resources, at 2%; Dowling, for transportation and circulation, at 4%; Geier & Geier, for socio-economics noise, at 3%; H&H Ecoprises, for environmental justice, public participation, at 3%; Uribe, for hydrology, groundwater, hydrogeology, water quality, geology, soils, seismicity, flooding, stormwater, at 20%; and SAIC, for project administration, air quality, biology, at 46%. The preparation and execution of the agreement to complete the feasibility study and environmental documentation for the -50 Feet Navigation Improvement Project is not to exceed \$1,170,000.00 plus a contingency amount of

\$330,000.00 available at the discretion of the Executive Director, if necessary. The recommendation was approved on passage of Resolution No. 97203.

**Award of Contract for Construction of AC Overlay at N.E. Corner of Berth 20 Yard, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering notifying the board of the four bids received and recommending award of the contract to Gallagher & Burk, Inc., the low bidder, at \$57,190.00. The recommendation was approved on passage of Resolution No. 97204.

**Plans and Specifications for Demolition of Maintenance Shed at Galbraith Golf Course** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition work. The project consists of demolition and disposal of a steel frame maintenance shed, including all appurtenances, landscaping, debris and abandoned vehicles and disconnection of utilities. The building site and the nearby area will be cleared and graded. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97205.

**Plans and Specifications for Construction of 115/112KV Substation and 12KV Distribution System - Phase III, Outer Harbor and Seventh Street Terminals** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the electrical improvements. The work consists of extending the 12KV underground distribution system from the existing 115/12KV main substation to Berth 24 and installing new switchgear at Berth 24 to serve all the cranes at the Outer Harbor Terminals. This distribution system will provide the required power for future crane loads, and the existing PG&E power will remain available as a back up for better reliability. The California Environmental Quality Act requirements for environmental review were completed with Board certification of the Initial Study/Negative Declaration for the Port of Oakland Proposed Harbor Area Power Systems Improvement Project on

November 7, 1989. The recommendation was approved on passage of Resolution No. 97206.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Rosa Rico-Duenas, as Telephone Operator, effective July 7, 1997, at \$2,775.00 per month; Kenya Casey, Stephanie Curtis and Frederick Naujoks, as Youth Aide, Class "C", effective July 2, 1997, at \$8.94 per hour; and Jose Llamas and Henry Pho, as Youth Aide, Class "D", effective July 2, 1997, at \$5.00 per hour. Also recommended was the amending of salary schedule assignment for the classification of Airport Operations Specialist, Airside/Landside, from Salary Schedule 43.1 to salary Schedule 98.0; and the rescission of the appointments of Ted Lee and Quen-Anh Tran who would have been appointed to positions in the classifications of Youth Aide, Class "D", effective June 16, 1997. Further recommended is the leave of absence of Joseph K. Wong from his former Civil Service Position of "Port Principal Engineer" to accept the exempt position of "Director of Engineering". The recommendations were approved on passage of Resolution No. 97 207 for appointments, Resolution No. 97208 for amending appointments, Resolution No. 97209 for leave of absence; and on an ordinance to print for salary schedule.

**Signatory Letter to City Council** was the subject of an oral report from the Executive Director notifying the Board of a letter prepared for the City Council to inform them of the financial needs and pressures on the Port and recommending approval to distribute the letter with all the Commissioners signing the documents. The recommendation was approved on passage of a motion by Commissioner Harris, seconded by Commissioner Taylor and passed unanimously.

**Amending Designation of Officers and Staff Authorized to Sign Warrants and Documents** was the subject of a memo to the Board from the Chief Financial Officer recommending approval of the Board to amend the designation of officers and staff authorized to sign warrants and approve claims, demands, and other similar documents.

Due to various commitments, two director positions are vacant, and other Port signatories are frequently unavailable to sign. It was recommended that the following officers and staff be authorized to sign warrants upon the Port Revenue Fund and Port Construction Funds and wire transfer authorizations - Executive Director, Director of Aviation, Director of Maritime Services, Director of Commercial Real Estate, Director of Engineering, Chief Financial Officer, Chief Administrative Officer and Port Internal Auditor, or the respective "Acting" designee, as appointed by the Executive Director or Board, will sign on behalf of the Port provided that any such warrant that exceeds the sum of \$14,999.99 shall require the signatures of two of the said officers or employees; payroll distribution and invoice vendor report: Accounting Manager; or Chief Financial Officer or their authorized designees; and accounting documents maintained in the ordinary course of Port business, such as journal vouchers, individual claim documents, petty cash vouchers and monthly reports to external parties; Chief Financial Officer or Accounting Manager; or their authorized designees. The recommendation was approved on passage of Resolution No. 97210.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Taylor  
and Vice President Kramer - 4

Noes: None

Absent: Commissioners Loh, Lockhart and Ortiz - 3

"RESOLUTION NO. 97199

AWARDING CONTRACT TO STEINY AND COMPANY, INC., FOR MODIFICATIONS TO EXISTING ELECTRICAL SYSTEMS, BUILDINGS L-150 AND L-210, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97200

APPROVING AND AUTHORIZING EXECUTION OF A CERTAIN LICENSE AND CONCESSION AGREEMENT WITH TRI-STAR AIRLINES, INC."

"RESOLUTION NO. 97201

AWARDING CONTRACT TO FANFA, INC., FOR MARTIN LUTHER KING, JR. REGIONAL SHORELINE WETLANDS PROJECT, OAKLAND, CALIFORNIA, INCLUDING ALTERNATES B3 AND B6, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BOND TO BIDDERS."

"RESOLUTION NO. 97202

GRANTING MI HIU BASS, HYANG HUI KIM AND KAP KIM, DOING BUSINESS AS HAHN'S HIBACHI, PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97203

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SCIENCE APPLICATIONS INTERNATIONAL CORP. (SAIC) FOR MARITIME CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97204

AWARDING CONTRACT TO GALLAGHER & BURK, INC., FOR CONSTRUCTION OF AC OVERLAY AT N.E. CORNER OF BERTH 20 YARD, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97205

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF MAINTENANCE SHED AT GALBRAITH GOLF COURSE, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97206

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF 115/12KV SUBSTATION AND 12KV DISTRIBUTION SYSTEM - PHASE III, OUTER HARBOR AND SEVENTH STREET TERMINALS, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97207

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97208

AMENDING RESOLUTION NO. 97174 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97209

GRANTING LEAVE OF ABSENCE TO JOSEPH K. WONG, PORT PRINCIPAL ENGINEER."

"RESOLUTION NO. 97210

AMENDING PORT RESOLUTION NO. 92300 APPROVING DESIGNATION BY EXECUTIVE DIRECTOR OF OFFICERS AND EMPLOYEES AUTHORIZED TO SIGN WARRANTS AND OTHER DOCUMENTS."

"RESOLUTION NO. 97211

GRANTING THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. 3371 being, "AN ORDINANCE ESTABLISHING A PASSENGER FACILITY CHARGE AND AMENDING SECTION 28 TO PORT ORDINANCE NO. 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH," and Port Ordinance No. 3372 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, ADDING SECTION 7.1382, CREATING CLASSIFICATION AND REVISING SECTION NO. 6.027," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Taylor  
and Vice President Kramer - 4

Noes: None

Absent: Commissioners Loh, Lockhart and Ortiz - 3

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 9 OF PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AND METROPOLITAN OAKLAND INTERNATIONAL AIRPORT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 10.07 OF PORT ORDINANCE NO. 867 AMENDING SALARY SCHEDULE ASSIGNMENT FOR CLASSIFICATION

OF AIRPORT OPERATIONS SPECIALIST AIRSIDE/LANDSIDE," were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Taylor  
and Vice President Kramer - 4

Noes: None

Absent: Commissioners Loh, Lockhart and Ortiz - 3

At the hour of 4:24 p.m., the Board entered into closed session pertaining to conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Steam Valve Machine Company, et al, Alameda County Superior Court Action No. 777068-7, Samuel Walton v. Port of Oakland, Workers' Compensation Appeals Board No. OAK 0236532; conference with legal counsel anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, three cases; personnel and conference with labor negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.0 and 54957.6; and reconvened in open session at the hour of 6:05 p.m.

At the hour of 6:06 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board



to demolish, fabricate and install new interior signs in Terminals 1 and 2. The signs were last upgraded 18 years ago and it has been determined that the current sign program does not offer sufficient visual or directional instructions to passengers, tenants and users. The work to be performed consists of furnishing all labor, materials, appliances, tools, equipment, transportation, services and supervision required to fabricate and install the new signs. Based on staff estimate that the work involved would cost less than \$50,000.00 and informal quotations were requested from seven local business area sign firms. The result of these efforts yielded four firms who expressed interest, however quotations were only received from the following: Rago Neon from Hayward, California, at \$62,100.00; and Ad/Art from Oakland, California, at \$499,000.00. Ad/Art has since withdrawn their bid. As both quotations exceeded the estimate and are greater than the bid limit, it was recommended that the Board accept the quotations, waive formal bidding and authorize award to the low bidder, Rago Neon, in the amount of \$62,100.00 (plus bond fees). The recommendation was approved on passage of Resolution No. 97182.

**Approval to Collect and Spend Passenger Facility Charges (PFC's) Related to the Seventh PFC Application at Metropolitan Oakland International Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board that on April 30, 1997 the Federal Aviation Administration approved the Port's seventh application to impose and use passenger facility charges (PFC's) in the amount of \$33 million. The FAA approved four projects for the imposition and use of PFC revenue and one project for imposition only. The Airport has been authorized to collect a total of \$83.6 million in PFC's. The collection will continue at the current PFC level which is \$3.00 per enplaned passenger. PFC's at the Port are considered a tariff which must be imposed by ordinance and it was recommended that the Board approve the appropriate ordinance. Three of the five projects in the PFC application are categorically exempt from the requirements of CEQA under the provisions of Section 15301 and 15306 of the CEQA guidelines. On February 18, 1997 a mitigated negative declaration was approved by the Board of Port Commissioners for the Baggage

Claim Improvement project. Environmental certification is not required at this time for the project approved for imposition only - Construction of the Remote Overnight Parking Apron. The projects include Upgrade of Airport Public Address & Paging System, at \$150,000.00; Airfield Lighting & Marking Improvements, at \$591,496.00; Conduct Pilot Noise Insulation Program, at \$240,000.00; Baggage Claim Improvements in Terminals One and Two, at \$2,030,000.00; and Construct Remove Overnight Parking Apron (impose only), at \$30,000,000.00, for a total of \$33,011,496.00.

Mrs. Dorothy Alexander, Treasurer of Citizens League for Airport Safety and Serenity (CLASS), appeared before the Board to ask that the PFC collection not be approved as the EIR for the Airport master plan has not been certified. The Port Attorney informed the Board that this vote was for collection of the funds only and not for contracts and the FAA has clearly informed all parties that collection of the funds is permissible. The recommendation was approved on passage of an ordinance to print.

**Approval of Agreement to Extend Right-of-Entry and Indemnity Agreement with United States Postal Service, South Airport** was the subject of a memo to the Board from the Director of Aviation notifying the Board of the previous Right-of-Entry and Indemnity Agreement with the Port effective from September 15, 1996 through June 30, 1997, covering approximately 4,400 square feet of warehouse space in Building M-106, South Airport. The monthly rent is \$3,300.00. USPS has requested that an extension of the ROE Agreement be granted commencing July 1, 1997 for a 120-day period. The extension will allow the Port sufficient time to complete a review of the proposed multi-year Lease for the USPS facility. The recommendation was approved on passage of Resolution No. 97183.

**Plans and Specifications for Construction of Asphalt Concrete Overlay for Taxiways V and Y, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements for Taxiways V and Y, South Airport. The work will consist of removing existing taxiway centerline lights and reinstalling new taxiway centerline lights, raising

existing taxiway edge lights, overlaying the taxiways with asphalt concrete and restriping the taxiways. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97184.

**Plans and Specifications for Reroofing of Building L-820, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for reroofing. The work consists of removal and disposal of existing asbestos-containing and non-asbestos-containing built-up roofing down to the wood decking, including associated accessories, metal flashing and trim; removal, disposal and replacement of water-damaged and unsound wood decking; and furnishing new built-up roofing, including associated accessories, metal flashing and trim. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97185.

**Recommended Finding of Public Convenience or Necessity for Approval of the Alcoholic Beverage License for the Masonic Building and Holding Association** was the subject of a memo to the Board from the Director of Engineering notifying the Board that State law amended in the 1994 legislative session concerning new license applications for the sale of alcoholic beverages throughout the State. The law requires that in some cases the Board, as the local governing body, must make certain findings prior to license issuance by the State Department of Alcoholic Beverage Control ("ABC"). The East Bay Masons Lodge purchased the building on Capwell Drive in 1995 and remodeled it to serve as the Masons' office and club. The facility is a private club, and will serve alcohol to members and guests only. According to the State law, the Masonic Lodge is located in an area where the issuance of a new license would result in or add to an "undue concentration" of licenses, the ABC may issue this license only if the Board determines that public convenience or necessity would be served by the issuance. State law defines "undue concentration" as being in a location where the crime rate of the precinct is more than 20% higher than the average

for all precincts within the jurisdiction, or in a census tract where the number of licenses per capita exceeds the number for the county. It was recommended that the Board pass a finding that public convenience or necessity would be served by the issuance of the Type 51 license to the Masonic Building and Holding Company because it will serve a unique clientele, and enhance the Port's economic goals by serving the needs of its Oakland Airport Business Park tenants. The recommendation was approved on passage of Resolution No. 97186.

**Approval of Increased Contingency Funding and Authorization for the Executive Director to Rescope Tasks Under the Agreement with Hartman Consulting Group** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port has an agreement with the Hartman Consulting Corporation to conduct Habitat and Hydrodynamic investigations in support of the 50 foot Deepening Project. In the existing agreement for compensation on a cost plus fixed fees basis up to a total maximum of \$906,040.00 with an additional \$150,000.00 available upon approval of the Executive Director. Some of the work is no longer required and the following additional work tasks has been identified to prepare the documentation necessary to consult with the U.S. Fish and Wildlife Service regarding impacts upon threatened and endangered species; to prepare sections of the EIR/S for the 50 foot project for direct incorporation into that document; and to prepare graphics and assist with public outreach. It was recommended that in order to respond to the changing project requirements in a timely manner, it is proposed that the amount of funding available upon approval of the Executive Director be increased to \$250,000.00; and the Executive Director be granted the authority to redistribute the allocated funds among new and existing tasks as needed to support the environmental analysis of the 50 foot Deepening Project. The recommendation was approved on passage of Resolution No. 97187.

**Authorization to Prepare and Execute an Agreement with Laurel Marcus and Associates for the Evaluation of Regional Upland Rehandling Facilities for Contaminated**

and Clean Dredged Materials was the subject of a memo to the Board from the Director of Engineering notifying the Board that on June 18, 1996, the Port approved and authorized the Executive Director to accept a grant from the California Coastal Conservancy for \$520,000.00 to study Regional Dredged Material Rehandling and Reuse Facilities. The goal of the project is to develop a multi-user rehandling sale for "contaminated" and clean dredge material and to find cost-effective reuses of the materials within two years. The Port is working with CCC, BCDC, Bay Planning Coalition, Bay Dredging Action Coalition (BDAC), the Natural Heritage Foundation, Save the San Francisco Bay, and the California Environmental Trust to select contract teams, focus studies, and address environmental and community concerns. The Port distributed Requests for Proposal for the studies required to complete the project and a team put together of the agencies unanimously selected a consultant team lead by Laurel Marcus and Associates, an Oakland based WBE, to complete the work. LMA (in cooperation with subconsultants Gahagan & Bryant Associates, Inc., Entrix, Inc., Subsurface Consultants, Inc., and Alan Waltner, Attorney at Law) will conduct tasks including determining demand and markets for dredged materials, environmental review, legal liability, identification and documentation of feasible sites, preliminary business plans, and a preliminary engineering design for one regional facility. The scope of the proposed work and cost estimated to complete the study under an agreed-upon time and materials contract will not exceed \$461,000.00 with an increase in the maximum compensation in an amount of up to \$40,000.00 for change-in-scope work available at the discretion of the Executive Director. It was recommended that the Board execute an agreement with Laurel Marcus and Associates. The recommendation was approved on passage of Resolution No. 97188.

Contract for Consultant to Provide Instruction and Related Activities for Maritime Division's Maritime Training Program was the subject of a memo to the Board from the Director of Maritime notifying the Board that since 1978 the Maritime Division has offered maritime training programs to world-wide organization, including foreign ports and

government agencies. These programs are conducted on an as-requested basis. The cost of the program to the participants averages approximately \$35,000.00 annually and the Port has historically achieved a return rate of at least 15%. Captain Robert E. Riley has been the principal instructor for the past seven years, however his compensation payments under this contract have been spent. It was recommended that the Board approve the contract agreement to hire Captain Riley that will allow payment of \$60,000.00 for the training program confirmed for this year and those tentatively scheduled for the future. It is expected that the payment for each training program will not exceed \$15,000.00; and also authorize the Executive Director to approve any additional amount not to exceed \$12,000.00 for unforeseen contingencies, to be reimbursed through fees negotiated and assessed the programs' participants. The recommendation was approved on passage of Resolution No. 97189.

**Plans and Specifications for Demolition of Building C-128, Outer Harbor** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition. The work consists in general of demolition and removal of Building C-128, and a 7,500 square foot railroad loading dock. The work is necessary in order to provide space for maritime-related operations. The CEQA requirements for environmental review of this project were completed on December 17, 1996. The recommendation was approved on passage of Resolution No. 97190.

**Personnel Items** contained in a memo to the Board from the Chief Financial Officer recommended the appointment of Joseph Wong, as Director of Engineering, effective June 18, 1997, at \$9,469.00 per month; Cristina L. Tabilin, as Senior Procurement Analyst, effective June 23, 1997, at \$5,131.00 per month; Gennise A. Kilgore, as Procurement Analyst, effective June 23, 1997, at \$4,392.00 per month; and Sheila D. Nasario, as Relief Telephone Operator, effective June 21, 1997, at \$16.04 per hour. Also recommended was the creation of Port Technical Support Analyst II at Salary Schedule 228 in the MIS Department of Corporate Administrative Services; and the creation of Legal Assistant III

in the Port Attorney's office. The recommendations were approved on passage of Resolution No. 97191 for appointments and on an ordinance to print for creation of positions.

Renewal of Agreement Between Port of Oakland and Lynn M. Suter & Associates was the subject of a memo to the Board from the Governmental Affairs Manager recommending approval to renew the agreement with Lynn M. Suter & Associates for representation in Sacramento at an annual payment not to exceed \$90,576.00 with an option to increase the maximum annual compensation by no more than 5 percent. The term of the agreement will be from January 1, 1997 through December 31, 1997 with authorization for the Executive Director to extend the agreement for one year. The recommendation was approved on passage of Resolution No. 97192.

Ratification and Approval of FY 1996-1997 and 1997-1998 Purchase Orders; Approval of Procurement Pilot Projects was the subject of a memo to the Board from the Chief Financial Officer notifying the Board of the utilization of monthly purchase orders whose primary function is facilitating the purchase of routine, small-dollar value maintenance supplies and services. It is anticipated that certain purchase orders will exceed the \$50,000.00 bid limit for the aggregate of all purchases during the Fiscal year 1996-1997. It was recommended that the Board waive competitive bidding and approve the following vendors: Stone Boat Yard, Alameda, for repair and painting, estimated at \$55,000.00; South Bay Maintenance, Oakland, for ADA alteration, estimated at \$75,000.00; Crystal Data, Oakland, for copier/lease, estimated at \$80,000.00; Xerox Corporation, Oakland, for copier/lease, estimated at \$85,000.00; Waste Management of Alameda County, Oakland, for refuse collection, estimated at \$100,000.00; and WESCO/G&W/Services, San Leandro/Oakland, for electrical supplies, estimated at \$350,000.00. Also recommended was approval of certain procurement pilot project based on the pilot program with WESCO/G&W Services for electrical supplies. The pilot program will now be extended to other commodity classes such as hardware, tools, and other maintenance and repair

supplies. The Purchasing Department also recommended that the Port initiate a pilot program to test the feasibility of procurement cards for use by selected Port staff, such as Utilities Supervisors, Port Maintenance Supervisors, etc. The Port's procurement activity indicates that procurement cards would improve processing certain types of purchasing transactions such as mail orders for specialized supplies where distribution is limited; emergency and after-hours transactions; and selected vendors who require cash or credit card payment. The recommendation was approved on passage of Resolution No. 97193.

**Purchase of New Vehicles and Equipment; and Sale of Surplus Vehicles and Scrap Materials** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the Central Facilities Department has identified six general purposes vehicles, four special purpose equipment for replacement and five additional vehicles and equipment for addition to the fleet. It was recommended that the Board suspend formal bidding and authorize the acquisition of fifteen vehicles and equipment through the State of California contracts as available, and by open market procurement for vehicles and equipment not available through the State at a cost estimate of \$635,000.00 plus taxes and fees. It was further recommended that the Board declare a total of ten vehicles and equipment scheduled for replacement as surplus, authorize their sale on the open market and the sale and/or disposal of miscellaneous scrap metal and other materials with an estimated annual value not to exceed \$10,000.00 by the Executive Director. The recommendations were approved on passage of Resolution No. 97194 for selling or donating of surplus material and Resolution No. 97195 for purchasing vehicles.

**Uncollectible Accounts** contained in a letter to the Board from the Port Attorney recommending approval to write-off from the books of the Port 25 accounts in a sum estimated at \$164,717.15. The accounts receivable are at present uncollectible for such reasons as dispute as to amount due, together with the absence of sufficient proof to recover; the bankruptcy of the respective debtor(s); and financial inability to pay by certain account holders. The recommendation was approved on passage of Resolution No. 97198.

The following resolutions were introduced and passed separately by the following

vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioners Lockhart and Taylor - 2

"RESOLUTION NO. 97182

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO CONTRACT FOR PURCHASE AND INSTALLATION OF SIGNS FOR THE METROPOLITAN OAKLAND INTERNATIONAL AIRPORT SIGN PROGRAM WITHOUT COMPETITIVE BIDDING FOR SUCH WORK BASED ON RECEIPT OF INFORMAL PROPOSALS AND AWARD CONTRACT TO RAGO NEON."

"RESOLUTION NO. 97183

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH UNITED STATES POSTAL SERVICE."

"RESOLUTION NO. 97184

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF ASPHALT CONCRETE OVERLAY FOR TAXIWAYS V AND Y, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97185

APPROVING PLANS AND SPECIFICATIONS FOR REROOFING OF BUILDING L-820, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97186

FINDING AND DETERMINING THAT PUBLIC CONVENIENCE OR NECESSITY WOULD BE SERVED BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL'S ISSUANCE OF A TYPE 51 ON SALE BEER AND WINE PUBLIC PREMISES LICENSE TO THE EAST BAY MASONS, DOING BUSINESS AS MASONIC BUILDING AND HOLDING ASSOCIATION."

"RESOLUTION NO. 97187

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH HARTMAN CONSULTING GROUP FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97188

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH LAUREL MARCUS AND ASSOCIATES FOR MARITIME CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97189

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CAPTAIN ROBERT E. RILEY FOR MARITIME CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97190

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDING C-128, OUTER HARBOR, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97191

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97192

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH LYNN M. SUTER & ASSOCIATES FOR LEGISLATIVE REPRESENTATION SERVICES CONSTITUTES PROFESSIONAL OR SPECIALIZED SERVICES AND WAIVING COMPETITIVE BIDDING; AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97193

RATIFYING PURCHASE ORDERS FOR STONE BOAT YARD AND SOUTH BAY MAINTENANCE, APPROVING MONTHLY PURCHASE ORDERS FOR CRYSTAL DATA, XEROX CORPORATION, WASTE MANAGEMENT OF ALAMEDA COUNTY AND WESCO/G&W SERVICES, DISPENSING WITH COMPETITIVE BIDDING AND AUTHORIZING THE IMPLEMENTATION OF PROCUREMENT CARD TEST PROJECT."

"RESOLUTION NO. 97194

FINDING AND DETERMINING THAT CERTAIN MOTOR VEHICLES AND EQUIPMENT OWNED BY THE PORT ARE NO LONGER REQUIRED FOR PORT USE AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SELL, DONATE OR SCRAP SURPLUS VEHICLES AND EQUIPMENT."

"RESOLUTION NO. 97195

FINDING AND DETERMINING THAT IT IS IN THE BEST INTEREST OF THE PORT TO PURCHASE MOTOR VEHICLES AND EQUIPMENT WITHOUT COMPETITIVE BIDDING AND AUTHORIZING SAID PURCHASE THROUGH THE STATE OF CALIFORNIA AND THE OPEN MARKET.'

"RESOLUTION NO. 97196

GRANTING GTE MOBILNET OF CALIFORNIA PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97197

(1) RATIFYING, CONFIRMING AND APPROVING THE PORT ATTORNEY'S FILING OF CLAIMS AGAINST STEAM VALVE MACHINE COMPANY, STEVE COWLEY, FRANK CHENG, WILLIAM J. CRYER, WILLIAM J. CRYER, JR. AND ROBERT R. CRYER (COLLECTIVELY, THE "INITIAL DEFENDANTS") FOR DAMAGES RESULTING FROM ENVIRONMENTAL CONTAMINATION OF PORT PROPERTY LOCATED AT 1899 DENNISON STREET, OAKLAND, CALIFORNIA, AND (2) AUTHORIZING, APPROVING AND DIRECTING THE RETENTION OF THE LAW FIRM OF WENDEL, ROSEN, BLACK & DEAN, LLP AS OUTSIDE SPECIAL COUNSEL."

Port Ordinance No. 3369 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LICENSE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF COMMERCE," and Port Ordinance No. 3370 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, ADDING SECTIONS 5.029, 5.077 AND 10.007, CREATING CLASSIFICATIONS AND RETITLING POSITIONS," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioners Lockhart and Taylor - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE ESTABLISHING A PASSENGER FACILITY CHARGE AND AMENDING SECTION 28 TO PORT

ORDINANCE NO. 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH," Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, ADDING SECTION 7.1382, CREATING CLASSIFICATION AND REVISING SECTION NO. 6.027," were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioners Lockhart and Taylor - 2

At the hour of 5:00 p.m., the Board entered into closed session pertaining to conference with real property negotiator, as provided under Government Code Section 54956.8, under negotiation: price and terms of payment, property - 7 acre site on Edgewater Drive adjacent to Elmhurst Channel in the Oakland Airport Business Park, parties Negotiating - Port of Oakland and Robert and Manuel Berber, property - site at Pardee Lane and Edgewater Drive, Parties Negotiating - Port of Oakland and Baxter Health Care Corporation; conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: Oakland Citizens for Site B, vs. Port of Oakland, et al, Alameda County Superior Court Case No. 777066-9, City of Oakland v. Steam Valve Machine Company, et al, Alameda County Superior Court Action No. 777068-7, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; personnel and conference with Labor Negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.0 and 54957.6; conference with legal counsel anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, one case; and reconvened in open session at the hour of 7:02 p.m.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Kramer, Loh  
and President Ortiz - 4

Noes: None

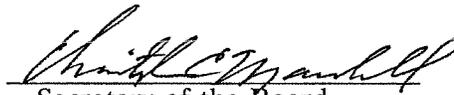
Abstained: Commissioner Cole - 1

Absent: Commissioners Lockhart and Taylor - 2

"RESOLUTION NO. 97198

FINDING CERTAIN ACCOUNTS RECEIVABLE TO BE UNCOLLECTIBLE  
AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO WRITE OFF  
SAME FROM THE BOOKS OF THE PORT."

At the hour of 7:04 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS  
OF THE  
CITY OF OAKLAND**

The meeting, formal portion, was held on Tuesday, June 3, 1997, at the hour of 3:05 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present:            Cole, Harris, Loh, Lockhart,  
Taylor and President Ortiz - 6

Commissioners absent:            Kramer - 1

Also present were the Executive Director; Port Attorney; Director of Engineering; Director of Aviation; Acting Director of Commercial Real Estate, Joyce Washington; Chief Administrative Officer; Director of Maritime; Director of Equal Opportunity; Internal Auditor; Director of Strategic and Policy Planning; Chief Financial Officer; and Secretary of the Board.

Consultative/Marketing Services Contract with Pierre Murphy, Esquire for Air Service Development was the subject of a memo to the Board from the Director of Aviation notifying the Board of the agreement with Pierre Murphy for aviation consulting matters which includes identifying new route and service opportunities, facilitating contact with target airlines, providing Port representation in Department of Transportation negotiations, and represent the Port in appropriate route proceedings. During the last 15 months, Mr. Murphy has been responsible for the establishment of service by CorseAir, City Bird, and last summer, World Airways at the Airport. He also played a major role in Taesa beginning service in 1993. It was recommended that the Port execute an agreement with Pierre Murphy to perform the following services, including but not limited to on-going airport marketing efforts with airlines and tour operators for the purpose of increasing aviation related commerce at the Airport. The contract extension is for two years at a cost of \$80,000.00 per year, of this amount, up to \$30,000.00 per year will be used to develop specific detailed service proposals for presentation to airlines to encourage their initiation

of routes to Oakland. This work will be accomplished by a sub-consultant, AirTrans, Inc. based in Austin, Texas. The recommendation was approved on passage of Resolution No. 97167.

**Approval of Lease Modification/Supplement for United States of America, Department of Transportation, Federal Aviation Administration** was the subject of a memo to the Board from the Director of Aviation recommending approval of a lease supplement which adds language to allow the FAA subject to the Port's prior written approval, to make alterations, attach fixtures, erect additions, structures, or signs, all of which would remain the property of the FAA and would be removed upon the date of expiration or termination of said Lease or within ninety days thereafter, by or on behalf of the FAA. The premises under this lease comprises 3,309 square feet in Terminal 1 for office space, equipment, storage, control tower cab, training room and the fire escape landing between the 9th and 10th floors; and 313 square feet in Building M-104 which houses FAA's engine generator. The rent is \$2,143.64 per month. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97168.

**Approval of New License and Concession Agreement and Agreements to Renew License and Concession Agreement for Term of One Year or Less with Alaska Airlines, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval to renew their agreement for 632 square feet of ticket counter space, 2,500 square feet of office space, 1,120 square feet of bag make-up space and 174 square feet of bag service office space in Building M-101, for \$23,009.65 per month, effective January 1, 1994; and for the same space for \$23,231.20 per month, effective January 1, 1995; and for 5,780 square feet of warehouse space in Building M-106, at \$4,335.00 per month, effective May 1, 1994. The recommendation was approved on passage of Resolution No. 97169, Resolution No. 97170 and Resolution No. 97171.

**First Reading of Ordinance Approving License for Use of Real Property with United States of America, Department of Commerce, National Oceanic and Atmospheric Administration** was the subject of a memo to the Board from the Director of Aviation notifying the Board that the United States of America, on behalf of the Department of Commerce, National Oceanic and Atmospheric Administration (DOC) proposes to install and operate Automated Surface Observing Systems (ASOS) equipment on the North and South Airports in order to "measure local meteorological conditions". The ASOS equipment would provide more accurate weather data to the FAA air traffic controllers, and in turn, to pilots using the Airport. The installation and maintenance of this equipment would be provided for under a 1-year License Agreement with four 1-year options, to be effective August 1, 1997. No monetary consideration to the Port would be granted under this License. The Port presently has a Deed of Easement Agreement with the U.S. Weather Bureau for one site located on the North Airport, for which a nominal monetary consideration is charged. The new weather equipment will be installed in the vicinity of Runway 11/29 (South Airport) and Runway 27 (North Airport). The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of an ordinance to print.

**Approval of New License and Concession Agreement with Balfour Beatty Construction** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate recommending approval to renew their agreement for 20,000 square feet of vacant land, located on the north side of Burma Road adjacent to eastbound I-880, at \$1,467 per month, effective April 1, 1997. The recommendation was approved on passage of Resolution No. 97172.

**Authorize Agreement for Production of FISCO Video Documentary as Mitigation for Vision 2000 Program** was the subject of a memo to the Board from the Director of Maritime notifying the Board of a Memorandum of Agreement (MOA) between the Port and the City of Oakland Landmarks Preservation Advisory Board (LPAB), the State

Historical Preservation Officer, the National Advisory Council on Historic Preservation and the U.S. Navy to create a program to mitigate the unavoidable, adverse effects to the Naval Supply Center (now referred to as FISCO) which has been identified as an historical district eligible for inclusion on the National Register of Historic Places. On December 17, 1996 the Board adopted Port Resolution No. 96429, which further amends the MOA to include a final mitigation program for the conveyance of the entire FISCO property to the Port and for subsequent redevelopment under the Vision 2000 Program. The major mitigation measure agreed to under the MOA is for the Port to develop, produce and distribute a documentary video which will preserve the history and significance of FISCO. This effort will be funded by the Port in an amount of up to \$200,000.00 with an additional \$25,000.00 earmarked for a one-time distribution and outreach program, including a good faith effort to pursue television or non-theatrical distribution. During the negotiations for this agreement, it was the express desire of the parties that the firm of Quest Productions, in association with historian Marjorie Dobkin, Ph.D. produce the video. Quest Productions is a nationally recognized, award-winning documentary filmmaker located in Berkeley which has recently completed a documentary on the history of West Oakland for the CALTRANS I-880 project. It was recommended that the Board make the appropriate findings and authorize the Executive Director to enter into an agreement with Quest Productions, Inc. to develop, produce and distribute the documentary video for a sum not to exceed \$250,000.00. The recommendation was approved on passage of Resolution No. 97173.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended appointment for Sandra Dial, Teresita Morales, and Albert Lum, as Port Senior Financial Analyst, effective June 9, 1997, at \$4,888 per month; Jasmine Brown, Concepcion Gonzalez, Kam Lau, Jin Li, Erika Sanchez, Darlistia Wilford, as Youth Aide Class "C", effective June 16, 1997, at \$8.94 per hour; and Alberto Castillion, Malina de la Cruz, Anthon Hurt, Ted Lee, Jason Lewis, Raul Marquez, Quen-Anh Tran, Latora Wilkerson, Xakia Williams, and Nancy Wu, as Youth Aide, Class "D", effective June 16,

1997, at \$5.00 per hour. Also recommended was the creation of one position of Payroll and Benefits Analyst; 33 positions of Airport Operations Specialist, Airside/Landside; one position of Senior Procurement Analyst; one position of Airport Development Program Architecture/Engineering Program Manager; and the approval of examination announcement for Diver. The recommendations were approved on passage of Resolution No. 97174 for appointments for appointments, Resolution No. 97175 for examination announcement and on an ordinance to print for creation of positions.

Approval of the Annual Operating Budget for Fiscal Year Ending June 30, 1998 was the subject of a memo to the Board from the Chief Financial Director recommending approval of the FY 1997-98 Operating Budget which authorizes the related appropriations for the Port operations and maintenance expenses. It is anticipated that the Operating Budget for FY 1997-98 will result in revenue over expenses of \$5.98 million, which represents about 4% return on revenue. The Port anticipates consolidated operating revenue to be approximately \$158.9 million which is 4% more than FY 1996-97 anticipated revenue. The Port expects Maritime revenue to increase about 5%. Aviation revenue is projected to increase 3% over, Commercial Real Estate, including Oakland Portside Associates revenue, is projected to increase 3%, and Utilities revenue is forecasted to increase about 4% over FY 1996-97. For FY 1998-99 and FY 1999-2000 overall revenues are projected to grow annually at about 2% and 6%, respectively. The Port budgeted consolidated operating expenses of \$89.4 million for FY 1997-98, which is 10% higher than anticipated expenses for FY 1996-97. The projected operating expenses through FY 1999-2000 are anticipated to increase by approximately 3% for both years. The budget for FY 1997-98 includes 583.80 full-time equivalent employees (FTE's). The proposed budget for FY 1997-98 includes \$1.6 million for Special Services Payments to the City in operating expenses, which covers police services at the Airport, security services at Jack London Square, and other specified administrative services that the City provides to the Port. Special Services is budgeted to increase at the rate of 2% per year through FY 1999-2000.

This budget also reflects projected General Services and Lake Merritt Payments to the City of \$1.4 million although actual remittance of these funds will be based on the Board of Port Commissioners declaring a surplus at the end of the fiscal year. In addition, \$3.0 million has been budgeted to pay the City for land the Port receives at the Oakland Army Base or for traffic mitigation related to Port projects as a result of the Traffic Mitigation Memorandum of Understanding between the City and Port. The Port anticipates the ratio of operating expenses to operating revenue to be 56% for FY 1997-98, which is higher than the anticipated ratio of 53.0% for FY 1996-97. Debt Services Coverage is projected to be 2.00 for FY 1997-98, 2.07 for FY 1998-99 and 2.27 for FY 1999-2000 compared to 2.01 for anticipated FY 1996-97. It was recommended that the Board adopt the Operating Budget for the fiscal year ending June 30, 1998, and a resolution appropriating funds for Port operations and maintenance expenses for the fiscal year ending June 30, 1998. It is further recommended that the Board endorse the FY 1998-99 and FY 1999-2000 operating budgets in concept. The recommendation was approved on passage of Resolution No. 97176.

**Approval of the Capital Improvement Award Program for Fiscal Year Ending June 30, 1998** was the subject of a memo to the Board from the Chief Financial Director notifying the Board that the proposed Capital Improvements Award Program for FY 1997-98 is \$210 million. The projected awards for FY 1998-99 through Fy 2001-2002 are \$1.1 billion, for a total five-year Capital Improvement Award Program of \$1.3 billion. From an expenditure basis, the FY 1997-98 Capital Improvement Program is \$149 million, and the five-year expenditure program is \$1.3 billion. For the five-year Capital Improvement Program, the expected funding sources including bonds backed by Passenger Facility Charges (PFC's) (7%), Port revenue bonds (53%), Port cash (10%) and grants such as PFC Stand-Alone, Airport Improvement Program, Measure B, Intermodal Surface Transportation Efficiency Act (ISTEA) and Department of Boating and Waterways (30%). The Board is approving the overall award amount of \$210 million at this time, however, individual projects are awarded and approved by the Board during the fiscal year prior to commitment of funds.

It was recommended that the Board adopt the Capital Improvement Award Program for an amount not to exceed \$210 million for FY 1997-98, and endorse the five-year Capital Improvement Program for an amount not to exceed \$1.3 billion in awards. The recommendation was approved on passage of Resolution No. 97177.

**Award of Contract for Removal and Disposal of Hazardous Waste, Designated Waste and Other Contaminated Materials for the Period Commencing July 1, 1997 and Ending June 30, 1998, 1999, or 2000** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Performance Excavators, Inc., the low bidder, at direct labor costs plus 17.85%. The recommendation was approved on passage of Resolution No. 97178.

**Public Works Specification** was the subject of a letter to the Board from the Port Attorney and Director of Engineering notifying the Board of a review and update of the Port's Public Works Specifications. The specifications require revision because of changes in the Public Contract's Code and changes in custom and practice in the industry. It was recommended that the Board approve the reviewed specifications with the next public works project. The recommendation was approved on a motion made by Commissioner Harris, seconded by Commissioner Taylor and passed unanimously.

**Appearance:** Mr. Patrick Ryan, a retired Port employee, appeared before the Board to ask that he be included in the V.I.P. Program, as he felt he was unjustly denied the knowledge and opportunity to participate based on the facts presented to him. As the individual has filed a claim against the Port, no further discussion was held.

The following resolutions were introduced and passed separately by the following vote:

- Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6
- Noes: None
- Absent: Commissioner Kramer - 1

"RESOLUTION NO. 97167

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH PIERRE MURPHY FOR AVIATION CONSULTING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97168

AUTHORIZING, APPROVING AND EXECUTING A LEASE MODIFICATION/SUPPLEMENT WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97169

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ALASKA AIRLINES, AN ALASKA CORPORATION."

"RESOLUTION NO. 97170

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO RENEW LICENSE AND CONCESSION AGREEMENT FOR TERM OF ONE YEAR OR LESS WITH ALASKA AIRLINES, AN ALASKA CORPORATION."

"RESOLUTION NO. 97171

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO RENEW LICENSE AND CONCESSION AGREEMENT FOR TERM OF ONE YEAR OR LESS WITH ALASKA AIRLINES, AN ALASKA CORPORATION."

"RESOLUTION NO. 97172

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH BALFOUR BEATTY CONSTRUCTION, INC., A CALIFORNIA CORPORATION."

"RESOLUTION NO. 97173

FINDING AND DETERMINING THAT A PROPOSED CONSULTANT AGREEMENT WITH QUEST PRODUCTIONS, INC. FOR MARITIME CONSULTING CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97174

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97175

APPROVING EXAMINATION ANNOUNCEMENT FOR THE POSITION OF DIVER."

"RESOLUTION NO. 97176

MAKING APPROPRIATIONS OF CERTAIN MONEYS TO PROVIDE FOR CERTAIN EXPENDITURES PROPOSED TO BE MADE BY THE ESTIMATED BUDGET OF THE PORT OF OAKLAND FOR THE FISCAL YEAR 1997-98."

"RESOLUTION NO. 97177

APPROVING THE CAPITAL IMPROVEMENT AWARD PROGRAM FOR FISCAL YEAR 1997-98."

"RESOLUTION NO. 97178

AWARDING CONTRACT TO PERFORMANCE EXCAVATORS, INC., FOR REMOVAL AND DISPOSAL OF HAZARDOUS WASTE, DESIGNATED WASTE AND OTHER CONTAMINATED MATERIALS FOR THE PERIOD COMMENCING JULY 1, 1997 AND ENDING JUNE 30, 1998, 1999 OR 2000, OAKLAND, FIXING THE AMOUNT OF BONDS REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

Port Ordinance No. 3368 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO CONTAINER CRANE ASSIGNMENT AND RENTAL RATES," was read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF A LICENSE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF COMMERCE," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, ADDING SECTIONS 5.029, 5.077 AND 10.007, CREATING CLASSIFICATIONS AND RETITLING POSITIONS," was read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

At the hour of 4:15 p.m., the Board entered into closed session pertaining to personnel and conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: In the Matter of the Port of Oakland, Complaint No. 97-018, State of California Regional Water Quality Control Board, San Francisco Bay Region, City of Oakland v. Keep On Trucking, Inc., et al, U.S. District Court Case No. C-95-03721-CW, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; conference with legal counsel anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, one case; and reconvened in open session at the hour of 6:16 p.m.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

"RESOLUTION NO. 97179

AUTHORIZING AND APPROVING THE RETENTION OF THE LAW FIRM OF WASHBURN, BRISCOE & MCCARTHY ("WASHBURN, BRISCOE") AS OUTSIDE SPECIAL COUNSEL TO THE PORT ATTORNEY CONCERNING STORMWATER ISSUES."

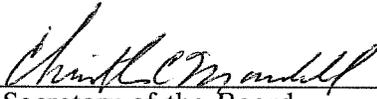
"RESOLUTION NO. 97180

REGARDING AMENDED COMPLAINT NO. 97-018 FOR ADMINISTRATIVE CIVIL LIABILITY ISSUED BY REGIONAL WATER QUALITY CONTROL BOARD."

"RESOLUTION NO. 97181

1) ACCEPTING A SETTLEMENT OFFER FROM THE INSURANCE CARRIERS (DEFINED BELOW); 2) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SETTLEMENT AGREEMENTS WITH THE INSURANCE CARRIERS; 3) ACCEPTING A PARTIAL SETTLEMENT OFFER FROM CERTAIN LONDON MARKET INSURERS ("LLOYD'S") IN THE AMOUNT OF \$74,003.80; AND 4) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PROOF OF LOSS AND PARTIAL MUTUAL RELEASE AGREEMENT WITH LLOYD'S CONCERNING CITY OF OAKLAND V. KEEP ON TRUCKING COMPANY, INC. ET AL., UNITED STATES DISTRICT COURT CASE NO. C-95-03721-CW AND INSURANCE CLAIMS RELATED THERETO."

At the hour of 6:18 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board



subcontractor Fidelity and delete Dave's Roofing and Repair. The recommendation was approved on passage of Resolution No. 97153.

**Approval of New License and Concession Agreement with City Bird, South Airport** was the subject of a memo to the Board from the Director of Aviation recommending approval of an agreement with City Bird, S.A. Co., for 403 square feet of ticket counter, 406.52 square feet of office space and 1,887 square feet of bag make-up space in Building M-101, South Airport, at \$125.00 per four-hour use, effective May 1, 1997. It was noted that City Bird is a charter carrier to Europe. The recommendation was approved on passage of Resolution No. 97154.

**Approval of Extension of Right of Entry and Indemnity Agreement for Federal Express Corporation** was the subject of a memo to the Board from the Director of Aviation notifying the Board of the previous Right-of-Entry and Indemnity Agreement for Federal Express Corporation for installation and maintenance of the company's express courier drop box in the Airport Terminal. The Drop Box is proposed to be installed in the new elevator lobby area of Terminal 1, beyond the Terminal 1 security checkpoint. The box would provide a convenient and secure location for customers to drop "overnight" letters to be picked up by the courier service. The box would occupy approximately 6 square feet. The proposed fee for the drop box is \$350.00 per year. It was recommended that the Board approve the extension of the Right-of-Entry and Indemnity Agreement dated May 1, 1997 to and including April 30, 1998. The recommendation was approved on passage of Resolution No. 97155.

**Agreement with U.S. Department of Agriculture for Predator Abatement Program** was the subject of a memo to the Board from the Director of Aviation recommending renewal of an agreement with the U.S. Department of Agriculture, Animal Damage Control Division, to provide services at the Airport to protect the California least tern, an endangered species, and possibly other endangered or threatened species. The Board first approved the Predator Abatement Program in 1992, and it has proved effective in

controlling the major predator and in upholding the Port's 1992 MOU with the Golden Gate Audobon Society to protect the least tern. The Program's scope of work includes: control predators for the protection of threatened and endangered species; management activities and direct control of predators will be performed by Animal Damage Control in consultation with the Port; direct control activities may include, but not be limited to, use of traps and shooting, all appropriate under federal, state and local regulations; and non-target animals will be released on site; target animals and seriously injured non-target animals will be euthanized unless otherwise specifically provided for. The term of the agreement will run for five years with annual payments not to exceed \$10,000.00, for a maximum total of \$50,000.00. The Agreement will be executed by the Executive Director and the Audobon Society may share the costs of the program for the next three years for up to \$3,000.00 per year. The recommendation was approved on passage of Resolution No. 97165.

**Plans and Specifications for Replacement of Fuel Storage Tank EF-04 at Fire Station #2** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the fuel storage tank replacement. The work consists of removing the existing 1,000-gallon underground fuel tank and installing one new above-ground two compartment 1,000-gallon fuel tank with a gasoline and a diesel fuel dispensing system. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97157.

**Plans and Specifications for Demolition of Building D-243, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition. The work consists in general of demolition and removal of Building D-243, a 72,000 square foot warehouse. The work is necessary in order to provide space for maritime-related operations. CEQA and NEPA requirements were completed with the Board certification

of the Final EIR/EIS on April 4, 1995 and the signing of the Record of Decision by the Navy on May 25, 1995. The National Historic Preservation Act requirements for Recording were completed June 6, 1995, and a Memorandum of Agreement with the State Historic Preservation Officer and the Advisory Council on Historic Preservation was fully executed on December 22, 1994. The recommendation was approved on passage of Resolution No. 97158.

**Establish Crane Rental Charges in Port of Oakland Tariff 2-A for New Cranes X-438 and X-439 at Berth 23** was the subject of a memo to the Board from the Director of Maritime notifying the Board that Yusen Terminals, Inc. (YTI) provides terminal services at Berth 23 under a Nonexclusive Preferential Assignment with the Port. Two container gantry Krupp cranes are presently assigned to YTI and are designated as X-413 and X-414. On October 29, 1996, the Board declared Krupp cranes X-413 and X-414 surplus and authorized solicitation of proposals for their sale. Two new post-panamax cranes X-438 and X-439, manufactured by Zhenhua Port Machinery Co. (ZPMC) were recently delivered to Berth 23. In the Agreement between YTI and the Port, the new cranes will be assigned to YTI for primary operations. Primary compensation provisions for the cranes are already provided for in the Agreement with YTI. The Agreement provides that charges for secondary use of the new cranes will be based upon the Port's marine terminal tariff. Therefore it is necessary to establish rental rates for the two new cranes in the Tariff. Based on the review, the proposal is to amend Item 09140 of Port of Oakland Tariff 2-A by including cranes X-438 and X-439 at the basic hourly rental rate of \$525.00, plus maintenance and repair charges of \$150.00, and a power charge of \$40.00, for a total hourly rental of \$715.00 to be effective on June 15, 1997. The recommendation was approved on passage of an ordinance to print.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending approval for the appointment of Ernest Richmond, as Port Electrician, effective June 2, 1997, at \$4,360.00 per month. Also recommended was approval

of the job specification for the position of Associate Port Environmental Planner. The recommendations were approved on passage of Resolution No. 97159 for appointments and Resolution No. 97160 for job specification.

Request for Port Participation in Feasibility Study for Proposed Pan Pacific Exposition was the subject of a memo to the Board from the Director of Strategic & Policy Planning notifying the Board that on April 29, 1997, the Oakland City Council considered a request from the Acting City Manager to approve an expenditure of \$135,000.00 for a study of the feasibility of holding a Pan Pacific Exposition in Oakland. The Exposition, proposed for the years 2000-2001, would be a world's fair-class event; initial projections by the Exposition proponents include a construction cost of over \$400 million and potential attendance by 25 million people during an eight-month run, generating approximately \$900 million in gross revenues. The location under consideration includes approximately 65 acres within the Port Area between 5th and 9th Avenues along the Oakland Estuary, as well as additional property outside the Port Area extending up Lake Merritt Channel. The Council authorized City staff to spend \$67,500.00 for the feasibility study, and requested that the Port fund the balance of the \$135,000.00 study cost. It is believe that the Exposition, if successful, would provide great benefits for Oakland in public exposure and in business revenues from Exposition-related activities with significant potential for residual benefits from the physical facilities of the fair, including waterfront public access, infrastructure for post-Exposition development projects, and the possibility of retention of one or more Exposition structures for civic or cultural uses. There are three significant concerns relative to the availability of the site within the constraints of the currently-proposed schedule. First, the Port's only break-bulk marine terminals, the 9th Avenue Terminal, must be relocated to the Oakland Army Base and be fully operational in its new location before the Port can release the site. Second, the Exposition site contains leaseholds that have terms extending several years beyond the proposed date for the Exposition, as well as privately-owned property occupied by live-work tenants. The leases and private property would have to be

acquired and the tenants relocated before the site could be made available for the Exposition. Third, the site requires significant environmental clean-up activities for which the Port's current schedule also extends beyond the Exposition date. The Acting City Manager has stated his position that the Exposition must be funded from private and corporate sources, not through public funds. A primary purpose of the feasibility study is to ascertain the level of interest and commitment in the private sector to providing the sources needed for the Exposition. Port staff concurs that funding for accelerated environmental clean-up and relocation of current uses on the property should come from Exposition funds, not from Port resources. It was recommended that any Port contribution to the costs of the feasibility study be subject to the following conditions: 1) The Port be assigned a full and equal position with the City in developing the final work scope, reviewing and commenting on interim work products, and approving the conclusions of the study before any public distribution, neither the study nor its results shall be released without Port approval; 2) Either the proposed schedule for the Exposition be immediately adjusted to accommodate the Port's current environmental mediation efforts or, if it reflects a more accelerated environmental remediation program, it is accompanied by an identification of non-Port funding sources to fully accomplish the clean-up under the accelerated schedule; 3) Sources of funding be identified in the feasibility study to reimburse the Port for costs associated with making the site available, including purchase of private property and remaining lease interests, relocation costs for current activities and tenants, lost lease revenue from Port tenants and other related costs; 4) The financial projections for the Exposition be objectively prepared to reflect a fiscally conservative approach to evaluating the feasibility of the Exposition; and 5) In the event that for any reason, including adherence to the above conditions, the study finds that the Exposition is infeasible, all parties to the feasibility study take joint responsibility for supporting the conclusion that the Exposition should not be pursued as proposed.

Mr. Kent Simms, Project Manager with the City Manager's Office, appeared before the Board to note that this proposed study was only the first step and that the proposed conditions should be part of agreements to be prepared at a later date.

It was recommended that the Board adopt a resolution authorizing the Executive Director to enter into an agreement with the City Manager to share equally in the cost of preparing a feasibility study for the proposed Pan Pacific Exposition, at a cost to the Port not to exceed \$67,500.00, and including the five provisions as proposed. The recommendations were approved on passage of Resolution No. 97161.

Travel Authorization was the subject of a memo to the Board from the Secretary of the Board recommending the travel of President Celso Ortiz, Ada Cole, Becky Taylor, John Loh and James Lockhart, to attend the Airport Council International Annual Conference, on or about the period June 20 to June 26, 1997, in Paris, France. The recommendation was approved on passage of Resolution No. 97162.

Award of Contract for Construction of Security Fencing for Port of Oakland Facilities for the Period Commencing June 1, 1997 and Ending May 31, 1998, 1999 or 2000 was the subject of a memo to the Board from the Director of Engineering notifying the Board of the two bids received and recommending award of the contract to Arrow Fencing, the low bidder, at \$147,580.00. The recommendation was approved on passage of Resolution No. 97163.

Award of Contract for Furnishing Labor, Materials and Equipment for Paving, Grading and Associated General Contractor Services for Port of Oakland Facilities for the Period Commencing June 1, 1997 and Ending May 31, 1998, 1999 or 2000 was the subject of a memo to the Board from the Director of Engineering notifying the Board of the three bids received and recommending award of the contract to Gallagher & Burk, Inc., the low bidder, at direct labor costs plus 39.8%. The recommendation was approved on passage of Resolution No. 97164.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Harris, Lockhart, Loh, Taylor  
and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

"RESOLUTION NO. 97153

CONSENTING TO ASSIGNMENT AND TRANSFER OF ROOF WORK CONTRACTOR FOR SEISMIC IMPROVEMENTS TO BUILDING M-101, TERMINAL 1, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97154

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH CITY BIRD, S.A., A. BELGIUM CORPORATION."

"RESOLUTION NO. 97155

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH FEDERAL EXPRESS CORPORATION."

"RESOLUTION NO. 97156

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH U.S. DEPARTMENT OF AGRICULTURE FOR PREDATOR ABATEMENT PROGRAM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97157

APPROVING PLANS AND SPECIFICATIONS FOR REPLACEMENT OF FUEL STORAGE TANK EF-04 AT FIRE STATION 32, 100 JACK LONDON SQUARE, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97158

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF BUILDING D-243, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97159

CONCERNING CERTAIN APPOINTMENT."

"RESOLUTION NO. 97160

APPROVING REVISED JOB SPECIFICATION FOR THE POSITION OF ASSOCIATE PORT ENVIRONMENTAL PLANNER."

"RESOLUTION NO. 97161

APPROVING AND AUTHORIZING AN AGREEMENT WITH THE CITY OF OAKLAND FOR A PAN PACIFIC EXPOSITION FEASIBILITY STUDY, AND AUTHORIZING EXPENDITURE OF PORT FUNDS."

"RESOLUTION NO. 97162

CONCERNING CERTAIN TRAVEL."

"RESOLUTION NO. 97163

AWARDING CONTRACT TO ARROW FENCING, FOR CONSTRUCTION OF SECURITY FENCING FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING JUNE 1, 1997 AND ENDING MAY 31, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDER."

"RESOLUTION NO. 97164

AWARDING CONTRACT TO GALLAGHER & BURK, FOR FURNISHING LABOR, MATERIALS AND EQUIPMENT FOR PAVING, GRADING AND ASSOCIATED GENERAL CONTRACTOR SERVICES FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING JUNE 1, 1997 AND ENDING MAY 31, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97165

GRANTING BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97166

APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT WITH NATIONAL LAW RESOURCE, INC. FOR SALE OF SURPLUS LAW BOOKS."

Port Ordinance No. 3367 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, CREATING, RETITLING AND ADDING ADDITIONAL POSITIONS," was read a second time and passed by the following vote:

Ayes: Commissioners Harris, Lockhart, Loh, Taylor  
and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT  
ORDINANCE NO. 2833 RELATING TO CONTAINER CRANE ASSIGNMENT AND  
RENTAL RATES," was read a first time and passed to print by the following vote:

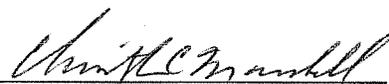
Ayes: Commissioners Harris, Lockhart, Loh, Taylor  
and President Ortiz - 5

Noes: None

Absent: Commissioners Cole and Kramer - 2

At the hour of 5:35 p.m., the Board entered into closed session pertaining to personnel and conference with labor negotiations, Port of Oakland and Local 790, as provided for under Government Code Section 54957.0 and 54957.6; conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Keep On Trucking, Inc., et al, U.S. District Court Case No. C-95-03721-CW, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; conference with legal counsel anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, one case; and reconvened in open session at the hour of 6:45 p.m.

At the hour of 6:47 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board



**Approval of Agreement to Renew License and Concession Agreement for the Term of One Year or Less with Martinair Holland** was the subject of a memo to the Board from the Director of Aviation recommending approval to renew their annual agreement for 403 square feet of ticket counter space, 4,06.52 square feet of office space and 1,877 square feet of bag make-up space in Building M-101, South Airport, effective April 23, 1997. The recommendation was approved on passage of Resolution No. 97135.

**Award of Contract for Replacement of Fuel Storage Tank LF-02 at Building L-916, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the four bids received and recommending award of the contract to Tank Protect Engineering of Northern California, Inc., the low bidder, at \$48,420.00. The recommendation was approved on passage of Resolution No. 97137.

**Award of Contract for Construction of Pipe Outfall at Airport Lagoon, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the six bids received and recommending award of the contract to Siteworks Construction, Inc., low bidder, at \$61,190.00. The recommendation was approved on passage of Resolution No. 97138.

**Award of Contract for Installation of Traffic Signals at Terminals 1 and 2, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the three bids received and recommending award of the contract for Cirmele Electric Works, Inc., low bidder, at \$88,693.00. The recommendation was approved on passage of Resolution No. 97139.

**Plans and Specifications for the Modifications to Existing Electrical Systems, Building L-150 and L-210, North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. The work consists of replacing obsolete electrical equipment and increasing power capacity to accommodate tenant needs. The project is categorically exempt

and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97140.

**Conditional Consent to Air Terminal Services, Incorporated's Sublease to The Giant Burger Group** was the subject of a memo to the Board from the Director of Aviation notifying the Board that Air Terminal Services, Incorporated (CA One) requests the Port's consent to the sublease of a portion of CA One's food and beverage concession premises to The Giant Burger Group. In response to a request for qualifications (RFQ) for "disadvantaged business enterprise" (DBE), food and beverage concession subtenants at the airport, CA One received a statement of qualifications from The Giant Burger Group, an Oakland-based, minority-owned partnership. The proposed sublease term would be concurrent with CA One's food and beverage Lease continuing to May 31, 2008. Annual gross sales from the sublease premises are projected to be \$1.28 million. The proposed rent formula would be \$125,000.00 minimum annual guaranteed rent or 12% of food and nonalcohol beverage annual gross receipts and 15% of alcohol annual gross receipts, whichever amount is greater. This formula is different from that provided for in CA One's Lease. The effect is to reduce total \$1,043,952.00 minimum annual guaranteed rent to the Port by reducing the minimum rent and percentage due from the DBE subtenants. This would require a supplement to the CA One Lease to reflect this rent structure and reduction in the minimum rent from the DBE subtenants. CA One's obligation to pay the same prorated share of the minimum annual guaranteed rent plus percentage rent would remain unchanged. The current CA One percentage rent formula is \$1,043,952.00 minimum annual guaranteed rent plus: 12% of annual food and nonalcohol beverage gross receipts equal to or between \$5,000,000.00 but less than \$700,000.00; 15% of annual food and nonalcohol beverage gross receipts equal to or exceeding \$700,000.00; 15% of annual alcoholic beverage gross receipts equal to or between \$2,500,000.00 but less than \$3,500,000.00; and 20% of annual alcoholic beverage gross receipts equal to or exceeding \$3,500,000.00. The current \$1,043,952.00 minimum annual guaranteed rent is allocated as

follows: CA One \$776,160.00, The Giant Burger Group \$145,882.00, Ice Cream/Yogurt concept \$36,450.00, and Concourse Snack Bar concept \$85,460.00. The revised CA One Percentage Rent Formula would be \$776,160.00 minimum annual guaranteed rent plus: 12% of annual food and nonalcohol beverage gross receipts equal to or between \$3,400,000.00 but less than \$4,700,000.00; 15% of annual food and nonalcohol beverage gross receipts equal to or exceeding \$4,700,000.00; 15% of annual alcoholic beverage gross receipts equal to or between \$2,500,000.00 but less than \$3,500,000.00; and 20% of annual alcoholic beverage gross receipts equal to or exceeding \$3,500,000.00. The lower \$1,003,860.00 minimum annual guaranteed rent would be allocated as follows: CA One \$776,160.00, The Giant Burger Group \$125,000.00, Ice Cream Yogurt concept \$30,700.00 and Concourse snack bar \$72,000.00. The proposed sublease premises are approximately 4,400 square feet located in the Terminal 1 lobby where the CA One currently operates the public area of the Bay Cafe. The Giant Burger Group would "build-out" the sublease space. Pursuant to CA One's Lease, the sublessee must invest at least 20% of the minimum \$500,000.00 build-out costs. The Giant Burger Group will provide at least \$100,000.00 of the build-out costs. The Giant Burger Group proposes to finance through CA One approximately \$400,000.00 (80%) of build-out the costs. The financed amount would be repaid at an interest rate of 10% per annum over the term of sublease. Pursuant to CA One's Lease, in the event of the sublessee's default on this financial obligations to CA One and CA One is not able to find a replacement DBE sublessee to assume all of the defaulted financial obligation to the CA One, then CA One may recover, through a rent credit from the Port, not more than 50% of the defaulted, CA One-financed amount. It was recommended that the Board consent to the Air Terminal services, Inc. (CA One) sublease to The Giant Burger Group conditioned upon: 1) within thirty days demonstration to the Port's satisfaction that The Giant Burger Group meets the Port EEO DBE certification requirements; 2) the Port Attorney's review and approval of the final sublease and related documents; 3) a supplement to CA One's Lease to provide for the reduced minimum annual guaranteed rent, that DBE

food and beverage subtenants have a percentage rent against a minimum rent formula in lieu of CA One's minimum rent plus percentage rent formula as described above; and 4) The Giant Burger Group submits acceptable conceptual plans for build-out of the subleased space for Port approved within sixty days and, submits acceptable construction plans for the Port approval within one hundred and twenty days. The recommendation was approved on passage of Resolution No. 97152.

**Authorization to Expend Additional Funds Associated with Employee Consolidation and Amtrak Expansion of Leased Premises: Port Administration Building** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that in late 1994, the Commercial Real Estate Division was directed to investigate the possibilities of consolidating the Port-occupied space at 530 Water Street. The Port entered into a sublease agreement with Amtrak for a portion of the 5th floor. To accommodate Amtrak, it was necessary to relocate two departments to other floors and the Port will recapture \$908,500.00 rent from this transaction over the 5 year sublease term. In Amtrak's sublease they had the right to expand the leased premises to include the remaining 7,777 square feet of the 5th floor. As a result of the Port reorganized recommendations contained in the 1995 Booz-Allen report, the Port hired an architect to consolidate the Engineering and Finance Divisions on the second floor, and the Administration Division to the third Floor. The restacking effort was estimated to cost the Port approximately \$500,000.00. During the space planning for the restacking, Amtrak exercised its option to expand the leased premises effective July 1, 1997. The space had to be redesigned to accommodate the relocation of Commercial Real Estate from the 5th Floor to the 3rd floor and Governmental Affairs to the 4th floor which increased the budget from \$500,000.00 to an estimated \$960,000.00. Amtrak's expansion will increase the rent paid to the Port from \$181,702.00 to \$350,000.00 per year. It is estimated that the Port will recover its entire investment in moving costs in a 2.75 year period. It was recommended that the board approve the expenditure of additional fund of approximately \$960,000.00 associated with the

employee consolidation and Amtrak expansion of leased premises in the Port headquarters building. The recommendation was approved on passage of Resolution No. 97141.

**Request for City Council to Amend Port Area Line to Delete Parcel for Proposed IKEA Development from Port Area** was the subject of a memo to the Board from the Director of Strategic and Policy Planning notifying the Board that the City of Oakland has been working for several years to attract IKEA, a furniture manufacturing and distribution company, to locate a facility in Oakland. They are working with a developer to build a factory and sales outlet on a site on the Oakland/Emeryville border. The site includes property in both cities. The Oakland portion of the site is within the Port Area. It is a privately-owned parcel, and is separated from the remainder of the Port Area by the I-580/I-880 Interchange and the Shellmound Street viaduct. The City of Oakland is preparing to initiate an environmental study for the proposed IKEA project and Emeryville has agreed that Oakland should be the Lead Agency for this study. Since the Oakland portion of the site is in the Port Area, the Port has responsibility under the Oakland City Charter for planning and development of the property, and therefore the Lead Agency in preparing and certifying the environmental documentation is the Port. The project is best pursued by the City rather than the Port and it was recommended that the Port area line be amended to delete the site from the Port's jurisdiction. The amendment of the Port area line will result in the City of Oakland becoming Lead Agency for the proposed and related environmental review, and the Port will become a Responsible Agency. The recommendation was approved on passage of Resolution No. 97142.

**Relocation or Possible Sale of the Krupp Cranes at Berth 23** was the subject of a memo to the Board from the Director of Engineering notifying the Board that at the Board meeting of October 29, 1996, the Board declared the Krupp cranes X-413 and X-414 surplus and authorized the Executive Director to solicit proposals for their sale. These cranes are being replaced by two new cranes purchased from Zhenhua Port Machinery Co. (ZPMC). The most promising sale possibility for the Krupp cranes involves ZPMC transporting the

Krupps to the new buyers after they deliver the new cranes. It is expected that the new ZPMC cranes will arrive on the 3rd of May and when the new cranes become operational the Krupp cranes will be in the way operationally and must be moved. The timing of the sale and removal or the possible relocation of the Krupp cranes depends on the time it takes to attain reliable operation of the new cranes. If the details of the sale can be completed before ZPMC's ship leaves the area, ZPMC is ready to haul the cranes back to China for the new buyer on or about the 20th of May. It was recommended that if staff is able to complete the sale of the two Krupp cranes, and the Board authorize the execution of a contract for the sale and if the sale is not consummated in advance of the departure date of the ZPMC ship, it is further recommended that the Board approve ZPMC's proposal to relocate the cranes at their cost provided the Port pays for the costs of local Longshore pilots, and ironworkers. These costs are estimated to be about \$200,000.00. The recommendation was approved on passage of Resolution No. 97143.

Approval of Second Supplemental Agreement with Liftech Consultants, Inc. for Engineering Design Services for Modifications to Batter Piles at Berth 60-63, Middle Harbor Terminals was the subject of a memo to the Board from the Director of Engineering notifying the Board of the agreement with Liftech Consultants, Inc. to perform a detailed engineering study of the wharf based on existing data to develop various modification schemes to replace the batter piles and possibly modify the cranes and determine the most cost effective solution to provide for the berths to be deepened to El. - 47.0 ft. MLLW. The original agreement was amended to provide for additional work. Subsequently, the following changes in scope have taken place: during the design phase of the project, the Port requested LCI to re-evaluate the pile capacities and static dike stability for a maximum dredge depth of EL. -49.0 feet; also it was recommended by the consultant that one scope inclinometer casing be installed in each of the two former drydock areas to monitor movement of the dike that may occur during the dredging of the deep loose sands and/or Bay Mud deposits located within this area; and construction documents for both the

batter pile replacement and the slope stability were prepared and the contract awarded to Dutra Construction Co., Inc. The batter pile replacement portion of the work was completed. However, the slope stability portion was not completed and that part of the contract was eventually terminated by Resolution No. 96282 dated August 6, 1996. LCI was then requested to prepare new construction documents utilizing steel sheet pilings to stabilize the slope. At this same time, the Port requested the consultant to investigate a maximum dredge depth of EL. -52.0 feet. The proposed second supplemental agreement would increase the maximum compensation by \$147,675.00. This would increase the maximum allowable compensation to \$444,000.00. It was recommended that the Board authorize the preparation and execution of a Second Supplemental Agreement with Liftech Consultants, Inc. to provide for the increased work. The recommendation was approved on passage of Resolution No. 97144.

**Plans and Specifications for Construction of AC Overlay at NE Corner of Berth 20 Yard, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. The work consists of repairing and overlaying approximately one acre of pavement in the northeast corner of the Berth 20 yard. This project is part of an agreement with Sea-Land to surrender a portion of its yard for a new gate for Berth 23. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97145.

**Personnel Items** was contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Arnel A. Atienza, as Port Senior Auditor, effective May 12, 1997, at \$4,888.00 per month; Thelma Fajardo, as Port Senior Auditor, effective May 12, 1997, at \$4,888.00 per month; Albert Koo, as Port Senior Auditor, effective May 12, 1997, at \$4,888.00 per month; Patricia E. Leeb, as Port Technical Support Analyst III, effective May 19, 1997, at \$3,955.00 per month; Geoffrey E. Galtere, as Port Technical Support Analyst III, effective May 12, 1997, at \$3,955.00 per month; Victoria R.

Arnold, as Senior Secretary, effective May 12, 1997, at \$3,255.00 per month; and Samantha Smith-Barnes, as Telephone Operator, effective May 12, 1997, at \$2,775.00 per month. Further was recommended the creation of classification of three positions of Diver in the Engineering Division; the title change of Port Claims Technician to Workers' Compensation Claims Technician; the examination announcement of Junior Environmental Planner; and the termination of Sallie B. Grimes, Senior Account Clerk, in Finance Division. Ms. Grimes appeared before the Board alleging certain inaccuracies in the procedures to terminate her. The Board took no action on her allegations. The recommendations were approved on passage of Resolution No. 97146 for appointments; Resolution No. 97147 for examination announcement; Resolution No. 97148 for termination; and for an ordinance to print.

**Renewal of Automobile, Airport General Liability, CAPA Umbrella Excess Liability, Public Officials' Errors and Omissions Liability, Excess Worker's Compensation & Employer's Liability, Crane Physical Damage Insurance Policies** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board of the various insurance policies and that they will expire on May 20, 1997. All lines of coverage were aggressively pursued to take advantage of favorable market conditions. The incumbent carriers offered the best pricing and coverage and offered rate reductions on all policies. All premium increases were due to the purchase of additional automobiles, the growth of passengers at the Airport, and the purchase of six additional cranes. The total premium for the Port's insurance program Fiscal Year 1997-98 is \$1,502,526.00, versus \$1,322,677.00 for Fiscal year 1996-97, an increase of \$179,849.00. It was recommended that the following policies be placed: Automobile Liability placed with Genesis with \$1,000,000.00 limit, composite rate of \$292.00, deductible/SIR of \$100,000.00 with a premium of \$63,370.00; Airport General Liability placed with Associated Aviation Underwriters with limit of \$200,000,000.00 and a deductible/SIR of \$100,000.00 annual aggregate at a premium of \$180,000.00; California Association of Port Authorities Umbrella Excess Liability placed with U.S. with limit of \$150,000,000.00 deductible/SIR of \$1,000,000.00 at a premium of \$169,646.00; Public

Officials Errors & Omissions placed with National Union with limit of \$2,000,000.00 deductible/SIR of \$250,000.00 at a premium of \$29,484.00; Excess Workers Compensation Employers Liability placed with Genesis with the statutory limit of \$1,000,000.00 employer's liability with deductible of \$350,000.00 with a 2 year term with rate guarantee at a premium of \$40,026.00; and Crane Physical Damage placed with U.S. and London with a value of \$172,640,130.00 with limit of \$50,000,000.00 at a premium of \$1,020,000.00. The recommendation was approved on passage of Resolution No. 97149.

**Authorization to Amend the Port of Oakland's Deferred Compensation Plan to Allow for Cost of Living Increases to the Maximum Annual Deferral Amount and to Provide for a Mandatory Distribution of Inactive Accounts** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the Port of Oakland's Deferred Compensation Program is subject to Section 457 of the Internal Revenue Code. The Small Business Job Protection Act of 1995 allowed for four specific changes to be made to Section 457 plans such as the Port's Deferred Compensation Program. The four changes are as follows: cost of living adjustments to the current \$7,500.00 maximum annual deferral amount; mandatory distributions of inactive accounts with limited balances; a one-time irrevocable election to defer further the original elected distribution date; and the creation of a trust for the benefit of the employees. The Deferred Compensation Committee is recommending at this time that the two following changes be made to the Port's Deferred Compensation Plan. First, the maximum annual deferral amount, currently at \$7,500.00, be subject to cost of living increases based on a set methodology. It is expected that this increase will be effective sometime during the next year. Secondly, that the accounts of employees separated from the Port with balances of \$3,500.00 or less and in which no deferral has been made by the participant within a two-year period prior to the separation date, be subject to mandatory distribution. The third potential change regarding the one-time irrevocable election to further defer the distribution date is already part of the Port's Deferred Compensation Plan. The last potential change regarding the creation of a trust

requires additional legal and administrative research including clarification of certain language in the legislation and will be presented to the Board in a future date. The eligible date for this last change is not until 1998. It was recommended that the board authorize the two recommended changes in the program. The recommendation was approved on passage of Resolution No. 97150.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6

Noes: None

Ayes: Commissioner Kramer - 1

"RESOLUTION NO. 97134

APPROVING AND AUTHORIZING EXECUTION OF A THIRD SUPPLEMENTAL AGREEMENT WITH SOUTHWEST AIRLINES, INC."

"RESOLUTION NO. 97135

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH JETAIR CAPITAL, INC., A CALIFORNIA CORPORATION."

"RESOLUTION NO. 97136

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO RENEW LICENSE AND CONCESSION FOR A TERM OF ONE YEAR OR LESS WITH MARTINAIR HOLLAND, A NETHERLANDS CORPORATION."

"RESOLUTION NO. 97137

AWARDING CONTRACT TO TANK PROTECT ENGINEERING OF NORTHERN CALIFORNIA, INC., FOR REPLACEMENT OF FUEL STORAGE TANK LF-02 AT BUILDING L-916, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97138

RELIEVING SITEWORKS CONSTRUCTION, INC. OF ITS BID FOR CONSTRUCTION OF PIPE OUTFALL AT AIRPORT LAGOON, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AWARDED CONTRACT TO MCGUIRE AND HESTER, A CALIFORNIA CORPORATION; FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97139

AWARDED CONTRACT TO CIRMELE ELECTRIC WORKS, INC., FOR INSTALLATION OF TRAFFIC SIGNALS AT TERMINALS 1 AND 2, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97140

APPROVING PLANS AND SPECIFICATIONS FOR MODIFICATIONS TO EXISTING ELECTRICAL SYSTEMS, BUILDINGS L-150 AND L-210, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97141

APPROVING AND AUTHORIZING EXPENDITURE OF PORT FUNDS FOR EMPLOYEE CONSOLIDATION AND AMTRAK EXPANSION OF LEASED PREMISES: PORT ADMINISTRATION BUILDING."

"RESOLUTION NO. 97142

RECOMMENDING THAT THE CITY COUNCIL ALTER THE PORT AREA BY REMOVING THEREFROM OF PRIVATELY-OWNED PROPERTY CONTIGUOUS TO THE CITY OF EMERYVILLE EASTERLY OF THE I-580/I-880 INTERCHANGE."

"RESOLUTION NO. 97143

APPROVING AND AUTHORIZING THE SALE OF PORT CONTAINER CRANES X-413 AND X-414 AT BERTH 23, OUTER HARBOR TERMINAL, AND A CONTRACT WITH SHANGHAI ZHENHUA PORT MACHINERY CO., LTD., TO RELOCATE THE CRANES IF NECESSARY PENDING CONSUMMATION OF SAID SALE."

"RESOLUTION NO. 97144

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH LIFTECH CONSULTANTS, INC. FOR ENGINEERING DESIGN CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SECOND SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97145

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF AC OVERLAY AT N.E. CORNER OF BERTH 20 YARD, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97146

CONCERNING APPOINTMENTS."

"RESOLUTION NO. 97147

APPROVING EXAMINATION ANNOUNCEMENT FOR POSITION OF JUNIOR ENVIRONMENTAL PLANNER."

"RESOLUTION NO. 97148

TERMINATION APPOINTMENT OF SALLIE B. GRIMES, SENIOR ACCOUNT CLERK."

"RESOLUTION NO. 97149

AUTHORIZING RENEWAL OF AUTOMOBILE, AIRPORT GENERAL LIABILITY, CALIFORNIA ASSOCIATION OF PORT AUTHORITIES UMBRELLA EXCESS LIABILITY, PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY, EXCESS WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY, CRANE PHYSICAL DAMAGE INSURANCE POLICIES."

"RESOLUTION NO. 97150

ADOPTING CERTAIN AMENDMENTS TO THE RESTATED DEFERRED COMPENSATION PLAN OF THE PORT OF OAKLAND."

The following resolution was introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Taylor  
and President Ortiz - 5

Noes: None

Abstained: Commissioner Loh - 1

Absent: Commissioner Kramer - 1

"RESOLUTION NO. 97151

REGARDING SUBLEASE BY AIR TERMINAL SERVICES, INCORPORATED TO THE GIANT BURGER GROUP, APPROVAL OF A SUPPLEMENT TO LEASE WITH AIR TERMINAL SERVICES, INCORPORATED AND AUTHORIZING EXECUTION OF CERTAIN DOCUMENTS."

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867, CREATING, RETITLING AND ADDING ADDITIONAL POSITIONS," was read a first time and passed to print by the following vote:

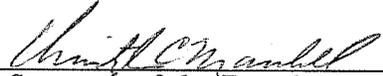
Ayes: Commissioners Cole, Harris, Loh, Lockhart, Taylor  
and President Ortiz - 6

Noes: None

Ayes: Commissioner Kramer - 1

At the hour of 4:40 p.m., the Board entered into closed session pertaining to conference with legal counsel existing litigation pursuant to subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Keep On Trucking, Inc., et al, U.S. District Court Case No. C-95-03721-CW, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; conference with legal counsel anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, one case; public employee discipline/dismissal/release, as provided for under Government Code Section 54957.0; and reconvened in open session at the hour of 6:15 p.m.

At the hour of 6:16 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS  
OF THE  
CITY OF OAKLAND**

The regular meeting was held on Tuesday, April 15, 1997, at the hour of 3:14 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Loh,  
Taylor and President Ortiz - 6

Commissioners absent: Lockhart - 1

Also present were the Executive Director; Port Attorney; Acting Director of Commercial Real Estate, Barbara Szudy; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Director of Engineering; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the regular meeting of March 4, 1997; and adjourned regular meeting of March 17, 1997 was approved as submitted and ordered filed.

**Hearing by Board of Port Commissioners to Determine Merits of Dispute Resulting in Meet and Confer Impasse on Number of Union Committee Members that May attend Negotiations without Loss of Compensation** was the subject of a memo to the Board from the Chief Administrative Officer notifying the Board that in August 1996 and numerous times thereafter between August 1996 and February 1997, the Port's Chief Administrative Officer ("CAO") informed the Business Agent for United Public Employee Local 790 (the "Union") in discussions preceding commencement of negotiations that the number of union committee members that the Port would permit to attend negotiations without loss of compensation would be six. This point was made in the context of discussions with the

Business Agent relating to other significant changes the CAO intended to make in the way negotiations were to be conducted and included the following: the CAO would be the lead negotiator for the Port (rather than use the services of a third party to lead negotiation, as in the past); the CAO, intended to commence negotiations early in the year; the goal was to complete negotiations before the MOU between the Port and Union ended; the business Agent should take note that the Port would be taking the position that there will be no retroactive pay increases should negotiations extend beyond the end of the current MOU; and the Port intended to reduce the number of negotiating committee members on both sides of the table. In February of 1997, the Port, not knowing that the Union had proceeded to elect ten union negotiating committee members, but having become aware from discussions on this subject with the Business Agent that it would be a contentious issue, set forth its position in writing by letter dated February 21, 1997. The letter stated that in accordance with Port Ordinance No. 1688, the Port would only permit three union members from each of the Union's two bargaining units (Clerical-Administrative and Maintenance-Operations) to attend scheduled meet and confer sessions during working hours without a loss of pay. The Port and Union proceeded to negotiate the elements of the dispute and the Port offered to permit seven union negotiating committee members to attend if this would settle the dispute on ground rules. However, the Port, to make the offer of seven, took the position that if settlement could not be reached, the Port would only permit six union committee members to attend negotiation sessions without loss of pay. Notwithstanding this movement on the Port's part, the Union offered no compromise from its initial position, stating emphatically that the Union would not agree to reduce the size of the negotiating team that would be permitted to attend sessions without loss of pay to any number less than ten. At a meeting on March 17, 1997, the Port and Union mutually agreed to submit the impasse to mediation, selecting John Jaeger from the California State Mediation and Conciliation Service, as mediator. Mr. Jaeger attempted, without success, to mediate the impasse at a negotiation session held on April 3, 1997. Despite the Port's

best efforts to compromise on the number of union committee members who would be allowed to attend negotiation sessions without loss of pay, including offering to entertain a Union proposal that would settle the impasse at eight union committee members, the Port and Union could not settle the dispute. It was recommended that pursuant to Section 13 of Port Ordinance No. 1688, the Board conduct a hearing on the merits of the dispute between the Port and Local 790 and at the conclusion of the hearing, the Board make determination regarding the dispute and approve the last, best and final offer on the issue.

After considerable discussion regarding proper notice, past history and good faith efforts, Commissioner Kramer moved that the negotiations proceed with 10 persons and that the expressed size of the negotiations party be the subject of the negotiations. He further noted that it was in the interest of all parties to proceed with a meaningful negotiation and to bring conclusion to the negotiations. The motion was seconded by Commissioner Cole and passed unanimously.

Mr. Jim DuPont, President of H.E.R.E. Local 2850, Attorney Andrew Kahn for H.E.R.E. and Mr. William Chorneau appeared before the Board concerning the lack of negotiations for proposed subconcessions or other operators at the Airport. As the Port was not a party to the negotiations no action was considered.

Ms. Jacqueline Thomas, Ms. Desley Brooks, Ms. Wilda Black, all operators of "Marketplace Carts" at the Airport, appeared before the Board to ask for special relief concerning cart locations, rent, better promotion and other assistance. The Director of Aviation replied that it was the intent at the Airport to move the carts to the "secure" area of the Terminal Building and monitor the activities of the carts to improve their presence, sales and other activities concerning the operation of the carts.

At the hour of 3:50 p.m. Commissioner Taylor was excused from the meeting.

Approval of New License and Concession Agreement with Existing Tenant United Airlines, Inc. with Accompanying Rental Credit of \$250,000.00 was the subject of a memo to the Board from the Director of Aviation notifying the Board that United Airlines Inc. has

proposed reducing the number of its existing ticketing positions by eight (presently rented but unused) and relocating its adjacent airline ticket office space (ATO) within Terminal 1. Presently, United pays \$95,705.63 monthly for various space in Building M-101. Under the proposed agreement United would pay \$81,658.69 monthly for Building M-101: 550 square feet of ticket counter space, 2,890 square feet of office space, 403 square feet of bag services offices and 428 square feet of covered ramp storage. The proposed reduction and relocation would increase available charter and itinerant airline ticket counter space, and allow the relocation of Delta Airlines to the spaces proposed to be vacated by United. It was recommended that the Board approve the Agreement which includes a rental credit to United in an amount not to exceed \$250,000.00 for United to complete the work, which consists of remodeling some of United existing ATO space to incorporate all functions into a smaller footprint. The recommendation was approved on passage of Resolution No. 97093.

Approval to Assess Penalty to YIP's Construction for Adding Subcontractor was the subject of a memo to the Board from the Director of Engineering notifying the Board that on March 4, 1997, the Board awarded the contract for remodeling of office spaces, second floor, at Building M-102, to YIP's Construction. The contract is lump sum valued at \$59,280.00. The work consists of demolishing and disposing of partition walls, doors, carpet, light fixtures, ceiling tiles, toilet fixtures; furnishing and installing new partitions, doors, glass partitions, carpeting, light fixtures, and ceiling tiles. On March 15, 1997, YIP's requested permission to add Cleveland Wrecking Company as a subcontractor to remove and dispose of fluorescent light tubes and PCB ballasts. The value of the subcontract is \$1,500.00. The reason for the request is YIP's inability to economically obtain the necessary insurance to perform the work themselves as they had planned. The contractor was informed that in the General Provisions of the Contract Specifications the subletting or subcontracting of any portion of the work in excess of one-half of one percent (1/2 of 1%) of the Contractor's total bid as to which no subcontractor was designed in the original bid shall only be

permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the Board setting forth the facts constituting the emergency or necessity. Also a Contractor violating any of the provisions violates this contract and the Board may exercise the option of (1) canceling this contract or (2) assessing the Contractor a penalty in an amount of not more than ten percent of the amount of the subcontract involved, which amount the Contractor agrees to pay to the Port. After careful review of YIP's situation, it was recommended that YIP's be assessed of penalty of \$150.00 (ten percent). The recommendation was approved on passage of Resolution No. 97094.

**Substitution of Plumbing and HVAC Subcontractors for Construction of Aircraft Rescue and Firefighting Facility, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board that currently C. Overaa & Company has a contract for construction of Aircraft Rescue and Fire Fighting Facility. C. Overaa & Company has requested to replace the subcontractors listed for performing the plumbing and HVAC work on the subject contract. The Contractor has stated that two of the listed subcontractors, Coopers Bros., Inc. and Kent M. Lim & Company are unable to enter into a contract to perform the work. Under Section 4107 of the California Public Contract Code, this is considered to be a valid basis for substitution of subcontractor. It is recommended that Cooper Bros., Inc. and Kent M. Lim & Company be deleted as the listed subcontractors; and N.V. Heathorn, Inc. be added to the list of subcontractors to perform the work. The recommendation was approved on passage of Resolution No. 97095.

**Approval of a Revised Building Permit Application for Ameriflight, Inc., Addition and Tenant Improvements to Hangar 2C/2D** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on November 7, 1995, the Board approved a building permit application for Ameriflight to make improvements to their leased space in Hangar 2C/2D and to construct an addition to the building. Subsequent to the Board's approval, the tenant received bids from contractors exceeding the budget. The project underwent value engineering and was modified to meet the budget, primarily by

reducing the addition from two to one story. The project proposal is being resubmitted for Port approval. The proposed work now includes construction of approximately 2,500 square feet one-story addition on the south side of the existing building to be used for administrative offices; alternations to the existing office space in the northeast corner of the building to serve as the flight training center; construction of new restrooms in the main hallway; and alternations to mechanical and electrical systems related to the above work. The valuation of the work is \$800,000.00. The project is categorically exempt and does not require the preparation of an environmental document. It was recommended the Board approve the revised building permit application. The recommendation was approved on passage of Resolution No. 97096.

Approval of New License and Concession Agreement with Adam Casabat dba A-C Supply Company was the subject of a memo to the Board from the Director of Aviation recommending approval of a new license and concession agreement with Adam Casabat dba A-C Supply Company, for 577 square feet of office space in Building L-142, North Airport, effective April 1, 1997, at \$588.54 per month. The recommendation was approved on passage of Resolution No. 97097.

Recommendation to Give First Reading to an Ordinance Approving Bank of America "ATM" Lease was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that the Bank of America has presented a proposal to lease approximately 100 square feet on the ground floor of the Washington Street Garage for the purpose of installing and maintaining two automatic teller machines ("ATM") and a merchant night depository. The agreement is for five 5 years with 2 three-year options, at \$400.00 per month. The tenant will be obligated to bear all costs associated with the installation and maintenance of the facility. The project is categorically exempt and does not require the preparation of an environmental document. It is recommended that the Board approve first reading to an ordinance authorizing the Lease Agreement with Bank of America. The recommendation was approved on passage of an ordinance to print.

Resolution Approving Assignment of Leased Premises Located at 7729-31 Oakport Street from Buttner Corporation to Edgar M. Buttner Trust ("Trust") was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Buttner Corporation has a long term ground lease dated June 15, 1967 with the Port for 1.8 acres located at 7729-31 Oakport Street in the Oakland Airport Business Park. The property is improved with a 24,000 square foot office building which houses multiple occupants. Mr. Buttner is successor in interest to the Buttner Corporation and has transferred his assets to the Edgar M. Buttner Trust. Mr. Buttner is sole current beneficiary and trustee of the Trust, and has requested that the Board approve an assignment of the lease to the Trust. The project is categorically exempt and does not require preparation of an environmental document. It was recommended that the Board approve the assignment of the lease to the Trust. The recommendation was approved on passage of Resolution No. 97098.

New Management Agreement with Stevedoring Services of America for Charles P. Howard Terminal was the subject of a memo to the Board from the Director of Maritime notifying the Board that Stevedoring Services of America (SSA) has provided services at the Charles P. Howard Terminal under various Agreements since 1984. The current five-year Management Agreement is schedule to expire June 30, 1997. The proposed new Agreement basically reflects the standard arrangement of public user marine terminal. The new term would be ten years, concluding June 30, 2007; management fee - SSA will be compensated 2.5% of the gross Port of Oakland Tariff dockage and wharfage charges; incentive fee - SSA shall receive an additional \$5.00 per loaded TEU for any new line activity which it can attract to Howard Terminal provided such new shipping line executes a Terminal Use Agreement with the Port and the incentive fee will expire at the end of not more than seven and one half years from when the new shipping line(s) commences its operations; performance standard - the Port may cancel the Agreement upon six months notice to SSA if revenue cargo during any contract year is less than a performance standard of 80,000

loaded TEUs and SSA would have six months to either secure another shipping line account that would generate volumes that would exceed this annual Performance Standards or pay the equivalent wharfage shortfall on the difference; crane guarantee - SSA will pay to the Port a Standard Crane Rental, exclusive of maintenance and power, of \$10.75 per loaded or empty TEU lift, subject to a minimum annual guarantee of 100,000 loaded or empty TEU lifts during each contract year, if during any contract year SSA handles more than 135,000 loaded or empty TEU lifts they will pay \$7.00 for all lifts which exceed the breakpoint level; if during the contract year SSA the loaded and empty TEU lifts decrease by 45% or more the Crane MAG will be adjusted - SAA will be paid 10% of the gross Port of Oakland Tariff charges collected from users of the facility for wharf demurrage and storage; and empty containers & chassis - SSA will manage the level of empties on the facility, the limit of empty containers of all users at the terminal to a maximum of 2.5 times the weekly average export loadings for the previous three months period and if the level is exceeded, then SSA will pay empty container storage to the Port at the rate of \$5.00 per TEU per day for TEUs exceeding this allowance. It was recommended that the Board approve the Agreement. The recommendation was approved on passage of an ordinance to print.

**Revised Wharfage Compensation Terms in the South Pacific Container Line TUA**

was the subject of a memo to the Board from the Director of Maritime notifying the Board that since 1995, South Pacific Container Line provides service to American Samoa, Western Samoa, Tonga and Tahiti which operations are conducted at the Charles P. Howard Terminal under a five-year Terminal Use Agreement with the Port. SPCL has experienced some administrative difficulty in tracking and reporting the specific character of each kind of containerized cargo as listed in the Port Tariff. It was recommended that the Board approve the revising of the TUA wharfage provisions so that in lieu of the Tariff wharfage rates a single rate will be utilized. During the present contract year wharfage will be subject to a MAG/Breakpoint of 1,500 loaded TEUs. All cargo up to the MAG/Breakpoint will be assessed a single rate of \$65.00 per loaded TEU during the contract year and \$58.00

beyond the breakpoint. Containerized autos will be assessed a flat rate of \$40.00 per container during the contract year. The MAG/Breakpoint will increase to 2,000 loaded TEUs for all subsequent contract years. The new single wharfage rates in the TUA will be subject to increases at the same time and at the same percentage as the wharfage rates are adjusted in the Port's tariff. Additionally, non-containerized cargo will be assessed wharfage at 80% of the prevailing Port tariff rates as the activity occurs. Each twenty revenue tones of breakbulk cargo will continue to be counted as one TEU and/or fraction thereof. There will be no additional discounts at the conclusion of each contract year. It was recommended that the Board approve the amendment to the Terminal Use Agreement. The recommendation was approved on passage of Resolution No. 97099.

License and Concession Agreement with Hawk Pacific Corporation at the Harbor Transportation Center was the subject of a memo to the Board from the Director of Maritime recommending approval of a new agreement with Hawk Pacific Corporation. Hawk Pacific has been a Port tenant under various temporary assignment for several years. Various maritime support services are provided by Hawk Pacific to the Port's shipping line customers including storage and repair of cargo containers along with local drayage. Presently Hawk Pacific has had various tariff assignments in the Harbor Transportation Center, as well as Building 754. Hawk Pacific expressed a desire to expand operations at HTC along with a long term agreement for a two to four year period. However, various improvements are schedule in the vicinity of Hawk's operations, including the ultimate development of a joint Intermodal Rail Terminal along with several marine container terminals. The Port has recommended that since it will be some time before these projects are completed, the Port has negotiated a one year agreement at HTC for approximately 18.84 acres of container depot storage area, including 1 acre of truck parking. Monthly rental for the area will be \$56,250.00 comprised of \$55,000.00 for the depot storage area and \$1,250.00 for the truck parking area. At the commencement of each subsequent year rental will be increased by the same percentage of increase applied to the Space Assignment rates

in Port of Oakland Tariff 2-A. The Agreement will include the ability to continue the term beyond termination on a month to month basis subject to the right by either party to cancel the agreement upon 30 days prior written notice. It was recommended that the Board approve the Agreement with Hawk Pacific Corporation. The project is categorically exempt and does not require preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97100.

**Award of Contract for Furnishing Pile Driver Crew for Repairs to Port of Oakland Docks and Waterfront Facilities for the Period Commencing May 1, 1997 and Ending April 30, 1998, 1999 or 2000** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the four bids received and recommending award of the contract to Vortex Diving, Inc., the low bidder, at direct labor costs plus 58%. The recommendation was approved on passage of Resolution No. 97101.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommending the appointment of Harold P. Jones, as Government Affairs Specialist, effective May 15, 1997, at \$5,159.00 per month; Triena Trahan, as Airport Noise Abatement Technician, effective April 21, 1997, at \$3,085.00 per month; Bendu Griffin, as Senior Secretary, effective April 21, 1997, at \$2,945.00 per month; Katrina French, as Senior Secretary, effective April 28, 1997, at \$3,255.00 per month; Vincent Casiano and Hoan Vo, as Youth Aide, Class "AA", effective May 27, 1997, at \$16.82 per hour. Also recommended is the Civil Service examination announcements for Port Staff Accountant I; leaves of absence for Mary Gonzales Jew, Executive Legal Secretary I, for maternity leave from April 10, 1997 through and including September 30, 1997; and for Yvette D. Nixon, Custodian, maternity leave from April 11, 1997 through and including June 30, 1997. The recommendations were approved on passage of Resolution No. 97102 for appointments; Resolution No. 97103 for leaves of absence; and Resolution No. 97104 for examination announcement.

Approval of Supplemental Agreements with SCA Environmental, Inc., and ACC Environmental Consultants for As-Needed Asbestos and Lead Paint Consulting Services to Support Demolition Projects was the subject of a memo to the Board from the Director of Engineering notifying the Board that previously SCA Environmental, Inc., and ACC Environmental Consultants were awarded the contract in October 1996. Nearly half of the contract amount has been spent and that additional funds will be needed to implement Capital Improvements Projects planned over the next two years, over 100 buildings anticipated to be demolished will require asbestos and lead paint consulting services: 40 buildings in the Fleet Industrial Supply Center and the remainder throughout the Port Area. The estimated cost to survey these buildings and to provide oversight abatement monitoring during demolition is \$750,000.00. To meet these greatly increased needs, it is proposed to enter into Supplemental Agreements with SCA and ACC for a total amount not to exceed \$600,000.00 for a new total amount of \$900,000.00. Based on expenditures to date and the two firms relative abilities to conduct comprehensive hazardous materials surveys, it is proposed that SCA's contract amount not exceed \$350,000.00 and ACC's contract amount not exceed \$250,000 for a new total amounts of \$500,000 for SCA and \$400,000.00 for ACC. It was recommended that the Board approve the Supplemental Agreements with SCA and ACC. The recommendations were approved on passage of Resolution No. 97105 for ACC Environmental Consultants and Resolution No. 97106 for SCA Environmental, Inc.

Approval of Agreements for Professional Services with Applied Materials & Engineering Inc., Consolidated Engineering Laboratories, and Signet Testing Laboratories for Materials Testing and Inspection Services was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port contracts with outside firms to provide materials testing and special inspection services for Port construction projects. The present contract for materials testing and special inspection services has expired. This year, in an effort to allow more firms to participate in the program, it was decided to divide the program into three contracts. One contract would be for soils, aggregates, and asphalt

concrete; one for concrete, reinforcing steel, masonry, and brick materials; and one for metals, welding, bolting, and roofing materials. A separate laboratory would have each contract, yet the Port would retain the right to use any of the laboratories for any of the work, should the selected laboratory be unable to cover an item of the work specified in their contract. Requests for Proposals were sent to 25 firms in the Bay Area and short listed to 6 firms. Special considerations were given to whether or not the firm is based in the local Business Area and the firm's affirmative action plan. Based on the evaluation, it was recommended that Applied Materials & Engineering Inc., be selected for metals, welding, bolting, and roofing materials testing and inspection. Consolidated Engineering Laboratories (CEL) has been selected for concrete reinforcing, masonry, and brick materials testing and inspection. Signet Testing Laboratories (STL) has been selected for soils, aggregates, and asphalt concrete materials testing and inspection. It is proposed that the Port enter into a one-year contract with AME, CEL and STL for the respective materials testing and inspection services at the prices listed in their proposals. To provide continuity, the Port will reserve the option to extend each contract up to two years in one-year increments under the same rates plus labor escalation upon the written approval of the Executive Director. The estimated costs of the total work for each, if annual extensions are approved by the Executive Director, are \$285,000.00 for AME, \$270,000.00 for CEL, and \$550,000.00 for STL. The recommendations were approved on passage of Resolution No. 97107 for Signet Testing Laboratories; Resolution No. 97108 for Applied Materials & Engineering, Inc.; and Resolution No. 97109 for Consolidated Engineering Laboratories.

**Approval of Contract Renewal Agreement with Beech Street to Provide Workers' Compensation Cost Containment Services** was the subject of a memo to the Board from the Chief Administrative Officer recommending approval to renew the contract with Beech Street to provide continued services for cost containment consulting services for the Port's self-insured, self-administered workers' compensation program at cost not to exceed \$50,000.00. Beach Street also provides utilization review and case management; and

preferred provider organization (PPO) - physicians and hospitals that offer an additional discount beyond the approved State fee schedule. The Port has saved an estimated 20-25% on medical bills and 25% from PPO providers. Their fee is 18% of any cost savings they create for the client which if they cannot reduce the bill, the Port is not charged. It is recommended that the Board approve the contract renewal. The recommendation was approved on passage of Resolution No. 97110.

**Approval of Specifications for Annual Contract for Removal and Disposal of Hazardous Waste, Designated Waste and Other Contaminated Materials** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the annual contract for removal and disposal of hazardous waste, designated waste and other contaminated materials. The specifications for this contract include a provision allowing the Port to renew the contract in one-year increments through June 30, 2000. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, including the bid amount for percentage mark-up for direct labor costs. The recommendation was approved on passage of Resolution No. 97111.

**Approval of Specifications for Annual Contract for Furnishing Labor, Materials and Equipment for Paving, Grading and Associated General Contract Services** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the annual contract for furnishing labor, materials and equipment for paving, grading and associated general contractor services for the Port of Oakland facilities. The specifications for this contract include a provision allowing the Port to renew the contract in one-year increments through May 31, 2000. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, including the bid amount for percentage mark-up for direct labor costs. The recommendation was approved on passage of Resolution No. 97112.

Approval of Specifications for Annual Contract for Construction of Security Fencing

was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the annual contract for construction of security fencing for Port of Oakland facilities. The specifications for this contract include a provision allowing the Port to renew the contract in one-year increments through May 31, 2000. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, except the bid amounts for all bid items will be increased in proportion to the Construction Cost Index of the Engineering News Record (U.S. City Average). The recommendation was approved on passage of Resolution No. 97113.

Mr. Al Loera, a Port employee also representing Local 790, appeared before the Board to question certain alleged comments made during a staff meeting by the Chief Administrative Officer. The allegations were received without comment.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioner Lockhart and Taylor - 2

"RESOLUTION NO. 97093

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE  
AND CONCESSION AGREEMENT WITH UNITED AIRLINES, INC."

"RESOLUTION NO. 97094

APPROVING ADDITION OF A SUBCONTRACTOR, CLEVELAND  
WRECKING COMPANY, AND ASSESSING PENALTY TO YIP'S  
CONSTRUCTION, FOR ADDING SUBCONTRACTOR FOR REMODELING OF  
OFFICE SPACE, SECOND FLOOR, BUILDING M-102, SOUTH FIELD,  
METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND,  
CALIFORNIA."

"RESOLUTION NO. 97095

APPROVING SUBSTITUTION OF PLUMBING AND HVAC SUBCONTRACTORS FOR CONSTRUCTION OF AIRCRAFT RESCUE AND FIRE FIGHTING FACILITY, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, A.I.P. 3-06-1070-12."

"RESOLUTION NO. 97096

GRANTING AMERIFLIGHT, INC. PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97097

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ADAM CASABAT DOING BUSINESS AS A-C SUPPLY COMPANY."

"RESOLUTION NO. 97098

AUTHORIZING ASSIGNMENT OF LEASE FROM EDGAR M. BUTTNER TO EDGAR M. BUTTNER TRUST."

"RESOLUTION NO. 97099

APPROVING AND AUTHORIZING EXECUTION OF SUPPLEMENTAL AGREEMENT WITH SOUTH PACIFIC CONTAINER LINE, INC."

"RESOLUTION NO. 97100

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH HAWK PACIFIC CORPORATION."

"RESOLUTION NO. 97101

AWARDING CONTRACT TO VORTEX DIVING INC. FOR FURNISHING PILE DRIVER CREW FOR REPAIRS TO PORT OF OAKLAND DOCKS AND WATERFRONT FACILITIES FOR THE PERIOD COMMENCING MAY 1, 1997 AND ENDING APRIL 30, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF THE BID BONDS TO BIDDERS."

"RESOLUTION NO. 97102

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97103

CONCERNING CERTAIN LEAVES OF ABSENCE."

"RESOLUTION NO. 97104

APPROVING EXAMINATION ANNOUNCEMENT FOR THE POSITION OF PORT STAFF ACCOUNTANT I."

"RESOLUTION NO. 97105

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH ACC ENVIRONMENTAL CONSULTANTS FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97106

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH SCA ENVIRONMENTAL, INC. FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97107

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SIGNET TESTING LABORATORIES FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97108

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH APPLIED MATERIALS & ENGINEERING, INC. FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97109

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CONSOLIDATED ENGINEERING LABORATORIES FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97110

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH BEECH STREET FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97111

APPROVING SPECIFICATIONS FOR ANNUAL CONTRACT FOR REMOVAL AND DISPOSAL OF HAZARDOUS WASTE, DESIGNATED WASTE AND OTHER CONTAMINATED MATERIALS FOR THE PERIOD COMMENCING JULY 1, 1997, AND ENDING JUNE 30, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97112

AWARDING SPECIFICATIONS FOR ANNUAL CONTRACT FOR FURNISHING LABOR, MATERIALS AND EQUIPMENT FOR PAVING, GRADING AND ASSOCIATED GENERAL CONTRACTOR SERVICES FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING JUNE 1, 1997, AND ENDING MAY 31, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97113

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF SECURITY FENCING FOR PORT OF OAKLAND FACILITIES FOR THE PERIOD COMMENCING JUNE 1, 1997, AND ENDING MAY 31, 1998, 1999 OR 2000, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97114

GRANTING FEDERAL AVIATION ADMINISTRATION PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97115

GRANTING THE HAT GENERATION PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97116

GRANTING AVIS RENT A CAR SYSTEM, INC. PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97117

GRANTING SOUTHWEST AIRLINES CO. PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. 3363 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION AND DELIVER OF GRANT OF EASEMENT TO EAST BAY MUNICIPAL UTILITY DISTRICT," and Port Ordinance No. 3364 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 ADDING SECTIONS 10.0131 AND 10.0292 CREATING NEW POSITIONS AND AMENDING PORT ORDINANCES

NOS. 334Z AND 3353 CORRECTING SECTION NUMBER ASSIGNMENTS," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioner Lockhart and Taylor - 2

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF ATM FACILITY LEASE WITH BANK OF AMERICA FOR WASHINGTON STREET GARAGE," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A MANAGEMENT AGREEMENT WITH STEVEDORING SERVICES OF AMERICA," were read a first time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh  
and President Ortiz - 5

Noes: None

Absent: Commissioner Lockhart and Taylor - 2

At the hour of 5:05 p.m. the Board entered into closed session pertaining to conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases: City of Oakland v. Keep On Trucking, Inc., et al, U.S. District Court Case No. C-95-03721-CW, East Bay news Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2, City of Oakland v. Pacific Gas & Electric Company, U.S. District Court Case No. C-97 00894, and Port of Oakland v. Sierra Academy, Alameda County Superior Court Case No. 776313-7 and Oakland Municipal Court Case No. 580542; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: One Case; conference with real property negotiator, property - Fleet and Industrial Supply Center Oakland, California, negotiating parties - Port of Oakland and United States Navy,

under negotiation - Price and Terms of Payment; and conference with labor negotiator, agency negotiator - Gil Apodaca, employee organization - United Public Employees Local 790. Commissioners Harris and Taylor were excused from the closed session. The meeting was reconvened in open session at the hour of 6:12 p.m.

The following resolutions were introduced and passed separately by the following vote:

- Ayes: Commissioners Cole, Kramer, Loh  
and President Ortiz - 4
- Noes: None
- Absent: Commissioner Harris, Lockhart and Taylor - 3

"RESOLUTION NO. 97118

(1) RATIFYING, CONFIRMING AND APPROVING THE PORT ATTORNEY'S FILING OF CLAIMS AGAINST PACIFIC GAS & ELECTRIC COMPANY, A CALIFORNIA CORPORATION ("PG&E") FOR DAMAGES RESULTING FROM ENVIRONMENTAL CONTAMINATION OF PORT PROPERTY LOCATED AT THE HOWARD TERMINAL, OAKLAND, CALIFORNIA, (2) RATIFYING, CONFIRMING AND APPROVING THE EXECUTIVE DIRECTOR'S EXECUTION OF A TOLLING AGREEMENT BETWEEN THE PORT AND PG&E CONCERNING HOWARD TERMINAL, AND (3) AUTHORIZING, APPROVING AND DIRECTING THE RETENTION OF THE LAW FIRM OF WENDEL ROSEN BLACK & DEAN, LLP AS OUTSIDE SPECIAL COUNSEL."

"RESOLUTION NO. 97119

RATIFYING AND APPROVING APPOINTMENT AND EMPLOYMENT OF SPECIAL COUNSEL, RETENTION OF CONSULTANT, AND INTERVENTION IN FEDERAL ENERGY REGULATORY AGENCY PROCEEDINGS BY PORT ATTORNEY (HARBOR AREA ELECTRICAL MATTERS)."

"RESOLUTION NO. 97120

APPROVING AND AUTHORIZING EXECUTION OF SETTLEMENT AGREEMENT WITH SIERRA ACADEMY OF AERONAUTICS, INC."

At the hour of 6:14 p.m. the meeting was adjourned to Tuesday, April 29, 1997, at the hour of 3:00 p.m.

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The adjourned regular meeting was held on Tuesday, April 29, 1997, at the hour of 3:12 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California,

President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Kramer, Loh, Taylor  
and President Ortiz - 4

Commissioners absent: Cole, Harris and Lockhart - 3

Also present were the Executive Director; Port Attorney; Acting Director of Commercial Real Estate, Barbara Szudy; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Chief Engineer, Thomas Daniels; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

Mr. Charles Moran, Vice President of CA One Services, appeared before the Board to announce that an agreement has been reached with the local hotel and restaurant workers union concerning certain subtenants of the Airport. President Ortiz thanked Mr. Moran for their efforts to provide for opportunities for all interested parties at the Airport.

**Substitution of Safety Glass Installer Subcontractor for Remodeling of Office Spaces, Second Floor, Building M-102, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on March 4, 1997 Yip's Construction was awarded the contract for the remodeling. Yip's has requested approval to replace the subcontractor listed for installing the safety glass partitions on the project as the listed subcontractor does not wish to enter into a contract to perform the work. Under Section 4107 of the California Public Contract Code, this is considered a valid basis for substitution of subcontractor. It is recommended that Skyline Contract Glass, Inc., the listed subcontractor, be deleted as the listed subcontractor and that Cobel Glass, Inc., an Oakland-based firm, be added as the subcontractor to install the safety glass partitions. The recommendation was approved on passage of Resolution No. 97121.

**Extension of Current Contract with ROMA Design Group, Inc. to Perform Additional Consulting Services Associated with the Development of the Oakland Estuary Plan** was the subject of memo to the Board from the Director of Strategic and Policy Planning notifying

the Board that on July 2, 1996, the Board approved Resolution No. 96240 which authorized the execution of an agreement with Roma Design Group, Inc., to prepare the Oakland Estuary Plan. The selection of Roma was based on a proposal Roma submitted in response to a joint Port-City Request for Proposals to provide consultant assistance in the areas of technical waterfront planning, economic assessment of plans and in public outreach. At the time, Roma estimated (and the staff concurred) that the Estuary Plan study would take approximately 9 months to complete, and cost approximately \$400,000.00. The Port and City of Oakland also entered into an agreement to share the estimated costs of the study, wherein the Port would administer the consultant contract and pay the consultant costs. In turn, the City would reimburse the Port \$100,000.00 as its share of the costs. The contract with the consultant was executed in September 1996 and was due to be completed in late May 1997. Roma commenced the work and the City of Oakland has credited the Port \$100,000.00 against this year's payments for the City services. However, it became clear to the City and the Port staff that additional work is required of Roma, beyond the original scope of work. The additional work results from feedback received from the public that the original schedule for completion was extremely short and that public outreach and community feedback was rushed and inadequate. Roma and the staff agreed to slow the exercise down and conduct more Advisory Committee meetings and workshops with interested organizations to insure that public review and discussion of the evolving plan was satisfactory. Roma estimates that it is necessary to extend the contract an additional 3 months, to the end of August 1997. To cover anticipated consultant time and expenses associated with preparing analyses and meeting materials, Roma is requesting that the Port and City increase the budget by an additional \$110,000.00. Roma also requested that it be reimbursed an additional \$15,000.00 for work it has performed which, under the agreement, was to be provided for by the City and/or the Port. It is recommended that the contract between the Board and Roma be extended additional 3 months. The Acting City Manager has agreed to reimburse the Port 50% of the additional costs and it is also recommended

that the Board direct the Executive Director to seek and secure 50% of the added costs to be reimbursed to the Port by the City of Oakland as agreed. The recommendation was approved on passage of Resolution No. 97122.

**Approval of First Supplemental Agreement for Annual Contract with Hansen/Murakami/Eshima for Architectural Services for Small Projects Throughout the Port** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port has a professional services agreement with Hansen/Murakami/Eshima, Architects and Planners, to provide on-call miscellaneous architectural and related engineering services for small projects. The current agreement was approved by the Board on August 9, 1994, and became effective on January 18, 1995. It provided for compensation on a time and materials basis with a maximum compensation of \$300,000.00. The term of the agreement is for a period of one year with options to extend for two additional one-year periods (maximum total of 3 years) to January 17, 1998, upon approval of the Executive Director, with approximately \$295,000.00 of the \$300,000.00 spent. HME is presently working on the design of several Port projects. It is necessary for HME to complete their current design efforts and to provide support during the bidding and construction phases of these projects. It was recommended that the Board authorize the preparation and execution of the Supplemental Agreement to extend the term of the contract to December 31, 1998 and that the agreement be amended to increase the allowable maximum compensation to HME by \$100,000.00 to \$400,000.00. The recommendation was approved on passage of Resolution No. 97123.

**Plans and Specifications to Construct Martin Luther King, Jr. Regional Shoreline Wetlands Project, Distribution Center, Oakland Airport Business Park** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the construction. The project is to create an approximately 71.5 acre wetland complex at the Distribution Center. The work involves excavating and grading existing fill, breaching the outboard levee, and constructing a

pedestrian bridge and various improvements. The project has been evaluated in accordance with the Port's guidelines for implementation of the California Environmental Quality Act. An Initial Study and Mitigated Negative Declaration for the project (Arrowhead Wetland Mitigation at the Distribution Center) was approved by the Board on January 7, 1997. The recommendation was approved on passage of Resolution No. 97124.

Award of Contract for Alterations to Barnes and Noble Building, Jack London Square was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Fred Risard Construction, the low bidder, at \$193,975.00. The recommendation was approved on passage of Resolution No. 97125.

Resolution for First Supplemental Agreement ("Agreement") to License and Concession Agreement ("L&CA") for Jal-Vue East Bay Glass Company ("Jal-Vue") was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Roger S. Ferrari and Susan A. Ferrari dba Jal-Vue East Bay Glass Company currently occupies a 30,356 square foot parcel near 5th Avenue. The premises consist of 17,750 square feet of warehouse and 12,606 square feet of open space. The tenant has requested that the Port delete approximately 4,656 square feet of open space which will reduce the tenant's rent by \$235.00. The tenant has requested a rental adjustment for the decrease in premises which would be retroactive to the date of the occupancy. In addition to not having full use of the premises, staff's recommendation is based in part on the fact that since 1994 the tenant has invested approximately \$20,000.00 on the plumbing, electrical, building foundation, flooring, and exterior walls of the warehouse. The tenant's improvements result in savings to the Port in deferred maintenance costs for which the Port is responsible. It was recommended that the amount of \$7,915.00 resulting from the reduced premises be applied in increments against future rents over the next twelve months. On March 1, 1997, the tenant vacated an additional 2,350 square feet of open space at the Port's request in order to provide for additional land

area for CRE Facilities. This would result in a decrease of \$117.50 per month in open space rental. The tenant currently pays total monthly rent for the warehouse and open space in the amount of \$4,477.30. Based on the reconfigured premises the new total monthly rental will be \$4,242.30, less the retroactive incremental adjustments over a twelve month period in the amount of \$660.00 per month. It was recommended that the Board approve the First Supplemental Agreement. The recommendation was approved on passage of Resolution No. 97126.

**Approval and Authorization for Execution of First Supplemental Agreement with Cirque de Soleil and Approval and Authorization to Expend Site Development and Promotional Funds** was the subject of a memo to the Board from the Acting Director of Commercial Real Estate notifying the Board that Cirque du Soleil has requested that the Port grant early occupancy of the Jack London Square area effective May 5, 1997. This would be covered under the terms of the First Supplemental Agreement between the Port and Cirque amending the existing License Agreement which was executed on November 26, 1996. In addition, the Port has expended site preparation costs and will provide additional promotion and services to accommodate Cirque for a total cost of \$331,900.00. It was recommended that the Board extend the term of Cirque du Soleil's occupancy of the site and approve site development and promotional expenditures in order to effectively host the Cirque in Jack London square. The recommendation was approved on passage of Resolution No. 97127.

**Extension of American President Lines Timeframes for Relocating Operations to Berth 25/26** was the subject of a memo to the Board from the Director of Maritime notifying the Board that the Middle Harbor Terminal Preferential Assignment Agreements with American President Lines are scheduled to expire July 31, 2001 and contain provisions for two additional seven year periods. During 1995, APL, Mitsui O.S.K. Lines (MOL), Orient Overseas Container Line (OOCL) and Nedlloyd Linjen, B.V. (Nedlloyd) formed a

Global Alliance with the goal of achieving joint operating efficiencies and the possible combining of terminal operations. In order to facilitate the combined operations of the Global Alliance, the Board authorized relocation of APL operations to the Berth 25/26 facility where terminal services would be provided by Trans Pacific Container Service (TraPac). The Board also authorized amendments to APL's existing Middle Harbor Terminal Agreements to accommodate the Global Alliance arrangements while APL relocated to Berth 25/26 with the provision that if APL did not execute a Middle Harbor Terminal Termination Agreement with the Port by March 1, 1997, the amendments would terminate. The Board also approved the purchase of the three APL post-Panamax cranes which are domiciled at the Middle Harbor Terminal for a Purchase Price of \$9,500,000.00. Under the Crane Purchase Agreement an additional amount of \$250,000.00 was to be paid by the Port to APL if APL executed a Termination Agreement for the Middle Harbor Terminal by March 1, 1997 thereby resulting in a total crane purchase price of \$9,750,000.00. APL has also entered into a crane assignment agreement with the Port at a rate of \$82,000.00 per month. The additional \$250,000.00 payment for purchase of the cranes was intended to provide APL an incentive to promptly agree to relocation and thereby assure recovery of portions of the Port's engineering, planning, design and other development costs associated with the relocation terminal operations. There was also an option until April 1, 1997, for APL or its designee, to buy back the three cranes at an Option Price of \$9,750,000.00 if the Terminal Termination Agreement was not executed by March 1, 1997. Two weeks ago APL announced that it is being sold to Singapore's Neptune Orient Lines (NOL). APL's negotiations with NOL and decision to be acquired by NOL has delayed APL's decision on executing the Middle Harbor terminal Termination Agreement. Indications are that APL, in coordination with its current partners in the Global Alliance, is still reviewing and evaluating various issues which will impact their joint operations. These considerations include vessel deployments and logistical issues relating to terminal landside operations. It is therefore appropriate to extend the timeframe for executing the

Middle Harbor Terminal Termination Agreements, as follows: Termination Agreement and Execution, APL will be given an extension to June 1, 1997 to execute the Middle Harbor Terminal Termination Agreement, the Port will no longer be obligated to pay APL the additional \$250,000.00 for the three cranes; Crane Assignment, APL rental of \$82,000.00 per month will be extended from March 1, 1997 to June 1, 1997, if APL does not execute the Middle Harbor Terminal Termination Agreement by June 1, 1997 then the rental will increase to the published hourly rates in the Port's tariff for the remaining duration of the assignment; and Purchase of Cranes, APL's option will be extended to June 1, 1997 at the full Option Price of \$9,750,000.00, with a closing by June 30, 1997. It was recommended that the board approve and authorize the various agreements with APL regarding an extension of APL's option to repurchase the cranes and the time frames with which APL shall execute the Middle Harbor Terminal Agreement. The recommendation was approved on passage of Resolution No. 97128.

Authorization to Enter into Agreements for Professional Services for Assistance in Developing a Reuse Plan at the Oakland Army Base was the subject of a memo to the Board from the Director of Maritime notifying the Board that the Oakland Base Reuse Authority (OBRA) has recently announced its intention to consider applications by qualified non-profit groups (includes the Port) for the conveyance of surplus real estate at the Oakland Army Base through a Public Benefit Conveyance (PBC). OBRA has requested that the Port submit its PBC application by August 18, 1997. Legislation allows for a Public Benefit Conveyance for port facility use for no consideration. The Oakland Army Base consists of a total 422 acres, of which 17 acres have been claimed by Federal agencies and are not considered surplus property. The remaining 405 acres are split by Maritime Street with 215 acres on the easterly side of Maritime and 190 acres on the westerly side. Maritime Street and the areas westerly of Maritime are in the Port area, and were acquired by the Army from the Port in the 1940's through the power of eminent domain. The Port has certain reversionary rights to this area. The availability of the Oakland Army Base

presents a significant opportunity to the Port, it is paramount to submit a reuse plan to comply with OBRA's request and to protect the Port's interests. Because of the 15-week time constraints, there is insufficient lead time to prepare and solicit the usual RFQ/RFP which can take as long as 9 weeks which would leave only 6 weeks for the planning effort. It is proposed to quickly form a reuse planning team who will assist Port staff in preparing a comprehensive plan that will represent the highest and best use of the site, while ensuring the stakeholders needs are fully considered. In addition to creating a development proposal and a site plan, the team will calculate revenue and employment generation. The proposed team will consist of the following professionals: planning and design consultant - Yui Hay Lee, Architect, Y.H. Lee Associates; real estate development consultant - Don Little, Regional Director, Catellus Development Corp.; real estate valuation data consultant - Melvin C. Harrison, Jr., Senior Sales Associate, BT Commercial Real Estate; and employment, training and community sector analysis consultant - (search not completed). The costs of these consultant contracts are not expected to exceed a total of \$125,000.00. It was recommended that the Board authorize the retention of the proposed consultants. The recommendation was approved on passage of Resolution No. 97129.

**Authorization to Prepare and Execute an Agreement with Subsurface Consultants, Inc. for the Preparation of a Study of the Geotechnical and Geohydrologic Conditions of the Oakland Harbor Channels for the -50' Navigation Improvement Project** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the need to deepen the Port of Oakland Inner Harbor and Outer Harbor marine terminals beyond the current -42' project. The initial analysis seems to indicate that the optimal depth could be as deep as -50', necessitating deepening the channels as much as 8'. In addition to the potential effect on submarine utilities and on the Port's wharves, this deepening could affect the stability of the channel banks and might affect the potential for saltwater intrusion into the underlying freshwater aquifers. The Port must evaluate both of these issues to determine the potential for these impacts and, further, to propose engineering solutions

should either issue be a problem. In April 1996, a Request for Proposals (RFP) was issued for geotechnical investigations and geotechnical engineering to support the Port Vision 2000 Maritime Development Program. The top-ranked consultant was Geomatrix Consultants and they were subsequently hired to prepare a geotechnical engineering analysis to support the intermodal rail terminal and marine terminals portions of the Vision 2000 Program. Subsurface Consultants, Inc. (SCI) was ranked a very close second in that selection process and SCI was asked to present a proposal to the Port specifically addressing the geotechnical and groundwater work that will be associated with the -50' channel deepening portion of the Vision 2000 Program. Through their consultant, Todd Engineers (Todd), SCI will also assess the potential for dredging to cause seawater intrusion that would limit existing and future beneficial uses of groundwater under the project site. SCI will prepare the study at an agreed-upon billing and wage rate for a total cost not to exceed \$892,000.00. It was recommended that the Board authorize the preparation and execution of an agreement with Subsurface Consultants, Inc. to provide the services for the -50' navigation improvement project, up to an amount not to exceed \$892,000.00; and with an additional \$125,000.00 available at the discretion of the Executive Director. The recommendation was approved on passage of Resolution No. 97130.

Personnel Items contained in a memo to the Board from the Chief Administrative Officer. At the request of the President Ortiz, the Personnel memo was deferred to the next meeting of the Board.

Authorization for Professional Search Consultant for Position of Director of Commercial Real Estate was the subject of a memo to the Board from the Chief Administration Officer recommending approval to retain the firm of Fresquez and Associates to conduct the search for the position of Director of Commercial Real Estate,

at an estimated cost of \$30,000.00. The recommendation was approved on passage of Resolution No. 97131.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Kramer, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: Commissioner Cole, Harris and Lockhart - 3

"RESOLUTION NO. 97121

APPROVING SUBSTITUTION OF SAFETY GLASS INSTALLER CONTRACTOR FOR REMODELING OF OFFICE SPACES, SECOND FLOOR, BUILDING M-102, SOUTH AIRPORT, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97122

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH ROMA DESIGN GROUP FOR PLANNING SERVICES ASSOCIATED WITH THE DEVELOPMENT OF THE OAKLAND WATERFRONT ESTUARY PLAN CONSTITUTES PROFESSIONAL TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97123

FINDING AND DETERMINING THAT A PROPOSED FIRST SUPPLEMENTAL AGREEMENT WITH HANSEN/MURAKAMI/ESHIMA ARCHITECTS AND PLANNERS FOR ARCHITECTURAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID FIRST SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97124

APPROVING PLANS AND SPECIFICATIONS FOR MARTIN LUTHER KING, JR. REGIONAL SHORELINE WETLANDS PROJECT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97125

AWARDING CONTRACT TO FRED RISARD CONSTRUCTION, FOR ALTERATIONS TO BARNES AND NOBLE BUILDING, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97126

APPROVING AND AUTHORIZING EXECUTION OF FIRST SUPPLEMENTAL AGREEMENT TO LICENSE AND CONCESSION AGREEMENT WITH ROGER AND SUSAN FERRARI, DBA JAL-VUE EAST BAY GLASS COMPANY LOCATED AT 295 6TH AVENUE, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97127

APPROVING AND AUTHORIZING EXECUTION OF FIRST SUPPLEMENTAL AGREEMENT WITH CIRQUE DU SOLEIL AND APPROVING AND AUTHORIZING EXPENDITURES OF PORT FUNDS FOR SITE DEVELOPMENT AND PROMOTION."

"RESOLUTION NO. 97128

APPROVING AND AUTHORIZING EXECUTION OF AMENDMENTS TO NONEXCLUSIVE PREFERENTIAL CRANE ASSIGNMENT AGREEMENT AND TERMINAL ASSIGNMENT AGREEMENTS WITH AMERICAN PRESIDENT LINES, LTD. AND AMENDING PORT RESOLUTION NO. 96407."

"RESOLUTION NO. 97129

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CONSULTANTS FOR PROFESSIONAL SERVICES FOR DEVELOPING A REUSE PLAN FOR THE OAKLAND ARMY BASE CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENTS."

"RESOLUTION NO. 97130

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH SUBSURFACE CONSULTANTS, INC. FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97131

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH FRESQUEZ AND ASSOCIATES FOR EXECUTIVE SEARCH CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97132

GRANTING JACK RATLIFF, AN INDIVIDUAL, DOING BUSINESS AS ASTRO-AIRE ENTERPRISES, PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97133

GRANTING OAKLAND PORTSIDE ASSOCIATES PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. 3365 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF ATM FACILITY LEASE WITH BANK OF AMERICA FOR WASHINGTON STREET GARAGE," and Port Ordinance No. 3366 being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A MANAGEMENT AGREEMENT WITH STEVEDORING SERVICES OF AMERICA," were read a second time and passed by the following vote:

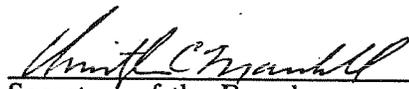
Ayes: Commissioners Kramer, Loh, Taylor  
and President Ortiz - 4

Noes: None

Absent: \* Commissioner Cole, Harris and Lockhart - 3

At the hour of 3:45 p.m. the Board entered into closed session pertaining to personnel and conference with labor negotiations - Port of Oakland and Local 790, as provided for under Government Code Section 54957.0 and 54957.6; conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, name of case: East Bay News Service and Sanjiv Handa v. Port of Oakland, et al., Alameda County Superior Court Case No. 773964-2; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: one case; and reconvened in open session at the hour of 5:40 p.m.

At the hour of 5:42 p.m. the meeting was on a motion duly made and seconded.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS  
OF THE  
CITY OF OAKLAND**

The regular meeting was held on Tuesday, March 4, 1997, at the hour of 3:20 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Lockhart,  
Taylor and President Ortiz - 6

Commissioners absent: Loh - 1

Also present were the Executive Director; Port Attorney; Director of Commercial Real Estate; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Director of Engineering; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the regular meeting of February 18, 1997 was approved as submitted and ordered filed.

**Proposed 1997 Airline Landing Fees and Tenant Terminal Space Rentals** was the subject of a memo to the Board from the Director of Aviation notifying the Board that the Board annually sets the rates and charges and recommends approval of the following for Calendar Year 1997: Landing Fees - Landing Fee \$0.94 per pound, Training Landing Fee \$0.47 per pound, Non-Based Minimum Charge Per Landing \$13.88 per pound, Non-Based Carrier Landing Fee \$1.11 per pound; Terminal Space Rental - Type 1 \$76.55 per square foot per year, Type II \$68.89 psf/pa, Type III \$61.24 psf/pa, Type IV \$53.58 psf/pa; Holdroom, Loading Bridge \$15,460.00 per month; Secondary Use, Based Airline with Holdroom \$105.30 per enplaning operation; Secondary Use, Based Airline without Holdroom \$0.81 per enplaning passenger; Secondary Use Holdroom & Loading Bridge Non-

Based Airline \$0.96 per enplaning passenger; Baggage Claim Area, Non-Based Airline \$0.41 per deplaning passenger; Holdroom Security Fee Non-Based Airline \$40.00 per enplaning operating; and Terminal Use Fee Non-Based Airline \$0.91 per enplaning passenger. It was noted that the same approach in setting fees has been used as in past years except that, pursuant to the airlines request, the estimated additional expense of the AARF consolidation has been added to both the ramp and terminal cost centers. With these rate changes, recovery of 100% of the field and ramp cost center is expected as well as the estimated expense of the AARF consolidation for calendar year 1997. The recommendation was approved on passage of an ordinance to print.

Approval of New License and Concession Agreement with Paul A. Kvedalen dba California Flyers was the subject of a memo to the Board from the Director of Aviation recommending approval to renew his agreement for 1,250 square feet of office space in Building L-142, North Airport, effective February 16, 1997, at \$1,275.00 per month. The recommendation was approved on passage of Resolution No. 97049.

Approval of Extension of Right-of-Entry and Indemnity Agreement for United States Postal Service was the subject of a memo to the Board from the Director of Aviation notifying the Board of the previous Right-of-Entry and Indemnity Agreement with the United States Postal Service which initially occupied 2,200 square feet of warehouse space in Building M-106 until September 1992 when they increased their premises to 4,400 square feet at a monthly rental rate of \$3,300.00. The lease terminated September 14, 1996 without a holdover provision. To provide continued occupancy of the premises by the Postal Service and in order for the Port to receive rental payments due since September 15, 1996, the proposed Right-of-Entry and Indemnity Agreement would commence September 15, 1996 with a proposed termination date of June 30, 1997 or the day prior to the effective date of the proposed new Postal Service Lease (whichever occurs first). The rental rate will remain the same. The ROE commencement date is necessary as the Postal Service must provide their funding source with an agreement covering the dates for which funds are being

requested; and the agreement must be presented prior to disbursement of those funds. It was recommended that the Board approve the extension of the Right-of-Entry and Indemnity Agreement from September 15, 1996 through June 10, 1997. The recommendation was approved on passage of Resolution No. 97050.

**Award of Contract for Remodeling of Office Space, Second Floor, Building M-102, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the two bids received and recommending award of the contract to Yip's Construction Company, the low bidder, at \$59,280.00. The recommendation was approved on passage of Resolution No. 97051.

**Resolution Consenting to Execution of a Leasehold Mortgage for RJR Holdings Inc.** was the subject of a memo to the Board from the Director of Commercial Real Estate notifying the Board that the Port and Oakland Portside Associates entered into a Lease Agreement with RJR Holdings, Inc. on February 17, 1994 to lease space for a TGI Friday's Restaurant. RJR Holdings, Inc. requests the approval of the Landlord and the Port to approve the filing of a Leasehold Mortgage for the property. The tenant desires to refinance certain obligations and has requested the consent of OPA and the Port to the mortgaging of its interest in the Lease in connection with the refinancing. Upon the filing of the Leasehold Mortgage, the tenant will repay OPA an approximate amount of \$204,000.00 as an early payoff of a loan that was made to RJR Holdings, Inc. in 1994 for their over standard tenant improvements. The original term of the loan was amortized at 10 years at 10%. It was recommended that the Board authorize the execution of the Leasehold Mortgage for RJR Holdings, Inc. The recommendation was approved on passage of Resolution No. 97059.

**Plans and Specifications for Alterations to Barnes & Noble Building, Jack London Square** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. The work consists of making sidewalk and building improvements to enhance the appearance of

the building on Embarcadero. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97052.

**Ratification of Substitution of Asbestos and PCB Abatement Subcontractor for Demolition of Buildings F-206 and F-215, Jack London Square** was the subject of a memo to the Board from the Director of Engineering notifying the Board that Evans Brothers Inc. has a contract for the demolition of Buildings F-206 and F-215. Evans requested that the Board approve the substitution of its subcontractor performing the asbestos and PCB abatement work as its listed subcontractor, Northern Abatement Co., Inc., was unable to enter into a contract to perform the work. Under Section 4107 of the California Public Contract Code, this is considered to be a valid basis for substitution of subcontractor. Evans Brothers requested approval to use E & J Environmental, a minority-owned asbestos subcontractor located in San Francisco. It was recommended that the Board ratify the deletion of Northern Abatement Co., Inc. as the listed subcontractor to perform the asbestos and PCB abatement work and that E & J Environmental, be substituted as the subcontractor to perform the asbestos and PCB abatement work. The recommendation was approved on passage of Resolution No. 97053.

**Ratification of Emergency Action to Repair Crane X-413 at Berth 23, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on Friday afternoon, February 7, 1997, the container vessel, California Orion, impacted the structure of crane X-413 at Berth 23 during docking. As a result of the impact, the lower portions of two of the legs were shifted 2 feet 6 inches from the rail tracks, and two of the four main connectors between the bogie (wheel assembly) pivot bearings and the crane legs were torn, bent and shifted. The crane was left standing in an unsafe condition where one side of the crane was about to fall from the bogies to the pavement. Port staff determined that the crane had to be stabilized immediately and that the work had to be performed by a contractor who is capable and experienced in repairing

crane structures. Christie Constructors, Inc. was chosen due to their proximity, capability, and knowledge of the Port's crane. Christie has previous experience working on Port's cranes and maintains insurance on file. The crane was stabilized and prevented from further damage by late Friday night. Port staff then directed Christie Constructors, Inc. to continue with repairs to the crane in order to restore its functional condition. An emergency purchase order was issued to Christie Constructors, Inc. for \$70,000.00 to complete their portion of the work. The Port will seek reimbursement of the repair costs from the shipping line. It was recommended that the Board determine that an extreme emergency existed and ratify the actions of the Director of Engineering. The recommendation was approved on passage of Resolution No. 97060.

**Approval of Specifications for Annual Contract for Repairs to Docks and Waterfront Facilities** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the annual contract. Renewal of the contract shall only occur if agreed to in writing by both the Port and the Contractor. Should the contract be renewed, all provisions of the contract shall apply, including the bid amount for percentage mark-up for direct labor costs. The recommendation was approved on passage of Resolution No. 97054.

**Award of Contract for Demolition of Slab and Foundations for Building D-733, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineer notifying the Board of the five bids received and recommending award of the contract to Evans Brothers, Inc., the low bidder, at \$313,699.00. The recommendation was approved on passage of Resolution No. 97055.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the revision of job specifications for Port Senior Financial Analyst; the examination announcements for Port Senior Financial Analyst and Port Personnel Clerk; and the amendment of appointment date for Leonard Castaneda, Semi-Skilled Laborer, from February 24, 1997, to March 10, 1997. The recommendations were approved on

passage of Resolution No. 97061 for job specification; Resolution No. 97062 for examination announcements; and Resolution No. 97063 for amendment of appointment date.

**Approval of Port Policy on Local Business Area Participation in Port Professional Service Consultant Contracts and Construction Contracts** was the subject of a memo to the Board from the Director of Engineering recommending approval of the proposed policy. The general policy statement includes the following as it clearly in the Port's best interest to develop and maintain a viable and competitive Local Business Area base of vendors, consultants, and contractors fully capable of providing cost effective professional services, supplies and materials, and public works construction. The Board declares that Port development and its creation of jobs serves a public purpose, and it is of great benefit to regional commerce and the local economy to promote the fullest participation by as many local businesses as possible in the commercial activities of the Port. It is essential that business opportunity for participation in Port projects is provided to the maximum extent practicable to local consultants, contractors, and vendors with special emphasis given to the development and gainful use of a competitive base of local minority and women business enterprises. Concurrently, to ensure that business competitiveness remains paramount, the development and operations of the Port must be conducted for the good of the Port and its continued viability, with the highest quality of services and facilities provided to its tenants, customers and the general public. To these ends, the Board promulgates the following specific policies on contracting for consulting and/or professional services and public works construction. Specific Policy on Professional Consulting Services: It is the Port's policy to maximize selection of Local Business Area consultants for the provision of various professional services not performed by the Port's staff. To maximize local, MBE/WBE participation, the Port recognizes and strongly encourages the establishment of partnerships, joint ventures, and alliances between local businesses, regional companies, and multi-national corporations. Such services normally include public works construction, demolition of facilities, and annual and/or one-time maintenance services. Special emphasis will be

placed upon inclusion of local, MBE and WBE contractors as prime/general or subcontractors. In the event that no Local Business Area contractor is available to act as the prime/general contractor, the Port encourages the use of Local Business Area contractors as subcontract participants. The Executive Director has directed the development and implementation of procedures such that local business participation in the Port's operations and development is maximized, and the goals of the policy are attained. The Port's Local Business Area is considered to be the two-county area of Contra Costa and Alameda. Localizing the business area to any greater extent is precluded by the nature of Port income and funding. There are several elements of this policy that are new, which include the establishment of a Small Business Program; initiation of bonding and insurance assistance for disadvantaged contractors on projects below the bid limit; and the strong encouragement of and support of mentoring, joint venturing, partnerships and alliances aimed at involving the historically underutilized, local businesses. The recommendation was approved on passage of Resolution No. 97058.

**Contract with U.S. Berkeley Extension to Deliver a Port-wide Management Training Program** was the subject of a memo to the Board from the Chief Administrative Officer recommending approval to retain the U.C. Berkeley Extension to deliver four additional Management Development Series to be scheduled from April through July of 1997 for a fee not to exceed \$95,000.00 with an additional \$35,000.00 available at the discretion of the Executive Director. The recommendation was approved on passage of Resolution No. 97064.

**Travel Authorization** was the subject of a memo to the Board from the Secretary of the Board recommended that the Board approve the travel of Terry Smalley, Electrical/Mechanical Engineer to Shanghai, China on or about the period March 15, 1997 to March 29, 1997; and the travel of Commissioners David Kramer, James Lockhart, Becky Taylor and Manager, Strategic Marketing, Dan Westerlin, to Hong Kong, Singapore, Kuala Lumpur, Malaysia, and Shanghai, China, on or about the period March 20, 1997 to April

5, 1997, to meet with shipping lines and to inspect port facilities and operations. The recommendation was approved on passage of Resolution No. 97056.

Memorandum of Understanding with the Inter-Agency Standards Committee Regarding the Sharing of Digital Data for Emergency Preparedness was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Inter-Agency Standards Committee is a committee representing a variety of organizations that have entered into an agreement to share data and information for emergency preparedness, response, and recovery activities. This includes the exchange of emergency management digital mapping and other associated information. All members of the group are asked to provide emergency services information in graphic and database formats. All supporting organizations have been asked to sign a Memorandum of Understanding (MOU) and the Membership Agreement for the Inter-Agency Standards Committee. Included in the Inter-Agency Standards Committee with signed MOUs from their respective Boards are: City of Oakland, East Bay Municipal Utility District, City of Emeryville, Oakland Unified School District and East Bay Regional Parks. It was recommended that the Board authorize execution of the Membership Agreement and a Memorandum of Understanding with the Inter-Agency Standards Committee to share such data and information for emergency preparedness, response, and recovery activities. The recommendation was approved on passage of Resolution No. 97057.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart,  
Taylor and Vice President Kramer - 5

Noes: None

Absent: Commissioner Loh and President Ortiz - 2

"RESOLUTION NO. 97049

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH PAUL A. KVEDALEN, DOING BUSINESS AS CALIFORNIA FLYERS."

"RESOLUTION NO. 97050

APPROVING AND AUTHORIZING EXECUTION OF A RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT FOR UNITED STATES POSTAL SERVICE."

"RESOLUTION NO. 97051

AWARDING CONTRACT TO YIP'S CONSTRUCTION, FOR REMODELING OF OFFICE SPACES, SECOND FLOOR, BUILDING M-102, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BOND TO BIDDER."

"RESOLUTION NO. 97052

APPROVING PLANS AND SPECIFICATIONS FOR ALTERATIONS TO BARNES & NOBLE BUILDING, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97053

AUTHORIZING SUBSTITUTION OF ASBESTOS AND PCB ABATEMENT WORK SUBCONTRACTOR FOR DEMOLITION OF BUILDINGS F-206 AND F-215, JACK LONDON SQUARE, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97054

APPROVING PLANS AND SPECIFICATIONS FOR FURNISHING PILE DRIVER CREW FOR REPAIRS TO PORT OF OAKLAND DOCKS AND WATERFRONT FACILITIES FOR THE PERIOD COMMENCING MAY 1, 1997, AND ENDING APRIL 30, 1998, 1999, OR 2000; AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97055

AWARDING CONTRACT TO EVANS BROTHERS INC., FOR DEMOLITION OF SLAB AND FOUNDATIONS FOR BUILDING D-733, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, INCLUDING ALTERNATE B, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97056

CONCERNING CERTAIN TRAVEL."

"RESOLUTION NO. 97057

APPROVING AND AUTHORIZING EXECUTION OF MEMBERSHIP AGREEMENT AND MEMORANDUM OF UNDERSTANDING WITH THE INTERAGENCY STANDARDS COMMITTEE TO SHARE DATA AND INFORMATION FOR EMERGENCY PREPAREDNESS, RESPONSE AND RECOVERY ACTIVITIES."

"RESOLUTION NO. 97058

APPROVING AND ADOPTING A POLICY ON LOCAL BUSINESS AREA PARTICIPATION IN PORT PROFESSIONAL SERVICE CONSULTANT CONTRACTS AND CONSTRUCTION CONTRACTS."

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart,

Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Loh - 1

"RESOLUTION NO. 97059

CONSENTING TO EXECUTION OF LANDLORD'S CONSENT TO LEASEHOLD MORTGAGE OF RJR HOLDINGS, INC.'S (TGIFRIDAY'S) SUBLEASE."

"RESOLUTION NO. 97060

APPROVING AND RATIFYING ISSUANCE OF AN EMERGENCY PURCHASE ORDER TO REPAIR PORT HARBOR TERMINAL."

"RESOLUTION NO. 97061

APPROVING JOB SPECIFICATION FOR THE POSITION OF PORT SENIOR FINANCIAL ANALYST."

"RESOLUTION NO. 97062

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF PORT SENIOR FINANCIAL ANALYST AND PORT PERSONNEL CLERK."

"RESOLUTION NO. 97063

AMENDING PORT RESOLUTION NO. 97044 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97064

FINDING AND DETERMINING THAT A PROPOSED CONTRACT WITH UNIVERSITY OF CALIFORNIA, BERKELEY EXTENSION TO DELIVER A PORT-WIDE MANAGEMENT TRAINING PROGRAM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97065

GRANTING OAKLAND PORTSIDE ASSOCIATES PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97066

GRANTING HILTON HOTELS CORPORATION PERMISSION TO PERFORM CERTAIN WORK."

Port Ordinance No. \_\_\_ being, "AN ORDINANCE AMENDING SECTIONS 2, 3, AND 10 OF PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN INTERNATIONAL AIRPORT," was read a first time and passed to print by the following vote:

- Ayes: Commissioners Cole, Harris, Kramer, Lockhart,  
Taylor and President Ortiz - 6
- Noes: None
- Absent: Commissioner Loh - 1

At the hour of 4:09 p.m. the Board entered into closed session pertaining to conference with real property negotiator, as provided under Government Code Section 54956.8, under negotiation - price and terms of payment, property - 7 acre site on Edgewater Drive adjacent to Elmhurst Channel in the Oakland Airport Business Park, parties negotiating - Port of Oakland and Robert and Manuel Berber; conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases: East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2, United Public Employees Local 790 AFL-CIO v. Board of Port Commissioners of the City of Oakland, et al, Alameda County Superior Court Case No. 782040-3; and reconvened in open session at the hour of 6:02 p.m.

At the hour of 6:03 p.m. the meeting was adjourned to Monday, March 17, 1997, at the hour of 10:00 a.m.

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The adjourned regular meeting was held on Monday, March 17, 1997, at the hour of 10:10 a.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Loh,  
Taylor and President Ortiz - 6

Commissioners absent: Lockhart - 1

Also present were the Executive Director; Port Attorney; Director of Commercial Real Estate; Director of Equal Opportunity; Director of Strategic and Policy Planning; Chief Engineer, Tom Daniels; General Manager, Maritime Operations, Ray Boyle; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

Commissioner Kramer, Chair of the Administrative Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Loh, Chair of the Commercial Real Estate Committee, informed the Board that the committee had met and reviewed their current agenda.

Approval of an Agreement to Extend Right-of-Entry and Indemnity Agreement with GTE Mobilnet of California was the subject of a memo to the Board from the Director of Aviation notifying the Board of the previous Right-of-Entry and Indemnity Agreement for GTE Mobilnet of California for the installation and operation of an unmanned cellular telephone switching and radio transmitting/receiving station and other uses including access for routine and emergency equipment maintenance. The ROE Agreement was issued for 45 days and as the proposed Lease has not been completed and the ending date for the ROE Agreement is March 19, 1997, it is proposed that an Agreement to extend the ROE be issued March 20, 1997 through July 17, 1997 (120 days). The project is categorically

exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97067.

**Award of Contract for Remodeling of Restrooms in Buildings M-103 and M-130, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the four bids received and recommending award of the contract to Fred Risard Construction, the low bidder, at \$236,780.00. The recommendation was approved on passage of Resolution No. 97068.

**Plans and Specifications for Construction of Pipe Outfall at Airport Lagoon, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the construction of a pipe outfall at the Airport Lagoon. In April 1989, the Port of Oakland and the City of Alameda entered into agreement that allowed Alameda to discharge storm water from the Harbor Bay Isle development into the Airport Lagoon. Under the provisions mandated by the Bay Conservation and Development Commission prescribed maximum water level, surface area and water quality characteristics must be controlled. The lagoon currently discharges its water into the bay through a 48-inch pipe. This project will construct an additional 30-inch diameter pipe through the dike to assure adequate drainage of the lagoon while maintaining the control provisions. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97069.

**Plans and Specifications for the Installation of Traffic Signals, Terminals 1 & 2, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for installation of traffic signals. The work consists of placing traffic signals at the crosswalks in front of Terminals 1 & 2 to alleviate vehicle congestion to provide greater safety for pedestrians. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97070.

**Plans and Specifications to Replace Fuel Storage Tank LF-02 at Building L-916,**

**North Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for replacing a fuel storage tank. The work consists of removing the existing 2,000-gallon underground fuel tank and installation of one new above-ground 1,000-gallon fuel tank for the emergency back-up generator system, which serves the North Airport runway lights. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97071.

**First Reading of an Ordinance Granting an Easement to East Bay Municipal Utility District (EBMUD) for a 16" Water Main Extension on Earhart Road and Airport Drive** was

the subject of a memo to the Board from the Director of Engineering notifying the Board that RGW Construction, Inc. is requesting that the Port grant an easement to EBMUD for a 16" water main extension on Earhart Road and Airport Drive. The Board awarded the contract for construction of Earhart Road and miscellaneous streets at the Airport to RGW Construction, Inc. Part of the work of this contract is to install a new 16-inch diameter water main extension between an existing EBMUD water main on Airport Drive and a water line flow rate for fighting fires in the North Airport area. On October 4, 1994, the Board authorized the Executive Director to execute an agreement with EBMUD to design, inspect and provide piping material for the water main extension. The agreement was executed, and EBMUD completed the design of the water main extension at the end of January, 1997. Under the terms of the agreement, the Port will have the water main extension constructed and EBMUD will own and maintain it. On September 21, 1993, the Board approved the Mitigated Negative Declaration for the Earhart Road Reconstruction and no further environmental review is necessary. It was recommended that the Board give first reading of an ordinance granting the easement to EBMUD for the 16-inch water main extension. The recommendation was approved on passage of an ordinance to print.

**Oakland Portside Associates: Business Terms and Operating Procedures** was the subject of a memo to the Board from the Director of Commercial Real Estate notifying the Board that the Port is a general partner in Oakland Portside Associations (OPA), and the Executive Director is authorized to execute the Amended and Restated Limited Partnership for OPA and to enter into contracts on behalf of OPA for professional services, leasing expenses and tenant improvements. The Executive Director and his designee(s) have been acting on behalf of the Port as general partner in executing lease documents, contracts and overseeing the financial operations of the partnership. The Port has paid off the debt obligation to Bankers Trust by using a portion of the recent Bond proceeds. It was recommended that the Board continue to act as general partnership in OPA, to ratify contracts previously entered into by OPA and to authorize the Executive Director and his designee(s) to accomplish the following tasks: execution of contracts, and agreements and covering property, asset and development management, professional or specialized services, and various agreements and contracts with persons and entities for acquisition, construction and installation of tenant improvements and other improvements, and, such other contracts that are required from time-to-time to carry out the business of the partnership, to remain competitive in the market and to accommodate the needs and schedules of tenants and prospective occupancy subtenants, It is in the best interest of OPA to dispense with competitive bidding and to procure all such services on the open market based upon informal solicitation of proposals; OPA will continue to comply with the existing Port ground lease which requires all contractors comply with the good faith effort of reaching the affirmative action goal of 30% MBE; and authorization of expenditures associated with procuring tenants including leasing expenses, legal expenses and tenant improvements, not to exceed \$3,500,000.00. The recommendation was approved on passage of Resolution No. 97072.

**Recommending Approval of New License and Concession Agreements - Il Pescatore Ristorante, Inc., Ed McKay dba Able Telecommunications, KTVU, Inc.** was the subject of

a memo to the Board from the Director of Commercial Real Estate recommending approval of agreements with Il Pescatore, for 400 square feet of storage space in Building F-201, at \$300.00 per month, effective February 1, 1997; Ed McKay dba Able Telecommunications, 300 square feet of office space in Building F-201, at \$360.00 per month, effective March 1, 1997; and KTVU, Inc., for 6,000 square feet of storage in Building H-108, at \$1,525.00 per month, effective April 1, 1997. The recommendations were approved on passage of Resolution No. 97073 for KTVU, Inc., Resolution No. 97074 for Ed McKay dba Able Telecommunications and Resolution No. 97075 for Il Pescatore.

**Recommending Finding of Public Convenience or Necessity for Approval of the Alcoholic Beverage License for the Metropolitan Yacht Club** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the State law was amended in the 1994 concerning new license applications for the sale of alcoholic beverages throughout the State. The law requires that in some cases the Board, as the local governing body, must make certain findings prior to license issuance by the State Department of Alcoholic Beverage Control. The Metropolitan Yacht Club has requested that the Port make a finding of public convenience or necessity in support of an application to transfer their existing license, a Type 51 Retail On-Sale Club License, to their new location within Embarcadero Cove. The Yacht Club is located in an area where the issuance of the new license would result in or add to an "undue concentration" of licenses, the ABC may issue this license only if the Board determines that public convenience or necessity would be served by the issuance. The State law defines "undue concentration" as being in a location where the crime rate of the precinct is more than 20% higher than the average for all precincts within the jurisdiction, or in a census tract where the number of licenses per capita exceeds the number for the county. The Yacht Club is an existing tenant serving alcoholic beverages only to members and certain invited guests. It was recommended that the Board approve the finding that public convenience or necessity would be served by the issuance of the Type 51 license to the Metropolitan Yacht Club because it will serve a unique

clientele, and will enhance the Port's economic goals by serving its tenants needs. The recommendation was approved on passage of Resolution No. 97076.

**Approval of Third Supplemental Agreement with MEC Analytical Systems, Inc., for Professional Services to Perform Sediment Analysis Required for Permits** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the contract with MEC Analytical Systems, Inc. to perform up to \$800,000.00 of dredged sediment analysis projected over a two-year period. On April 5, 1994, the Board authorized a First Supplemental Agreement with MEC. Then, on August 6, 1996, the Board authorized a Second Supplemental Agreement which extended the duration of the contract through March 15, 1997. The Port has so far authorized payment of approximately \$175,000.00 to MEC for the additional work required by the RWQCB. The COE has agreed that this amount will be deducted from our cost-share of the 42' Deepening Project. The agreement with MEC has a remaining balance of approximately \$77,000.00. Although the agreement expired on March 15, 1997, Port staff has negotiated with MEC to extend the terms for up to another year. Since the COE contracting system is not flexible enough to allow for rapid changes to the MEC scope of work, it was recommended that the Board authorize the preparation and execution of a third supplemental agreement with MEC to extend the existing contract for up to one additional year, and supplement the maximum compensation by an additional \$250,000.00. The recommendation was approved on passage of Resolution No. 97077.

**Approval of Engineering Design Services for Reconstruction and Extension to Berth 22 Wharf, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the reconstruction and extension of the Berth 22 Wharf is a part of the Port's Terminal Shuffle Program. The project, in general, is to demolish the existing composite timber/concrete structure and to replace it with a new reinforced-concrete wharf with a 150 foot extension. The selection of CH2MHill to perform design services on this project was approved in principle by the Board at its February 18,

1997 meeting. It is anticipated that the amount of the agreement will not exceed \$1,440,000.00 and it was recommended that the Board authorize the execution of a professional services agreement with CH2MHill for the design of the reconstruction and extension of Berth 22 Wharf. The recommendation was approved on passage of Resolution No. 97078.

**Award of Contract for Load Testing of Piles at Berths 24 and 25, Outer Harbor** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the five bids received and recommending award of the contract to Valentine Corporation, the low bidder, at \$147,369.00. The recommendation was approved on passage of Resolution No. 97079.

**Ratification of Addendum 1 for Construction of Berth 24 Yard Improvements, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering notifying the Board that previously the Board approved the plans and specifications for construction of the improvements. The consultant performing the testing and the risk assessment work has advised staff that a final risk assessment will be available to all of the bidders on March 18, 1997 instead of the scheduled March 31, 1997. By making the final document available to the bidders on March 18, 1997, and moving the bid opening date from March 19, 1997 to April 2, 1997, we can award the contract at the first available Board meeting in April which is scheduled for April 15, 1997. With this change, the bidders will be basing their bids on a final risk assessment report rather than draft document as originally planned. It is also prudent to change the project specifications to extend the time for award of the contract from 45 days to 90 days after the bid opening. The change together with some minor changes to the electrical portions of the plans have also be incorporated into Addendum 1. It is recommended that the Board ratify the Addendum 1 changing the date bids are to be received to April 2, 1997 and extend the time allowed for award of the contract to 90 days after the opening of the bids. The recommendation was approved on passage of Resolution No. 97080.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Marcel E. Conrad, as Commercial Representative V-A, effective March 18, 1997, at \$5,657.00 per month; and Olivier Y. Flewellen, as Port Accounting Manager, effective March 24, 1997, at \$6,690.00 per month. Also recommended was the creation of positions for Airport Noise Abatement Technician at Salary Schedule 216 and Airport Security Systems Technician at Salary Schedule 218; the revision of job specification for the classification of Workers' Compensation Claims Technician; and examination announcements for Port Equipment Service Worker, Port Equipment Driver, and Senior Engineering Assistant. The recommendations were approved on passage of Resolution No. 97081 for appointments, Resolution No. 97082 for job specifications and Resolution No. 97083 for examination announcements.

**Approval of the Audit Contract with Coopers and Lybrand, L.L.P. and Allen D. Green & Co. for the Next Three Fiscal Years Ending June 30, 1997, 1998, and 1999** was the subject of a memo to the Board from the Chief Financial Officer recommending approval to enter into a contract with Coopers & Lybrand, L.L.P. to audit the Port's consolidated financial statements (including Oakland Portside Associates), for fees not to exceed \$160,000.00; 164,000.00; and \$168,000.00 for the audit fiscal years 1996-1997, 1997-1998, 1998-1999, with an additional \$15,000.00 per year for the three years to cover specific projects outside the audit scope of work. It was further recommended that the Board authorize a contract with Allen P. Green & Co. to audit the Association of the Preservation of the Presidential Yacht Potomac for fees not to exceed \$8,000.00, \$7,500.00, and \$7,000.00 for the audit fiscal years 1996-1997, 1997-1998, and 1998-1999. The recommendations were approved on passage of Resolution No. 97084 for Coopers and Lybrand, L.L.P. and Resolution No. 97085 for Allen P. Green & Co.

**Appointing Milliman & Robertson, Inc. to Perform Actuarial Services for the Workers' Compensation and Retiree Medical Benefits Programs** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the Port has several

self-insured programs including workers' compensation, retiree medical benefits, dental, vision, unemployment, and long-term disability. These benefit programs were audited last year. However, due to the size of the workers' compensation program and the retiree medical benefits payment, a follow-up actuarial review is in order, and, in addition, Retiree Medical Benefits program is a new one and assumptions that were used last year may need to be reviewed based on actual experience. It was recommended that the Board authorize a professional services agreement with Milliman & Robertson, Inc. to conduct actuarial studies on the workers' compensation and retiree medical benefits programs for an amount not to exceed \$11,700.00. The recommendation was approved on passage of Resolution No. 97086.

**Extension of Excess Workers' Compensation and Employers Liability Insurance** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board that the Port is permissibly self-insured for statutory California Workers' Compensation. In the recent years the Port has purchased excess insurance to protect against catastrophic losses. At the Board meeting of January 21, 1997, the Board authorized extending a policy that was to expire February 7, 1997 to April 1, 1997 for a pro-rate additional premium. It was recommended that the Board approve the extension to May 20, 1997 in order to make the policy concurrent with the balance of the Port's liability insurance program for an additional premium of \$6,305.00. Therefore the renewal quote and the extension of Workers' Compensation and Employer's Liability Insurance with General Reinsurance Company and Fireman's Fund Insurance Company will be presented at the same time as the other renewals. The recommendation was approved on passage of Resolution No. 97087.

**Travel Authorization** was the subject of a memo to the Board from the Secretary of the Board recommending approval for the travel of President Celso D. Ortiz, Commissioners Ada Cole, Robert Harris, John Loh; Executive Director, Charles Foster; Director of Maritime, Leo Brien; and Secretary of the Board, Christopher C. Marshall, to Seoul, Korea,

Taipei, Taiwan, Hong Kong, B.C.C. and Shanghai and Beijing, China on or about the period March 31, 1997 to April 15, 1997, for the purposes of calling on shipping and air lines, technical port visits, trade promotion and investor opportunities. Also recommended is the travel of Mayor Elihu Harris, Council Members Henry Chang and Larry Reid, and State Senator Barbara Lee (Barbara Lee - Korea only) for the above trip. Further recommended is the travel of John Aidoo, General Manager, Central Facilities, to Shanghai, China, on or about the period March 18, 1997 through March 30, 1997, to meet with Shanghai Zhenhua Port Machinery Co. concerning the new container cranes prior to shipment. The recommendation was approved on passage of Resolution No. 97088.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Lockhart - 1

**RESOLUTION NO. 97067**

**APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH GTE MOBILNET OF CALIFORNIA."**

**"RESOLUTION NO. 97068**

**AWARDING CONTRACT TO FRED RISARD CONSTRUCTION, FOR REMODELING RESTROOMS IN BUILDINGS M-103 AND M-130, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."**

**"RESOLUTION NO. 97069**

**APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF PIPE OUTFALL AT AIRPORT LAGOON, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA."**

"RESOLUTION NO. 97070

APPROVING PLANS AND SPECIFICATIONS FOR INSTALLATION OF TRAFFIC SIGNALS, AT TERMINALS 1 & 2, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97071

APPROVING PLANS AND SPECIFICATIONS FOR REPLACEMENT OF FUEL STORAGE TANK LF-02 AT BUILDING L-916, NORTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA; AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97072

MAKING CERTAIN FINDINGS AND DETERMINATIONS; AUTHORIZING THE PORT'S EXECUTIVE DIRECTOR TO ACT ON BEHALF OF THE PORT AS GENERAL PARTNER IN OAKLAND PORTSIDE ASSOCIATES; AND RATIFYING ACTIONS PREVIOUSLY TAKEN."

"RESOLUTION NO. 97073

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH KTVU, INC."

"RESOLUTION NO. 97074

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH ED MCKAY DOING BUSINESS AS ABLE TELECOMMUNICATIONS."

"RESOLUTION NO. 97075

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH IL PESCATORE RESTORANTE."

"RESOLUTION NO. 97076

FINDING AND DETERMINING THAT PUBLIC CONVENIENCE OR NECESSITY WOULD BE SERVED BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL'S ISSUANCE OF A TYPE 51 RETAIL ON SALE CLUB LICENSE TO METROPOLITAN YACHT CLUB."

"RESOLUTION NO. 97077

FINDING AND DETERMINING THAT A PROPOSED THIRD SUPPLEMENTAL AGREEMENT WITH MEC ANALYTICAL SYSTEMS, INC. FOR ENVIRONMENTAL CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID THIRD SUPPLEMENTAL AGREEMENT."

"RESOLUTION NO. 97078

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH CH2MHILL FOR DESIGN SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97079

AWARDING CONTRACT TO VALENTINE CORPORATION, FOR LOAD TESTING OF PILES AT BERTHS 24 AND 25, OUTER HARBOR, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97080

RATIFYING AND APPROVING CHANGE TO PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF BERTH 24 YARD IMPROVEMENTS, OUTER HARBOR TERMINAL, AND EXTENSION OF DATE SET FOR RECEIVING BIDS THEREFOR."

"RESOLUTION NO. 97081

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97082

APPROVING JOB SPECIFICATIONS FOR THE POSITION OF WORKERS' COMPENSATION CLAIMS TECHNICIAN."

"RESOLUTION NO. 97083

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF PORT EQUIPMENT SERVICE WORKER, PORT EQUIPMENT DRIVER AND SENIOR ENGINEERING ASSISTANT."

"RESOLUTION NO. 97084

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH COOPERS AND LYBRAND, L.L.P. FOR OUTSIDE AUDIT SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97085

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ALLEN P. GREEN & CO. FOR OUTSIDE AUDIT SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97086

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MILLIMAN & ROBERTSON, INC., TO PERFORM ACTUARIAL STUDIES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97087

AUTHORIZING RENEWAL OF EXCESS WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE."

"RESOLUTION NO. 97088

CONCERNING CERTAIN TRAVEL."

Port Ordinance No. 3362 being, "AN ORDINANCE AMENDING SECTIONS 2, 3, AND 10 OF PORT ORDINANCE 1149 RELATING TO CHARGES FOR USE OF FACILITIES AT METROPOLITAN INTERNATIONAL AIRPORT," was read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Lockhart - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION AND DELIVER OF GRANT OF EASEMENT TO EAST BAY MUNICIPAL UTILITY DISTRICT," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 867 ADDING SECTIONS 10.0131 AND 10.0292 CREATING NEW POSITIONS AND AMENDING PORT ORDINANCES NOS. 3342 AND 3353 CORRECTING SECTION NUMBER ASSIGNMENTS," were read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Loh,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Lockhart - 1

At the hour of 11:26 a.m. the Board entered into closed session pertaining to conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases: Central Parking Systems, Inc. v. Port of Oakland, Alameda County Superior Court Case No. 749090-3, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9; and one case. Commissioners Harris and Taylor were excused from the closed session. The meeting was reconvened in open session at the hour of 12:20 p.m.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Kramer, Loh  
and President Ortiz - 4

Noes: None

Absent: Commissioners Harris, Lockhart and Taylor - 3

"RESOLUTION NO. 97089

APPROVING AND AUTHORIZING EXECUTION OF TOLLING AGREEMENTS WITH PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, ("PG&E") CONCERNING ENVIRONMENTAL CONTAMINATION AT THE LOT 12 MOVIE THEATER SITE, AND SITE A (MEADOW IN FRONT OF PORT BUILDING), JACK LONDON SQUARE, OAKLAND, AND AUTHORIZING THE RETENTION OF SPECIAL COUNSEL TO THE PORT ATTORNEY CONCERNING THESE MATTERS."

"RESOLUTION NO. 97090

APPOINTING DIRECTORS OF THE PORT OF OAKLAND PUBLIC BENEFIT CORPORATION."

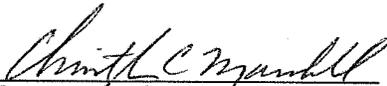
"RESOLUTION NO. 97091

APPROVING APPOINTMENT OF SPECIAL COUNSEL."

"RESOLUTION NO. 97092

APPROVING APPOINTMENT OF SPECIAL COUNSEL."

At the hour of 12:25 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Chinita C Marshall  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting was held on Tuesday, February 18, 1997, at the hour of 3:20 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, Vice President Loh presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Lockhart, Taylor  
and Vice President Loh - 5

Commissioners absent: Kramer and President Ortiz - 2

Also present were the Executive Director; Port Attorney; Director of Commercial Real Estate; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Director of Engineering; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the regular meeting of February 4, 1997 was approved as submitted and ordered filed.

Commissioner Cole, Chair of the Aviation Committee, informed the Board that the committee had met and reviewed their current agenda.

The Chief Administrative Officer, member of Administrative Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Taylor, member of Commercial Real Estate Committee, informed the Board that the committee had met and reviewed their current agenda.

The Director of Equal Opportunity, member of Customer Employment and Business Resources Committee, informed the Board that the committee had met and reviewed their current agenda.

Ms. Stacy Kono, Michael Ramos, Bill Chorneau, Lillian Galedo and Gabriel Hernandez appeared before the Board to state certain personal comments on proposals for catering services at the Oakland Airport Terminal Buildings.

**Approval of Mitigated Negative Declaration, Approval of Plans and Specifications, and Award of Contract for Construction of Baggage Claim Areas, Terminal 1 and 2, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending approval of the plans and specifications for the construction of Baggage Claim areas, Terminal 1 and 2. The existing baggage claim facilities in Terminals 1 and 2 are inadequate to meet current flight operations. Carousel Number 1 in Terminal 1 is 35 years old and small by current standards while the two carousels in Terminal 2 are not enough to serve current passenger activity. It is proposed that Carousel Number 1 in Terminal 1 be replaced with a larger oval shaped carousel and that a temporary 5,000 square feet building addition be added to Terminal 2 to accommodate a new third baggage carousel. Due to the tight schedule for this project, the environmental review process could not be completed prior to advertising for bids. The environmental review under the California Environmental Quality Act (CEQA) and the Port's CEQA guidelines has now been completed. The work was subject to an Initial Study and the Port's Environmental Planning Department recommends approval of a Mitigated Negative Declaration. The Mitigation measures include a Phase 1 Assessment; handling and disposal of hazardous materials to comply with regulations; and compliance with Best Management Practices (BMP's) to reduce noise and air quality impacts during construction. Comments were received from three entities: City of Alameda (Alameda), Citizens League for Airport Safety and Serenity ("Class") represented by the attorneys office of Shute, Mihaly and Weinberger, and the California Department of Toxic Substances, these comment letters have been provided to the Board under separate cover. Comments from Alameda and Class are summarized as follows: the FAA must approve airport Layout Plan revisions before the project is implemented; the Port has not complied with legal requirements regarding

application for passenger facility charges (PFC's) for baggage claim improvements; the project is a part of, and has been improperly segmented from, the Airport Development Program; and the project's specific and cumulative impacts are not adequately analyzed. The Port's responses sent to the City of Alameda and Class are summarized as follows: the Port has complied with the legal requirements regarding the Airport Layout Plan and this project; the Port has complied with the legal requirements regarding the application for passenger facility charges; the Initial Study describes how the project has independent utility from the Airport Development Program (ADP), the baggage claim project is proposed to go forward whether or not the ADP is adopted, the proposed project will not result in an integrated terminal facility, nor will the project result in consolidated baggage handling facilities as would the baggage claim improvements proposed by the ADP; and the Initial Study and the supporting study in the appendix provide extensive information supporting the conclusion that the project will not have any long term operation impacts, the number of airplane flights or passenger levels will not increase due this project, project impacts will be limited to short term construction impact which can be mitigated to levels of insignificance. The Port received four bids and it was recommended that the contract be awarded to Vitton Construction Co., Inc., the low bidder, at \$2,166,542.00. It was recommended that the Board adopt a resolution that it has considered the Initial Study and Mitigated Negative Declaration and the comments received during the public review process; adopts the mitigation measures as identified and further defined in the Initial Study as conditions of project approval in order to avoid significant effects on the environment; adopts and approves the Mitigated Negative Declaration; and that the mitigated Negative Declaration reflects the independent judgment of the Board; approve the plans and specifications; and award the contact to Vitton Construction Co.

Ms. Marge McLean, representing the City of Alameda, appeared before the Board to express the City of Alameda's responses to the Initial Study and that they felt the project has been segmented from the Airport Development Program.

The recommendation was approved on passage of Resolution No. 97033.

**Approval of Contract with Unison Consulting Group, Inc. for Consulting Services**

**Regarding Airport Concessions** was the subject of a memo to the Board from the Director of Aviation recommending approval to retain the services of Unison Consulting Group, Inc. Unison is a minority-owned consulting firm which offers a broad range of expertise to the Airport industry. Unison has provided concession consulting as well as financial consulting services to the industry. Unison would provide analysis of the cart/kiosk program under a purchase order for professional services and expand under a consultant agreement to include analysis and recommendations on the DBE storefront subtenants program, evaluation of the current Airport concession operations, including an airport market research survey and analysis of Airport users' demand for concession products and services in light of current airport industry trends. The information provided by Unison would provide a foundation for future concession planning under the Airport Development Program. The estimated cost of the work is \$95,000.00. It is recommended that the Board authorize preparation and execution of a consultant agreement with Unison Consulting Group, Inc. to provide the services for a total not to exceed \$95,000.00 and authorize the Executive Director to approve additional work in an amount up to \$30,000.00. The recommendation was approved on passage of Resolution No. 97034.

**Approval of Amendment to Leases with Existing Tenant United States Postal Service**

was the subject of a memo to the Board from the Director of Aviation recommending approval to amend the leases with United States Postal Services, for 8,000 square feet of warehouse, 12,800 square feet of apron and 4,800 square feet of paved parking in and adjacent to Building L-812, Space #2; and with United States Postal Service, for 10,000 square feet of warehouse and office, 16,000 square feet of apron and 2,700 square feet of paved parking in and adjacent to Building L-812, Space #3 all on the North Airport. The recommendations were approved on passage of Resolution No. 97035 for First Amendment and Resolution No. 97036 for Second Amendment.

**Award of Contract for Construction of Aircraft Rescue and Firefighting Facility, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the eight bids received and recommending award of the contract to C. Overaa & Co., the low bidder, at \$8,381,000.00. The recommendation was approved on passage of Resolution No. 97037.

**Hearing by Board of Port Commissioners to Determine Merits of Dispute Resulting in Meet and Confer Impasse between I.B.E.W. and the Port** was the subject of a memo to the Board from the Director of Aviation notifying the Board that previously the Board conducted a hearing on the merits of a dispute between the Port and United Public Employees Local 790, relating to impacts within Local 790's scope of representation of the proposal to consolidate the provision of fire protection services at the Airport under the Oakland Fire Services Agency. Following the hearing the Board adopted two resolutions; one, to implement the Port's last best and final offer to Local 790 regarding impacts of the Consolidation Proposal within Local 790's scope of representation; and two, to execute a memorandum of understanding with the City of Oakland for the provision by OFSA of Aircraft Rescue and Fire Fighting (ARFF) Services and other fire and emergency services at the Airport. However, this authority was subject to the condition that the meet and confer process with International Brotherhood of Electrical Workers Local 1245 (IBEW) on impacts within the IBEW's scope of representation to be completed, and in the event of impasse, was subject to the further condition that the impasse procedures, as necessary under Section 13 of the Port Ordinance No. 1688, be completed. Since then, staff met with IBEW representatives three times and submitted revised drafts of a Letter of Understanding setting forth the terms and conditions of employment for persons affected by the consolidation. Following significant movement by the Port and IBEW to bring closure to the meet and confer process, tentative agreement was reached by the port and IBEW on February 7, 1997, on all outstanding issues. Thereafter, the LOU was submitted to IBEW membership for ratification, but was rejected. At the conclusion of the meet and confer

process, IBEW's Meet and Confer Committee stipulated that the rejection by the membership of the terms of the LOU would leave the parties at impasse, with no possibility of settlement of any remaining issues by direct discussion. IBEW stipulated further, that in the event of the membership's rejection of the terms of the LOU, the matter may be submitted to the Board for determination, following a hearing on the merits, without objection from IBEW. On the stipulation and express consent of IBEW, the Board was requested to determine and resolve the dispute on the impasse between the Port and IBEW, following a hearing on the merits of the dispute. The IBEW's Meet and Confer Committee tentatively agreed to the terms of the MOU, which comprise the Port's last, best and final offer to IBEW regarding impact on terms and conditions of employment within IBEW's scope of representation, but impasse has occurred as a direct result of the rejection by IBEW's membership of the terms of the LOU. It was recommended that pursuant to Section 13 of Port Ordinance No. 1688, the board conduct a hearing on the merits of the dispute between the Port and IBEW. It is further recommended that at the conclusion of the hearing, the Board make a determination regarding the dispute and approve the last, best and final offer on the issues as set forth in the unexecuted Letter of Understanding dated February 6, 1997. The hearing was held with no speakers appearing before the Board. The hearing was closed and the last, best and final offer regarding the impasse was approved on passage of Resolution No. 97038.

**Approval to Negotiate and Enter into Professional Services Agreements with VZM and Moffatt & Nichol for the Terminal Shuffle Program** was the subject of a memo to the Board from the Director of Engineering notifying the Board that several shipping lines are forming business alliances and are planning to share their existing facilities at the Port to effect economies of joint operations. This sharing of facilities will result in the relocation of some of the operators from one terminal to another. Since each tenant operates differently, each affected terminal will require modification to accommodate the new operator. A number of terminals are directly affected by this Terminal Shuffle Program

(Program). The Program, as currently planned, is composed of up to ten construction projects. Due to the magnitude of this program and the current workload, it is the intent to hire consultants for most of the design work. Several of the negotiations are still ongoing and as a result, a number of projects have not been fully defined. Two of the projects, Berth 24 Gate Improvements and the Berth 60/63 Terminal Improvement, are critical to the overall Program schedule and it was recommended that the Board authorize the preparation and execution of agreement with VZM and Moffatt & Nichol and Ackland. It is expected that the total value of these two agreements will not exceed \$1,400,000.00. The recommendations were approved on passage of Resolution No. 97039 for Moffatt & Nichol and Resolution No. 97040 for VZM.

Term Extension for International Transportation Service Inc. at Berth 25/26 was the subject of a memo to the Board from the Director of Maritime notifying the Board that International Transportation Service conducts operations at Outer Harbor Berths 25 and 26. The facility was initially assigned to "K" Line under a Nonexclusive Preferential Assignment Agreement and was subsequently assigned to ITS, a wholly subsidiary of "K" Line. The current term of the Agreement expires June 30, 1997. ITS, has an option right for an additional 5-year term subject to agreement on economics. The Port also has the right to relocate ITS to another Port facility upon 180 days advance notice. The Board previously approved various actions regarding terminal realignments. Specifically, relocation of American President Lines (APL) cargo operations from Berth 60-63 to Berth 25/26 along with approval for Transpacific Container Service Corp. (TRAPAC) to operate Berth 25/26 which is adjacent to their existing operation at Berth 30. The Port plans to exercise its right to relocate ITS to another Port facility as soon as discussions and negotiations are finalized with respect to ITS' terminal requirements. It was recommended that their agreement be extended an additional 6 months to December 31, 1997. The recommendation was approved on passage of Resolution No. 97041.

**Renewal of Korean Agent Contract with Global Enterprises, Ltd.** was the subject of a memo to the Board from the Director of Maritime recommending approval to renew the agreement with Global Enterprises, Ltd. as represented by Mr. P.S. Chung serving as the Port of Oakland's agent in Korea since 1984. It is recommended that the Board approve the contract for a twelve month period through December 31, 1997 at a compensation level of USD \$18,000.00 per year plus allowable expenses of up to USD \$6,000.00 per year. The recommendation was approved on passage of Resolution No. 97042.

**Plans and Specifications for Construction of Berth 24 Year Improvements, Outer Harbor Terminal** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for construction of Berth 24. The work consists of relocating lease line fences between Berths 24 and 23, and between Berths 24 and 25, to conform to new lease boundaries; and constructing pavement overlays and new pavement in order to increase pavement load capacities and modify surface grades for a grounded (stacked container) type operation. The California Environmental Quality Act requirements for environmental review were completed with Board certification of the Initial Study/Negative Declaration for the Maersk Line Terminal and Trans Bay Container Terminal yard Consolidations and Terminals Upgrade Project on December 17, 1996. The recommendation was approved on passage of Resolution No. 97043.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment for Kristi M. McKenney, as Associate Port Transportation Planner, effective February 24, 1997, at \$4,980.00 per month; Leonard Castaneda, as Semi-Skilled Laborer, effective February 24, 1997, at \$3,623.00 per month; and Bertha Horcasitas, as Port Technical Support Analyst I, effective February 24, 1997, at \$3,230.00 per month. Also recommended is the revision of job specification for Port Senior Programmer/Analyst; and approval for the Civil Service examination announcements for Port Principal Systems Planning Analyst and Port Senior Programmer/Analyst. The

recommendations were approved on passage of Resolution No. 97044 for appointments, Resolution No. 97045 for job specification and Resolution No. 97046 for examination announcements.

Appearance Mr. Larry Hendel, representing Local 790, appeared before the Board to inform the Board of current labor issues and their effect on the Port.

The following resolutions were introduced and passed separately by the following vote:

- Ayes: Commissioners Cole, Harris, Lockhart,  
Taylor and Vice President Loh - 5
- Noes: None
- Absent: Commissioner Kramer and President Ortiz - 2

"RESOLUTION NO. 97033

CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR CONSTRUCTION OF BAGGAGE CLAIM AREAS, TERMINALS 1 AND 2, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT, APPROVING THE MITIGATED NEGATIVE DECLARATION; APPROVING PLANS AND SPECIFICATIONS FOR SAID PROJECT; AND AWARDED CONTRACT TO VITTON, FOR CONSTRUCTION OF BAGGAGE CLAIM AREAS, TERMINALS 1 AND 2, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97034

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH UNISON CONSULTING GROUP, INC. FOR THE AIRPORT CONCESSIONS PROGRAM CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97035

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN FIRST AMENDMENT TO LEASE WITH THE UNITED STATES POSTAL SERVICE."

"RESOLUTION NO. 97036

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN SECOND AMENDMENT TO LEASE WITH THE UNITED STATES POSTAL SERVICE."

"RESOLUTION NO. 97037

AWARDING CONTRACT TO C. OVERAA FOR CONSTRUCTION OF AIRCRAFT RESCUE AND FIRE FIGHTING FACILITY, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, A.I.P. 3-06-0170-12, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97038

APPROVING AND AUTHORIZING IMPLEMENTATION OF PORT'S LAST, BEST AND FINAL OFFER TO I.B.E.W. REGARDING IMPACTS WITHIN THE SCOPE OF REPRESENTATION OF A PROPOSAL TO CONSOLIDATE FIRE PROTECTION SERVICES AT METROPOLITAN OAKLAND INTERNATIONAL AIRPORT UNDER OAKLAND FIRE SERVICES ADMINISTRATION."

"RESOLUTION NO. 97039

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH MOFFATT & NICHOL FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97040

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH VZM FOR ENGINEERING CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97041

APPROVING AND AUTHORIZING EXECUTION OF THIRTEENTH SUPPLEMENTAL AGREEMENT WITH INTERNATIONAL TRANSPORTATION SERVICES, INC."

"RESOLUTION NO. 97042

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH GLOBAL ENTERPRISES, LTD., FOR MARITIME CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF AGREEMENT."

"RESOLUTION NO. 97043

APPROVING PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF BERTH 24 YARD IMPROVEMENTS, OUTER HARBOR TERMINAL, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97044

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97045

APPROVING JOB SPECIFICATION FOR THE POSITION OF PORT SENIOR PROGRAMMER/ANALYST."

"RESOLUTION NO. 97046

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF PORT PRINCIPAL SYSTEMS PLANNING ANALYST AND PORT SENIOR PROGRAMMER/ANALYST."

"RESOLUTION NO. 97047

GRANTING UNO'S JACK LONDON SQUARE, INC. PERMISSION TO PERFORM CERTAIN WORK.

"RESOLUTION NO. 97048

AUTHORIZING THE RETENTION OF THE LAW FIRMS OF FITZGERALD, ABBOTT & BEARDSLEY AND KONG AND KONG AS SPECIAL COUNSEL TO THE PORT ATTORNEY CONCERNING ENVIRONMENTAL CONTAMINATION OF PORT PROPERTY LOCATED AT THE SOUTH FIELD TANK FARM FACILITY, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA."

Port Ordinance No. 3360 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO DOCKAGE AND SPACE ASSIGNMENT RATES AND CRANE DESIGNATION," Port Ordinance No. 3361 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3044, FIXING CERTAIN REVISED PARKING RATES AT THE PARKING FACILITIES IN JACK LONDON SQUARE," were read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart,

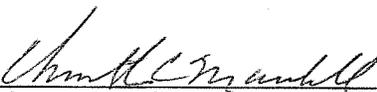
Taylor and Vice President Loh - 5

Noes: None

Absent: Commissioner Kramer and President Ortiz - 2

At the hour of 4:25 p.m. the Board entered into closed session pertaining to conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9, names of cases - Oakland Citizens for Site B, et al v. Port of Oakland, et al, Alameda County Superior Court Case No. 777066-9, Central Parking v. Port of Oakland, et al, Alameda County Superior Court Case No. 749090-3, East Bay News Service and Sanjiv Handa v. Port of Oakland, et al, Alameda County Superior Court Case No. 773964-2; conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9, three cases; and reconvened in open session at the hour of 5:05 p.m.

At the hour of 5:10 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting was held on Tuesday, February 4, 1997, at the hour of 3:11 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Lockhart, Taylor  
and President Ortiz - 6

Commissioners absent: Loh - 1

Also present were the Executive Director; Port Attorney; William West, Manager of Airport Properties; Director of Commercial Real Estate; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Director of Engineering; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the regular meeting of January 21, 1997 was approved as submitted and ordered filed.

Mr. Art Haskel, President of the Potomac Association appeared before the Board to update the activities of the Association and the Presidential Yacht "Potomac".

Ms. Stephanie Ruby, Mr. Gabriel Hernandez, Ms. Isabelita Tancioco and Teddy Tancioco all representing Hotel and Restaurant Union Local 2850, at the Airport, appeared before the Board to express concern over their negotiations with CA, the concessionaire, at the Airport. Commissioner Taylor noted that the group has appeared before the Board on two occasions and it was still unclear what their appearance concerned, as the Port was not a party in the negotiations. She requested that the item be referred to the Aviation

Committee to sort out the real issues, if any. President Ortiz asked the Aviation Committee to study the nature of their appearance.

The Commissioner Cole, Chair of the Aviation Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Kramer, Chair of Human Resources Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Lockhart, Chair of Maritime Committee, informed the Board that the committee had met and reviewed their current agenda.

**Approval of Change Order for Cost of Port Delays and Disruption, Reconstruction of Access Ramps Connecting Terminal 1 Buildings M-101/M-102 and M-102/M-103, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the contract with SHC Mark Diversified for the improvements in Terminal 1 which became effective on January 18, 1995 with a specified completion date of December 4, 1995, for a lump sum price of \$5,416,204.00. In general, the work consisted of demolition of existing reinforced concrete ramps and improvements and constructing new foundations, reinforced concrete ramps and associated improvements, including restrooms partitions, baggage handling system, and an elevator. During the performance of the work, the Contractor experienced various unanticipated conditions that severely impacted the schedule. These conditions included, but were not limited to: unexpected utilities behind walls and encased in floors; modifying the plans, the sequence of associated work and the overall schedule to accommodate the Connecting Corridor project which became the Airport's priority project; delays from discovery and removal of additional asbestos; moving and modifying pedestrian barricades to accommodate revised tenant and Airport operational needs; modifying work to keep the underpasses below the ramps open when the contract documents allowed for closure; design revisions to meet unforeseen site conditions; and adjusting work hours and sequencing as well as supervisory staffing to conform to the ever changing requirements of Airport Operations and tenants. The Port issued 40 construction

memorandums and 70 revised drawings, all of which led to 414 Proposal Requests for additional compensation to cover added scope of work. There were 64 change orders totalling \$811,116.37 issued to compensate the Contractor for direct extra work costs and appropriate time extensions were granted. The compensation did not include the additional costs to the Contractor for added supervisory requirements, costs associated with time delays not covered by change order work, and costs resulting from the disruption and loss of productivity caused to other contract work by the extraordinary number of changes. The Port and the contractor have now negotiated the legitimate expenses and all remaining claim issues at \$187,000.00. It was recommended that the Board approve a change order in the amount of \$187,000.00 as compensation for additional costs due to Port-caused delays and disruptions. After discussion, the recommendation was approved on passage of Resolution No. 97024.

**Award of Contract for Removal of Rubber Deposits from and Restriping of Runways for the Period Commencing March 1, 1997 and Ending February 28, 1998, 1999, or 2000, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the one bid received and recommending award of the contract to Rampart Waterblast, Inc., the bidder, at \$80,500.00. The recommendation was approved on passage of Resolution No. 97025.

**Plans and Specifications for Remodeling Restrooms in Buildings M-103 and M-130, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the improvements. It is proposed that the existing restrooms on the second floor of Building M-103 be remodeled to match the existing restrooms on the first floor of Building M-102, so that all the restrooms in Terminal 1 will be similar in appearance. All the restrooms will comply with ADA and Title 24 Building Code requirements after they are remodeled. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97026.

Jack London Square Parking Rates and Regulations was the subject of a memo to the Board from the Director of Commercial Real Estate notifying the Board that the Port presently operates 2,300 parking stalls in Jack London Square. The parking facilities include the 1,000, 7 level stall Washington Street Garage, the 295 stall Underground Garage, the Amtrak Parking Lot, the Beverages and more! Parking Lot and several surface parking facilities such as Lots 5, 7, 9, 11, and 13. The Port has been operating the parking program under a promotional rate structure designed to attract both new tenants and new customers by offering three hours free parking for the transient parking guests. This promotional program has been in operation for more than six years without any changes or modifications. Now that Jack London Square's office space is 100% leased and the retail space is 90% lease (including tenant spaces that are under construction), a promotional parking program which the Port heavily subsidizes is no longer necessary. The parking revenue collected by the Port is not covering the costs which include additional staffing necessary to handle the increasing demand, the cost of taxes the Port must pay to the City for its parking operations, general maintenance, utilities, elevator maintenance, depreciation and the cost of finance. It is estimated that the costs for the Washington Street Garage alone are equivalent to \$110.00 to \$140.00 per parking stall per month. There are two major parts to the Port's parking program: the hourly parking program for "transient" guests of Jack London Square and the long-term program or "monthly" program for office workers and employees of business. After a complete study, it was recommended that the Board authorize the following new rates: transient parking rates for Lot 13 (east of Alice), with validation, 1st hour free, \$0.75 per half hour thereafter, to a daily 12-hour maximum \$8.00; without validation \$1.00 for the first hour and \$1.00 for each 1/2 hour, thereafter to a daily 12-hour maximum \$8.00; underground garage with validation, 1st hour free \$1.00 per half hour thereafter to a daily 12-hour maximum \$8.00; without validation, \$1.00 for the first hour and \$1.00 for each 1/2 hour, thereafter to a daily 12-hour maximum \$10.00; other surface parking lots with revenue control with validation, 1st hour free \$0.75 per half hour thereafter

to a daily 12-hour maximum \$8.00; without validation, \$1.00 for the first hour, \$1.00 per half hour, thereafter to a daily 12-hour maximum \$10.00; parking meters/automated machines, \$0.75 per hour; Washington Street Garage, monthly parking program, Port employee rate for open parking \$100.00 per month, covered nest parking \$60.00 per month, Seventh Level parking \$40.00 per month; Lots 5, 7 and 9 (between Webster and Alice Streets), monthly parking nest \$55.00; Lots 13 (east of Alice Street) \$55.00 per month; and Lot 11 (Webster and Embarcadero) new, \$55.00 per month. All of the proposed rates include the City of Oakland Parking tax of 10%. Port Retail/Restaurant Tenant Validation Policy: Validation stamps to retail and restaurants would increased to \$10.00 per book. Office Validations Policy: Office tenants would be able to acquire validations at \$10.00 per book. Marine Validations: \$1.50 all day limit five stickers per ticket, and limit 20 stamps per month per vessel. Cinema Validations: validation required with new program, good for three hours in Washington Street Garage only, not in underground garage or other locations. Port Validations: the Port rate would increase to \$2.50 per validation. Special Event Parking: \$5.00 per event (in advance). Prepaid Parking: available to restaurants or banquet customers, \$4.00 per event.

Ms. Patti Rossi, owner of the Fat Lady Restaurant, located off Jack London Square and not a Port tenant, appeared before the Board to note that there was very little street parking in the area and the price increase would mean more cars for the street parking. This in turn would leave very little parking for her customers.

After considerable discussion, the recommendation was approved on passage of an ordinance to print with Commissioner Kramer voting no.

**Authorization for the Executive Director to Execute the Covenant of Deed Restriction Concerning the Embarcadero Cove State Superfund Site** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Port owns property (approximately 1.3558 acres) at the northwest corner of Embarcadero and Dennison Streets known as the Embarcadero Cove State Superfund Site. The site is currently vacant, but was

formerly in use by a Monsanto subsidiary. On July 8, 1987, the California Department of Health Services (DHS), now the Department of Toxic Substances Control (DTSC), issued Remedial Action Order HSA87/88-002RA to the Port of Oakland and Monsanto Company as respondents. The order required the respondents to conduct extensive characterization of hazardous materials at the Embarcadero Cove Site and to follow California Superfund procedures to remediate the Site. Certain remedial actions have been completed at the Site, such as the installation of a high density polyethylene barrier wall and the multimedia cap. DTSC has taken the position that before it will "certify" the Site, additional documents have to be submitted and approved by DTSC. One of these documents is a Covenant of Deed Restriction ("Covenant") which would prohibit future site development of certain uses including residential, hospital and health clinics, day-care center, and schools. In addition, no raising of food shall be permitted, nor shall the property be subdivided. The Covenant would restrict site uses to commercial (including office buildings, stores, banks, restaurants and service outlets) and industrial. It was recommended that the Board authorize the execution of the Covenant of Deed Restriction for the site. The recommendation was approved on passage of Resolution No. 97027.

**Approval to Hire Hartman Consulting Group to Conduct Habitat and Hydrodynamic Investigations Associated with the 50' Channel Deepening Project** was the subject of a memo to the Board from the Director of Engineering notifying the Board that in order to accommodate the newest generation of deep draft container ships, the Port must deepen the shipping channels and Port-maintained berths to a maximum depth of 50 feet below MLLW. Approximately 20 million cubic yards of sediment could be dredged in this effort. The Port staff has begun the process of evaluating disposal options for this sediment, including ocean disposal, in-Bay, upland and near shore reuse construction fill, and reuse as capping material for contaminated sediment sites in San Francisco Bay. One of the more promising options is to use the material for habitat creation in the Middle Harbor. The Port issued a request for proposals in November to previously experienced firms to assist the port in the habitat

and hydrodynamic investigations needed to pursue the habitat and fill disposal options. Of the three consultant teams competing, the selection committee determined that the Hartman Consulting Group rated highest. It was recommended that the Board authorize the preparation and execution of an agreement with Hartman Consulting Group to provide the professional services for the 50-foot deepening project for a fee up to \$996,040.00 with an additional \$150,000.00 available at the discretion of the Execution Director. The recommendation was approved on passage of Resolution No. 97028.

Authorization to Prepare and Execute an Agreement with EVS Environmental Consultants for the Collection, Testing and Analysis of Dredged Materials for the 50' Harbor Deepening Project was the subject of a memo to the Board from the Director of Engineering notifying the Board that critical to the deepening of the Port's channels and berths from the currently maintained depths to -50' will be accurate and timely sediment testing and analysis. In order to secure permits for the deepening project, the Port must analyze several disposal options, each with its own testing requirements. This project will include analysis for the beneficial and cost effective reuse of over 20 million cubic yards of dredged materials. Accurate testing conducted by a laboratory with experience and insight in the reuse of dredge materials is key to the success of the project. The Port stands to save millions of dollars and years of work if the consultants are able to accurately characterize the dredged sediments to the satisfaction of the Regulatory Agencies for appropriate disposal and reuse. The Port contacted over 500 firms in August 1996, to solicit interest in performing environmental work associated with the 50-foot project, approximately 90 responses were evaluated and a request for proposal was then issued in November 1996 to the 10 firms with the most relevant experience. Three proposals were received and were evaluated with EVS Environmental Consultants rated highest of the three proposers. It was recommended that the Board authorize the preparation and execution of an agreement with EVS Environmental Consultants. The agreed-upon cost plus fixed fee would not exceed

\$3,700,000.00 with an additional amount of \$500,000.00 available at the discretion of the Executive Director.

Mr. Don Eisenberg, President of EOA, Inc., an Oakland based firm, appeared before the Board to note that his firm placed second in the evaluation and would be available if the opportunity arise.

The recommendation was approved on passage of Resolution No. 97029.

**Amendments to Port of Oakland Tariff 2-As** was the subject of a memo to the Board from the Director of Maritime recommending approval to amend the tariff as follows. At present the Port charges a 24 hour period minimum assessment. The proposed modification will continue to base charges for dockage so that the first day is subject to a 24 hour minimum. Charges beyond the first 24 hour period will be assessed in full six hour increments but at twenty-five percent (25%) of the Tariff daily dockage rate for each subsequent six hour period beyond the first 24 hours. Designation of 7th Street ZPMC Container Crane: one of the container gantry cranes at the Seventh Street Marine Container Terminal is presently delineated as ZPM Crane No. X-432 and the correct designation should be ZPMC Crane No. X-437. Space Assignment rates for maintenance and repair areas: general rate category will now be the space, covered, not otherwise specified (N.O.S.) \$.75/square feet per month. The recommendation was approved on passage of an ordinance to print.

**Plans and Specifications for Load Testing of Piles at Berths 24 and 25, and Approval to Prepare and Execute an Indemnification Agreement with Maersk Pacific LTD** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the testing. The Port has performed a study to determine existing applied crane loads and maximum structural capacities of existing crane rail girders at all of marine terminals. The results of the study indicate that pile load testing is required at Berths 24 and 25 to validate calculated theoretical capacities at these berths and to provide an accurate assessment of current crane girder capacities. The work

consists in general of removing the tops of the existing piles, locating Maersk crane X-408 above the test piles, installing jacking equipment, applying loads to the piles, recording test data and repairing the piles. An indemnification agreement is required between Maersk and the Port for the use of Maersk's crane during the tests. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97030.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the approval to announce the examination for Port Electrician and Port Equipment Mechanic. The recommendation was approved on passage of Resolution No. 97031.

**Approval of One-Year Extension of Financial Advisor Contract with Fullerton & Friar, Inc., for Period March 17, 1997, through March 16, 1998** was the subject of a memo to the Board from the Chief Financial Officer notifying the Board of the financial advisory services contract with Fullerton & Friar, Inc. On February 20, 1996, the Board approved the first of two one-year extensions. The contract was for an initial two years, with two one-year options, and the retainer fee was not to exceed \$200,000.00 during the two-year period, out-of-pocket expenses were limited to \$30,000.00 per year, and transactional fees, if any, were not to exceed \$1.00 per \$1,000.00 of bonds issued. It was recommended that the Board exercise its option and extend the agreement for a final year through March 16, 1998. The fee structure for the final one-year extension is the same as the current contract. The recommendation was approved on passage of Resolution No. 97032.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Loh - 1

"RESOLUTION NO. 97024

APPROVING ISSUANCE OF CHANGE ORDER FOR CONTRACT WITH SHC/MARK DIVERSIFIED, A JOINT VENTURE OF SHARON HILL CORPORATION, A NEVADA CORPORATION, DOING BUSINESS UNDER THE FIRM NAME AND STYLE OF SHC CONSTRUCTORS, AND MARK DIVERSIFIED, INC., A CALIFORNIA CORPORATION, FOR RECONSTRUCTION OF ACCESS RAMPS CONNECTING TERMINAL 1, BUILDINGS M-101/M-102 & M-102/M-103, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, INCLUDING ADDITIVE ALTERNATE 1 AND ADDITIVE ALTERNATE 2."

"RESOLUTION NO. 97025

AWARDING CONTRACT TO RAMPART WATERBLAST, INC., FOR REMOVAL OF RUBBER DEPOSITS FROM AND RESTRIPING OF RUNWAYS FOR THE PERIOD COMMENCING MARCH 1, 1997 AND ENDING FEBRUARY 28, 1998, 1999 OR 2000, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS TO BE PROVIDED IN CONNECTION THEREWITH."

"RESOLUTION NO. 97026

APPROVING PLANS AND SPECIFICATIONS FOR REMODELING RESTROOMS IN BUILDING M-103 AND M-130, SOUTH FIELD METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97027

APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE COVENANT OF DEED RESTRICTION BETWEEN THE PORT AND THE STATE OF CALIFORNIA, ENVIRONMENTAL PROTECTION AGENCY, DEPARTMENT OF TOXIC SUBSTANCES CONTROL ("DTSC")."

"RESOLUTION NO. 97028

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH HARTMAN CONSULTING GROUP FOR THE CHANNEL DEEPENING PROJECT CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97029

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH EVS ENVIRONMENTAL CONSULTANTS FOR THE HARBOR DEEPENING PROJECT CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

"RESOLUTION NO. 97030

APPROVING PLANS AND SPECIFICATIONS FOR LOAD TESTING OF PILES AT BERTHS 24 AND 25, OUTER HARBOR, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR, AND APPROVING AND AUTHORIZING EXECUTION OF INDEMNIFICATION AGREEMENT."

"RESOLUTION NO. 97031

APPROVING EXAMINATION ANNOUNCEMENTS FOR THE POSITIONS OF PORT ELECTRICIAN AND PORT EQUIPMENT MECHANIC."

"RESOLUTION NO. 97032

FINDING AND DETERMINING THAT A PROPOSED SECOND SUPPLEMENTAL AGREEMENT WITH FULLERTON & FRIAR, INC. FOR CONSULTING SERVICES CONSTITUTES PROFESSIONAL, TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID SECOND SUPPLEMENTAL AGREEMENT."

Port Ordinance No. 3358 being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LEASE WITH AMERIFLIGHT, INC. AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. 3359 being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO CONTAINER CRANE ASSIGNMENT AND RENTAL RATES," were read a second time and passed by the following vote:

- Ayes: Commissioners Cole, Harris, Kramer, Lockhart,  
Taylor and President Ortiz - 6
- Noes: None
- Absent: Commissioner Loh - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO DOCKAGE AND SPACE ASSIGNMENT RATES AND CRANE DESIGNATION," was read a first time and passed to print by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Loh - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 3044, FIXING CERTAIN REVISED PARKING RATES AT THE PARKING FACILITIES IN JACK LONDON SQUARE," was read a first time and passed to print by the following vote:

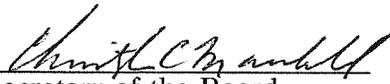
Ayes: Commissioners Cole, Harris, Lockhart,  
Taylor and President Ortiz - 5

Noes: Commissioner Kramer - 1

Absent: Commissioner Loh - 1

At the hour of 4:35 p.m. the Board entered into closed session pertaining to conference with legal counsel - anticipated litigation, significant exposure to litigation pursuant to subdivision (c) of Section 54956.9: two cases; conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9: names of cases: City of Oakland v. Keep On Trucking Company, Inc., U.S. Dist. Court of No. CA Case No. C95-03721, City of Oakland v. Zurich Insurance Company, et al. San Mateo Superior Court Case No. 371894 and City of Oakland v. Seabreeze Yacht Center, Inc., et al., U.S. Northern District, Case No. 92 0380 MHP; and reconvened in open session at the hour of 5:55 p.m.

At the hour of 6:15 p.m. the meeting was adjourned on a motion by Commissioner Taylor in honor of and with respect to Herb Caen.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS**  
**OF THE**  
**CITY OF OAKLAND**

The regular meeting was held on Tuesday, January 21, 1997, at the hour of 3:05 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, President Ortiz presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Lockhart, Loh, Taylor  
and President Ortiz - 6

Commissioners absent: Kramer - 1

Also present were the Executive Director; Deputy Port Attorney, Thomas Clark; Director of Aviation; Director of Commercial Real Estate; Chief Administrative Officer; Director of Equal Opportunity; Director of Strategic and Policy Planning; Director of Engineering; Director of Maritime; Chief Financial Officer; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the regular meeting of December 17, 1996 and the regular meeting of January 7, 1997 were approved as submitted and ordered filed.

The Director of Equal Opportunity presented the annual report on the activities of the Department.

The Commissioner Cole, Chair of the Aviation Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Loh, Chair of the Commercial Real Estate Committee, informed the Board that the committee had met and reviewed their current agenda.

**First Reading of Ordinance Approving New Lease with Existing Tenant, Ameriflight, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval of a new lease with Ameriflight, an air courier company, for 2,660 square feet of

office, 17,440 square feet of hangar, 1,020 square feet of shop, 3,680 square feet of mezzanine, 91,083 square feet of apron and 5,830 square feet of paved parking all located in and adjacent to Building L-210, 1,050 square feet of office, 8,127 square feet of hangar, 966 square feet of storage, 78,443 square feet of apron and 3,386 square feet of paved parking all located in and adjacent to Building L-230D and 700 square feet of office, 5,124 square feet of hanger, 2,267 square feet of shop/storage, 1,392 square feet of mezzanine/storage, 44,034 square feet of apron and 1,298 square feet of paved parking all located in and adjacent to Building L-230C on the North Airport. The principle terms includes that the premises would be used for air courier operations including aircraft maintenance, repair, loading and unloading, storage and an operations base for transportation services. The rental would be \$28,035.70 per month, subject to upward adjustment every thirty months based upon the change in the Consumer Price Index and subject to further additional upward adjustment in year 10 based upon the then fair market rental value of the premises. Ameriflight would continue to be liable for monthly payment to the Port of fuel flowage fees (currently at \$0.15 @ gallon). Ameriflight would be responsible for increasing its performance deposit to \$56,071.00 which would be subject to upward adjustment in the manner indicated above for rent. The term would be for 15 years with one five year option on Ameriflight's part to renew; the five year option would be conditioned upon Ameriflight's investment of a CPI adjusted \$200,000.00 in code-related improvements. The initial term of the lease would be conditioned upon Ameriflight's investment of at least \$600,000.00 in building improvements including a one-story, administration office building annex of approximately 6,000 square feet to Building L-230C. There is no Port capital investment associated with the proposed lease; nor rent credit to Ameriflight. Ameriflight would be obligated to comply with applicable Port Prevailing Wage and Equal Opportunity policies and would be responsible for all maintenance except for that pertaining to the apron, roof, walls and annual greasing of hangar door fittings, only as required, which would be the Port's responsibility. This project has been determined to be

categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of an ordinance to print.

**Approval of an Agreement to Extend Right-of-Entry and Indemnity Agreement with The Hertz Corporation** was the subject of a memo to the Board from the Director of Aviation notifying the Board of the previous Right-of-Entry and Indemnity Agreement for one ground water monitoring well adjacent to The Hertz Corporation service facility, Building M-108, South Airport. Since Alameda County and State of California environmental regulations required that new and existing wells be monitored for several years, the Board extended the term through March 31, 1994, March 31 1995, March 31, 1996 and again through March 31, 1997. Hertz indicates that the environmental regulatory agencies require further monitoring of the wells. Therefore, it was recommended that the Board approve the extension of the ROE Agreement dated April 15, 1993 through March 31, 1998. The recommendation was approved on passage of Resolution No. 97011.

**Approval of Airport Land Lease with United States of America, Department of Transportation, Federal Aviation Administration for Site Investigation for Proposed Air Traffic Control Tower** was the subject of a memo to the Board from the Director of Aviation recommending approval of an Airport Land Lease with the United States of America, Department of Transportation, Federal Aviation Administration, for approximately 500,000 square feet of land at the intersection of Sally Ride Way and Air Cargo Access Road, effective July 1, 1996. The FAA would be permitted to access the property for the express purpose of conducting tests and surveys as may be necessary to determine if the property contains hazardous materials which would have a negative impact upon the use of the site for an Air Traffic Control Tower. The recommendation was approved on passage of Resolution No. 97012.

**Plans and Specifications for Remodeling of Office Spaces, Second Floor, Building M-102, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for remodeling

of office spaces, second floor, Building M-102, South Airport. The existing offices on the second floor of Building M-102 can no longer meet the increased office space demand in these areas. Also, the restrooms on this floor do not meet the standards of the Americans with Disabilities Act and Title 24 Building Code requirements. This project will remodel the existing office spaces to provide additional office space, and modify the existing restrooms to comply with ADA and Title 24 Building Code requirements. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97013.

**Assignment of Lease from Il Pescatore Ristorante, a General Partnership, to Il Pescatore Ristorante, Inc., a California Corporation** was the subject of a memo to the Board from the Director of Commercial Real Estate notifying the Board that Il Pescatore Ristorante, a general partnership, whose members are Octavio Guidi, Milvano Orsi, and Lorenzo Picchi, currently occupy 3,450 square feet of Port space at 57 Jack London Square, under the terms of a recently signed Lease Agreement that expires in October 2005. The Port has received a request from the current partners to assign the Lease from the partnership to a newly formed California corporation called Il Pescatore Ristorante, Inc. This will not involve any change to the business operation, or the ownership structure, except that the wife of one of the current partners (Eva Picchi) will be listed as one of the shareholders. The current partnership will remain liable for the performance of the Lease. It was recommended that the Board approve the Assignment of Lease from Il Pescatore Ristorante, a general partnership, to Il Pescatore Ristorante, Inc., and approve the addition of Eva Picchi as a shareholder in the corporation. The recommendation was approved on passage of Resolution No. 97014.

**Award of Contract for Demolition of Buildings F-206 and F-215, Jack London Square** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the six bids received and recommending award of the contract to Evans

Brothers Inc., the low bidder, at \$188,950.20. The recommendation was approved on passage of Resolution No. 97015.

**Approval of Building Permit Application for Harrison Marine Center Site Remodel, 1295 Embarcadero** was the subject of a memo to the Board from the Director of Engineering recommending approval to remodel and upgrade the site to enhance appearance and visibility of their business. The work will include: construction of truss-frame canopies extending approximately 20 feet from the buildings and approximately 30 feet high, on the front of P-108 and the front and two sides of P-106, supported by 18" diameter concrete columns; construction of a truss-frame canopy over the service entrance of P-104, northeast corner, extending approximately 7 feet from the building and 15 feet high; installation of fabric covering and new identification signs on the canopies; replacement of some existing windows and doors in P-106 and P-104; repair and replacement of existing siding, as necessary, on all buildings; the remodel of existing interior office in P-108; installation of new iron fencing, paving, exterior lighting, and landscaping; and modification of electrical/mechanical systems related to the above work. The cost of the work is estimated at \$300,000.00. The project is categorically exempt and does not require the preparation of an environmental document. The recommendation was approved on passage of Resolution No. 97016.

**New Crane Rental Rates in Port Tariff 2-A for Middle Harbor Terminal** was the subject of a memo to the Board from the Director of Maritime notifying the Board that with the relocation of American President Lines operations from Middle Harbor Terminal to the facility at Berth 25/26, the Port was to purchase APL's three post Panamax cranes which are designated as X-446, X-447, and X-448. In order to facilitate relocation to the TraPac facility while operations are winding down at the Middle Harbor Terminal, APL has entered into a short term rental of the three post Panamax cranes from the Port at the rate of \$82,000.00 per month. The rental term will continue in effect until APL relocates its Global Alliance operations to the consolidated TraPac facility. If APL and the Port have not

executed a mutually agreeable termination and relocation agreement by March 1, 1997, then the rental rate for the cranes will change to an hourly rate to be established in the Port tariff. Also included in the short term rental agreement is a provision where the Port has the right to establish a separate level of crane rental rates for subsequent secondary users which may call at the Middle Harbor Terminal after December 26, 1996. It was recommended that the Board approve the proposed hourly rental rate of \$425.00, with hourly maintenance and repair of \$180.00, and power charges of \$30.00. The recommendation was approved on passage of an ordinance to print.

**Plans and Specifications for Demolition of Slab and Foundations for Building D-733, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineering recommending their approval and authority to advertise for bids for the demolition of the slab and foundations for the building. The work is necessary in order to provide space for maritime-related operations. The environmental documents associated with the project were previously approved by the Board. The recommendation was approved on passage of Resolution No. 97017.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Edna Lima, as Airport Landside Services Coordinator, effective January 22, 1997, at \$3,562.00 per month; Dennis Tully, as Electrical/Mechanical Technician, effective January 22, 1997; amending the appointment date for Nancy Humphrey, as Principal Port Safety Administrator, from January 13, 1997 to January 21, 1997; and approving leave of absence for Roberto Gomez, Port Equipment Driver from February 15, 1997 through May 15, 1997 for personal reasons. The recommendations were approved on passage of Resolution No. 97020 for appointments, Resolution No. 97021 for amending appointments and Resolution No. 97022 for a leave of absence.

**Extension of Excess Workers' Compensation and Employers Liability Insurance** was the subject of a memo to the Board from the Director of Finance notifying the Board that

the Port is permissibly self-insured for California Workers' Compensation. In recent years the Port has purchased excess insurance to protect against catastrophic losses. The Board authorized the purchase of renewal insurance at the Board meeting of February 6, 1996 for one-year period to expire February 7, 1997 which the period does not coordinate well with the Port's overall liability insurance program. It was recommended that the Board approve the extension of excess workers' compensation insurance through April 1, 1997, with General Reinsurance Corporation and Fireman's Fund, for an additional deposit premium of \$6,869.00. The change in renewal date will allow for a more timely, competitive quotes from potential insurers. The recommendation was approved on passage of Resolution No. 97018.

**Travel Authorization** was the subject of a memo to the Board from the Secretary of the Board recommended the travel of Yale Yee, Electrical/Mechanical Engineer, to Shanghai, China on or about the period January 27, 1997 to February 5, 1997, to meet with Shanghai Zhenhua Port Machinery Co. to perform field inspections for the new cranes and schedule shipping dates. The recommendation was approved on passage of Resolution No. 97019.

**Approval of Contract with Robert J. Edwards, P.E., Esq. for Consulting Services Regarding Small, Women-owned, Minority, Oakland Businesses and Port Development of Opportunities** was the subject of a memo to the Board from the Chief Administrative Officer recommending approval to retain the services of Mr. Robert J. Edwards, P.E., Esq. Mr. Edwards will provide consulting services to the Revenue and Engineering Divisions, with emphasis on Airport Expansion and Joint Intermodal Terminal projects. Included in these services will be policy development, devising strategies to increase partnerships between local and national or regional firms who will be submitting proposals for bidding on this work. Strategies will encompass needs assessment, local business growth, technology transfer, training, and other appropriate techniques to assist local companies in expanding their capacity for Port work, not only in public works construction, but as consultants and

vendors as well. The maximum compensation under the proposed agreement would not exceed \$40,000.00 for fiscal year 1996/97 with certain additional work available at the discretion of the Executive Director. After discussion, the recommendation was approved on passage of Resolution No. 97023.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh,

Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

"RESOLUTION NO. 97011

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN AGREEMENT TO EXTEND RIGHT-OF-ENTRY AND INDEMNITY AGREEMENT WITH THE HERTZ CORPORATION."

"RESOLUTION NO. 97012

AUTHORIZING, APPROVING AND EXECUTING A LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION AND FEDERAL AVIATION ADMINISTRATION."

"RESOLUTION NO. 97013

APPROVING PLANS AND SPECIFICATIONS FOR REMODELING OF OFFICE SPACES, SECOND FLOOR, BUILDING M-102, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, OAKLAND CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97014

APPROVING ASSIGNMENT OF LEASE FROM IL PESCATORE RISTORANTE, A GENERAL PARTNERSHIP TO IL PESCATORE, INC., A CALIFORNIA CORPORATION."

"RESOLUTION NO. 97015

AWARDING CONTRACT TO EVANS BROTHERS INC., FOR DEMOLITION OF BUILDINGS F-206 AND F-215, JACK LONDON SQUARE, OAKLAND, CALIFORNIA, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

RESOLUTION NO. 97016

GRANTING HARRISON'S BOAT CENTER, INCORPORATED PERMISSION TO PERFORM CERTAIN WORK."

"RESOLUTION NO. 97017

APPROVING PLANS AND SPECIFICATIONS FOR DEMOLITION OF SLAB AND FOUNDATIONS FOR BUILDING D-733, HARBOR TRANSPORTATION CENTER, OAKLAND, CALIFORNIA, AND CALLING FOR BIDS THEREFOR."

"RESOLUTION NO. 97018

AUTHORIZING EXTENSION OF EXCESS WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE."

"RESOLUTION NO. 97019

CONCERNING CERTAIN TRAVEL."

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Lockhart, Loh,  
Taylor and President Ortiz - 5

Noes: None

Absent: Commissioners Harris and Kramer - 2

"RESOLUTION NO. 97020

CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97021

AMENDING PORT RESOLUTION NO. 97008 CONCERNING CERTAIN APPOINTMENTS."

"RESOLUTION NO. 97022

GRANTING LEAVE OF ABSENCE TO ROBERTO GOMEZ, PORT EQUIPMENT DRIVER."

"RESOLUTION NO. 97023

FINDING AND DETERMINING THAT A PROPOSED AGREEMENT WITH ROBERT J. EDWARDS REGARDING SMALL, WOMEN-OWNED, MINORITY, OAKLAND BUSINESSES CONSTITUTES PROFESSIONAL TECHNICAL AND SPECIALIZED SERVICES THAT ARE TEMPORARY IN NATURE, WAIVING COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF SAID AGREEMENT."

Port Ordinance No. 3357 being, "AN ORDINANCE AMENDING SECTION 8.114 AND 10.035 OF PORT ORDINANCE NO. 867 CREATING ADDITIONAL POSITIONS," was read a second time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Lockhart, Loh,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LEASE WITH AMERIFLIGHT, INC. AND DIRECTING RECORDATION THEREOF," and Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING PORT ORDINANCE NO. 2833 RELATING TO CONTAINER CRANE ASSIGNMENT AND RENTAL RATES," were read a first time and passed by the following vote:

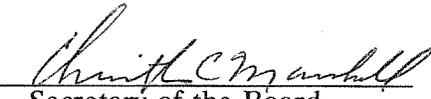
Ayes: Commissioners Cole, Harris, Lockhart, Loh,  
Taylor and President Ortiz - 6

Noes: None

Absent: Commissioner Kramer - 1

President Ortiz informed the Board that there would not be a closed session at the meeting due to the absence of the Port Attorney.

At the hour of 4:25 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board

**REGULAR MEETING OF THE BOARD OF PORT COMMISSIONERS  
OF THE  
CITY OF OAKLAND**

The regular meeting was held on Tuesday, January 7, 1997, at the hour of 3:10 p.m., in the office of the Board, second floor, 530 Water Street, Oakland, California, Vice President Kramer presiding, appropriate notice having been given and posted.

Commissioners present: Cole, Harris, Kramer, Lockhart, Loh, Taylor  
and President Ortiz - 7

Commissioners absent: None

Also present were the Executive Director; Port Attorney; Director of Aviation; Director of Commercial Real Estate; Chief Administrative Officer; Director of Strategic and Policy Planning; Director of Engineering; Internal Auditor; Media Relations Manager; and Secretary of the Board.

The minutes of the special meeting of December 2, 1996 was approved as submitted and ordered filed.

The Chief Administrative Officer, Staff Chair of the Human Resources Committee, informed the Board that the committee had met and reviewed their current agenda.

Commissioner Lockhart, Chair of the Maritime Committee, informed the Board that the committee had met and reviewed their current agenda.

**Approval to Dispense with Formal Bids for Emergency Repairs to Taxiways V and Y, South Airport, MOIA** was the subject of a memo to the Board from the Director of Engineering. At the request of Commissioner Cole the item was held over for further review by the Aviation Committee.

**Approval for Submittal of Preapplication to Federal Aviation Administration (FAA)** was the subject of a memo to the Board from the Director of Engineering notifying the

Board that the Federal Aviation Administration has approximately \$2.87 million in entitlement funds available to the Port under the Airport Improvement Program (AIP) for Fiscal Year 1997, and a preapplication must be submitted as soon as possible in order to apply for these funds. Entitlement funds are allocated annually based on the number of enplaning passengers and air cargo traffic units per airport. The funds are proposed to be used toward the Reconstruction of Concrete Apron Southeasterly of Building L-812 and a Portion of Taxiway D on the North Airport. The total estimated cost is \$3,650,000.00 with the Port's share at \$777,925.00 and the FAA's share at \$2,872,075.00. It was recommended that the Board approve the submittal of the AIP preapplication to the Federal Aviation Administration. The recommendation was approved on passage of Resolution No. 97001.

**Approval of Cooperative Agreement with State of California for Airport Roadway Project, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board that the Airport Roadway Project is one of the Transportation 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 and through the Oakland Airport to Bay Farm Island in the City of Alameda. It will accommodate projected traffic growth at the Air Cargo Center, the Airport Passenger Terminals, and Harbor Bay Business Park. The Port of Oakland is the Project Sponsor listed in the Alameda County Transportation Authority (ACTA) 1986 Expenditure Plan. The current total projected cost for the ARP is \$81.71 million. Because portions of the project involve improvements within existing or proposed State of California (STATE) right of way, including a grade separation (98th Avenue Undercrossing) on Route 61 (Doolittle Drive) at 98th Avenue and modifications at the Route 61/Hegenberger Road and Route 61/Airport Access Road intersections in Oakland, a cooperate agreement between the Port and the STATE is required. In general, the Cooperative Agreement defines the necessary approval process, permit requirements, and other preparatory work for the proposed improvements within STATE right of way and the corresponding

responsibilities for the respective parties before and after the improvements are completed. It was recommended that the Board authorize the execution of the Cooperative Agreement negotiated with the State of California. The recommendation was approved on passage of Resolution No. 97002.

**Approval of New License and Concession Agreement with Aviation Methods, Inc.** was the subject of a memo to the Board from the Director of Aviation recommending approval of an agreement with Aviation Methods, Inc., for 354 square feet of office space, 527 square feet of shop space and 816 square feet of paved parking in and adjacent to Building L-710, North Airport, at \$431.37 per month, effective October 22, 1996. The recommendation was approved on passage of Resolution No. 97003.

**Award of Contract to Replace Fuel Storage Tank MV-03 at the Tank Farm, South Field, MOIA** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the eight bids received and that the low bidder, Universal Environmental, Inc, did not have an active contractor's license on the date they submitted their bid. The State business and professions code expressly provides that bids by unlicensed bidders are nonresponsive and the bid submitted by Universal Environmental, Inc., must be rejected. It was recommended that the contract be awarded to Tank Protect Engineering of Northern California, Inc., at \$29,265.00. The recommendation was approved on passage of Resolution No. 97004.

**Approval of Preliminary Design, Initial Study and Mitigated Negative Declaration for the Arrowhead Wetland Mitigation at the Distribution Center** was the subject of a memo to the Board from the Director of Engineering notifying the Board that on December 15, 1994, the United States District Court for the Northern District of California entered two Consent Decrees to resolve issues regarding allegedly authorized fill of wetlands at two locations at the Port: the Distribution center and the Airport. One Consent Decree was signed by the Port, the environmental plaintiffs, and the State Attorney General's office on behalf of the State and the San Francisco Regional Water Quality Control Board. The

second was signed by the Port, the Corps of Engineers, and the U.S. Department of Justice. Under both Consent Decrees, the Port agreed to create/enhance/restore a tidal and seasonal wetland complex over approximately 71 acres at the Distribution Center. Once this work is completed, the wetland complex will be deeded to the East Bay Regional Park District (EBRPD), and the Port will be able to develop the remainder of the Distribution Center (approximately 34 acres). In 1995, the Port hired Levine-Fricke to prepare a preliminary design statement for the proposed wetland project. Based upon the revised preliminary design, the Port prepared an Initial Study pursuant to the California Environmental Quality Act (CEQA) to determine if the project would have any significant environmental impacts. The Initial Study concluded that the only significant adverse impact resulting from the project would be the loss of alleged wetlands. This impact will be mitigated by the construction of wetlands as included in the project design itself, thus the project is self-mitigating. The Initial Study and proposed Mitigated Negative Declaration were circulated to the interested public on November 18, 1996 for a 30-day comment period. Two letters were received during the comment period. The Regional Water Quality Control Board commented on some of the terminology and methodology used in the Initial Study and the City of Alameda requested additional traffic analysis of the project, consideration of alternative transportation routes for traffic congestion unrelated to the project, and consideration of construction of pedestrian and bicycle facilities outside the project boundaries. It was recommended that the Board find: that it has considered the Initial Study and Mitigated Negative Declaration and the comments received during the public review process; that on the basis on the Initial Study and the comments received and the staff's responses to the comments, there is no substantial evidence that the project will have a significant effect on the environment; that the project as described in the Initial Study is self-mitigating, and that the construction wetlands will be monitored and monitoring records will be prepared by the East Bay Regional Park District; that the Board adopts and approves the Mitigated Negative Declaration; and that the Mitigated Negative Declaration

reflects the independent judgement of the Board. Also recommended was approval of the Preliminary Design. The recommendation was approved on passage of Resolution No. 97005.

Possible Discussion on Correspondence Dated December 17, 1996 from Robert Ulreich Regarding Jack London Square Security Contract was placed on the agenda to allow for discussion of the allegations and request by Mr. Ulreich to rescind the contract with Security USA for the Jack London Square contract.

Mr. Dwight Pedersen, President and CEO of American Protective Services, appeared before the Board to note that his firm was the recommended firm for the award of the contract and he was disappointed that APS was not awarded the contract. He further requested that the contract difficulties between Security USA and EBMUD be fully investigated by the Port before award of the contract.

Mr. Michael Kempainen, Vice President American Commercial Security Service, appeared before the Board to note that his firm was the existing contractor at Jack London square and that they would be available on a hold over basis while the proposed allegations were investigated.

Mr. Eddie Tarpeh, a union member, appeared before the Board to ask the Board to rescind the contract as he had "bad experiences" with Security USA.

Mr. Aubrey Weldon, Branch Manager for American Protective Services, appeared before the Board to request that the allegations presented concerning Security USA and EBMUD be fully investigated before the firm starts its contract with the Port.

Mr. Robert Ulreich, President of the International Union of Security Officers, appeared before the Board to ask that the contract with Security USA be rescinded and that the Board fully investigate his charges and that the contract be rebid.

Commissioner Kramer moved that the item be calendared for further discussion, to affirm or reconsider the contract after EBMUD has responded to the allegations concerning

Security USA. There was no second and the motion died. There was no further discussion on the item.

**Recommendation to Approve Third Lease Amendment with Navy for Property at Fleet Industrial Supply Center** was the subject of a memo to the Board from the Director of Maritime notifying the Board that negotiations with the Navy have produced an agreement on a third lease amendment covering an additional 55.32 acres for \$1. The lease term is 50 years. The total area presently leased by the Port is approximately 190 acres. The recommendation was approved on passage of Resolution No. 97006.

**Award of Contract for Demolition of Building D-746 and Associated Improvements, Harbor Transportation Center** was the subject of a memo to the Board from the Director of Engineering notifying the Board of the eight bids received and recommending award of the contract to Thomas D. Eychner Co., Inc., the low bidder, at \$241,575.00. The recommendation was approved on passage of Resolution No. 97007.

**Personnel Items** contained in a memo to the Board from the Chief Administrative Officer recommended the appointment of Nancy Humphrey, a Principal Port Safety Administrator, effective January 13, 1997, at \$5,342.00 per month; and the creation of three additional positions of Electrical-Mechanical Technician in the Engineering Division and one additional position of Airport Landside Services Coordinator in the Aviation Division. Also recommended was approval of a medical leave of absence for Clay Worsham, Port Senior Accountant, from January 9, 1997 through and including January 12, 1997. The recommendations were approved on passage of Resolution No. 97008 for appointment, Resolution No. 97009 for leave of absence and an ordinance to print for creating additional positions.

**Travel Authorization** was the subject of a memo to the Board from the Secretary of the Board recommended approval of the travel of the Director of Maritime, Leo R. Brien to Barbados, Barbados on or about the period January 11 - 15, 1997, to attend and

participate in the Executive Committee Meeting of the American Association of Port Authorities. The recommendation was approved on passage of Resolution No. 97010.

The following resolutions were introduced and passed separately by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

Noes: None

Absent: None

"RESOLUTION NO. 97001

APPROVING SUBMITTAL OF A PRE-APPLICATION TO FEDERAL AVIATION ADMINISTRATION UNDER THE AIRPORT IMPROVEMENT PROGRAM."

"RESOLUTION NO. 97002

APPROVING AND AUTHORIZING EXECUTION OF COOPERATIVE AGREEMENT WITH STATE OF CALIFORNIA FOR AIRPORT ROADWAY PROJECT."

"RESOLUTION NO. 97003

APPROVING AND AUTHORIZING EXECUTION OF CERTAIN LICENSE AND CONCESSION AGREEMENT WITH AVIATION METHODS, INC."

"RESOLUTION NO. 97004

AWARDING CONTRACT TO TANK PROTECT ENGINEERING OF NORTHERN CALIFORNIA, INC. TO REPLACE FUEL STORAGE TANK MF-03, AT THE TANK FARM, SOUTH FIELD, METROPOLITAN OAKLAND INTERNATIONAL AIRPORT, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97005

CERTIFYING CONSIDERATION OF INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR ARROWHEAD WETLAND MITIGATION AT THE DISTRIBUTION CENTER, FINDING NO SUBSTANTIAL EVIDENCE OF SIGNIFICANT EFFECT ON THE ENVIRONMENT, APPROVING THE MITIGATED NEGATIVE DECLARATION, AND APPROVING PRELIMINARY DESIGN FOR THE PROJECT."

"RESOLUTION NO. 97006

APPROVING AND AUTHORIZING EXECUTION OF THIRD AMENDMENT TO LEASE WITH THE UNITED STATES OF AMERICA, DEPARTMENT OF THE NAVY, REGARDING THE FLEET AND INDUSTRIAL SUPPLY CENTER, NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA."

"RESOLUTION NO. 97007

AWARDING CONTRACT TO THOMAS D. EYCHNER CO., INC. FOR DEMOLITION OF BUILDING D-746 AND ASSOCIATED IMPROVEMENTS, HARBOR TRANSPORTATION CENTER, FIXING THE AMOUNT OF BONDS, REJECTING ALL OTHER BIDS AND DIRECTING RETURN OF BID BONDS TO BIDDERS."

"RESOLUTION NO. 97008

APPOINTING NANCY HUMPHREY TO THE POSITION OF PRINCIPAL PORT SAFETY ADMINISTRATOR."

"RESOLUTION NO. 97009

APPROVING LEAVE OF ABSENCE TO CLAY WORSHAM, PORT SENIOR ACCOUNTANT."

"RESOLUTION NO. 97010

CONCERNING CERTAIN TRAVEL."

Port Ordinance No. \_\_\_\_ being, "AN ORDINANCE AMENDING SECTION 8.114 AND 10.035 OF PORT ORDINANCE NO. 867 CREATING ADDITIONAL POSITIONS," was read a first time and passed by the following vote:

Ayes: Commissioners Cole, Harris, Kramer, Lockhart, Loh,  
Taylor and President Ortiz - 7

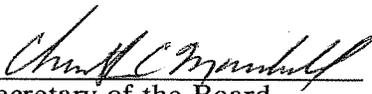
Noes: None

Absent: None

At the hour of 4:35 p.m. the Board entered into closed session pertaining to personnel matters "Public Employee Discipline/Dismissal/Release", (California Government Code Section 54957); conference with legal counsel - existing litigation, subdivision (a) of Government Code Section 54956.9 - name of case: City of Oakland v. Keep On Trucking, Inc. et al., U.S District Court for the Northern District of California No. C95-03721 CW; and reconvened in open session at the hour of 5:40 p.m.

January 7, 1997

At the hour of 5:42 p.m. the meeting was adjourned on a motion duly made and seconded.

  
Secretary of the Board