



Item Number: {{item.number}}

**Board of Directors**

**Written Communications**

**Meeting of: November 26, 2024**

**Submitted By:**

C. Eric Ray, Airport Director

**Subject:**

Runway 17/35 Reconstruction Phase V, Project CC24-126, Amendment One

**Recommendation:**

That the Southern California Logistics Airport Authority Board of Directors:

- (1) Adopt Resolution No. SCLAA 24-007 increasing budgeted Airport Operations expenses of \$211,530.17; and
- (2) Approve Amendment One to the Construction Contract with Pave-Tech Inc., for Runway 17/35 Reconstruction Phase V, Project CC24-126, increasing the total not to exceed compensation by \$211,530.17 to \$5,145,079.44.

**Fiscal Impact:**

This Amendment requires an additional budget appropriation of \$211,530.17 to the Airport Operations fund for this project. Resolution No. SCLAA 24-007 increases the current fiscal year 2024-2025 budget by \$211,530.17 and is presented herein for your approval. Cash reserves are sufficient to accommodate the requested budget appropriation. The budget is outlined below:

<b>Original Budget</b>
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Balance

4500125-55320-95144 Airport Operations	\$1,099,872.37
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<b>Revised Budget</b>
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Balance

4500125-55320-95144 Airport Operations	\$1,311,402.54
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**Strategic Plan Goal:**

Goal E. Invest in Infrastructure: Project CC24-126 invests in airfield infrastructure by providing a durable surface solution for Runway 3/21 as part of Phase V of Runway 17/35 Reconstruction Project.

**Background:**

The Southern California Logistics Airport (“SCLA”) airfield consists of two commercial-length runways and nine taxiways. The main runway, Runway 17/35, consists of aged asphalt and newer concrete pavement sections. The asphalt sections have been of particular concern for Airport users since asphalt rutting, pitting, cracking, and breaking are major safety concerns as these conditions create foreign object debris that collect on the runway and taxiways, becoming major hazards to aircraft. Several asphalt sections have been replaced with concrete pavement in phases over the last few years as FAA funding has become available. Project CC24-126 is continuing the asphalt reconstruction efforts on Runway 17/35 to improve runway pavement and overall safety for aircraft operations. Ancillary to the runway pavement reconstruction, the Runway 3/21 blast pad will be replaced and extended and sections of Runway 17/35 shoulder will be milled down and covered with fresh asphalt. The Southern California Logistics Airport Authority (“SCLAA”) Board of Directors approved the award of a Construction Contract to Pave Tech, Inc, (“Pave-Tech”) to facilitate the Runway 17/35 Reconstruction – Phase V, Project CC24-126, on October 15, 2024, and construction is underway.

Runway 3/21 consists almost entirely of aged asphalt runway that was designed primarily for use by smaller military aircraft. A recent FAA inspection noted significant sections of Runway 3/21 showing signs of distress requiring repair, in addition to numerous markings requiring complete removal and replacement. The markings removal and replacement will need to be completed by January 1, 2025. Moreover, staff is concerned that the future phases of the Runway 17/35 Reconstruction Project will inflict more damage to the aged Runway 3/21 as it will be relied upon to accommodate all air traffic while Runway 17/35 is under construction. Given this reality, it is of paramount importance that Runway 3/21 be repaired before future sections of Runway 17/35 are reconstructed.

Pave-Tech, the contractor working on Phase V of the Runway 17/35 Reconstruction project, has proposed the application of a Gilsonite-based Asphalt Sealer product called GSB-88 for Runway 3/21 after “micro milling” the markings off the pavement. The micro milling process is highly effective at removing very thin layers of cracked and peeling paint off asphalt while imparting very little scarring and damage to the finished surface. GSB-88 serves to replace some of the material removed by micro milling, fills small cracks, and restores asphalt pavements by reintroducing the oils and resins that have been lost through oxidation and normal wear and tear. GSB-88 has become widely accepted and is currently in use on runways around the globe. GSB-88 is FAA approved for use on runways and is expected to extend the useful life of the current surface by several years, thus providing a window for Runway 17/35 to be fully reconstructed while allowing continued operations on Runway 3/21.

Lastly, this is the most opportune time to perform this regenerative work on Runway 3/21 as it is now closed to accommodate the construction on Runway 17/35.

**Discussion:**

The urgent repairs that are needed on Runway 3/21 necessitate the expertise of a construction firm that is capable of successfully micro milling the asphalt and appropriately applying the GSB-88. To procure these services, SCLAA staff requested a proposal from Pave-Tech, in accordance with Municipal code section 2.28.180, which governs Construction Contract Change Orders. Staff received the attached proposal ("Proposal") for the necessary surface preparation and installation of the GSB-88 in the amount of \$211,530.17. Staff reviewed the Proposal and found the costs to be reasonable given the urgent nature of the repairs on approximately 860,000 square feet area of Runway 3/21 requiring improvement. Moreover, both items of work; micro milling and GSB-88 application are bid items pertaining to the existing Runway 17/35 project.

Approval of Amendment One to the existing Construction Contract with Pave-Tech, will allow Pave-Tech to perform this much needed work to Runway 3/21 as a contract amendment at an expected discount to performing a separate procurement. Because this scope of work is identical to two items of the Runway 17/35 Reconstruction Project, economies of scale and saving of mobilization costs greatly benefit the SCLA. The Pave-Tech bid for the original milling and asphalt emulsion work for Phase V of Runway 17/35, consisting of approximately 3,000 sq. ft. of surface area, was bid at \$5.29 per sq. ft. The other bidder for Phase V bid that work at \$5.20 per sq. ft., and the engineers estimate for this work was at \$5.50 per sq. ft. However, the Pave-Tech Proposal price for milling and resurfacing 860,000 sq. ft. of Runway 3/21 is approximately \$.25 per sq. ft., demonstrating a significant price reduction caused by the realization of economies of scale due to the enormity of the volume. Furthermore, since Pave-Tech is already onsite with their equipment and personnel, they have minimal mobilization expenses included in their Proposal.

Each time a runway is closed, SCLA staff must notify the FAA and issue an official Notice to Air Missions that informs notices pilots of the runway closure. Also, staff must install warning signs in the form of illuminated X shaped barricades at each end of the runway to demonstrate to inbound pilots that the runway is closed. Staff must also secure the runway by placing physical barriers and temporary signs at each taxiway entrance to prevent a plane from inadvertently entering the runway. Staff spends a significant amount of time planning runway closures with tenants, who are not fond of runway closures because of the impact that closures have on their ability to receive and return aircraft. The current closure of Runway 3/21 as part of Phase V presents an ideal time to complete the FAA directed milling and resurfacing work. To perform this work at another time would require staff to redundantly spend time and resources to close Runway 3/21. The opportunity to perform this work is now, given the current closure of Runway 3/21 and the advantageous cost savings presented by Pave-Tech.

Therefore, staff requests and recommends that the SCLAA Board of Directors approve

Amendment One to the Construction Contract by and between the SCLAA and Pave-Tech Inc., increasing the total not to exceed compensation by \$211,530.17 to \$5,145,079.44, for Runway 17/35 Reconstruction Phase V, Project #CC24-126, and adopt Resolution No. SCLAA 24-007, increasing budgeted operations expenses in the amount of \$211,530.17.

Staff remains available for any questions or comments you may have.

CER/see

- Attachments:**
- A. Site Map
  - B. Resolution No. SCLAA 24-007
  - C. Amendment One
  - D. Pave-Tech Inc. Proposal
  - E. Municipal Code 2.28.180