

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5d

ACTION ITEM

Date of Meeting January 8, 2013

DATE: December 27, 2012

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capitol Development *RG*
Janice Zahn, Assistant Engineering Director *JZ*

SUBJECT: Change Order No. 7 - Exterior Gates and Airfield Improvement Projects at
Seattle-Tacoma International Airport MC-0317155

Amount of This Request: 0

Source of Funds: Construction or Project
Contingency

Est. State and Local Taxes: \$663,694.52

Total Project Cost: \$4,064,000

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to issue Change Order No. 7 for Contract MC-0317155, Exterior Gates and Airfield Improvement Projects at Seattle-Tacoma International Airport to add 109 calendar days to the contract duration. There is no funding associated with this request.

SYNOPSIS:

The Exterior Gates and Airfield Improvement Projects installed Advanced Visual Docking Guidance Systems (A-VDGS) at D Concourse gates D7, D8, and D9 to accommodate the Airline Realignment Program. A delayed move of airline tenants to this location is causing delays to the final reconfiguration of these gates and the permanent airfield markings will not be painted until the airlines are ready to move. Since the A-VDGS cannot be certified for use until the permanent airfield markings are in place, the work associated with this project cannot be completed at this time.

A change order is required to extend the contract time so the contractor may complete the certification of the A-VDGS at a later date that corresponds with the delayed delivery of gates D7, D8, and D9.

The construction contingency and previous budget increase will be used to pay for this change order. No additional funds are requested.

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BACKGROUND:

The Airline Realignment program will require a number of modifications associated with the airlines that will relocate their gates, to effectively operate in their new locations. The airline realignment is driven by airline mergers and the growth of Alaska Airlines, which necessitates the repositioning of airlines to different concourses and gates, hold rooms, and ticketing positions throughout the Airport.

With numerous airlines relocating to other gate and ticket counter locations, there are modifications that must be addressed for the airlines to effectively operate in their new locations. The relocations will yield a more balanced facility, increasing throughput rates in a terminal of limited size. The Exterior Gates Project provides infrastructure improvements (such as adding A-VDGS to previously unequipped gates) that allow airline tenants to more efficiently operate at these locations.

CHANGE ORDER DESCRIPTION:

The following information relates to the pending change order scope and cost:

Change Order No. 7

Scope of work: The contract time shall be extended by 109 calendar days to accommodate a delayed installation date of the A-VDGS. A not-to-exceed cost of \$10,000 is allowed to reschedule the vendor's personnel for certification testing.

The change order is being issued as a not-to-exceed change order because the contractor will be compensated for only the actual cost required to reschedule the testing.

JUSTIFICATION:

At the time of bid, the the Airline Realignment Program plans were to relocate airline tenants in January of 2013. The new date is now April 2013 due to linked ticket counter delays and identifying a target date after the airline peak spring-break traffic. If the gates are reconfigured now for the new tenant as planned, they would be unusable for the current tenant. A change order is necessary to extend the contract duration so that this work can be performed at a later date and keep the current gate configuration until it is necessary to change it. The costs related to this contract time extension are anticipated to be mainly related to the rescheduling the certification of the A-VDGS. Due to the dependency on the actual dates the airline tenants will relocate to these gates, this will be issued as a not-to-exceed change order with the actual costs reconciled at a later date.

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CONTRACT INFORMATION:

The following information relates to the contract and competitive award:

Contract award date:	April 11, 2012
Original period of performance:	April 11, 2012 – January 11, 2013
Previous contract extensions:	0 Working Days
Contract extension this change order:	109 Days
Current Contract Completion Date:	April 30, 2013

FINANCIAL INFORMATION:

Original contract amount:	\$6,553,964.00
Previous Change Orders Executed:	\$422,294.12
<u>Current contract amount</u>	<u>\$6,976,258.12</u>
This request, Change Order No. 7	\$10,000.00
Subtotal Construction Costs	\$6,986,258.12
Anticipated sales tax @ 9.5%	\$663,694.52
Revised Contract Amount	\$7,649,952.64

The Exterior Gates and Airfield Improvement Project is a combined construction contract representing four separate projects. This change is related to the Exterior Gate Improvements – Airline Realignment (C800472), which currently has a total project authorization of \$4,064,000. The portion of the construction contract related to this project before execution of this change order is \$2,132,944. All four projects are within authorized budgets. No further funding is requested at this time.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

On October 2, 2012, the Port Commission authorized the issuance of Change Order No. 4 for the not-to-exceed amount of \$470,000 for the work associated with two additional fuel hydrants.

On June 26, 2012, the Port Commission authorized a budget increase in the amount of \$400,000, and approved the project scope change to add two additional fuel hydrant pits as part of the airline realignment program.

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On April 24, 2012, the Port Commission authorized Airline Realignment Tenant Improvements in the amount of \$225,000 for regulated materials management.

On April 10, 2012, the Port Commission authorized additional budget to enter into a construction contract for airfield improvements including Exterior Gate Improvements – Airline Realignment (C800472).

On March 27, 2012, the Port Commission authorized design and construction of gate B1 and B11 jet bridges as elements of Passenger Loading Bridge Replacement Project- Airline Realignment (C800467) in the amount of \$1,570,000.

On January 24, 2012, the Port Commission received a briefing on the Airport Realignment Program.

On January 24, 2012, the Port Commission authorized construction of Exterior Gate Improvements – Airline Realignment (C800472) in the amount of \$2,613,000.

On January 24, 2012, the Port Commission authorized design for CUSE at Ticket Counter/Gates & Seating (C800473) in the amount of \$484,000.

On December 6, 2011, the Port Commission authorized construction of Baggage Handling System (BHS) Improvements – C22 BHS Connection to C1/C1-MK1 Replacement (C800382) at the Airport in the amount of \$3,604,000.

On December 6, 2011, the Port Commission authorized design of the Miscellaneous Building Improvements – Airline Realignment (C800475) at the Airport in the amount of \$1,721,000.

On December 6, 2011, the Port Commission authorized design of the Airline Tenant Improvements – Airline Realignment (expense) at the Airport in the amount of \$3,776,000.

On November 22, 2011, the Port Commission was provided with a verbal preliminary briefing of December 6, 2011, items with a diagram.

On September 27, 2011, the Port Commission authorized execution of an IDIQ contract for Airline Realignment Tenant Improvements and Ticket Counter Design services totaling \$10,000,000.

On September 12, 2011, the Port Commission received a summary briefing on the Airport Realignment Program at the Airport.

On June 14, 2011, the Port Commission authorized design of the Exterior Gate Improvements – Airline Realignment project (C800472) at the Airport in the amount of \$499,000.

On June 14, 2011, the Port Commission authorized design of the Airport Signage – Airline Realignment project (C800474) at the Airport in the amount of \$238,000.

On March 1, 2011, the Port Commission authorized design and some construction of the Baggage Handling System (BHS) Improvements - C22 BHS connection to C1/C1-MK1 Replacement /TC3 Replacement (C800382) in the amount of \$1,731,000.

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On February 22, 2011, the Port Commission authorized the first phase of the Passenger Loading Bridge Replacement – Airline Realignment Project (C800467) including design, purchase, and execution to replace, refurbish and relocate PLBs at Concourse D.

On February 22, 2011, the Port Commission was shown a summary listing of realignment projects and authorized Planning for Terminal Realignment in the amount of \$713,000.

On January 25, 2011, the Port Commission was briefed on several projects that are part of the overall airline realignment program and which required a single Commission authorization in order to meet the realignment schedule. The first part of the realignment program was authorized by the Commission on this date under the Concourse D Common Use Expansion Project (C800455).

On September 28, 2010, the Port Commission was given a summary briefing of the upcoming 2011 capital improvement plan that included the airline realignment program elements.

On June 8, 2010, the Port Commission authorized execution of an IDIQ contract for the Terminal Development Strategy Campus Planning Services IDIQ in the amount of \$1,300,000.