

Capital Improvement Projects

Fourth Quarter Report 2012
Commission Briefing



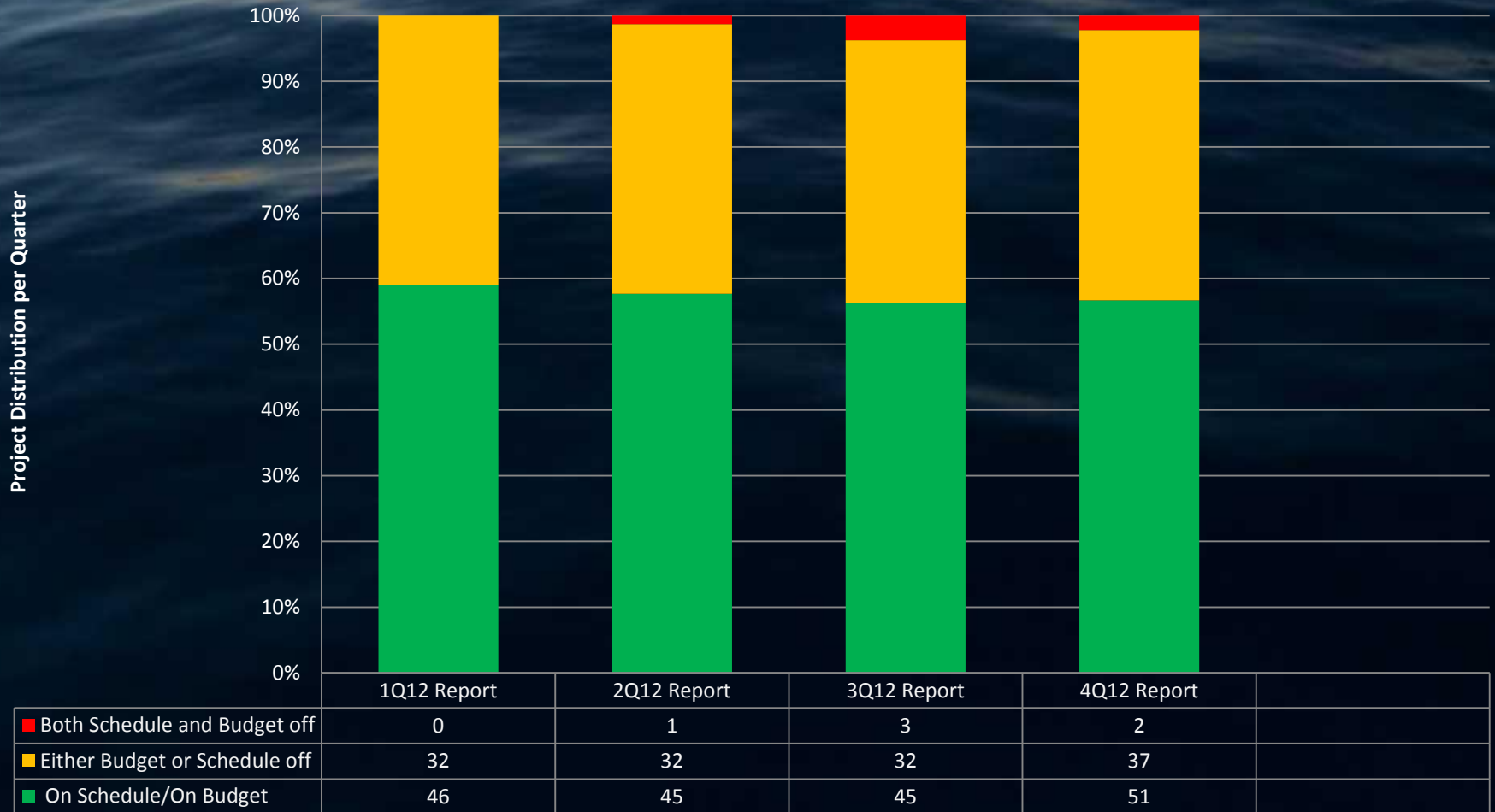
Port of Seattle

Where a sustainable world is headed.™

Capital Improvement Projects Overall Status of Projects

- 100 Total Projects in report
- 56 Projects are within or ahead of target schedule and budget
- 43 Projects have either target schedule or budget off
- 1 Project has both target schedule and budget off

Project Status Total CIPs Managed by CDD



AVIATION PROJECT SUMMARY

- Six projects are behind schedule:
 - Claim 14 and Lower Inbound (delay period TBD) – The project was delayed due to Hurricane Sandy. The equipment was on the dock at the Port of New York the day of the hurricane. Some of the equipment was damaged due to flooding.
 - Cargo 6 Enhancements (3 months) – The delay is due to combining Cargo 6 with Cargo 2 and 5, to be performed as a single construction contract.
 - FIS Short Term (7 months) – Addition of a 60% design phase will delay completion of this project.
 - Doug Fox Site Improvements (5 months) – The project completion is delayed due to weather restrictions on when the asphalt can be poured.

AVIATION PROJECT SUMMARY, Cont.

- Six projects are behind schedule (cont.):
 - Emergency Lighting – Parking (7 months) – The project completion schedule was delayed due to decisions on scope delineations between the Casne and McKinstry contracts.
 - Vertical Conveyance Modernization (12 months) – Installation of two new elevators and rephasing of construction work added a delay to the project.
- One project is under budget:
 - Runway 16C-34C Panel Replacement (~ \$700,000) – Project is in closeout and savings have been identified.

AVIATION PROJECT SUMMARY, Cont.

- Cost of Construction Growth:
 - Lagoon 3 Birdwires (10.2%) –
 - Contractor was compensated for additional costs for adding a galvanized finish to the structural steel
 - Contractor was directed to provide additional materials for the bird netting
 - Terminal Escalator Modernization (34.3%) –
 - Differing site conditions encountered at the South Satellite during the installation of two added escalators
 - Incorporating additional firesafing measures
 - Upgrading of existing handrails and guardrails to current code
 - State inspector imposed requirement for a hard barrier between escalators during construction
 - Correction of existing electrical adjacent to the work that does not meet code
 - Removal of unanticipated asbestos

AVIATION PROJECT SUMMARY, Cont.

- Cost of Construction Growth (cont.):
 - Central Plant Preconditioned Air (19.1%) –
 - Total re-design of piping on Concourse B, C, D and N & S Satellite and N/S Satellite tunnels
 - Various electrical and mechanical modifications required due to differing conditions found at each loading bridge
 - Hidden structural/mechanical/electrical obstructions in way of pipe routing
 - Tenant request for resizing of PC Air units to accommodate more types of aircraft
 - Reroute of piping due to upcoming elevator project interferences
 - Baggage Handling System (C22-C1, MK1, and TC3) (12.4%) –
 - Removal of the existing C1-CS1 curbside conveyor that was no longer required
 - Design to replace make-up device MK1 did not include POS ergonomic standards for this kind of device,
 - Design for the conveyors in the C1-CS2 conveyor line created unsafe electrical and mechanical conditions for maintenance workers

SEAPORT PROJECT SUMMARY

T-115 Declaration of Emergency

- Due to a 10” waterline break, a Declaration of Emergency was made on January 25, 2013 to retain a geotechnical firm to investigate the subsurface conditions and hire a contractor to make repairs to the pavement system at T-115 before April 1, 2013;
- A geotechnical firm investigated the site and made repair recommendations;
- Site investigations and repairs were orchestrated by Seaport Project Management, executed by Port Construction Services, and assisted by additional Port staff from Engineering, Survey, Marine Maintenance, and CPO;
- Major repairs consisted of removal and replacement of approximately 310 cy of subgrade material; 2,400 cy of asphalt pavement; and two heavy duty catch basin cover assemblies;
- Project was completed on March 20, 2013, eleven days ahead of schedule
- The final project cost will be in the range of \$350,000 to \$400,000, roughly 20 to 30 percent under budget.

CORPORATE PROJECT SUMMARY

Three projects with a new reportable schedule variance this quarter:

- Police Records Management System –Technical problems installing the new software will delay the implementation until August 2013.
- Sharepoint Records Center - Resource availability due to competing priorities has delayed the full implementation until June 2013.
- Time Clock – The original vendor selected via a competitive procurement was unable to complete the installation. The project team has evaluated options and will move forward with the procurement and implementation of a simpler time clock system from a new vendor. The scope of the implementation will not include a Peoplesoft interface as originally planned to reduce complexity.

Small Business Contracting

<u>SB by SBA Standard</u>	<u>2011 Actual</u>	<u>2012 Goal</u>	<u>2012 To Date</u>	<u>2013 Proposed</u>	<u>2012 SCS</u>
Major Construction	29%	8%	45%	20%	4%
SW Construction	62%	60%	92%	60%	25%
Goods and Services/ Service Agreements	18%	15%	57%	30%	1%
	<u>2010-2012 year to date</u>				
Aggregate	SB by SBE Standard		31%		