

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**ACTION ITEM**

**Item No.** 6c  
**Date of Meeting** October 8, 2013

**DATE:** September 30, 2013  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Mike Ehl, Director, Airport Operations  
Wayne Grotheer, Director, Aviation Project Management Group

**SUBJECT:** 2014 Cargo Hardstand Improvement Projects  
Cargo 2 Hardstand Expansion (CIP #C800247)  
Cargo 5 Hardstand Construction (CIP #C800254)  
Cargo 6 Hardstand Improvements (CIP #C800390)  
Airfield Pavement Replacement – Cargo 6 Apron (CIP #C102573)

<b>Amount of This Request:</b>	<b>Capital:</b> \$55,657,200	<b>Expense:</b> \$360,000	<b>Total:</b> \$56,017,200
Cargo 2 Hardstand Expansion	\$10,445,600	\$115,000	\$9,535,600
Cargo 5 Hardstand Construction	\$35,363,600	\$145,000	\$31,123,787
Cargo 6 Hardstand Improvements	\$5,948,000	\$50,000	\$5,998,000
Cargo 6 Apron Replacement	\$3,900,000	\$50,000	\$3,950,000

**Est. State and Local Taxes:** \$4,559,800

**Est. Jobs Created:** 91

**Source of Funds:** Combined Airport Development Fund, existing revenue bonds and future bonds.

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to (1) advertise and execute a single construction contract comprised of Cargo 2 Hardstand Expansion (CIP #C800247), Cargo 5 Hardstand Construction (CIP #C800254), Cargo 6 Hardstand Improvements (CIP #C800390), and Airfield Pavement Replacement-Cargo 6 Apron (CIP #C102583); (2) execute contracts for 400 Hz ground power units, fire extinguishers, and furniture; and (3) to authorize port crews to perform advance work associated with project delivery. This authorization is for \$50,607,383, and the cost for the complete project is \$69,258,000.

**SYNOPSIS**

The combined projects (“project”) will promote air freight and regional economic vitality by allowing large freighter aircraft to operate efficiently at Cargo 2 and 6 hardstands and provide additional remain-over-night (RON) parking positions at Cargo 5 that are critical to meeting capacity demand and operational efficiency and safety requirements at Seattle-Tacoma International Airport (Airport). Replacement of distressed pavement at Cargo 6 will also occur

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in support of meeting these needs. The project is consistent with, and necessary for, implementation of the Commission's Century Agenda air cargo goal that calls for tripling air cargo volume over 25 years. Meeting the goal will require expanded and more efficient facilities. The Cargo 5 hardstand supports the Port's Century Agenda strategy to meet the region's air transportation needs at the Airport for the next 25 years.

Each of the cargo and other hardstand areas include electrical ground-power units that eliminate the need for aircraft to use their auxiliary power. The underground fuel hydrant system is being extended to Cargo 6. These features will assist the Port in its commitment to reduce the emission of greenhouse gasses and other pollutants. A new security access facility at Cargo 5 and a replacement guard shelter at Cargo 2 are also included in the project.

These individual projects have been combined into a single construction contract because of the similarity, proximity, and the timing of the work in each cargo area. The combined projects benefit from a more efficient design, economies of scale, and lower administrative costs. The Port will procure some items directly to include 400 Hz ground power units, fire extinguishers specific to hardstand use, and building interior furnishings for two airfield security gates constructed by the project. The Port may also self-perform some elements of work such as the repair of traffic control items located along the temporary haul route and other small works projects that may be needed to facilitate overall delivery. Given the size and the security and schedule constraints of these projects, they are not well suited for small businesses to be prime contractors, even as separate procurements. The project team will coordinate with the Office of Social Responsibility to evaluate appropriate small business subcontracting opportunities on the major construction contract.

## **BACKGROUND**

The overall air cargo market is forecast to grow at an annual rate of more than five percent over the next 20 years, according to Boeing's current World Air Cargo Forecast, driven primarily by growth in international traffic. The existing Cargo 2 and Cargo 6 hardstands are of insufficient depth to accommodate simultaneous straight-in parking for large freighter nose-load operations common to international freighter use. This project will provide additional concrete apron space that will provide better maneuverability, increased operational area for all users and will allow the best utilization of these facilities.

The Commission has previously approved a lease buyout of one of several ProLogis leaseholds, which included two buildings, one of which will be demolished to accommodate the expanded hardstand at Cargo 2. The Port has coordinated with ProLogis regarding the relocation of their tenants prior to the start of project construction.

The demolition of the Cargo 2 building also requires the relocation of FAA Airport Surface Detection Equipment Model-X Remote Unit No. 7 (ASDE-X RU7). The Commission has previously authorized the execution of an agreement with the FAA and funds for this relocation.

Additionally, as part of the multi-year concrete pavement replacement project, Port staff has specifically identified the Cargo 6 Hardstand area as a location with one of the highest

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concentrations of distressed panels at the Airport. The replacement of these panels is included in the project for efficiency and to reduce operational impacts if replacement were to occur separately.

The Airport's geographic location has traditionally been a determining factor in the accommodation of RON aircraft by airline operators. By virtue of being located in the northwest corner of the continental United States, a high number of departures are scheduled by the airlines to leave early in the morning in order to reach their connections and destinations at desirable times. Many of the morning departure aircraft return to the Airport at night to fuel and prepare for the next day's early morning flight. As a result of the high number of morning departures, more passenger aircraft remain overnight at the Airport than there are terminal gates available. In the absence of sufficient RON parking capacity, airlines will most likely not schedule additional morning departures. Without sufficient available RON hardstands, the Airport cannot meet the demands of the airline customers. To accommodate anticipated future growth in RON demand within the very limited space available, the Airport must convert underutilized airfield assets to the highest and best use.

The continuing growth of Alaska Airlines and Delta Air Lines, as well as the potential merger of American Airlines and U.S. Airways further contributes to a corresponding demand in remain-over-night parking. Finally, construction phasing for the NorthSTAR project and new International Arrivals Facility project will ultimately impact existing RON availability over the next five years.

The Cargo 5 RON hardstand is being accomplished in three phases. The first phase was the termination of the lease with the USPS. The second phase was the demolition of the USPS building, completed in summer of 2012. The third and final phase is the design and construction of the hardstand.

Changes to the Airport Operations Area (AOA) Security access points are also necessitated by the project. Vehicles currently entering the existing Gate E-100 are immediately introduced onto the aircraft taxiway, which can create conflicts. This gate also has a steep entrance that can limit access during inclement weather. The new Gate E-125 on the north side of Cargo 5 will provide better access and eliminate the current potential conflict between vehicles accessing the airfield and aircraft. At Cargo 2, the current Gate E-185 will be replaced with a relocated Gate E-190 to accommodate the enlarged hardstand.

The Commission previously authorized execution of a Project Labor Agreement for the Project.

## **PROJECT JUSTIFICATION AND DETAILS**

This project is dedicated to improving efficiency in the use and utilization of off-gate ramp space, meeting the demands of our airline customers, upgrading and improving airfield access and security, and proactively reducing the emission of greenhouse gasses and other pollutants.

### ***Project Objectives:***

- Expand the Cargo 2-West hardstand in order to accommodate the increased size and frequency of wide body cargo aircraft at the Airport

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- Allow for the simultaneous use of the Cargo 6 off-gate hardstand by two wide-body nose-loading freighter aircraft
- Provide additional RON parking positions through the creation of Hardstand 5 in order to meet the expected demand and to provide flexibility to accommodate irregular schedules of passenger aircraft.
- Improve overall air cargo efficiency
- Support cargo volume growth
- Provide fuel and power systems that will result in airline cost savings, increased efficiency and less environmental impact
- Replace old pavement and joint sealant as part of the pavement management program that allows aircraft operations to safely occur.

### ***Scope of Work***

The key project work elements include:

- Demolition of Cargo Building #2
- Relocation of FAA ASDE-X RU7 Antenna
- Excavation, Grading and Paving
- Apron Replacement
- Retaining walls
- Grading modification of existing Vehicle Service Road
- 400 Hz ground power units
- Nose wheel tethers
- Ramp lighting
- Visual and Thermal Cameras
- Optical Cameras
- Fiber optic communication
- AOA Security Fence re-alignment
- New guard shelter at Security Gate E-190
- New security access facility at Security Gate E-125
- Airfield Guidance Signs
- Utilities, pavement markings, and other miscellaneous work associated with the project

### ***Schedule***

Commission Authorization to Advertise	October	2013
Advertise	October	2013
Contract Award and Execute	December	2013
Cargo 2 Building Tenant Relocation	January	2014
Notice to Proceed	February	2014
Construction Complete	November	2014

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### **FINANCIAL IMPLICATIONS**

#### **Cargo 2 Hardstand Expansion**

##### ***Budget/Authorization Summary***

	Capital	Expense	Total Project
Original Budget	\$13,300,000	\$300,000	\$13,600,000
Previous budget changes	(\$1,470,000)	\$300,000	(\$1,170,000)
Current budget increase		\$115,000	\$115,000
Revised Budget	\$11,830,000	\$715,000	\$12,545,000
Previous Authorizations	\$2,410,000	\$600,000	\$3,010,000
Full Lease Buyout Authorization Savings	(\$1,025,600)	\$0	(\$1,025,600)
Current request for authorization	\$10,445,600	\$115,000	\$10,560,600
Total Authorizations, including this request	\$11,830,000	\$715,000	\$12,545,000
Remaining budget to be authorized	\$0	\$0	\$0
Total Estimated Project Cost	\$11,830,000	\$715,000	\$12,545,000

##### ***Project Cost Breakdown***

	This Request	Total Project
Lease Buy-out	\$0	\$554,400
Construction	\$8,834,400	\$9,434,400
Administrative Costs	\$952,400	\$1,782,400
State & Local Taxes (estimated)	\$773,800	\$773,800
Total	\$10,560,600	\$12,545,000

The project has realized savings associated with the lease buyout of \$1,025,600. The authorized amount has been similarly reduced.

##### ***Budget Status and Source of Funds***

**Cargo 2 Hardstand Expansion** (CIP #C800247) is included in the 2013-2017 capital budget and plan of finance with a budget of \$11,830,000. The capital portions of this project will be funded with the Airport Development Fund and future revenue bonds. Consistent with the Port's plan of finance, the Airport anticipates issuing revenue bonds in 2014 to fund this project and a number of others. The \$715,000 in expense funds for relocation of the FAA ASDE-X antenna will be accounted for as public expense, a non-operating expense account. These costs will be funded with the Airport Development Fund.

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### ***Financial Analysis and Summary***

<b>CIP Category</b>	Revenue/Capacity Growth
<b>Project Type</b>	Business Expansion
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	N/A
<b>Project cost for analysis</b>	12,545,000
<b>Business Unit (BU)</b>	Airfield Commercial Area
<b>Effect on business performance</b>	NOI after depreciation will decrease due to increased depreciation.
<b>IRR/NPV</b>	N/A
<b>CPE Impact</b>	None

### ***Lifecycle Cost and Savings***

The estimated life expectancy for this project is 20 years for pavements, 15-20 years for the security guard shack, 40 years for utilities, 20 years for 400 MHz power system and 30 years for electrical panels and transformers.

The estimated operating and maintenance cost is \$28,000 for the first year, \$20,500 per year second year, with an increase of 3% per year thereafter.

### **Cargo 5 Hardstand Construction**

#### ***Budget/Authorization Summary***

	Capital	Expense	Total Project
Original Budget	\$28,097,000	\$0	\$28,097,000
Previous budget increase	\$17,943,000	\$0	\$17,943,000
Revised Budget	\$46,040,000	\$0	\$46,040,000
Previous Authorizations	\$15,061,213	\$0	\$15,061,213
Full Lease Buyout Authorization Savings	(\$86,213)	\$0	(\$86,213)
Demolition Authorization Savings	(\$4,298,600)	\$0	(\$4,298,600)
Current request for authorization	\$35,363,600	\$145,000	\$35,508,600
Total Authorizations, including this request	\$46,040,000	\$145,000	\$46,185,000
Remaining budget to be authorized	\$0	\$0	\$0
Total Estimated Project Cost	\$46,040,000	\$145,000	\$46,185,000

#### ***Project Cost Breakdown***

	This Request	Total Project
Lease Buy-out	\$0	\$4,995,000
USPS Demolition	\$0	\$1,306,400
Construction	\$29,762,200	\$29,762,200
Administrative Costs	\$2,694,000	\$7,069,000
State & Local Taxes (estimated)	\$3,052,400	\$3,052,400
Total	\$35,508,600	\$46,185,000

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This project has realized savings relating to the previously authorized lease buyout and demolition. The authorized amount has been similarly reduced.

**Cargo 5 Hardstand Construction** - Aircraft RON Parking USPS Site (CIP #C800254) is included in the 2013-2017 capital budget and plan of finance. The source of funds for this project will be existing revenue bonds and future revenue bonds. Consistent with the Port's plan of finance, the Airport anticipates issuing revenue bonds in 2014 to fund this project and a number of others.

### ***Financial Analysis and Summary***

<b>CIP Category</b>	Revenue/Capacity Growth
<b>Project Type</b>	Business Expansion
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	N/A
<b>Project cost for analysis</b>	\$46,185,000
<b>Business Unit (BU)</b>	Airfield Apron Area
<b>Effect on business performance</b>	NOI after depreciation will increase
<b>IRR/NPV</b>	N/A
<b>CPE Impact</b>	+\$0.24 in 2015, but no change to business plan forecast as this project was included.

### ***Lifecycle Cost and Savings***

The estimated life expectancy for this project is 20 years for pavements, 30 years for the airfield access security building, 40 years for utilities, 20 years for 400 MHz power system and 30 years for electrical panels and transformers.

The estimated annual operation and maintenance cost for Cargo 5 Hardstand is \$150,000 for the first year with a 3% increase per year thereafter.

### **Cargo 6 Hardstand Improvements**

<b><i>Budget/Authorization Summary</i></b>	Capital	Expense	Total Project
Original Budget	\$5,550,000	\$50,000	\$5,600,000
Previous budget increase	\$878,000	\$0	\$878,000
Revised Budget	\$6,428,000	\$0	\$6,478,000
Previous Authorizations	\$480,000	\$0	\$480,000
Current request for authorization	\$5,948,000	\$50,000	\$5,998,000
Total Authorizations, including this request	\$6,428,000	\$50,000	\$6,478,000
Remaining budget to be authorized	\$0	\$0	\$0
Total Estimated Project Cost	\$6,428,000	\$50,000	\$6,478,000

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### ***Project Cost Breakdown***

	This Request	Total Project
Construction	\$4,977,300	\$4,977,300
Administrative Costs	\$568,000	\$1,048,000
State & Local Taxes (estimated)	\$452,700	\$452,700
Total	\$5,998,000	\$6,478,000

The \$50,000 in expense funds for possible contaminated soil was shown in the September 18, 2012, Commission memo as a budget amount but authorization was not requested at that time.

**Cargo 6 Hardstand Improvements** (CIP #C800390) is included in the 2013-2017 capital budget and plan of finance with a budget of \$6,428,000. The source of funds for this project will be the Airport Development Fund and future revenue bonds. The Airport anticipates issuing revenue bonds in 2014 to fund this project and a number of others.

### ***Financial Analysis and Summary***

<b>CIP Category</b>	Revenue/Capacity Growth
<b>Project Type</b>	Business Expansion
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	N/A
<b>Project cost for analysis</b>	\$6,478,000
<b>Business Unit (BU)</b>	Airfield Commercial Area
<b>Effect on business performance</b>	NOI after depreciation will decrease due to increased depreciation.
<b>IRR/NPV</b>	N/A
<b>CPE Impact</b>	None

### ***Lifecycle Cost and Savings***

Useful Life:

The estimated life expectancy for this project is 20 years for pavements, 40 years for utilities, 10 years for 400Hz power system and 30 years for electrical panels and transformers.

The estimated operating and maintenance cost is \$37,475 per year with an increase of 3% per year thereafter.

### **Airfield Pavement Replacement**

#### ***Budget/Authorization Summary***

	Capital	Expense	Total Project
Original Budget	\$30,800,000	\$0	\$30,800,000
Budget Decrease	\$537,965	\$0	\$537,965
Revised Budget	\$30,262,035	\$0	\$30,262,035
Previous Authorizations	\$21,645,035	\$0	\$21,645,035
Current request for authorization	\$3,900,000	\$50,000	\$3,950,000
Total Authorizations, including this request	\$25,545,035	\$50,000	\$25,595,035



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Remaining budget to be authorized	\$4,717,000	\$0	\$4,717,000
Total Estimated Project Cost	\$30,262,035	\$50,000	\$30,312,035

### ***2014 Cargo 6 Apron Replacement***

***Project Cost Breakdown This Request***      Previous Request      This Request      Total Project

Construction	\$0	\$3,119,100	\$3,119,100
Administrative Costs	\$100,000	\$550,000	\$650,000
State & Local Taxes (estimated)	\$0	\$280,900	\$280,900
Total	\$100,000	\$3,950,000	\$4,050,000

Note: The Commission authorized \$300,000 for design of the 2014 Airfield Improvement Program of which \$100,000 is used for the Cargo 6 Apron and the remainder for the regular pavement replacement program.

**Cargo 6 Apron Replacement** is included in the 2013-2017 capital budget and plan of finance. The airfield panel and joint seal replacement project, CIP #C102573, is part of a multi-year program to replace deteriorating pavement panels and joint seal. The funding source will be existing revenue bond proceeds and future bonds. The Airport anticipates issuing revenue bonds in 2014 to fund this project and a number of others.

### ***Financial Analysis and Summary***

<b>CIP Category</b>	New/Enhancement
<b>Project Type</b>	Renewal & Replacement
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	N/A
<b>Project cost for analysis</b>	\$4,050,000
<b>Business Unit (BU)</b>	Airfield Commercial Area
<b>Effect on business performance</b>	NOI after depreciation will decrease due to increased depreciation
<b>IRR/NPV</b>	N/A
<b>CPE Impact</b>	None

### ***Lifecycle Cost and Savings***

The estimated life expectancy for this project is 20 years for pavements. Annual Operating and Maintenance costs are not anticipated to change appreciably. The replacement of concrete panels and joint seal will result in cost avoidance for maintaining them.

### **Combined Project**

***Project Cost Breakdown***      This Request

Lease Buy-out's	\$0
USPS Demolition	\$0

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Construction	\$46,693,000
Administrative Costs	\$4,764,400
State & Local Taxes (estimated)	\$4,559,800
Total	\$56,017,200

## **STRATEGIES AND OBJECTIVES**

This project supports the Port's Century Agenda of tripling air cargo volume over 25 years.

Providing and maintaining critical airfield assets also supports the Port's Century Agenda objective to meet the region's air transportation needs at Sea-Tac. Modern and efficient air cargo facilities are fundamental to the creation of an international logistics hub. Secure access points to the airfield that operate in all weather conditions and minimize potential conflicts with aircraft is a safety objective. Ground power and the extension of the fuel system will assist the Port in reducing greenhouse gas emissions.

## **TRIPLE BOTTOM LINE**

### ***Economic Development***

Users of the overall Cargo areas have increased their frequency of operation by more than 50% in the last 5 years. The overall air cargo market is forecast to grow at an annual rate of more than 5% over the next 20 years, according to Boeing's current World Air Cargo Forecast, driven primarily by growth in international traffic. Air cargo generally represents more than 30% of the value of goods exported from the United States and is an essential part of regional economic vitality and the efforts to increase overall exports. Expansion of the cargo hardstands and the addition of efficiency upgrades will speed aircraft ground operations, reduce the amount of time aircraft are on the ramp and will allow aircraft to utilize the area with a higher turnover rate, all of which increase the Airport's competitiveness for air cargo business. Increased usage equates to increased exports and increased cargo revenues.

Replacement of cracked and deteriorated concrete reduces chances of loose and or broken concrete, which becomes Foreign Object Debris (FOD). If FOD is ingested into an aircraft engine, it has the potential to cause substantial damage costing millions of dollars in repairs. Sealing joints between panels helps to prevent water intrusion to the subgrade and extends the life of the pavement.

### ***Environmental Responsibility***

During the construction, repair and maintenance activities of these projects various sustainable practices will be considered and utilized whenever practicable. These include, but are not limited to, performing a lifecycle analysis of materials used to ensure that resources being used and/or recycled are environmentally and economically practical; utilizing onsite water for dust control and irrigation; the reuse of materials such as concrete and soil; and employing low emission construction equipment. Alternative materials may be used in concrete, such as fly ash and slag.

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- **Ramp Lighting Illumination:**  
Energy conservation lighting may be used to reduce energy use, as well as provide benefits for off-airport glare and light pollution.
- **400Hz In-Ground Power:**
  - Utilizing 400 Hz power, versus auxiliary power units (APUs) or ground power units, supports the Port's Century Agenda Goal to *Reduce carbon emissions from all Port operations by 50% from 2005 levels and reduce aircraft-related carbon emissions at Sea-Tac by 25%*. Using 400 Hz power at freighter parking and remain-over-night (RON) positions is consistent with previous decisions to reduce noise and emissions. An example of the emission savings of utilizing 400 Hz power versus APUs for a cumulative 648 hours of B747 or MD11 freighter aircraft operations is:

Hydrocarbon	0.2 tons/yr.
Carbon Monoxide	3.5 tons/yr.
Nitrous Oxides	1.0 tons/yr.
Carbon Dioxide	590 tons/yr.

### ***Community Benefits***

The Cargo 2 and Cargo 6 Hardstands are included in the 2013-2017 Aviation Business Plan as supporting the goal of operating a world-class airport by anticipating and meeting the needs of our tenants, customers, and the region's economy by expanding and modernizing existing on-airport cargo facilities. The additional hardstand RON capacity at Cargo 5 is in alignment with the future goals of the Airport to anticipate and increase passenger aircraft growth and demand. This is part of the Airport's goal in having a world class airport that meets the needs of customers. The apron replacement at Cargo 6 furthers the Airport's business plan objectives to operate a world-class international airport by ensuring safe and secure operations and by managing our assets to minimize the total long-term cost of ownership.

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1)** – Do Nothing. This alternative will perpetuate existing capacity constraints, neglect customer requirements for the accommodation of increasingly larger aircraft and continue to limit the size and number of aircraft that can use these areas. Congested hardstand conditions would persist and likely worsen. This alternative will not promote air cargo growth and does not align with Commission Century Agenda goals or the goal of tripling air freight at the Airport in the next 25 years. This is not the recommended alternative.

**Alternative 2)** – Authorize to advertise and execute a construction contract to enhance the Cargo 2 and Cargo 6 hardstands and to construct a hardstand at Cargo 5 that will increase the RON aircraft parking. This alternative is consistent with the goals of the Century Agenda for promoting growth in air cargo by alleviating capacity constraints, and is consistent with the Commission's previous actions for development of the Cargo 5 hardstand. **This is the recommended alternative.**

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### **ATTACHMENTS TO THIS REQUEST**

- Attachment A ....Project Vicinity Map
- Attachment B ....Cargo 2 Area
- Attachment C ....Cargo 5 Area
- Attachment D ....Cargo 5 Rendering
- Attachment E.....Cargo 6 Area

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

#### **Cargo 2 Hardstand Enhancements**

- On September 24, 2013, the Commission authorized the amendment of the lease for AMB/AFCO Cargo SEA LLC to reduce the lease area. This allows for a building demolition needed for expansion of the cargo hardstand.
- On August 6, 2013, The Commission authorized the execution of Project Labor Agreements for seven projects, including the Cargo 2 Hardstand Enhancements.
- August 6, 2013, the Commission authorized (1) for the Chief Executive Officer to execute a contract with the Federal Aviation Administration (FAA) for relocation of the Airport Surface Detection Equipment Model X Remote Unite Number 7 (ASDE-X RU No. 7) antenna at the Airport, at a cost not to exceed \$600,000 and (2) for an additional \$300,000 in expense funds.
- December 4, 2012, the Commission authorized the Chief Executive Officer to execute one or more contracts with the Federal Aviation Administration (FAA) for relocation of the Airport Surface Detection Equipment Model X Remote Unite Number 7 (ASDE-X RU No. 7) antenna at the Airport, at a cost not to exceed \$300,000. The total estimated project cost is \$12,130,000.
- September 25, 2012, the Commission authorization for the Chief Executive Officer to (1) design and prepare construction documents for the demolition of a cargo building (Building 2) and for the enlargement of the hardstand in the Cargo 2-West area in the amount of \$830,000; and (2) terminate the lease, containing two cargo buildings in the Cargo 1 and Cargo 2 areas currently owned by ProLogis (formerly AMB) at Seattle-Tacoma International Airport, at a cost not to exceed \$1,580,000.

#### **Cargo 5 Hardstand Construction**

- On August 6, 2013, The Commission authorized the execution of Project Labor Agreements for seven projects, including the Cargo 5 Hardstand Construction.
- March 20, 2012, the Port Commission authorization for the Chief Executive Officer to prepare 100% design for the Cargo 5 Hardstand at Seattle-Tacoma International Airport (THE AIRPORT) to provide additional parking for aircraft remaining overnight at the Airport. The amount of this request is \$3,230,000. The estimated total cost of the project is \$45,906,000.
- July 26, 2011, the Port Commission authorized the Chief Executive Officer to advertise and execute a construction contract for the USPS Building Demolition. The estimate for construction work is \$5,536,000 and for Port Construction Services (PCS) to self-perform

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the work in conjunction with small works contractors and issue small works contracts in support of the USPS Demolition Project at Seattle-Tacoma International Airport (Airport). The estimate for the PCS construction work was \$67,000.

- On August 26, 2008, the Port Commission authorized the Chief Executive Office to direct staff to amend the USPS lease to develop a cell phone lot, prepare 100% demolition design of the USPS Air Mail Center Facility at Seattle-Tacoma International Airport, 15% design of RON aircraft parking positions and terminate USPS building lease. The amount authorized was \$6,226,213.

### **Cargo 6 Hardstand Improvements**

- On August 6, 2013, The Commission authorized the execution of Project Labor Agreements for seven projects, including the Cargo 6 Hardstand Improvements.
- September 18, 2012, the Port Commission authorization for the Chief Executive Officer to design and prepare construction documents for the Cargo 6 Enhancements at Seattle-Tacoma International Airport. The amount of this request is \$480,000. The total estimated cost of the project is \$6,478,000.

### **Cargo 6 Pavement Replacement**

- On August 6, 2013, The Commission authorized the execution of Project Labor Agreements for seven projects, including the Cargo 6 Pavement Replacement.
- On March 26, 2013, the Commission authorized the Chief Executive Officer to design, prepare construction documents, and perform advanced preparatory work to replace distressed concrete pavement panels and joint sealant for the 2014 Airfield Apron Pavement Replacement project at Seattle-Tacoma International Airport in the amount of \$300,000. The total estimated project cost in 2014 is \$6,500,000.
- On April 10, 2012, the Commission authorized an additional \$1,467,000 because the bids exceeded the engineer's estimate by greater than 10 percent; and authorized the Chief Executive Officer to execute a contract in the amount of \$6,553,964 with the low responsive and responsible bidder for the 2012 Exterior Gates and Airfield Improvement Projects. This authorization increased the budget by \$1,467,000 due to the higher than expected bids, for a total project cost of \$10,500,000.
- On January 24, 2012, the Commission authorized \$4,707,000 and for the Chief Executive Officer to advertise and execute a construction contract that included Apron Pavement Replacement, Exterior Gate Improvements, Runway 16C/34C Panel Replacement, and South Snow Dump Pavement Expansion.
- On July 26, 2011, the Commission authorized \$465,000 and for the Chief Executive Officer to complete the design and perform any advance work in support of the 2012 Pavement and Joint Replacement and Sealant Project for non-runway concrete pavement panels, joint seal replacement, spall repair, and associated or temporary facilities, such as striping, lighting, etc., on the Aircraft Operations Area.
- On March 1, 2011, the Commission authorized \$6,235,000 and for the Chief Executive Officer to advertise and execute a construction contract that included slot drain,

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Tay Yoshitani, Chief Executive Officer

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pavement, and joint seal replacement at the South Satellite and perform installation of temporary facilities in concourses.

- On August 10, 2010, the Commission authorized \$394,000 and for the Chief Executive Officer to direct staff to: 1) proceed with project management, design, environmental support, and preparation of 100 percent design level construction documents for the replacement of slot drains, pavement and joint seal at the South Satellite at Seattle-Tacoma International Airport; 2) execute and award outside professional service agreements; 3) pre-purchase common-use gate equipment; and 4) allow Port Construction Services to self-perform, advertise for bids, and execute and award small works construction contracts for common use equipment installation.