

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

	Item No.	<u>5f</u>
Action Item	Date of Meeting	<u>February 26, 2013</u>

DATE: February 8, 2012
TO: Tay Yoshitani, Chief Executive Officer
FROM: Ralph Graves, Managing Director, Capital Development Division
Janice Zahn, Assistant Engineering Director, Construction
SUBJECT: Change Order #19 for the 2011 AIP Pond M Mod & SDS 6/7 Vault Mod Contract 3, Contract MC-0316896

Amount of This Request: \$0.00 **Total Project Cost:** \$1,882,849.00

Source of Funds: Project Construction Contingency. No additional funds requested.

Est. State and Local Taxes: \$178,871.00 **Jobs Created:** 0

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to issue Change Order #19 for an 85 day non-compensable time extension to December 16, 2011, for the 2011 AIP Pond M Mod & SDS 6/7 Vault Mod Contract 3 (Pond M) project.

SYNOPSIS:

The Pond M project started on May 5, 2011, and was scheduled to complete on September 22, 2011. Various issues contributed to a late project substantial completion date of December 16, 2011. As a result of differing site conditions encountered in the excavation area, the contractor filed a claim resulting in a formal mediation hearing held on January 9, 2013. The result of the hearing was a Dispute Resolution Agreement settling all outstanding issues on the project. Change Order #18 was issued previously for \$237,500 which settled all cost issues. The issuance of this Change Order reconciles the Contract duration with the actual Contract end date per the Dispute Resolution Agreement.

BACKGROUND:

Pond M is one of several stormwater projects that were required to fulfill Third Runway environmental permit obligations. Completion of Pond M stormwater detention satisfies the outstanding permit requirements and in doing so provide flow control and additional water quality treatment for approximately 160 acres of Airport surfaces draining to Miller Creek.

The construction contract was awarded to Northwest Construction, Inc. on May 5, 2011. Construction commenced with the issuance of Notice to Proceed on June 3, 2011. Beneficial Occupancy of Pond M was issued on October 7, 2011 and Substantial Completion of the project Work on December 16, 2011.

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This change order is being issued to address the 85 additional days that were required to achieve substantial completion.

FINANCIAL ANALYSIS:

The change order is at no cost. No additional project funds are being requested as a result of this change order.

CONTRACT INFORMATION:

The following information relates to the contract and competitive award:

Contract award date:	May 5, 2011
Original period of performance:	May 5, 2011 through September 22, 2011
Previous contract extensions:	0 Days
Contract extension this change order:	85 Days
Current Contract Completion Date:	December 16, 2011

FINANCIAL INFORMATION:

Original contract amount:	\$1,787,512
Previous Change Orders Executed:	\$290,467
Current contract amount	\$2,077,979
This request, Change Order No. 19	\$0
Subtotal Construction Costs	\$1,882,849
Anticipated WSST @ 9.5%	\$178,871
Revised Contract Amount	\$2,061,719

PREVIOUS COMMISSION ACTION:

On August 1, 1996, the Commission adopted Port Resolution No. 3212, as Amended, approving the Master Plan Update for Airport, including development of a new dependent air carrier runway, and authorizing initial development work for the Runway project.

On May 27, 1997, the Commission authorized \$587,362,000 for completion of the Runway project to be completed by 2004.

On June 22, 1999, the Commission authorized an additional \$186,000,000, increasing the total authorization to \$773,362,000. At that time, it was estimated permitting would be finalized by December 1999 and the Runway project would be complete by fall 2006.

On June 24, 2003, the Commission was briefed on additional costs from delays, permit conditions, market conditions, scope of project, and FAA requirements. At that time, the Runway project was scheduled to be completed at the end of 2008.

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On October 11, 2005, the Commission authorized an additional \$125,000,000 increasing the total authorization to \$898,362,000.

On September 26, 2006, the Commission authorized an additional \$219,594,000 increasing the total authorization to \$1,128,956,000.

On April 21, 2009, the Commission authorized the advertisement for construction bids for the Lora Lake Demolition, Des Moines Nursery Mitigation and the Third Runway Stormwater Pond Projects.

On July 28, 2009, the Commission authorized design for Miller Creek Relocation Revisions, 160th Street Culvert Removal, and Third Runway Environmental Mitigation at Seattle-Tacoma International Airport.

On January 12, 2010, the Commission authorized the advertisement for construction bids for Third Runway Mitigation, including Miller Creek Relocation Revisions and Restoration; 160th Street Bridge/Culvert Removal; and Third Runway Permanent Stormwater Detention Facility at the Airport.

On June 1, 2010, the Commission authorized the separation of Stormwater Retention Pond M (Pond M) from the other 2010 Airfield Improvement Projects – Contract 2 (AIP-2) and delay construction until 2011.

On March 1, 2011, the Commission authorized the advertisement and execution of a construction contract for 2011 AIP Pond M Mod & SDS 6/7 Vault Mod Contract 3 (Pond M) project.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.