

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

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

<b>Item No.</b>	<u>6f</u>
<b>Date of Meeting</b>	<u>December 9, 2014</u>

**DATE:** December 1, 2014  
**TO:** Ted Fick, Chief Executive Officer  
**FROM:** Michael Ehl, Director, Aviation Operations  
Wayne Grotheer, Director, Aviation Project Management Group  
**SUBJECT:** Gate S1 Ramp at Seattle-Tacoma International Airport (CIP #C800629)

<b>Amount of This Request:</b>	\$200,000	<b>Source of Funds:</b>	Airport Development Fund
<b>Est. Total Project Cost:</b>	\$1,405,000		
<b>Est. State and Local Taxes:</b>	\$67,000		

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to increase the budget for the S1 Ramp project by \$200,000. The new authorized total project cost will be \$1,405,000.

**SYNOPSIS**

On April 22, 2014, the Commission authorized the procurement of an Americans with Disabilities Act (ADA) compliant sloping walkway (or ramp) for installation by Port crews. On November 12, 2014, a single bid was received and opened. The bid exceeded the project cost estimated amount by nearly 49 percent. This additional authorization of \$200,000 represents the difference between the project cost estimated amount and the bid plus construction contingency. This project was included in the 2015 – 2019 capital budget and plan of finance.

Port staff has carefully reviewed the project in light of these increased costs and has determined that it remains critical to the effective management of the Airport that the project proceed even with the increased cost. A ramp will be essential during the summer of 2015 to provide a single point of entry for international passengers transported to the terminal by bus when airplanes are required to park at a remote area (hardstand). Remote aircraft parking will be required because of unavoidable gate shortages for international wide-body flights at the South Satellite. No project alternative such as re-bidding will allow the ramp to be completed in advance of this need.

**BACKGROUND**

This project prepared a full design of the ramp structure anticipating that this would broaden the pool of interested bidders for its fabrication. Unfortunately only one bid was received. While the bid was higher than expected, staff recommends accepting the bid and authorizing execution of

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the contract with the sole bidder. This would allow the ramp to be operational by the busy summer traffic season of 2015.

Immediately after receipt of the single high bid, Port staff evaluated available alternatives that would allow the ramp to be constructed and in operation by June 1, 2015 in order to meet operational requirements. We reviewed the following options:

**Option 1:** Reject the bid, return to design and rebid the project as a public works. This option could very well increase the number of interested and potential bidders. While this would improve competition among bidders, it may not result in a lower bid since many factors go into bid results including market conditions at the time bids are prepared. This option would require an additional six months to revise the bid documents and complete the re-bid, pushing the completion of the ramp to December 2015, which will not provide it by June 2015. For this reason, this option was not pursued.

**Option 2:** Reject the bid, and have Port Construction Services (PCS) fabricate and install the ramp using a combination of Port forces and on-call contractors. This option could result in a lower cost than accepting the single bid for fabrication. This option would also allow the ramp sooner than the option above. However, PCS staff would need to undertake work new to them such as preparing shop drawings for review and painting the fabricated ramp components for weather durability. Because they don't undertake these projects regularly, this effort would combine a steep learning curve with the likelihood of never repeating it. Given these conditions, there is no guarantee this work could be completed by June 1, 2015. Therefore, this option was not pursued.

**Option 3:** Preferred Option: Accept the bid, and complete the installation by PCS. This option would require additional funding to complete as the bid amount is higher than the project estimate. Proceeding with this option would ensure that this facility is complete prior to the busy summer 2015 traffic season and available to international arriving passengers whose aircraft was required to park remotely. This option is the only option that meets the critical operational need. Therefore, given the uncertainty in cost for Options 1 and 2, this option presents a fair and reasonable bid price to deliver the ramp for operations by June 1, 2015.

## **PROJECT JUSTIFICATION AND DETAILS**

Hardstand operations for an international flight will need to move large numbers of passengers (200-350) quickly and efficiently from the remotely parked aircraft to international arrivals. The final piece of work required to ensure successful and safe hardstand operations is the ADA ramp at Gate S1. This walkway will be a permanent, single point of access for all international passengers arriving via hardstand operations. The only currently available option for getting passengers from the ramp level to international arrivals is a set of stairs at the future walkway location which is an unacceptable option for this summer. A large majority of arriving international passengers have wheeled luggage, strollers and other carry-on items with them when they disembark the aircraft. Having then to walk up a long flight of stairs would be

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difficult for these passengers and would lead to queuing and long waits at the bottom of the stairs. The situation would prove untenable.

Additionally, passengers requiring mobility assistance including canes, walkers and wheelchairs need a ramp to enter the building. Without this new ADA ramp at Gate S1, passengers requiring mobility assistance and their accompanying family members would require multiple escorts to assist in getting into the elevators to international arrivals, as well as traversing through the South Satellite bagwell, which is a dangerous route for passengers due to tugs pulling baggage carts through the area.

### ***Project Objectives***

- Provide a single point of access for ambulatory and wheelchair passengers between the ground level, international corridor, and concourse at the South Satellite.
- Improve safety and convenience for passengers.
- Provide a means of access for passengers into and out of the South Satellite during busing for Satellite Transit System outages.

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

At Gate S1, remove the extended fixed bridge and stairwell, add an ADA inclined walkway, and add a tent for passengers to wait under for buses during inclement weather. The project will add pavement striping to delineate a bus path to and from the site.

### ***Schedule***

Begin design	2 <sup>nd</sup> Quarter 2014
Begin procurement	3 <sup>rd</sup> Quarter 2014
ADA Inclined Walkway Fabrication	4 <sup>th</sup> Quarter 2014
Begin Construction	1 <sup>st</sup> Quarter 2015
Project complete	2 <sup>nd</sup> Quarter 2015

## **FINANCIAL IMPLICATIONS**

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

	Capital	Expense	Total Project
Original Budget	\$1,205,000	\$0	\$1,205,000
Previous Authorizations	\$1,205,000	\$0	\$1,205,000
Current request for authorization	\$200,000	\$0	\$200,000
Total Authorizations, including this request	\$1,405,000	\$0	\$1,405,000
Remaining budget to be authorized	\$0	\$0	\$0
Total Estimated Project Cost	\$1,405,000	\$0	\$1,405,000

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

	This Request	Total Project
Design	\$0	\$234,000
Procurement	\$176,000	\$683,000
Construction (added contingency)	\$24,000	\$462,000
State & Local Taxes (estimated)	\$0	\$26,000
Total	\$200,000	\$1,405,000

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

The Gate S1 Ramp (CIP #C800629) was included in the 2015-2019 capital budget and plan of finance with a budget of \$1,205,000. The current budget increase request is due to the single responsive bid received for the fabrication of the walkway. The budget increase will be transferred from the Aeronautical Allowance CIP #C800404 resulting in no net change to the Airport capital budget. The funding source for this project is the Airport Development Fund.

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

<b>CIP Category</b>	Renewal/Enhancement
<b>Project Type</b>	Renewal/Enhancement
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	N/A
<b>Project cost for analysis</b>	\$1,405,000
<b>Business Unit (BU)</b>	Terminal Building Cost Center
<b>Effect on business performance</b>	NOI after depreciation will increase
<b>IRR/NPV</b>	N/A
<b>CPE Impact</b>	CPE will increase by \$.01 in 2016, but no change to business plan forecast as this project was included.

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

The life of this asset is estimated to be 15 years. We do not anticipate significant ongoing maintenance costs. We do, however, anticipate performing refurbishment of the floors, ceiling material and siding material approximately every 3 to 5 years depending on usage and weather.

It is estimated that the cost of these refurbishments will range between \$5,000-\$7,000 per event.

## **STRATEGIES AND OBJECTIVES**

This project supports the Century Agenda objective to make Sea-Tac the West Coast “Gateway of Choice” for international travel. In order to advance this region as a leading tourism destination and business gateway we need to give traveling passengers a positive experience when they arrive at Seattle-Tacoma International Airport.

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With the goal to double the number of international flights, the Airport has outgrown its gates at the South Satellite. By adding this much-needed infrastructure at Gate S1 the Airport will be able to meet the region's air transportation needs more efficiently by improving the flow of domestic and international passengers.

The project manager will coordinate with the Office of Social Responsibility to identify small business opportunities.

## **ATTACHMENTS TO THIS REQUEST**

- None

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- On April 22, 2014, the Commission authorized design, procurement and installation of a passenger ramp for Gate S1 at Seattle-Tacoma International Airport for a total estimated project cost of \$1,205,000.
- On February 25, 2014, the Commission was briefed on the anticipated need for hardstand operations during the quarterly International Arrivals Facility update.