

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

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

**Item No.** 6b  
**Date of Meeting** August 23, 2016

**DATE:** August 16, 2016  
**TO:** Ted Fick, Chief Executive Officer  
**FROM:** Mike McLaughlin, Director, Cruise and Maritime Operations  
Fred Chou, Capital Project Manager V, Seaport Project Management  
**SUBJECT:** Pier 66/Alaskan Way Street Improvements (CIP #C800759)

**Amount of This Request:** \$987,000      Source of Funds: Tax Levy  
**Est. Total Project Cost:** \$1,282,000

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to develop design documents, enter into agreements with parties whose property interests are affected, self-perform construction, and advertise for bids, award, and execute contracts to construct improvements for the Alaskan Way Street Improvement Project for an estimated cost of \$987,000 and a total authorization of \$1,282,000.

**SYNOPSIS**

The Bell Street Cruise Terminal at Pier 66 relies on Alaskan Way for a significant portion of its land-side access and loading operations. Through-vehicle capacity on Alaskan Way is very constrained during cruise days and street improvements to improve traffic operations are needed. This authorization request will widen a segment of Alaskan Way and construct related improvements to increase safety, and reduce traffic congestion and traffic related delays to cruise operations.

**BACKGROUND**

The Bell Street Cruise Terminal (BSCT) at Pier 66 began its operation in 1999. Cruise operation in Seattle has grown from six vessel calls totaling 6,615 passengers at BSCT to two cruise terminals with 192 vessel calls and 898,032 passengers in 2015.

Cruise operations in Seattle have significant economic impact to the region with \$441 million in annual business revenue, 3,647 jobs, \$17.2 million annual state and local taxes, and \$2.6 million each time the homeport ship docks. The Terminal relies on Alaskan Way for all of its land-side access and loading operations. The success of our cruise business has resulted in additional traffic and fairly significant congestion in the vicinity of the BSCT during cruise days. The area would be further affected when this segment of Alaskan Way is used to accommodate traffic

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 16, 2016

Page 2 of 6

detoured off the Alaskan Way Viaduct during its demolition and before the replacement connection, Elliott Way Connector, is constructed between the waterfront and Belltown. The Port's proposed Alaskan Way Street improvements are intended to provide the necessary through-vehicle capacity on Alaskan Way and would greatly enhance cruise ship operations and should help reduce additional congestion as it relates to the Alaskan Way Viaduct demolition. The improvements would also enhance overall vehicular and pedestrian safety in the terminal areas during cruise days.

The Port has been coordinating closely with the City of Seattle on the proposed street improvements and on various design elements and details. The design is being prepared through an existing Indefinite Delivery Indefinite Quantity consultant contract, though additional consultant contracts may be required to meet unanticipated needs. The City has provided some staff support and would provide additional staff support during construction of this project. The City also plans to explore implementation of future improvements, such as variable messaging signs to allow better traffic management in the vicinity of the BSCT.

Staff has been working with City of Seattle and King County on an agreement to use the City right of way that has been occupied by the waterfront street car trolley tracks and station platform. The existing trolley tracks and the station platform would be removed under this project. The proposed multi-use pathway for pedestrians and bicyclists would occupy the areas covered by this agreement. Burlington Northern Santa Fe (BNSF) operates tracks adjacent to the proposed multi-use pathway. Staff has coordinated with BNSF staff and an agreement for construction is not anticipated at this time but an agreement for this construction may still be required upon further review by BNSF.

### **PROJECT JUSTIFICATION AND DETAILS**

The proposed improvements would help address the traffic congestion in the vicinity of BSCT and protect and preserve cruise and other terminal operations, which have brought significant economic benefits to the Port and the region, an important component to the Port's Century Agenda goal of adding 100,000 jobs through economic growth over the next 25 years.

This project is independent of the Norwegian Cruise Line terminal renovation project at the Bell Street Cruise Terminal.

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

- Create improved loading operations and traffic operation to reduce congestions along Alaskan Way during cruise days
- Improve safety of cruise day operations
- Improvements are consistent with the need to accommodate additional traffic volume detoured from upcoming demolition of the Alaskan Way Viaduct
- Work closely with the City and other stakeholders on design development and construction
- Deliver the project efficiently, on schedule and within budget

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 16, 2016

Page 3 of 6

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

Major project work scope includes:

- Removal of abandoned trolley tracks and station/platform and create a multi-use pathway for pedestrian and bicyclist use;
- Widen Alaskan Way roadway section adjacent to the cruise terminal, along the east side of Alaskan Way;
- Relocation of utilities, signals, and crosswalk;
- Protect existing street trees.

### ***Schedule***

Commission Authorization Design/Construction

3<sup>rd</sup> Quarter 2016

Construction Start

4<sup>th</sup> Quarter 2016

Construction Complete

1st Quarter 2017

## **FINANCIAL IMPLICATIONS**

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

	Capital	Expense	Total Project
Original Budget	\$0	\$1,282,000	\$1,282,000
Previous Authorizations	\$0	\$295,000	\$295,000
Current request for authorization	\$0	\$987,000	\$987,000
Total Authorizations, including this request	\$0	\$1,282,000	\$1,282,000
Remaining budget to be authorized	\$0	\$0	\$0
Total Estimated Project Cost	\$0	\$1,282,000	\$1,282,000

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

	This Request	Total Project
Construction	\$789,000	\$789,000
Construction Management	\$47,000	\$47,000
Design	\$42,000	\$280,000
Project Management	\$12,000	\$44,000
Permitting	\$20,000	\$45,000
State & Local Taxes (estimated)	\$77,000	\$77,000
Total	\$987,000	\$1,282,000

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

The 2016 Non-Operating Expense budget includes funds of \$1,247,000 for this Public Benefit project. It is expected that \$607,000 will be spent by the end of 2016. Additional funds will be included in the 2017 Non-Operating Expense budget. This project will be funded through the Tax Levy.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 16, 2016

Page 4 of 6

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

<b>CIP Category</b>	Regional Transportation
<b>Project Type</b>	Terminal Access
<b>Risk adjusted discount rate</b>	N/A
<b>Key risk factors</b>	Many utilities are located in the area of the project that could potentially be weakened or damaged. Contaminated soil could be uncovered.
<b>Project cost for analysis</b>	N/A
<b>Business Unit (BU)</b>	Cruise Operations
<b>Effect on business performance</b>	Costs will be expensed, as incurred, as a non-operating expense over a three year period.
<b>IRR/NPV</b>	N/A

## **STRATEGIES AND OBJECTIVES**

This project supports the Port's Century Agenda to position the Puget Sound region as a premier international logistics hub, to double the economic value of the fishing and maritime cluster, and to be the greenest and most energy efficient port in North America by investing in roadway infrastructure to reduce traffic congestion and delays in cruise related traffic operations, to maintain and protect high level of cruise customer satisfaction at the Bell Street Cruise Terminal, and to maintain Port and Port Tenant competitiveness in keeping working waterfront and cruise ship provisioning jobs in the community while continue to explore and implement sustainable opportunities to promote environmental responsibility throughout the project.

Staff plans on utilizing Port Construction Services crews to perform portions of the construction and would utilize small businesses as subcontractors for the work.

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1)** – Defer or not implement the proposed street improvement work

**Cost Implications:** \$987,000 of project funding will not be needed

### Pros:

- (1) No additional major expense funding would be required

### Cons:

- (1) Delays on Alaskan Way during cruise days would continue for the general public and cruise operations/customers. This would be very significant during the demolition of the Alaskan Way Viaduct and before the replacement (Elliott Way) is constructed between the waterfront and Belltown.
- (2) Higher costs to provide traffic control/management
- (3) Opportunity to improve safety and help maintain better customer experience would be lost

This is not the recommended alternative.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 16, 2016

Page 5 of 6

**Alternative 2)** – Widen the roadway section along the west side of the Alaskan Way, east of the cruise terminal.

Cost Implications: Total project costs would likely be comparable to widening the roadway section along the east side of Alaskan Way as in Alternative 3 and approximately \$987,000 would be needed to implement the project

### Pros:

- (1) No need to remove abandoned trolley track and trolley station/platform.
- (2) Reduced congestions caused by buses, taxis and other southbound vehicles.
- (3) Allow more buses, taxis and other vehicles to queue on the west side of the street
- (4) Street trees along the east side of Alaskan Way would not be impacted

### Cons:

- (1) Trucks queueing to enter into the cruise terminal would still occupy the east northbound lane on Alaskan Way and block through traffic.
- (2) Amount of pedestrian circulation space on the sidewalk areas adjacent to the terminal building and the turning radius for vehicles in the Ground Transportation Center area would be reduced, thereby compromising overall public and cruise customer safety and limiting future expansion opportunities.
- (3) The reduced sidewalk space in this scenario is not supported by the City and would likely create challenges in any future façade/expansion work.
- (4) More light and signal strain pole relocation would be required

This is not the recommended alternative.

**Alternative 3)** – Widen east side of Alaskan Way and create a truck pullout, a multi-use pathway for pedestrians and bicyclists, and relocate signals, cross walk and utilities.

Cost Implications: Additional \$987,000 is needed to implement the project.

### Pros:

- (1) This alternative would improve overall traffic flow through Alaskan Way in front of the cruise terminal during cruise days, more so than any other alternatives considered.
- (2) Would maintain critical sidewalk space, directly adjacent to the cruise terminal, for efficient and safe cruise passenger and general public use.
- (3) The new multi-use pathway could be used by bicyclists and would not compromise the limited sidewalk space along the west side of the street.
- (4) This is the most desirable alternative to the stakeholders.
- (5) Provides additional on street parking for the general public during non-cruise days.

### Cons:

- (1) Street trees along the widened roadway section would need to be pruned and some large branches on the west side of the trees may need to be cut.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

August 16, 2016

Page 6 of 6

- (2) City's arborist has been very concerned with the potential damages to the tree roots along the vehicle pullout areas, but we've been coordinating closely to minimize construction impacts.
- (3) Out of service trolley track and trolley station/platform need to be removed to accommodate the multi-use path. An agreement with the City and King County would need to be executed.
- (4) Conditions of some existing utilities are unknown and may need additional protection during construction.

**This is the recommended alternative.**

### **ATTACHMENTS TO THIS REQUEST**

- Computer slide presentation

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

None