

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6c

Date of Meeting April 28, 2009

DATE: April 22, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Charles Sheldon, Managing Director, Seaport Division
Ralph Graves, Managing Director, Capital Development Division

SUBJECT: Funding for Artwork at Smith Cove Cruise Terminal

ACTION REQUESTED

Authorization for the Chief Executive Officer to re-program previously authorized funding and spend up to \$310,000 toward the design, acquisition and installation of artwork, designs and enhancements at the Smith Cove Cruise Terminal.

BACKGROUND

The Smith Cove Cruise Terminal (SCCT) passenger building is the gateway to the Alaskan cruise highway. The many thousands of people, who will take cruises to Alaska from Smith Cove, begin their week long journey into a magical and pristine archipelago marked by fjords, forests, numerous cultural sites and a history stretching back thousands of years.

The new cruise building is a massive structure designed to rapidly and efficiently move more than 10,000 passengers each day on and off the cruise ships. These passengers will be arriving at Smith Cove from all around North America and the rest of the world. This is a unique opportunity to enhance the Smith Cove building with artwork that will distinguish the terminal's interior spaces and provide passengers with an appreciation of public art. The facility will also be available for rental in the off-season as an events space so the artwork could also add attractiveness and value when the terminal is rented out for special occasions.

The construction of this \$ 62,000,000 facility is nearly complete. When this facility was initially authorized, there was neither a Port-wide policy nor program to commit a percentage of capital cost toward art, as is the case at Sea Tac Airport. In August 2008, the Commission approved a revised version of the Port's "Art Program Policy and Guidelines." This policy states that "funding for the POS art program will be derived from capital projects approved by the Port Commission. One-half of one percent for art (0.005) of the design and construction cost for capital projects will be allocated for art." Art projects approved in accordance with this policy are overseen by the Art Oversight Committee (AOC). Current budget/spending projections show that there are adequate funds remaining within the project funding authorization contingency to

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commit one-half percent toward this project, for a total of \$ 310,000, which would be spent during the period 2010 – 2011. A portion of the total current project funding authorized contingency was provided as a result of the additional building foundation costs – a provisional contingency. As this project moves to completion and final closeout there is a possibility that costs related to last minute qualified changes and related start-up costs of the new terminal may require use of the T91 Foundation Provisional Contingency.

METHOD

- Authorizes re-programming of \$310,000 of the Terminal 30/91 current project funding to establish a budget line item within the authorization to support art additions to the SCCT Building in 2010 and 2011.
- Request the Art Oversight Committee to oversee the SCCT art project and establish an Art Selection Panel to recommend, acquire, and install appropriate artwork. Brief the Commission in accordance with the Art Program Policy and Guidelines.
- Schedule installation of the selected artwork during the 2010 and 2011 off-seasons. Have all the installations complete by the Port's Century Celebration 2011.

FINANCIAL IMPLICATIONS

Cost Estimate

The cost estimate for this work is \$310,000.

Source of Funds

The costs incurred will be allocated to a new work project number that will be established under existing CIP 800085. No additional funds are requested.

Financial Analysis

The costs associated with this authorization are included in the overall budget of the existing T30/91 project. However, there is a possibility that final project spending could exceed the original project contingencies and require the use of a portion of the approved T91 Foundation Provisional Contingency.

PROJECT SCHEDULE:

Planning, selection, design, and acquisition of art work is scheduled to take place during 2009 and the first three quarters of 2010 (May 2009 thru September 2010).

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Installation of the artwork will take place during the off-season of 2010 and 2011 (October 2010 thru April 2011).

PREVIOUS COMMISSION ACTION:

On February 14th, 2006, the Commission authorized \$10,850,000 for staff to proceed with environmental reviews, design, and permitting of the T25/30 container terminal and the relocated T91 Cruise Terminal.

On April 11th, 2006, the Port Commission authorized the Chief Executive Officer to execute lease amendments with SSA Terminals for T18, 25, 30, and with Cruise Terminals of America for Cruise facilities.

On February 16, 2007, the Commission authorized an additional \$107,489,000 for staff to proceed with final design and construction of the T91 cruise terminal and restoration of container cargo facilities at T25/30.

On July 22, 2008 Commission authorization changes to the Terminal 30/91 Program due to foundation changes required by the City of Seattle: Change Order #20 for a cumulative time extension of 78 days; Change Order #32 exceeding \$200,000; and Additional funds in the amount of \$3,186,000 (T91 Foundation Provisional Contingency) for a total authorization of \$121,525,000.

On August 26, 2008 Commission approved the revised Port of Seattle Art Program Policy and Guidelines.

On March 24, 2009 during the Terminal 30 and Terminal 91 Project Construction Field Progress, and Financial and Schedule Status Commission update Charles Sheldon briefed the Commission on art considerations for the Smith Cove Cruise Terminal.

On April 14, 2009 Commission Authorized the construction and approved advertisement of a major works bid package for Bird Control Systems at Smith Cove Cruise Terminal.