

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6f

Date of Meeting May 5, 2009

DATE: April 30, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development Division

SUBJECT: Change Order #026 for the Terminal 30 Upgrade Project Contract MC-0314784

ACTION REQUESTED:

Requests authorization for the Chief Executive Officer to issue Change Order Number 026 for the Terminal 30 Upgrade Project in the estimated amount of \$600,000.

SYNOPSIS:

The crane power cable trough was constructed per contract documents at 2.50" wide. After the cranes were delivered to the site, the power cable was found to have an actual diameter of 2.52". Further investigation revealed existing trough widths at other Port of Seattle container facilities have trough widths of 3" or 4". This is being investigated as an "Error and Omission." The Designer of Record is involved in fixing the problem and may be required to absorb costs associated with this change. This change order is for the estimated amount of \$600,000, to be paid from project contingency. Neither additional project funds nor access to the T91 cruise building project contingency is required for this change order

CHANGE ORDER DESCRIPTION AND JUSTIFICATION:

The following information relates to the pending change order scope and cost:

Change Order No. 26

- **Scope of work:** Modify 1520' of cable trough. Remove the Panzerbelt cover. Saw cut one edge of the stainless steel trough into the concrete crane beam to the depth of 12-1/4" to widen the trough to 3.50." Modify the crane power vaults to accept the larger diameter cable. Reinstall the Panzerbelt cover when finished with trough modification. This work is to be completed prior to June 1, 2009. The contractor shall proceed for a total amount NOT TO EXCEED \$600,000.
- **Justification:** The crane power cable would not fit into the cable trough as constructed.
- **Consequences of not proceeding:** The terminal will not open on time as the cranes could only be operated with the cable laid on the surface; subject to damage and creating an unsafe condition in addition to premature wear of the power cable. The loss of rent is valued at approximately \$11,500 per day.

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T. Yoshitani, Chief Executive Officer
May 4, 2009
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FINANCIAL ANALYSIS:

Funds to pay for these change orders are part of the project contingency funds that were included in previously approved project wide authorizations of \$121,525,000.00. No additional project funds are being requested as a result of this change order. Use of the additional restricted T91 cruise building project contingency authorized on 7/22/08 in the amount of \$3,186,000 is not needed to execute this change.

CONTRACT INFORMATION: The following information relates to the contract and competitive award:

Contract award date:	August 23, 2007
Original period of performance:	August 23, 2007 to June 10, 2009
Previous contract extensions:	10 Days
Contract extension this change order:	0 Days
Current Contract Completion Date:	June 20, 2009
Original contract amount:	\$32,864,259.00
Previous Change Order Nos. 001 – 025:	\$5,357,892.47
<u>Current contract amount</u>	<u>\$38,222,151.47</u>
<u>This request, Change Order No. 026</u>	<u>\$600,000</u>
Revised contract amount:	\$38,822,151.47