

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

**COMMISSION AGENDA**

**Item No.** 5a

**Date of Meeting** July 7, 2009

**DATE:** July 1, 2009

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Ralph Graves, Managing Director, Capital Development Division

**SUBJECT:** Change Order # 81 for a time extension of 245 calendar days to the Third Runway Project 2007-08 Construction / Runway 16C Safety Area Expansion / Lighting Vault Project - Contract Number MC-0314114

**ACTION REQUESTED:**

This memorandum requests approval for the Chief Executive Officer to execute Change Order #81 for a time extension of 245 calendar days at no cost to the Port for the Third Runway 2007-08 Construction / Runway 16C Safety Area Expansion / Lighting Vault Project.

**SYNOPSIS:**

The contractor completed the 3<sup>rd</sup> Runway project for the Port's beneficial use on September 1, 2008. Final project completion and closeout was delayed due to several end user requested change orders related to the new Airfield Lighting Vault. These change orders required modifications to the diesel generators and their operations and modifications to the Airfield Lighting Control and Monitoring System that were identified during the burn-in period. Now that the change order work is complete, a Change Order to extend the contract's substantial completion date for the additional contract time is required to implement these changes and to complete the final testing and Operation and Maintenance manuals. This Change Order is issued at no cost to the Port.

**CHANGE ORDER DESCRIPTION AND JUSTIFICATION:** The following information relates to the pending change order scope and cost:

Change Order No. 081

- **Scope of work:** Incremental contract established milestone dates were met and the 3<sup>rd</sup> Runway itself was complete for beneficial use on September 1, 2008 as required by contract. The 3<sup>rd</sup> Runway was successfully commissioned and placed in commercial service on November 20, 2008 as scheduled. The original contract completion date was November 12, 2008. During systems burn-in and commissioning of the 3<sup>rd</sup> Runway the Port identified and requested various modifications to the backup power systems and the Airfield Lighting Control and Monitoring System to improve the functionality of these systems. These modifications were issued as change orders and the work is now complete.

## COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

~~July 2, 2009~~ July 1, 2009

Page 2 of 2

- These changes also precipitated delays in completion of O&M manuals, and final testing of systems. Substantial Completion will be achieved before July 15, 2009 and a change order is required to extend the contract time by the 245 calendar days.
- **Justification:** The modifications to the backup power system and airfield lighting system were identified during burn-in and were subsequently performed after beneficial use was successfully achieved on the required contract schedule. To maintain the warranty, the Port made the decision to have the contractor perform this work. Therefore, the delay in substantial completion of the project is caused by the Port of Seattle and a change order must be issued.
- **Consequences of not proceeding:** The project documentation would be incomplete to provide justification for the contractor exceeding the contract completion date.

**FINANCIAL ANALYSIS:** This is a no cost Change Order.

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

### CONTRACT TIME

Contract Award date:	February 1, 2007
Original period of performance	February 1, 2007 to November 12, 2008
Original Contract Completion date	November 12, 2008
Previous contract extensions	0 Days
<u>Previous Contract Completion Date</u>	<u>November 12, 2008</u>
This request Change Order No. 081	245 days
<b>Final Contract Completion Date</b>	<b>July 15, 2009</b>

### CONTRACT PRICE

Original Contract amount:	\$79,827,080.00
Previous Change Orders	\$3,151,940.00
Current Contract Amount	\$82,979,020.00
This Change Order No. 081	\$0.00
New Contract Amount	\$82,979,020.00