

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

**COMMISSION AGENDA**

**Item No.** 5c

**Date of Meeting** February 10, 2009

**DATE:** January 27, 2009

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

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

**SUBJECT:** Change Orders #652 and #653 for the C-1 Baggage Handling System project  
Contract MC-0310928

**ACTION REQUESTED:** This memorandum requests Commission approval to issue Change Orders #652 and #653 for project closeout of the C-1 Baggage Handling System project in the estimated net amount of \$1,750,104 by reallocating previously authorized project contingency; therefore at no additional cost to the project.

**SYNOPSIS:** Airline operational restrictions and regulatory agency requirements have significantly impacted the schedule for the C-1 Baggage Handling System project. On June 24, 2008, Commission approved Change Order #614 which directed contract work after June 30, 2008 be performed and paid for on a Time and Material (T&M) basis. Two change orders are required to fund the remainder of the T&M work to close out the project. The change orders are estimated at a Not-To-Exceed total of \$1,750,104. By using previously approved project contingency dollars, no additional project funds are required for these change orders.

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

Change order #652 & #653

- **Scope of work:** Reconciliation of Change Orders Nos. #634 through #639 for time and material craft labor and management/supervision work performed up to December 2008.
- **Justification:** Reconciliation change orders are required to establish the final amount for this work.
- **Consequences of not proceeding:** Port would not be in compliance with contract requirements.

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T. Yoshitani, Chief Executive Officer

January 27, 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 authorizations of \$230,517,104. No additional project funds are being requested as a result of this change order.

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

- Contract award date: July 27, 2004
- Original period of performance: July 27, 2004 to March 26, 2007
- Previous contract extensions: 796 days
- Contract extension this change order: 0 Days
- Current Contract Completion Date: May 30, 2009
  
- Original contract amount: \$111,303,258.00
- Previous Change Orders #1 – 651: \$50,212,858.00
- Current contract amount \$161,516,116.00
- This request, Change Order #652 \$982,090.00
- This request, Change Order #653 \$768,014.00
- **Total estimate this request, Change Orders #652 & #653: \$1,750,104.00**
  
- Revised contract amount: \$163,266,220.00