

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. _____ 6e

Date of Meeting _____ April 21, 2009

DATE: April 15, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: James R. Schone, Director, Aviation Business Development and Management
Robert F. Riley, Director, Aviation Capital Improvement Program
W. Allan Royal, Manager, Port Real Estate Development

SUBJECT: Remove debris and foundations of a building that burned down and clean up the site.

ACTION REQUESTED

Request authorization for the Chief Executive Officer to complete demolition of the burned building including foundation and debris removal, ancillary cleanup, grading, and restoration of the site by use of Port Construction Services and/or authorize the CEO to advertise and execute a construction contract to complete the work. Estimated value of this request, including soft costs and a contingency for unknown conditions is \$404,000. Construction for this request is \$228,000 (includes costs for PCS and/or construction contractor).

SYNOPSIS

A portion of the former Angle Lake School burned, which left the site in a dangerous condition. Asbestos and other regulated materials are in the process of being removed. Once that work is complete, it is necessary to complete demolition and re-grade the site in order to return it to a safe condition.

BACKGROUND

The Port of Seattle purchased the Angle Lake School site in 2003, located at 19215 28th Avenue South in the City of SeaTac (see Exhibit A), in anticipation of future airport needs. The buildings were boarded up. The main building was destroyed by an arson incident that left regulated materials, including asbestos, exposed to the elements. Clean up of the regulated materials commenced in March 2009 and is expected to be complete in 44 days. The Port, the Washington State Department of Labor and Industries, and the Puget Sound Clean Air Authority have been working cooperatively on this project.

Port staff has completed the design and engineering estimates to remove the foundation and restore the site. This request will allow for demolition of foundation and site restoration.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

April 15, 2009

Page 2 of 4

PROJECT DESCRIPTION/SCOPE OF WORK

Project Statement

Demolish the foundation of the burned building including grading, clean up and restoration of the building site at the Angle Lake School for a cost not to exceed \$404,000.

Project Objectives

Finish the foundation demolition and site restoration including filling the hole and hydro-seeding.

Scope of Work

Demolish foundation and restore the Angle Lake School site.

STRATEGIC OBJECTIVES

This project supports the Port's strategy to "exhibit environmental stewardship through our actions".

ALTERNATIVES CONSIDERED/RECOMMENDED ACTION

Take no action. Under this alternative the Port would not demolish the foundation which would leave an exposed foundation and hole on the site with potential liability related to an open pit. This is not a recommended alternative.

Proceed with the demolition of the foundation and site restoration: This will allow the demolition of the foundation and the site restoration. The Port is investigating whether PCS has available crews and time to complete this work or whether it would be better to advertise this project and complete the work through a construction contract. Once the Port has determined the appropriate way to proceed, the Port will either have the work performed by Port staff or advertise and execute a construction contract. **This is the recommended alternative.**

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

April 15, 2009

Page 3 of 4

FINANCIAL IMPLICATIONS

Budget/Authorization Summary

Original Budget	\$ 951,000
Previous Authorizations	\$ 547,000
Current request for Authorization	\$ 404,000
Total Authorizations, including this request	\$ 951,000
Remaining Budget to be authorized	\$ 0

Project Cost Breakdown

	<u>Current Request</u>	<u>Total Project</u>
Construction Costs	\$ 228,000	\$ 627,000
Sales Tax	\$ 19,000	\$ 52,000
Outside Professional Services	\$ 0	\$ 34,000
Other	\$ 157,000	\$ 238,000
Total	\$ 404,000	\$ 951,000

The total estimated project cost at the start of design was \$951,000. This included asbestos abatement in Buildings #2 and #3; however, abatement of Buildings #2 and #3 will not be completed at this time. Building #1 will be abated and removed. The site will be graded and restored where Building #1 was removed. The following items reflect changes since the original concepts for the project were developed:

- The bids for abatement came in slightly lower; however, they are based on unit rates. The final number may vary. We must carry a contingency;
- We have to carry a contingency for unforeseen items such as underground tanks or contaminated soils;
- As a result, abatement for the remaining buildings has been put on hold. We will assess the project budget after completion of demolition and site restoration to determine if there are funds available to abate the remaining buildings. We will make a recommendation to the Port Commission on how to proceed.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

April 15, 2009

Page 4 of 4

Source of Funds

The project costs will be accounted for as expense. As such, the funding source is the Airport Development Fund. Some costs were recognized in 2008 as an environmental reserve; the remaining costs are included in the 2009 operating budget.

ECONOMIC IMPACTS

This project will fulfill the Port's commitment to public safety, to support improving the environment and to support local jobs. The restored site will remove a large burden to future potential development on the site.

PROJECT SCHEDULE

Procure Building Permit:

May 2009

Construction Complete:

July 2009

PREVIOUS COMMISSION ACTION

On September 9, 2008 the commission authorized:

- The cleanup and regulated materials abatement of the Angle Lake School building that was destroyed by fire.
- The design work necessary to demolish the burned remnants of the building including grading and restoration of the building site;
- The design work associated with regulated materials abatement of the two remaining buildings on the Angle Lake School site

The total of this request for authorization was \$547,000.