

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6a

Date of Meeting September 17, 2009

DATE: September 8, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development

SUBJECT: Change Order 0094 for the Consolidated Rental Car Facility Project Contract
MC-0315405

ACTION REQUESTED:

Request authorization for the Chief Executive Officer to issue Change Order Number 094 for the Consolidated Rental Car Facility (RCF) in the amount of \$900,000.

SYNOPSIS:

Both unsuitable and contaminated soil was discovered during excavation on the RCF project. Previous change orders (COs) were issued to address handling and disposal of contaminated soils (CO #001, 003, 005 and 006 for a total not-to-exceed cost of \$1,491,219) and of unsuitable soils (CO #004 for a total not-to-exceed cost of \$195,465). On August 25, 2009 the Commission authorized Change Order (CO) 077 for \$400,000 to handle removal and replacement of unsuitable soil due to additional unsuitable soils discovered during QTA1 and North Helix excavation. The estimate used to develop these costs was based on the assumption that a maximum of 5 feet of overexcavation at QTA1 and 2 feet of overexcavation at the remaining footings would be required to get to structurally sound soil that would support the building loads.

As excavation continued, the underlying soils were discovered to be in worse condition than that evident from investigating potholes and excavations at adjacent areas. In areas at QTA1 unsuitable soil was excavated to a depth of 8 feet along with areas of petroleum contaminates and excavated up to 10 feet at the North Helix footing. The newly discovered unsuitable and contaminated soil observed in these areas contains oil contaminates, tree stumps and other organic debris. This is in addition to the residential tanks, abandoned pipe and metal conduit previously uncovered. The Port has directed additional potholing to provide more information to further map the extent of the buried debris.

Based on the significantly higher quantity of unsuitable and contaminated soils encountered within the past few weeks, the existing change orders will shortly be expended. This new CO #094 must be issued to address the additional overexcavation/disposal of unsuitable/contaminated soils and selected backfill with imported structural fill. The work at QTA#1 is on the critical path. Delays from unsuitable/contaminated soil excavation/removal have impacted and continue to impact the construction schedule. The Port has directed the

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contractor to work overtime on selective construction activities to accelerate the critical path work and help mitigate the schedule impact and associated costs. This Change Order includes the direct costs of the unsuitable/contaminated soil issue along with selective Port directed overtime and a 10% contingency. A separate CO may be necessary to address any time impacts or indirect costs that cannot be fully mitigated.

CHANGE ORDER DESCRIPTION AND JUSTIFICATION:

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

Change Order No. 094

- **Scope of work:** Remove soil identified by the Geotechnical Engineer as unsuitable underlying soil for the new construction and dispose of in accordance with state regulatory requirements. Also remove soil identified to be contaminated with petroleum products. Replace the excavated unsuitable and contaminated soil materials with new native and imported structural fill. Work to be performed on a force account (time and materials) basis. Selective overtime as directed by the Resident Engineer of critical path work to mitigate schedule impact. Selective potholing as directed by the Resident Engineer.
- **Justification:** The existing soils under slabs and footings must be suitable to carry and transfer the building loads. Existing site soil has been identified by the Geotechnical Engineer of record as being unable to meet the structural requirements and must be removed and replaced with materials that will meet the structural requirements. Types of unsuitable soils being discovered on the site include soft soils, tree stumps, organic debris, residential tanks, buried trash and existing construction debris. The soil material in the excavation which contains petroleum contamination must also be properly disposed of offsite.
- **Consequences of not proceeding:** Proceeding with construction over unsuitable soil would result in unacceptable settlement of footings and cracks in slabs on grade and could result in structural failure. The contaminated soil must be properly disposed of offsite to meet our regulatory requirements.

FINANCIAL ANALYSIS:

Funds to pay for this change order are part of the project contingency funds that were included in previously approved authorizations of \$419,306,000.00. 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:	May 30, 2008
Original period of performance:	May 30, 2008 to April 1, 2011

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Previous contract extensions:	0 Days
Contract extension this change order:	0 Days
Current Contract Completion Date:	April 1, 2011

Original contract amount:	\$224,837,739.00
Previous Change Order Nos. 001 – 093:	\$3,398,794.00
<u>Current contract amount</u>	<u>\$228,236,533.00</u>

<u>This request, Change Order No. 094</u>	<u>\$900,000.00</u>
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Revised contract amount:	\$229,136,533.00
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