

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

**COMMISSION AGENDA**

**Item No.** 5c  
**Date of Meeting** December 15, 2009

**DATE:** December 8, 2009  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Ralph Graves, Managing Director, Capital Development  
**SUBJECT:** Change Order 001 for the Terminal 115 Berth 1 Modifications Project,  
MC-0316208

**ACTION REQUESTED**

Request authorization for the Chief Executive Officer to execute Change Order 001 for the T-115, Berth 1 Modifications Project for the Not to Exceed Net amount of \$162,000.

**SYNOPSIS**

The T-115, Berth 1 Modifications Project advertised for public bid on August 07, 2009. The tenant, Northland Terminal Services (NTS), requested a significant change in the design of the A-Frame Ramp Lifting Mechanism just prior to bid date. NTS believed that in an extreme low tide situation the ramp, as designed, would be unsafe to operate. In an agreement made between the Port and NTS, the Port would accommodate the design change if NTS provided a design acceptable to the Port and covered any additional cost over the engineer's estimate of the original design. The Lift System was kept in the Construction Bid and assigned a bid allowance of \$310,000, to be credited to the fabrication and construction costs of the NTS designed ramp lifting mechanism. The new design affects the catwalk system and support system, resulting in an additional credit back to the contract of \$78,000. The Contractor, Pacific Pile and Marine, is currently reviewing the revised documents and is pricing this change. To stay on schedule, a change order is required to direct the contractor to implement this change. Based on the additive and deductive elements of this design revision, a change order will be issued for the not to exceed additional cost of \$162,000.

The absolute value of the change order exceeds \$300,000 (\$938,000); therefore under Resolution No. 3605, as amended, section 4.2.3.8, the change order requires approval.

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

December 10, 2009

Page 2 of 3

### **CHANGE ORDER DESCRIPTION AND JUSTIFICATION:**

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

#### **Change Order No. 001**

- **Scope of work:** Fabricate and install ramp lifting mechanism as detailed by NTS provided design and delete the ramp lifting mechanism, associated catwalks and supports. The estimated lead time needed to procure the winch may require an extension to the contract end date. Currently that extension is estimated to be approximately 47 days, however staff is still evaluating the time impact at this time. It is not expected for the time impact to be greater than 60 days at this time. To lessen the potential time impact, staff is inquiring if the contractor would be willing to order the winch sooner. If so, a separate CO for approximately \$70,000 will be issued. The amount of that CO will be deducted directly from the amount below.
- **Justification:** The ramp lifting mechanism as represented in the bid documents, designed in collaboration with NTS may create a hazardous situation during extreme low tide events. NTS has provided an alternate design at their expense, however not until after the award of the contract.
- **Consequences of not proceeding:** The ramp and associated lifting mechanism will not be constructed. The Berth 1 project scope would be completed per contract, but the berth would not be capable of being used for cargo operations.

NTS Designed Ramp Lifting Mechanism (estimate)	\$550,000
Delete Bid Item #39: Furnish & Install A-Frame Supports	(\$52,000)
Delete Bid Item #40: Furnish & Install A-Frame	(\$310,000)
Delete Bid item #41: Furnish & Install Catwalk	(\$26,000)
<b>Net CO Not To Exceed Amount</b>	<b>\$162,000</b>

### **FINANCIAL ANALYSIS:**

Funds to pay for this change order are part of the project contingency funds that were included in previously approved authorizations of \$35,219,410. The Seaport Business Unit has negotiated an agreement with NTS regarding the additional cost over \$388,000. No additional project funds are being requested as a result of this change order.

**COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

December 10, 2009

Page 3 of 3

**CONTRACT INFORMATION:**

The following information relates to the contract and competitive award:

Contract award date:	October 5, 2009
Original period of performance:	October 5, 2009 to April 15, 2010
Previous contract extensions:	0 Days
Contract extension this change order:	47 Days (estimated)
Current Contract Completion Date:	June 1, 2010
Original contract amount:	\$2,776,900.00
Previous Change Order (none):	\$0.00
<u>Current contract amount</u>	<u>\$2,776,900.00</u>
<u>This request, Change Order No. 001</u>	<u>\$162,000.00</u>
Revised contract amount:	\$2,964,900.00