

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5g

Date of Meeting December 15, 2009

DATE: December 8, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development Division

SUBJECT: Change Order #193 for SeaTac International Airport S. 160th Street Loop Ramp/NER Phase I Contract MC-0313556

ACTION REQUESTED:

Requests authorization for the Chief Executive Officer to issue a no cost Change Order #193 for the S. 160th Street Loop Ramp/NER Phase I to add the additional time required (464 days) to complete the project.

SYNOPSIS:

The original water sprinkler design and delays in work associated with the completion of the Sound Transit light rail station caused delays that extended the close out period of the project. The beneficial occupancy work is finished; however close out efforts will continue. This change to extend the close out schedule is at no cost to the Port.

BACKGROUND:

As part of the Sound Transit (ST) light rail extension to Sea-Tac Airport, the Port relocated the Northbound Expressway and added a loop ramp at South 160th to make room for the new ST station and rail corridor. The project met the beneficial occupancy date of August 26, 2008. During project closeout, the contractor encountered a primary obstacle in achieving substantial completion because the City of SeaTac building permit could not be signed off until the fire sprinkler permit for the elevated Sound Transit light rail track was signed off by the Authorities Having Jurisdiction (AHJ), which were the Port of Seattle Fire Department and the City of SeaTac Fire Department.

The sprinkler system was installed in two parts, in two different contracts: C420 (the POS 160th Street Loop Ramp/NER contract) and C430 (the Sound Transit Airport Station contract). The C420 contractor was unable to get the AHJ acceptance on the flow test for its part of the fire sprinkler system until Sound Transit station's contractor completed its fire sprinkler installation. The system was designed such that the water for the C420 contract was fed from the C430 Sound Transit Station. The C430 work was completed more than a year after the anticipated C420 project completion date of August 28, 2008. The fire system testing was completed on

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November 11, 2009, and the final building permit was signed off on November 13, 2009. We are requesting CO #193 be issued for an additional 464 days needed to officially complete the project with the sign off of the building permit.

CHANGE ORDER DESCRIPTION AND JUSTIFICATION:

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

Change Order No. 193

- **Scope of work:** The original contract specified 08/26/08 as both the beneficial occupancy and the substantial completion date. CO #193 will add an additional 464 calendar days to reach substantial completion of the work.
- **Justification:** Under the contract, the contractor is unable to achieve substantial completion without getting his punchlist completed and all permits signed off. The City of SeaTac building permit sign-off was contingent on the AHJ acceptance of the entire completed fire sprinkler system. It was not anticipated at the time the project plans and specifications were put together that the AHJ would impose the restriction that the permit would not be signed off on the C420 contract until work on the C430 contract was completed. This was a delay that was beyond the contractor's control. The contractor had multiple issues with landscape and electrical subcontractor's performance to insure timely completion of the punchlist work on the project, which delayed their completion of the punchlist work. When Port staff evaluated the delays, we found that both parties had concurrent delays that were holding up completion of the project. In the case of concurrent delays to a project, both parties are responsible for their own costs that are incurred as a result of delays. The contractor agreed not to request cost for extended overhead and the Port agreed not to access Liquidated Damages. Therefore, we are requesting CO #193 be issued for 464 days at no cost.
- **Consequences of not proceeding:** The contract would remain open, and the General Contractor would not be able to get its retainage.

FINANCIAL ANALYSIS: This is a no-cost change order.

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

Contract award date:	July 13, 2006
Original period of performance:	July 13, 2006 to August 26, 2008
Previous contract extensions:	0 Days
Current Contract Completion Date:	August 26, 2008
Contract extension this change order:	464 Days

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Revised Contract Completion Date: December 3, 2009

Original contract amount: \$93,448,650.50

Previous Change Order Nos. 001 – 192: \$9,146,664.06

Current contract amount \$102,595,315.56

This request, Change Order No. 193 \$0.00

Revised contract amount: \$102,595,315.06