

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5a

Date of Meeting June 1, 2010

DATE: May 24, 2010

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development Division

SUBJECT: Delay Stormwater Retention Pond M Construction, a Portion of the 2010 Airfield Improvement Projects – Contract 2. CIP # C100172

AMOUNT OF THIS REQUEST: \$ 0

SOURCE OF FUNDS: N/A

ACTION REQUESTED:

Request authorization to separate Stormwater Retention Pond M from the other 2010 Airfield Improvement Projects – Contract 2 (AIP-2) and delay construction until 2011.

SYNOPSIS:

This authorization will allow a one-year delay to the construction of Stormwater Retention Pond M at Seattle-Tacoma International Airport and provides for a change in the scope of work which must be approved by the commission in accordance of section 4.2.3.3.”ii” of Resolution No. 3605

Pond M, one of the remaining Third Runway Projects, was authorized by Commission on January 12, 2010, for construction bid advertisement as part of the Airfield Improvement Project-2 (AIP-2). Unforeseen site conditions, particularly unsuitable foundation soils, were discovered post authorization by field soil investigations. These conditions necessitate further design and analysis time to fully evaluate, design, permit, and construct this permanent stormwater facility. Local agencies have been notified and agree with the delay of Pond M until 2011.

There may be additional costs associated with the delay of this work in the form of contractor mobilization and additional project/construction management expenses resulting from a second contract. Port Staff will continue to review options for combining the delayed work with other work in 2011 to mitigate the potential for additional costs.

No additional project funds are being requested as part of this authorization. The original budget for AIP-2, per the January 12, 2010, authorization was \$6,625,000. The estimated value of work delayed as part of this request is \$3,500,000. Additional costs associated with a second contract will be covered by previously authorized Third Runway Program contingency. Staff will return to Commission in late 2010 to provide an update on the delayed work and request authorization to advertise for construction bids.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

May 13, 2010

Page 2 of 3

BACKGROUND:

The AIP-2 includes several projects that must be accomplished to fulfill Third Runway Permit obligations and complete compensatory mitigation associated with the Miller Creek Relocation. The overall project includes:

- The removal of the 160th Street Box Culvert as compensation for the inability of the Miller Creek Relocation Channel to meet minimum velocity requirements
- Placement of additional gravel in the relocation channel to improve stream flow characteristics and water quality
- Installation of pond liners to eliminate vegetation growth inside four Third Runway permanent stormwater ponds
- Construction of a permanent stormwater outfall piping system from Pond D to Miller Creek
- Conversion and modification of Pond M and stormwater vault SDS 6/7 from construction stormwater facilities to permanent stormwater detention facilities. (Delayed until 2011)

On January 12, 2010, the Port Commission authorized advertisement for construction bids of the AIP-2. At the time of authorization, the design team was in process of completing the final design for the project. One of the final design components was a requirement to obtain a Washington State Department of Ecology Dam Safety Permit for the Pond M facility due to overall volume of stormwater planned to be detained. A portion of the permit process included a geotechnical and hydraulic engineering analysis to determine the structural stability of the Pond M earthen embankment dam. During the course of this analysis and site soil investigations, it was determined the Pond M site was underlain by loose, organic, and otherwise geotechnically poor soils. The presence of these types of soils necessitates further design and analysis prior to construction of the Pond M facility.

Due to the increased design and analysis period required for Pond M, the design team is recommending delaying the Pond M component of the 2010 project until the 2011 construction season. The type of work and the proximity to adjacent wetlands, necessitates the construction be completed in the relatively dry summer season. There is simply not enough time remaining in the 2010 schedule to complete the design, permitting, and construction within the desired weather window. The other remaining components of the project, however, would continue on schedule and be completed in 2010.

Pond M is one of a series of stormwater ponds needed to retrofit the entire Airport to current standards as required by environmental permits. The ponds were to be constructed and operational before opening the Third Runway. Staff requested and was granted an extension for the Pond M construction until the Fall of 2010 due to conflicts between the pond site and the 16L reconstruction project. The agencies have again been notified that the project will be further

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

May 13, 2010

Page 3 of 3

delayed due to the unforeseen technical difficulties mentioned above. Permittees who willfully violate project permits are in extreme cases subject to monetary penalty and imprisonment. However, as noted above, staff is working directly with the Washington State Department of Ecology's Dam Safety office to finalize the design and are committed to constructing the Pond in 2011.

The original budget for AIP-2, per the January 12, 2010, authorization was \$6,625,000. The estimated value of work delayed as part of this request is \$3,500,000.

As required by Resolution No. 3605, section 4.2.3.3(ii), additional Commission authorization is required if project changes or delays will have material, financial, community or business impacts. The Pond M construction delay is a material change to this project. Staff will return to Commission in early 2011 to provide an update on the project and request authorization for advertisement of construction bids for the Pond M work.

PROJECT SCHEDULE

2010 Airfield Improvement Projects – Contract 2

- Start Construction: July 2010
- Project Completion Date: December 2010

2011 Pond M Project

- Complete Design: 4th Quarter 2010
- Start Construction: 2nd Quarter 2011
- In-use Date: 4th Quarter 2011
- Project Completion Date: 4th Quarter 2011

CONSEQUENCES OF NOT PROCEEDING:

Port staff has notified environmental permitting agencies that Pond M completion will not occur this year. Not proceeding with the project in 2011 will place the Port in violation of the Airport's NPDES permit as well as the 401 Water Quality Certification and 404 Permit for the Third Runway and other Master Plan Update Improvement Projects.

FINANCIAL IMPLICATIONS:

The budget to pay for the Pond M construction delay is part of the Third Runway Program contingency budget previously authorized by the Port Commission. No additional project budget is being requested as a result of this change.