

Port Construction Services

Briefing to the Port of Seattle
Commission

June 1, 2010



Port Construction Services

Mission:

To be the center of excellence for construction related services in the delivery of Small Works projects and programs for the Port of Seattle.

Functions:

Construction Management

- **Project Management**
- **Small Work Contracts**

Regulated Materials Management

- **Operations and Maintenance**
- **Design and Abatement**
- **Tenant Notifications**

Field Operations

- **In-House Crews**

Why PCS

- **Aviation and Seaport Project Management Groups Decide Whether to Assign Projects to PCS, Maintenance, or Major Work Contracts**
 - Decision Is Based On Acquisition Planning Which Includes All Key Stakeholders
- **Strong External Relationships with Outside Small Works Contractors**
 - Works with Central Procurement Office on Small Works Contracting
- **Flexibility and Quick Response with PCS Crews**
- **Strong Knowledge of Port Facilities and Operations**

2009 PCS Operations

Total PCS Operations	\$12,386,400
Total PCS Hard Costs	\$8,499,137
Total PCS Soft Costs	\$3,887,263
Total Number of PCS Projects Completed in 2009	168
% Projects Within Budget	78%
% Projects within 5% of Budget	91%
Average Project Value	\$83,350
Median Project Value	\$23,445

2009 Expenses

Construction Services

PCS Construction Services	2008	2009	% of change
Payments to Small Works Contractors	\$4,183,584	\$3,345,822	-20%
Construction Crew Wages	\$2,886,496	\$2,783,652	-4%
Materials and Equipment Purchases	\$2,262,648	\$2,074,770	-8%
PCS FTE Salary	\$381,366	\$372,633	-2%
Outside Services (PSA's) *	\$1,485,516	\$666,545	-55%
Allocated Overhead	\$1,993,585	\$1,867,474	-6%
Total	\$13,193,195	\$11,110,896	-16%

* The reduction in the use of five outside (non-Port) consultant construction managers and their replacement by two Port FTEs resulted in cost savings.

2009 Expenses

Regulated Material Management

PCS RMM Services	2008	2009	% of change
Payments to Contractors *	\$1,292,243	\$253,080	-80%
PCS Crew Wages *	\$171,748	\$34,844	-80%
Materials and Equipment *	\$43,458	\$6,969	-84%
PCS FTE Salary	\$390,431	\$383,591	-2%
Outside Services (PSA's) **	\$916,005	\$539,993	-41%
Allocated Overhead ***	\$19,940	\$57,026	186%
Total	\$2,833,825	\$1,275,504	-55%

* The reduction in payments to contractors is due to the completion of several large projects in 2008, including: Virgin America Ticket office (\$250K); TSA Office (\$140K); Bigfoot Cavern Concession \$160K; United Airlines Remodel (\$130K); and Common Use Terminal @ Gate S-2 (\$65K)

** The reduction in the use of outside (non-Port) construction managers and their replacement by a Port FTE resulted in cost savings.

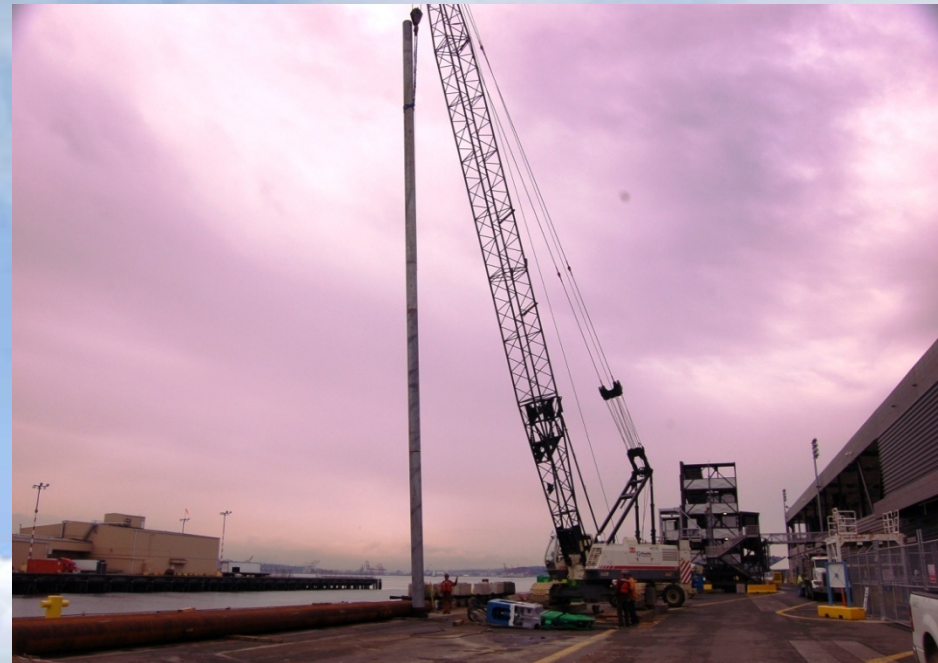
*** The increase in allocated overhead is due to a re-distribution of the overhead from Construction Services to Regulated Material Management.

PCS Projects



Airport
N7 Jet Bridge Installation

Seaport
T-91 Cruise Fender Pile Replacement



Thank you



2010 PCS Team