

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5b

Date of Meeting June 22, 2010

DATE: June 8, 2010

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development

SUBJECT: Change Order #340 for the Consolidated Rental Car Facility Project Contract
MC-0315405

ACTION REQUESTED:

Request authorization for the Chief Executive Officer to issue Change Order #340 for the Consolidated Rental Car Facility (RCF) in the amount of \$325,000. This Change Order will supplement Force Account Change Order #265 executed for \$225,000 for a cumulative estimated total cost of \$550,000.

SYNOPSIS:

During the design of the Off-site Roadway Improvement (ORI) project it became apparent that the design of the RCF ductbanks would need to be modified. Change Order #265 was issued to address electrical changes needed to complete the electrical scope of work that was split between the two Rental Car Program construction contracts. During construction, contaminated soils, more restrictive traffic control requirements and inclement weather were encountered. Change order #340 is required to compensate the contractor for these impacts during execution of the changed work. No new funds are being requested as previous authorizations for the RCF, including contingency funding, will cover the cost of this change order.

BACKGROUND:

The RCF project scope originally included the construction of a significant portion of electrical and communication ductbanks between the RCF and the existing Port power and communication systems in the vicinity of S 160th St and Host Road. This work if completed would terminate power and communication to the S. 160th St. Ground Transportation Lots. At the time the RCF was bid a separate project, the S 160th St Ground Transportation Lot Expansion project, would provide power and communication services for the existing taxi and ground transportation holding facilities on S. 160th St. Staff made the decision to delay the S. 160 St. Ground Transportation Lot Expansion project until after completion of the RCF and Offsite Roadway Improvements (ORI) project to be more efficient with capital expenditures.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

~~June 15, 2010~~ June 16, 2010

Page 2 of 3

Additionally, during design of the ORI project it was determined that a portion of the existing ductbank the RCF project scope was to connect to would have to be removed and replaced as part of constructing the new northbound access ramp to eastbound State Route 518.

Staff determined, driven by construction schedules, that the best overall decision was to revise the RCF design of the electrical and communication ductbank and incorporate a new connection to the S. 160 St. Ground Transportation lots and the improvements to support the new north bound access ramp. Design Change Notice #20 was prepared to incorporate these changes into RCF project and issued to Turner Construction.

The Project previously issued Force Account Change Order #265 in the amount of \$225,000 which allowed the contractor to proceed with work. This Change Order amount was based on the Port of Seattle Estimate for the work of \$197,915 to which an allowance of \$25,000 was added for flagging, traffic control and confined space work. This was further supported by a Turner third party estimate in the amount of \$252,345.

The Electrical subcontractor submitted a proposal for \$667,489 including GC/CM markups. The Subcontractor proposal was over twice that of the Port of Seattle or the Turner's estimate. The majority of the difference was identified as risks due to the unknown conditions associated with the status of the existing communication and power services connections. The Port of Seattle concluded that there was insufficient time to negotiate a lump sum price without risk of impact to the start of the offsite roads work. Construction work was directed to start on a Force Account basis via Change Order #265. During execution of the work three additional events have affected the productivity of the crews and the cost of the work. First the City of SeaTac mandated more costly and restrictive traffic control requirements for the work zone on S. 160th Street. Second, we encountered more unforeseen contaminated soil while excavating in this new area resulting in standby costs while the contaminants were tested and removed. The third factor has been the unusually wet and rainy weather we have had in May and June that slowed excavation work in the weather sensitive soils.

GC/CM BUDGET APPROVAL DESCRIPTION AND JUSTIFICATION:

The following information relates to the pending Change Order scope and cost:

Change Order #340

- **Scope of work: Modify the ductbank alignment and add the work to complete the power and communications connections from the southwest corner of the project site to the existing facilities. Coordinate all disconnections and connections with the Port of Seattle and utility companies. Work to be performed on a force account (time and materials) basis.**

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

~~June 16, 2010~~ June 15, 2010

Page 3 of 3

- **Justification:** The work in the contract has to be modified to accommodate the power and communications connections necessary to support existing facilities and the future ORI scope of work.
- **Consequences of not proceeding:** The ductbanks would not be constructed in an alignment that supported the roadway improvements and demolition work to support the ORI project will not be allowed to start until the power and communications work is rerouted to support the existing facilities through another contract procurement.

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
Previous contract extensions:	228 Days
Contract extension this change order:	0 Days
Current Contract Completion Date:	November 15, 2011
Original contract amount:	\$224,837,739.00
Previous Change Order Nos. 001 – 339:	\$8,794,162.00
<u>Current contract amount</u>	<u>\$233,631,901.00</u>
<u>This Request, Change Order No. 0340</u>	<u>\$325,000.00</u>
Revised contract amount:	\$233,956,901.00