

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5c

ACTION ITEM

Date of Meeting July 27, 2010

DATE: July 2, 2010

TO: Tay Yoshitani, Chief Executive Officer

FROM: John Christianson, General Manager, Aviation Maintenance

SUBJECT: Paint Striping Truck CIP C800354

Amount of This Request: \$420,000

Source of Funds: Airport Development Fund

Estimate of State and Local Taxes: \$36,100

ACTION REQUESTED:

Request Authorization for the Chief Executive Officer to execute a contract to purchase (1) Truck Chassis Mounted Airless Application Striping Unit for Seattle-Tacoma International Airport (to replace the existing paint striping truck purchased as a used piece of equipment in 1997) for a total authorization of \$420,000.

SYNOPSIS:

Replacing our existing striping truck will provide the Department with safe, up to date, and reliable paint striping capabilities. Pavement striping requirements associated with this striping unit at the airport are related to application and maintenance of painted markings on the runways, taxiways, ramp areas, roadways and parking lots. The Paint Crew maintains approximately 965,650 square feet of pavement markings on the Airport Operating Area (AOA - *includes Runways, Taxiways & Ramp areas*). They also maintain approximately 200,000 square feet of roadway pavement markings around the Airport that include: the upper and lower drives, airport freeways, north employee parking lot and various other off site Port-owned surface lots.

The need for the crew to have the right equipment available and operable in a timely manner is imperative based on ensuring compliance with Federal Aviation Administration Airport Operating Certification and Federal, State and Port regulatory requirements. Federal Aviation Regulations Part 139 (FAR 139) and Advisory Circular 150/5340-1J Standards for Airport Markings; identify the marking and striping requirements necessary to be compliant with FAA regulatory requirements on the Airfield. Washington State Department of Transportation and Port safety requirements identify the painting and marking requirements on roadways and parking lots.

BACKGROUND:

The current Paint Striping Truck was purchased in 1997. It has reached the end of its useful life and is inadequate for the current striping and marking requirements at the airport. The transmission has been

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

July 2, 2010

Page 2 of 5

replaced multiple times since purchase (it was a used piece of equipment at time of purchase), causing significant down time during prime striping weather. The current striper paint tanks are not large enough to carry the quantity of paint necessary to paint a runway without needing to refill the tanks. Refilling the tanks in the middle of a painting operation is time consuming and labor intensive due to the size of the new paint drums and buckets needed to be lifted to reload the tanks. The current equipment's spray gun carriage is front centered and straight underneath the truck chassis so that the operator is required to look down versus looking out. The new vehicle will have sufficient paint capacity, sufficient horsepower, a camera mounted guidance system that provides a steady view in front, allowing the driver to look out versus down while applying markings.

PROJECT JUSTIFICATION:

This requested paint striper equipment is necessary to meet operational, safety and regulatory requirements associated with the standards for markings used on airport runways, taxiways, and aprons, roadways and parking lots.

Project Objectives:

This equipment purchase will replace the obsolete paint striper truck the Aviation Maintenance Department currently operates with a new paint striping truck that will assist the Department in the Paint Shop's on-going efforts to ensure compliance with pavement marking requirements at the airport. After the new equipment is delivered, accepted, and utilized for a few months, the current striper truck will be disposed of per the Central Procurement Office property disposal policy PUR-1.

PROJECT SCOPE OF WORK AND SCHEDULE:

Scope of Work: Via a competitive process, purchase one Truck Chassis Mounted Airless Application Paint Striping Unit for the Airport

Schedule:

- Acquisition Planning Completed April 2010
- Commission Authorization July 2010
- Start Design August 2010
- Design complete September 2010
- Bid Advertisement September-October 2010
- Receive Bids & Award Contract November 2010
- Striper Truck Delivered and in Service January-February 2011

FINANCIAL IMPLICATIONS:

Budget/Authorization Summary:

Original Budget	\$420,000
Budget Transfers	\$0
Revised Budget	\$420,000
Previous Authorizations	\$0
Current request for authorization	\$420,000
Total Authorizations, including request	\$420,000
Remaining budget to be authorized	\$0

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

July 2, 2010

Page 3 of 5

Project Cost Breakdown:

Port of Seattle Labor	\$2,500
Outside professional services	\$0
Equipment purchase including sales tax	\$417,500
Total	\$420,000

Budget Status and Source of Funds:

This project is included in the 2010 – 2012 capital budget and plan of finance. The source of funds is the Airport Development Fund.

Financial Analysis and Summary:

CIP Category	Renewal and Replacement
Project Type	Renewal and Replacement
Risk adjusted Discount rate	N/A
Key risk factors	N/A
Project cost for analysis	\$420,000
Business Unit (BU)	Airfield
Effect on business performance	NOI after depreciation will increase as revenue from recovering capital and operating costs through the landing fee will exceed depreciation.
IRR/NPV	N/A
CPE Impact	\$0.002 in 2012 but no change compared to business plan forecast as this project was included.

Lifecycle Cost and Savings:

Ongoing operational costs will be assumed within the shop wages of crew who will operate the equipment. State Sales tax will be paid when the vehicle is purchased. The cost savings will be seen in the efficiency of the equipment that provides up to date computerized application and speed controls, improved paint drying time, enhanced safety features, minimizing support requirements associated with loading paint and the requirement for both front and rear safety pilot cars when painting.

Future ongoing maintenance costs are anticipated to be between \$3,000 and \$6,000 annually for Preventive, Corrective, and Operational Maintenance requirements. During the first year of operation the new striper truck will be under a manufacturer's warranty for any repairs necessary that may be due to equipment defects.

ENVIRONMENT AND SUSTAINABILITY:

Purchasing the new equipment allows for more efficient striping operations. The new equipment will be equipped with a clean-diesel engine, which is the cleanest-burning option available to aid in reducing air emissions, and will be more fuel efficient. It will improve operational efficiency with new state of the

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

July 2, 2010

Page 4 of 5

art application equipment that will improve application speed and minimizing airfield and roadway operational downtime and delays due to improved paint application rates and drying times.

STRATEGIC OBJECTIVES:

This project supports the Port's strategy to "Ensure Airport and Seaport Vitality" through enhanced operational performance and safety by having a reliable and efficient paint striping truck.

BUSINESS PLAN OBJECTIVES:

Ensure regulatory compliance. Maintaining operational integrity of facilities and equipment requires ongoing reinvestment. Focus investments on maintaining and renewing existing assets.

TRIPLE BOTTOM LINE SUMMARY:

The new striper truck purchase represents an investment in our current long-term Maintenance Continuous Improvement Project tying into the Airport and Seaport Vitality Strategy. Cost effectiveness and efficient productivity will be realized by having the right equipment purchased for the right job. Surface striping and painting assures safe pavement markings are provided and in place for our airlines and travelling public.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

Alternative 1 – Continue to use the current 1997 Paint Striping Truck. This alternative is not considered a viable solution due to the age, condition, and operational limitations of the current piece of equipment. It cannot be counted on to perform when needed, is undersized for current painting requirements, and cannot be retrofitted to provide the reliability and efficiency when needed. This alternative is not recommended.

Alternative 2 – Contract out the work. Prior to 1997, prior to purchasing the current paint striping truck, Maintenance contracted with a local paint striping company for our large area paint striping requirements. In reviewing this contracted effort between 1995 and 1997, we determined that we could improve quality, responsiveness, and lower actual pavement striping costs by bringing this work totally in-house.

Maintenance also experienced problems scheduling contractors for airport pavement striping during the wetter seasons when there is limited good weather condition days acceptable for painting. When optimal painting conditions were available we found we were competing for the same contracted painting resources as every other company or public entity contracting for striping. This alternative is not recommended.

Alternative 3 – Purchase one (1) Paint Striping Truck for Seattle Tacoma International Airport for a total authorization of \$420,000. This requested paint striper equipment is necessary to meet operational, safety and regulatory requirements associated with the standards for markings used on airport runways, taxiways, and aprons, roadways and parking lots. This alternative is recommended.

COMMISSION AGENDA

T. Yoshitani, Chief Executive Officer

July 2, 2010

Page 5 of 5

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None

PREVIOUS COMMISSION ACTION:

There have been no previous Commission actions related to this project.