

Item No: 7a supp

Date of Meeting: April 5, 2011

# RCF Construction

March 4, 2011



Consolidated Rental Car Facility  
March 4, 2011

February 1, 2011



Consolidated Rental Car Facility  
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# RCF Construction



**CSB Vaulted Ceiling Installation Progress**



**BMF South Ramp Retaining Wall Placement**



**NW Support Building Cladding Installation**



**ORI Forming and tying rebar at Abutment 1**

# Rental Car Facility Program Contract - Status Summary

	Base Contract Amount	Revised	Additional Costs *		Unallocated Balance	Billed to date (as of Feb 2011)
			In review **	Executed		

## Consolidated Rental Car Facility

Total Construction Costs	\$224,837,739	\$211,421,525	\$214,455	\$202,606,715	\$8,600,355	\$194,465,051
<u>Construction Contingency Summary</u>						
Non Suspension Contract Changes	\$5,953,159	\$17,031,082	\$11,830,698	\$8,765,318	(\$3,564,934)	\$6,001,387
Suspension Related Contract Changes		\$16,800,000	89,202	\$8,640,600	<u>\$8,070,198</u>	\$8,474,182
					<u>\$13,105,619</u>	

## Off Site Roads

Construction Contract Amount	\$7,627,485			\$7,627,485	\$0	\$2,467,433
Construction Contingency	\$1,087,000		\$134,060	\$1,274,344	(\$321,404)	\$100,005

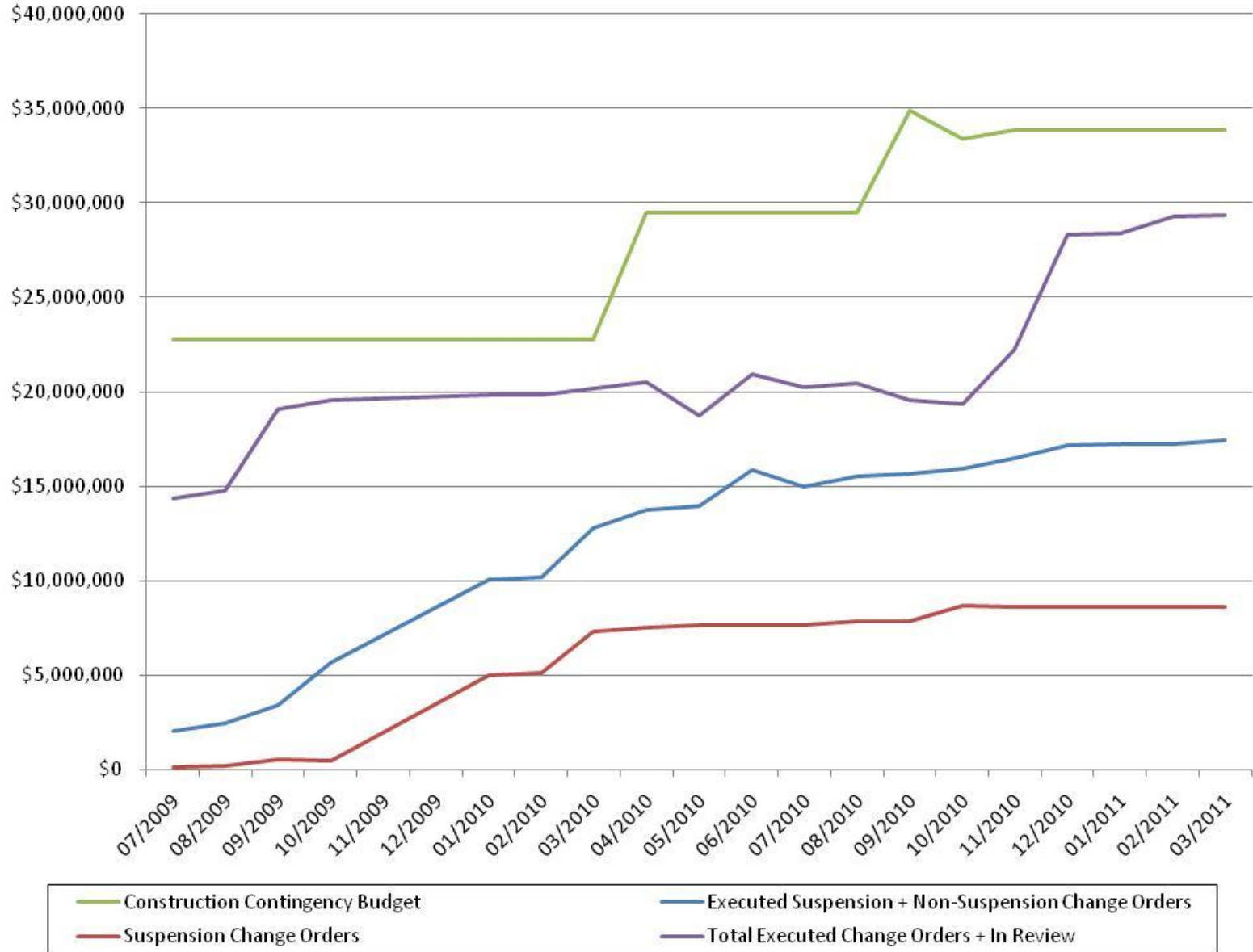
## Bus Maintenance Facility

Construction Contract Amount	\$13,086,444			\$13,086,444	\$0	\$185,828
Construction Contingency	\$1,611,000		\$20,400	\$0	\$1,590,600	\$0

NOTE: \* updated as of March 9, 2011

\*\* includes costs in dispute for entitlement or quantum

## Construction Contingency Trending to Date





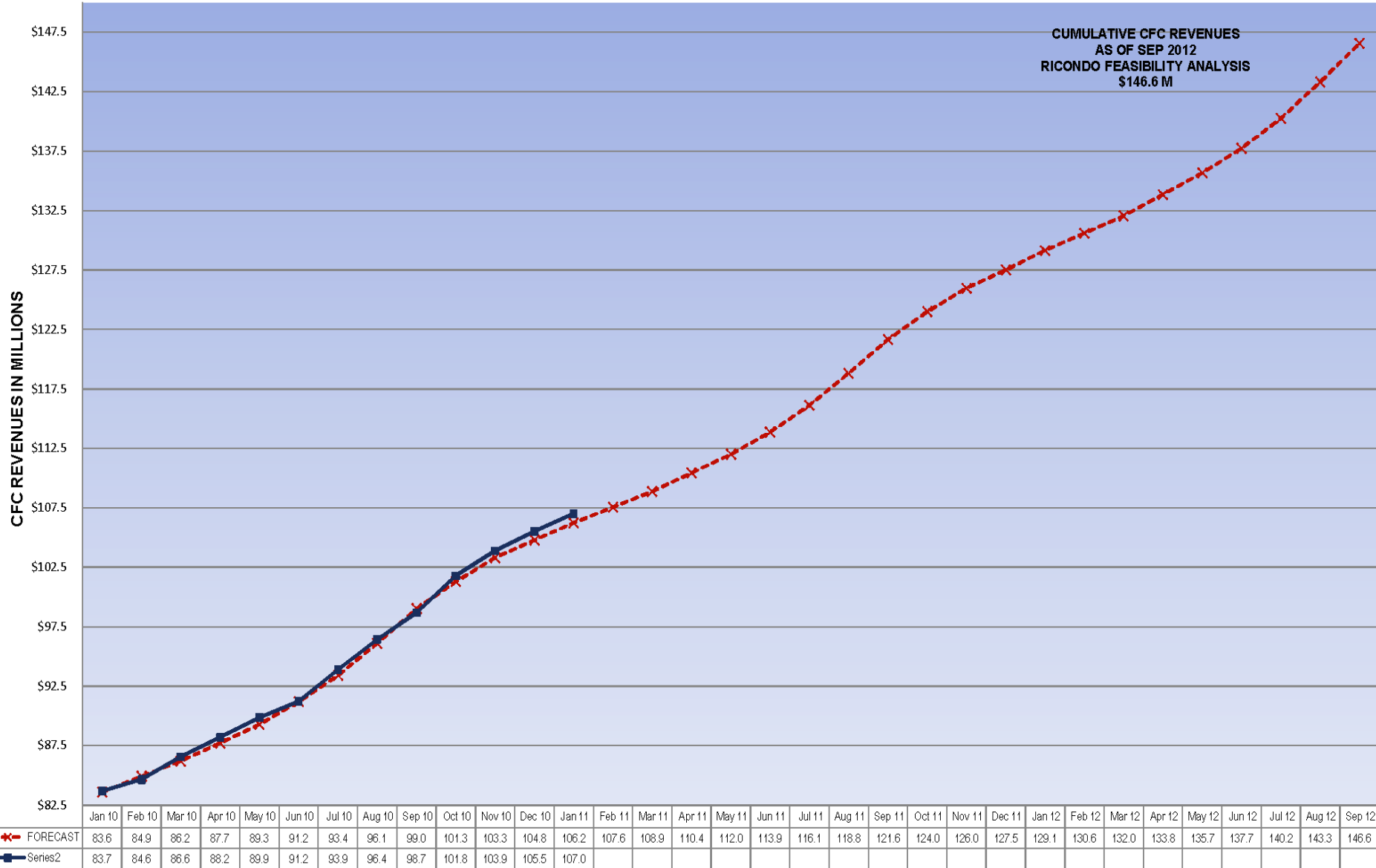
## Consolidated Rental Car Facility Program Costs as of 3/14/2011

Project	6/30/09 Budget	2/2/10 Authorization	Approved Transfers/ Trends	Pending Transfers/ Trends	Remaining Contingency	Expended to Date	Forecast to complete
RCF	\$350,772,000	\$350,772,000	\$17,405,918	\$12,252,900	\$13,105,619	\$272,291,136	\$350,772,000 (1)
BMF	\$28,282,000	\$28,282,000	(\$1,900,000)	\$20,400	\$1,590,600	\$4,313,841	\$26,382,000
ORI	\$19,542,000	\$19,542,000	(\$1,954,656)	\$134,060	\$648,596 (2)	\$6,476,473	\$17,203,000 (2)
MTI	\$3,383,000	\$583,746	\$0	\$0	\$338,300	\$160,247	\$3,383,000
Buses	\$17,327,000	\$16,000,000	(\$4,911,269)	\$0	\$219,897	\$212	\$12,415,731
Unallocated Contingency	\$0	\$0	\$9,070,269	(\$333,000) (1)	\$8,737,269	\$0	\$0
<b>Total</b>	<b>\$419,306,000</b>	<b>\$415,179,746</b>	<b>\$17,710,262</b>	<b>\$12,074,360</b>	<b>\$24,640,281</b>	<b>\$283,241,909</b>	<b>\$410,155,731</b>

(1) Pending transfer will augment budget

(2) Pending transfer includes \$970,000 requested in Commission memo. Once approved, transfer will augment contingency and budget.

**SEATTLE-TACOMA INTERNATIONAL AIRPORT  
CFC REVENUE FORECAST TO ACTUAL COMPARISON  
UPDATED 3/1/11**



**CUMULATIVE CFC REVENUES  
AS OF SEP 2012  
RICONDO FEASIBILITY ANALYSIS  
\$146.6 M**

**Notes:**  
The forecast is from the Ricondo Feasibility Analysis which was the basis for the RCF bond issuance  
No interest proceeds are reflected in actuals shown above

# **Rental Car Facility Funding Plan Update**

# Background

- 2009 funding plan for the Consolidated Rental Car Facility included use of variable rate debt
  - Initially in the form of a line of credit
    - up to \$100 million
    - to be replaced with variable rate bonds in the future
  - Line of credit expires this year
  - Currently no outstanding balance



## Estimated Project\* Funding – July 2009

<b><u>Sources of Funding - July 2009 (\$mil.)</u></b>	
non-CFC funded costs	12
CFC cash	69
tax-exempt bonds	19
taxable bonds	248
future variable rate debt	51
future Airport deferred interest loan	20
<b>TOTAL</b>	<b>419</b>

\* Excludes bond related costs

# Line of Credit can be replaced by Commercial Paper (CP)

- Port's current program has capacity – no additional bond issue needed
  - Program totals \$250 million
- Flexible draws - as needed, no over-funding
- Consistent with original plan to include a portion of variable rate debt
  - Lower interest rates
  - Flexible re-payment
- Can be converted to a longer-term solution when appropriate

## Status of the Port's CP Program

<u>CP Program (\$ mil.)</u>	Column1
Bank of America Letter of Credit	100
Bayerische Landesbank Letter/line	150
TOTAL	250
<u>Projected Uses (\$ mil.)</u>	
Current outstanding	42
Liquidity	50
Rental Car	51
TOTAL	143

# Alternatives

- Issue new variable rate bonds
  - Additional costs and debt management
  - No benefits compared to CP
- Issue fixed rate bonds
  - No variable rate risk
  - Higher cost
  - Risk of over-issuing

# Next Steps

- Cancel Line of Credit
- Use CP as needed to complete the project
- Report to Commission on the final funding plan
  - Based on final project costs
  - Reflecting updated CFC forecast



# Walker Parking Consulting Contract

- Original Solicitation and Selection competitive.
- Original Contract Method: Award base (\$100k) and amend (current total \$31.5m) as work progressed.
- Project History was multiple stops, starts and changes over 10 years.
- Rules changes include a new State law, two Commission Resolutions and two Port Policies.
- Actions were each consistent with then current requirements as understood at the time.
- Procedural details would be different today, contract method may change or not.

# Service Agreement Rules Changes

- Resolution 3181 as amended by the Commission in November of 1994 and Policy PUR-2 dictated requirements for Professional Services Agreements.
- Senate Bill 3274 in June 2008 clarified limits on amendments and required staff to inform Commission when contract value grew by 50%.
- Resolution 3605 in August of 2008 replaced Resolution 3181, restricted adding new scope to contracts and required notifying the Commission if amendment to a contract grew value by 50% of the original contract value.
- CPO-1 in January 2009 replaced PUR-2, implemented the service agreement provisions of 3605 and defined the project-specific service-directive type consulting contract.
- Amended Resolution 3605 in November of 2009, added a requirement to specifically request Commission authorization for any amendment to a Professional Services Agreement over \$300,000.
- CPO-6 in January 2010 states Port procedures for competition waivers.

# Walker Parking Contract History

Legend	
	Procurement procedures in place
	Authorizations
RCF	Rental Car Facility
ORI	Off-Site Roadway Improvements
BMF	Bus Maintenance Facility
RCI	Rental Car Improvements

Amend No.	Date	Amount	Cumulative Authorization or Obligation	Purpose	Project	Approach If Done Today (RCW 53.19.060 & Amended 3605)
Authorization	11/1/94			Resolution 3181 Amended		Updated 3181 & PU-2
Authorization	3/22/01	\$3,500,000	\$3,500,000	Program Schematic Development	Program	Service Agreement
Base	3/5/04	\$100,000	\$100,000	Initiate Team, Design Procedures	Program	Service Directive
Authorization	4/22/04	\$3,330,000		Rental Car Improvements	RCI	New Solicitation
1	6/2/04	\$50,000	\$150,000	Detailed Programming	RCI	Not in Original Solicitation
2	6/10/04	\$50,000	\$200,000	Concept Validation	RCI	Not in Original Solicitation
3	6/17/04	\$879,000	\$1,079,000	Concept Validation	Program	Service Directive
4	7/8/04	\$436,162	\$1,515,162	Finalize PS&E	RCI	Not in Original Solicitation
5	9/27/04	\$61,213	\$1,576,375	Construction Support Services	RCI	Not in Original Solicitation
6	10/15/04	\$500,000	\$2,076,375	Detailed Programming	Program	Service Directive
Authorization	11/9/04	\$18,675,000	\$22,175,000	Design RCF, Procure GC/CM	Program	Amendment & 50% Notification
7	12/29/04	\$84,000	\$2,160,375	Main Garage Improvements	RCI	Not in Original Solicitation
8	6/3/05	\$300,000	\$2,460,375	Shelve Project	Program	Service Directive
9	12/1/05	\$550,000	\$3,010,375	Restart Programming, ADPR	RCF, ORI	Service Directive
10	6/7/06	\$750,000	\$3,760,375	Restart Concept Re-validation	RCF	Service Directive
11	12/14/06	\$2,249,615	\$6,009,990	Schematic Design	RCF	Service Directive
Authorization	2/27/07	\$6,460,183	\$28,635,183	Additional Design; Pre-Construction	Program	Amendment & 50% Notification
12	3/14/07	\$320,000	\$6,329,990	Site Design	RCF	Service Directive
13	5/8/07	\$5,000,000	\$11,329,990	Design Development	RCF	Service Directive
14	6/4/07	\$517,659	\$11,847,649	Design Development	ORI	Service Directive
15	9/10/07	\$180,062	\$12,027,711	Conceptual Design	BMF	Not in Original Solicitation
16	10/5/07	\$6,500,000	\$18,527,711	Finalize PS&E	RCF	Service Directive
17	12/18/07	\$422,255	\$18,949,966	Schematic Design	BMF	Not in Original Solicitation
18	1/30/08	\$136,644	\$19,086,610	Temporary Facilities; ORI Cost Estimate	RCF, ORI	Service Directive
19	2/21/08	\$51,600	\$19,138,210	Traffic Signal Design	ORI	Service Directive

Authorization	5/13/08	\$3,574,300	\$32,209,483	Additional Design; Award GC/CM	Program	Amendment & 50% Notification
Legislation	6/12/08			HB-3274 in effect		Port Contracting
20	6/22/08	\$200,000	\$19,338,210	Construction Support Services	RCF	Service Directive
21	7/22/08	\$1,340,595	\$20,678,805	Finalize PS&E	ORI	Service Directive
22	7/21/08	\$5,700,000	\$26,378,805	Construction Support Services	RCF	Service Directive
Authorization	8/26/08			Resolution 3605 Replaces 3181		Revamps Past Procedures
23	8/27/08	\$104,070	\$26,482,875	Purchasing Support Services	RCF	Service Directive
24	9/25/08	\$127,380	\$26,610,255	Design Claims Resolution	RCF	Service Directive
25	10/21/08	\$0	\$26,610,255	Rate Changes	Program	Amendment
Authorization	11/11/08	\$552,000	\$32,761,483	Additional Design	ORI	Amendment
Policy	1/31/09			CPO-1 Replaces PUR-2		Service Agreement Procedures
26	4/17/09	\$265,172	\$26,875,427	Design Modifications; Complete PS&E	RCF, ORI	Service Directive
Authorization	6/30/09	\$591,670	\$33,353,153	Additional Design	ORI, BMF	Amendment
27	9/3/09	\$6,879	\$26,882,306	Revise Small Operator Area	RCF	Service Directive
28	9/18/09	\$275,331	\$27,157,637	Design Claims, Additional Design	RCF	Service Directive
Authorization	11/3/09			Resolution 3628 Amends 3605		\$300,000 Amendment Limit
29	12/4/09	\$111,863	\$27,269,500	Additional Design Services	ORI	Service Directive
Authorization	12/15/09	\$300,000	\$33,653,153	Additional Design	ORI	Amendment
Policy	1/10/10			CPO-6		Competition Waiver Procedure
30	2/9/10	\$36,677	\$27,306,177	Additional Signal and Lighting Design	ORI	Service Directive
31	4/14/10	\$42,433	\$27,348,610	Design Claims Resolution	RCF	Service Directive
Authorization	6/8/10	\$4,000,000	\$37,653,153	Additional Construction Support	RCF	Amendment & 50% Notification
32	7/7/10	\$3,770,000	\$31,118,610	Construction Support Services	RCF	Service Directive
Authorization	1/25/10	\$350,000	\$38,003,153	Construction Support Services	ORI	Amendment
33	2/3/11	\$347,506	\$31,466,116	Construction Support Services	ORI	Service Directive

# What would we do today?

- Allowable contract scope is defined by the solicitation.
- Service-directive contracting is preferred in part because it makes ultimate contract total more visible.
- Base and amendments contracting still considered when course of project is uncertain.
- Contract scope limits strictly enforced.
- Projects and contracting go better when decisions and events don't delay progress.



# Wayfinding and Signage Issues Consolidated Rental Car Facilities

## Other Facilities

## SeaTac's solution

- Lack of way-finding signs directing passengers to Facility from airport, especially if multiple terminals exists or RCF across from terminal (no busing).

- Early recognition of signage issues so conducting several full-sized on-site mock-ups with Industry to test the adequacy and visibility. Identified sign to in areas of poor lighting to be back lit.

- There was a lack of consistency with the terminology between other cities airports and facilities. Lack of timely planning and time to make changes.

- Captured lessons learned from other facilities, so working very closely with the Industry on use of common terminology, logo's and branding.

- Inconsistent sign size, color, location, lighting, directional arrows and font size hard to see/follow which confuses customers. Lack of timely planning and time to make changes. Must consider driving or walking to the facility or the terminal(s), bus pick up/drop off, terminal way finding and visitors to the facility.

- Conducting site walk through tours with Industry reviewing sign placement and key decision points customers will experience within both the RCF and Terminal and between.
- Working closely with the Port's signage department and Turner's sub-contractor for consistent sign size, color, location, lighting, directional arrows and font size.

- The bus identification and busing signage at terminals and RCFs not clear which confuses customers. Closing counters and directing people to bus stops a challenge

- Busing Committee developed criteria to make RAC buses clearly marked for easy identification. Includes brand logos representing companies in the RCF.

- Signage for vertical movement confusing. Also, the human factor where passengers simply follow others and end up on the wrong floor, though very large clear signage provided.

- Developing dedicated escalator signage to make it easy for the passenger to follow or to re-direct if they make a mistake.

# Activation Recommendation to test our wayfinding and signage

After construction is complete and before the facility opens, Port staff will be recruited as pretend customers, given mock “assignments”, directed to find their way either to a specific location in the RCF or between the RCF and Terminal and to critique the signage.

Mock customer testing will be done in time to allow for signage enhancements, if necessary.

Examples of mock “assignments” include:

- Return vehicle to the RCF, stop to use the restroom before boarding a bus back to the airport.
- Meeting someone from another flight (1 hour behind yours) in the Central terminal to get something to eat before you both make your way to the Rental Car Bus together.
- Drop off a friend at the RCF to rent a car that are not traveling from the airport.
- Disembarking plane from the North satellite, retrieve bags from baggage claim and make your way to the Rental Car Bus. You are renting a car without a reservation.