

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 6b

**Date of Meeting** May 3, 2011

**DATE:** April 25, 2011

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Wayne Grotheer, Director, Aviation Project Management Group  
David Soike, Director, Aviation Facilities and Capital Program

**SUBJECT:** Project specific Design Services at Seattle-Tacoma International Airport for the South Satellite HVAC, Lights, Ceiling Replacement Project CIP # C800376 and North Satellite HVAC, Lights, Ceiling Replacement Project CIP # C800377

**Amount of This Request:** \$0

**Source of Funds:** Future Individual Project Authorizations

**ACTION REQUESTED:**

Request Port Commission authorization for the Chief Executive Officer to execute a professional services contract for design services in an amount not to exceed \$8,000,000 in support of anticipated capital improvement projects related to South Satellite Heating, Ventilating, Air Conditioning (HVAC), Lighting, Ceiling Replacement and North Satellite HVAC, Lighting, Ceiling Replacement Projects at Seattle-Tacoma International Airport (Airport). This contract will have an ordering period of five years. No funding is associated with this authorization.

**SYNOPSIS:**

This contract will provide design services for projects supporting the replacement of the HVAC, Lighting and Ceilings in the North and South Satellites at the Airport. Each project will return with a request for design funds as part of a later project authorization. At this time, the South Satellite project is definite, and the North Satellite is prospective due to ongoing airline discussions about realignment-related projects. However, staff sees potential advantages in having the same design consultant for both projects. If the North Satellite project is delayed or otherwise accomplished, then that work can be omitted from the design contract since no funds are obligated to the design until after the Commission authorizes the project and contract service directives are written. Advertising the design contract including both projects preserves the option of using the same designer on both.

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### **BACKGROUND:**

The Port of Seattle is planning to replace the HVAC Systems on the North and South Satellites at the Airport. The current systems have exceeded their 25 year service life, and replacement parts are unavailable when repairs are required. The current systems are obsolete and the potential cost savings from replacement by new energy efficient systems is substantial. The current construction cost estimate for the two projects is \$55 million.

### **PROJECT SCOPE OF WORK AND SCHEDULE:**

Prepare one service agreement for two anticipated projects at the Airport, the South Satellite HVAC, Lighting, Ceiling Replacement and North Satellite HVAC, Lighting, Ceiling Replacement Projects. The scope of both projects encompasses the replacement of the existing HVAC, lights and ceiling in both satellites. This contract will have an ordering period of five years. Service directives will be issued during the ordering period and the contract duration will continue until the work is complete. The planned construction includes demolition and replacement of HVAC, lights, ceilings and related infrastructure.

#### ***Schedule:***

- Sign contract – Oct 2011
- Design Complete – July 2012
- Advertise for construction – Sep 2012
- Notice to proceed to construction contractor – Jan 2013
- Construction Complete – July 2015

#### ***Project Statement and Objectives:***

The consultant will provide all required professional services for the replacement of the HVAC, ceilings and lighting at the South and North Satellites throughout the term of the agreement. The specific scope of work to be accomplished for each project will be identified in a series of service directives. The service directives also will include the schedule and cost of services to be provided by the consultant for each project.

### **FINANCIAL IMPLICATIONS:**

The total estimated cost for services will not exceed \$8,000,000. No work is guaranteed to the chosen consultant, and the Port is not obligated to expend any funds by execution of a contract. The budget for work performed under this contract will come from separate individual authorizations for capital project work. Consequently, there is no funding request associated with this authorization.

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### **ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:**

Alternative 1: Execute one project specific contract for the South Satellite HVAC, Lighting, Ceiling Project and the North Satellite HVAC, Lighting, Ceiling Project. This alternative allows for one procurement process for a design consultant instead of two processes. By having the same consultant design both facility upgrades, the systems can be standardized, resulting in future savings of spare parts inventories and training of maintenance personnel. Using the same consultant will result in design economies. Advertizing the contract to include both designs does not commit the Port, but it enables the option for the second if the first design goes well. **This is the recommended alternative.**

Alternative 2: Prepare separate procurements for each project. This alternative would require more procurement processes, add more time to projects, preclude the possibility of using one designer for both projects and increase administrative costs. This is not the recommended alternative.

### **OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

None.

### **PREVIOUS COMMISSION ACTION:**

The Commission was briefed on the condition of the HVAC systems of the North and South Satellites on September 22, 2009, in a briefing entitled "Sea-Tac Airport: Renewing Mission Critical Infrastructure."