

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

**COMMISSION AGENDA**

**Item No.** 6e

**Date of Meeting** July 26, 2011

**DATE:** July 15, 2011

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

**FROM:** Ralph Graves, Managing Director, Capital Development

**SUBJECT:** Consolidated Rental Car Facility Project Contract MC-0315405  
**Extension to Contract Completion Date**

**Amount of This Request:** \$0                      **Total Project Cost:** \$232,002,604.00

**Source of Funds:** RCF Project Contingency. No additional funds required.

**Est. State and Local Taxes:** \$21,423,533.00 of Total Project Cost    **Jobs Created:** None

**ACTION REQUESTED:**

Request authorization for the Chief Executive Officer to issue a change order for the Consolidated Rental Car Facility (RCF) project to extend the completion date by an amount not to exceed 80 calendar days. Although the Port has received a claim for additional costs related to schedule delay, this extension would specifically not, at this time, be compensable to the general contractor/construction manager or any subcontractors.

**SYNOPSIS:**

The schedule milestone for permanent power-on has slipped from May 6, 2011, to the currently projected date of July 25, 2011, an 80 calendar day delay. The 80-day extension will not affect the currently scheduled opening of the RCF. Although the general contractor/construction manager (GC/CM) has yet to submit a contractually required schedule analysis to demonstrate that the Port was responsible for this delay, the Port staff believes it may, at least in part, be responsible for the delay to energizing the electrical equipment. To keep the project moving and to avoid claims for constructive acceleration, the project staff seeks authorization to issue a change order extending the required contract completion date 80 calendar days.

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### **BACKGROUND:**

Upon the lifting of the project suspension in July 2009, the Port and the GC/CM agreed to a revised construction schedule. That schedule identified a contract completion date of November 15, 2011. This construction schedule also identified an interim milestone for completion of permanent power of May 6, 2011 in order to achieve the final completion date of November 15, 2011. Permanent power has not yet been energized. Permanent power is currently expected to occur on July 25, 2011. As a result, project activities that the revised construction schedule tied to permanent power have been delayed. While the contractor continues to identify slippage to the contract completion date and the permanent power activity at the Weekly Owner/Architect/Contractor meetings and monthly schedule updates, the GC/CM has not followed the contract in providing time impact analysis of the impacts to the project completion date.

This time extension will allow work to proceed without forcing the contractor to either accelerate to meet the current contractual completion date of November 15, 2011, or risk a potential claim for liquidated damages. The eighty calendar days is based on the late completion of permanent power from May 6, 2011, to the current projected power on date of July 25, 2011. The Port is requesting authorization on a "Not to Exceed" basis as the parties continue to work towards activating permanent power prior to July 25, 2011. The 80-day extension will not affect the currently scheduled opening of the RCF.

### **FINANCIAL ANALYSIS:**

This change order extends time only. No additional project funds are being requested as a result of this change order.

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**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
<u>Current Contract Completion Date:</u>	<u>November 11, 2011</u>

<u>Contract extension this change order:</u>	<u>80 Days</u>
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Revised Contract Completion Date:	February 3, 2012
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Original contract amount:	\$224,837,739.00
Previous Change Order Nos. 001 – 0809:	\$7,164,865.00
<u>Current contract amount</u>	<u>\$232,002,604.00</u>

<u>This Request, Change Order</u>	<u>\$ .00</u>
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Revised contract amount:	\$232,002,604.00
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**OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

None.

**PREVIOUS COMMISSION ACTION OR BRIEFING:**

June 28, 2011, Monthly Staff Briefing – Update on the Consolidated Rental Car Facility Program.