

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No.	5c
Date of Meeting	October 25, 2011

DATE: October 18, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development Division

SUBJECT: Change Order #023 for the North Expressway Relocation, Phase 1, Final Paving Landscaping and Reclamation Project, Contract MC-0316561

Amount of This Request: 75 calendar days and \$32,990 **Total Project Cost:** \$4,239,910

Source of Funds: Project Construction Contingency. No additional funds requested.

Est. State and Local Taxes: \$402,791 of Total Project Cost **Jobs Created:** 0

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to issue Change Order #023 for the North Expressway Relocation, Phase 1, Final Paving Landscaping and Reclamation Project for a time extension of 75 days to the contract completion date of April 27, 2011, and in the amount of \$32,990.

SYNOPSIS:

Towards the end of the original construction contract duration, it was discovered that the planting schedule in the contract documents contained an error in the number of groundcover plants that were needed at the new entry to the Airport. An additional 1,912 plants were needed to provide proper groundcover on the east and west side of the southbound Airport expressway at the new clock tower and entrance sign feature. A change order is required to compensate the contractor for the actual costs incurred to provide and install the plants in the amount of \$32,990 and a time extension of 75 calendar days to price and negotiate the change order, order and deliver the plants, and complete the installation of the plants.

The funds to pay for this change order come from the project construction contingency funds previously authorized. No additional funding is being requested as a result of this change order.

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BACKGROUND:

This project is the last phase of a multi-phase program to reconstruct the North Airport Expressway and extend Light Rail Transit (LRT) to the Airport in collaboration with Sound Transit. This project includes final paving of ramps near the parking garage entrance and the Airport LRT station, landscaping, an art feature and clock tower at the Airport north entrance, reclamation of staging and work area and miscellaneous work omitted or deferred from previous North Expressway Relocation Phase 1 contracts. This project completes the Port's obligation to Sound Transit to facilitate extending LRT to the airport and the City of SeaTac for landscaping of Port property and restoration of facilities along city streets.

The new entry feature to the Airport is a key component to this contract. It includes a new clock tower, and art features that include landscaping as part of the design element. It was discovered very late in the project that the contract documents did not show the correct number of groundcover plants to be installed in the entry area. Landscape installation is usually one of the final components installed on a project so it is not unusual that this error was found very late in construction. The Port requested a cost proposal for this work that originally came in much higher than the Port anticipated. This original cost proposal included costs for extended contractor overhead to stay on the project longer to complete the work.

The Port has not agreed to pay the contractor any extended overhead costs at this time as the contractor has not submitted the contractually required time impact analysis. The Port negotiated with the contractor until September and agreed to pay direct costs in the amount of \$32,990 for this change and to extend the contract completion date to April 27, 2011 when the work associated with this change order was completed. Once all remaining design and construction issues have been resolved on this project, the Port will be able to address and reconcile any additional compensable or excusable time impacts. This includes resolution of the issues of additional contractor overhead costs, Port liquidated damages and final contract duration.

FINANCIAL ANALYSIS:

The funds to pay for this change order are part of the project construction contingency funds that were included in previously approved authorizations. 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 17, 2010
Original period of performance:	May 17, 2010, through January 12, 2011
Previous contract extensions:	30 Days
Contract extension in this Change Order #23:	75 Days
Contract Completion Date in Change Order #23:	April 27, 2011

FINANCIAL INFORMATION:

Original contract amount:	\$3,892,800
Previous Change Orders Executed:	\$314,120
Current contract amount	\$4,206,920
This request, Change Order #23	\$32,990
Subtotal Construction Costs	\$4,239,910
Anticipated WSST @ 9.5%	\$402,791
Revised Contract Amount	\$4,642,701

PREVIOUS COMMISSION ACTION:

On January 26, 2010, the Commission authorized the Chief Executive Officer to advertise for construction bids, award the contract and construct the NER Phase 1 project consisting of final paving, landscaping and reclamation (CIP C800034). The estimated cost of this project, \$5,880,000, is within the previously authorized budget.

On April 11, 2006, the Commission passed Resolution No. 3559, which authorized the Chief Executive Officer to execute an Interlocal Agreement with Sound Transit to establish the real property, financial and construction arrangement for the construction of the Airport Link Project. The Commission authorized an additional \$61,411,000 for a total project-wide authorization of \$78,282,000 and authorization to enter into contracts estimated at \$165,000,000.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.