

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6d

ACTION ITEM

Date of Meeting April 10, 2012

DATE: March 30, 2012

TO: Tay Yoshitani, Chief Executive Officer

FROM: Dave Soike, Director, Aviation Facility and Capital Program

SUBJECT: Second Reading and Final Passage of Resolution No. 3660: Declaring
Miscellaneous Personal Property Surplus and Authorizing its Sale

ACTION REQUESTED:

Request Second Reading and Final Passage of Resolution No. 3660: A resolution of the Port Commission of the Port of Seattle declaring certain personal property, including copper wire, surplus for Port District purposes and authorizing the Chief Executive Officer to execute all documents necessary for its sale. The estimated value of the property to be surplused is \$31,423.

SYNOPSIS:

This action surpluses both large diameter electrical cable and air conditioners no longer needed for Port District purposes. The electrical cables originate from a temporary electrical power project, while the air conditioners originate from the Central Terminal project. The total estimated value of the items to be surplused is approximately \$31,423, lower than the \$50,000 threshold above which RCW 39.33.020 requires a public hearing.

BACKGROUND:

In 2009, the Howard Hansen Dam, built in 1962, developed structural problems that limited the amount of water able to be stored behind it. That led to concerns that heavy rain storms would require the dam operators to release large amounts of water to prevent failure of the dam structure. The release of water into the Kent Valley areas could have resulted in flooding that could have led to power outages because major electrical substations that feed Seattle-Tacoma International Airport are located in the valley. As a result, the Airport teamed with Puget Sound Energy (PSE), and both organizations put in place temporary measures to reduce the chances of power loss to the Airport. PSE diked around its substations and added other operational provisions while the Airport added temporary mobile generators and linked them to permanent Airport electrical substations with large diameter copper cables. The airlines agreed with these temporary measures for multiple winter seasons, and later agreed with the Port's decision to forgo the generators when the risk was reduced by emergency improvements made to the dam. As a result the generators were no longer rented, and the electrical cables are no longer necessary to store for re-use.

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In 2011, two temporary power stations were demobilized and copper cable along with miscellaneous utilities from the project are no longer of use to the Aviation Division. The north site included approximately 5,510 pounds of copper wire and the south site included approximately 7,385 pounds of copper wire with a salvage value at current market price of \$1.675/pound, totaling approximately \$20,993. Other miscellaneous piping and valve assembly that is no longer of use also remains for surplus with an approximate salvage value of \$200. The Port of Seattle continues to provide storage.

Other surplus items currently stored include Trane Intellipak™ commercial single-zone rooftop air conditioners with controls that were previously used in the Central Terminal Expansion project and were a direct purchase by the contractor in 2004. The Airport has no viable use for this equipment. The estimated salvage value is approximately \$10,230.

The approximate total salvage value of all listed items is \$31,423.

SCHEDULE:

It is requested that the Port make available the copper cable, miscellaneous personal property, and the Trane Intellipak™ commercial single-zone rooftop air conditioners with controls for bid or auction as soon as is practicable.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

The Port could continue to store the copper cable, miscellaneous personal property, and Trane Intellipak™ commercial single-zone rooftop air conditioners with controls. This is not the recommended alternative.

No other appropriate Port use for the material could be found. It is requested that the Port dispose of surplus personal property in accordance with the Revised Code of Washington 53.08.090. **This is the recommended alternative.**

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

Resolution No. 3660.

PREVIOUS COMMISSION ACTIONS:

October 16, 2009 - Declaration of Emergency was executed by Tay Yoshitani to allow staff to lease generators for back-up power generation at the Airport. Flooding of the Green River Valley has the real and immediate threat to significantly impact the operations of the Port of Seattle, including interruption of electric service to Seattle-Tacoma International Airport.

October 20, 2009 - Commission received a briefing and approved the Emergency Declaration to provide back-up electric power at Seattle-Tacoma International Airport.

August 24, 2010 – Commission authorized to design, advertise, and award major construction and small works contracts, to amend previous purchase orders, and execute contracts for equipment and material, execute a contract to Puget Sound Energy and authorize utilization of Port Crews for the Seattle-Tacoma International Airport. The total project authorization was \$3,542,000.

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July 19, 2011 – Commission authorized to (1) update and complete design and provide construction support using an existing indefinite delivery/indefinite quantity contract; (2) execute one-year contracts, with options to renew for four one-year periods, to lease or purchase nine two-megawatt generators and associated equipment and material; (3) advertise and execute a major construction-project-specific, unit-price contract; and (4) authorize utilization of Port Forces for Seattle Tacoma International Airport Temporary Backup Power Project, for a total project authorization of \$3,100,397.

April 3, 2012, First Reading – Resolution No. 3660.