

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 6b
Date of Meeting February 24, 2015

DATE: February 17, 2015
TO: Ted Fick, Chief Executive Officer
FROM: Ralph Graves, Managing Director, Capital Development
Dave Soike, Director, Aviation Facilities and Capital Program
SUBJECT: Request Authorization to execute a contract for a Capital Program Leader Consultant Service Agreement for the Airport's International Arrivals Facility (CIP C800583)

Amount of This Request:	\$0	Source of Funds:	Airport Development Fund, Passenger Facility Charges and future Revenue Bonds
Est. Total Project Cost:	\$608,000,000		
Estimated Total Contract Value:	\$1,000,000		

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a contract for a Capital Program Leader Consultant Service for the International Arrivals Facility (IAF) program at Seattle-Tacoma International Airport for an amount estimated at \$1,000,000.

SYNOPSIS

Replacing Seattle-Tacoma International Airport's (Airport) existing over-burdened Federal Inspection Services (FIS) facility with a modern and efficient IAF is a critical part of realizing the Port's Century Agenda objective to improve the level of service for Airport users and increase competitiveness with peer airports.

This request authorizes execution of a contract for a Program Leader Consultant to lead the Port's existing program management team. Adding this team member will bring additional management resources to the program with experience in managing large, progressive design-build projects at airports. In addition, having this consultant reporting at an executive level to the Managing Director, Capital Development, will ensure sufficient executive visibility and ability to facilitate solutions to inevitable challenges of organizational adaptation to this new to the Port project delivery method. This service agreement will be for an estimated base duration of two years, with optional extensions for up to three additional years or until the project is complete. No additional authorization of budget funding is necessary for this request.

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

February 17, 2015

Page 2 of 3

BACKGROUND

The IAF Program is one of the largest capital improvement programs currently underway at the Airport and timely completion is critical to efficient Airport operations. Our airline partners have told us that the level of service for our arriving international passengers is unacceptable now and building a new International Arrivals Facility is crucial to their future business goals.

It is clear that, as the IAF Program moves forward, the Port will need additional leadership and management resources at a senior level, with experience managing airport progressive design-build projects of this magnitude and importance, to ensure the IAF program is a success.

FINANCIAL IMPLICATIONS

This addition of this consultant staff position is not currently anticipated to require authorization of additional project funds. Estimated value of the contract is \$1,000,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) – Maintain status quo. Do not authorize a new contract for additional consultant staff for IAF. The IAF program would move forward with current staff as originally planned, but risks to budget and schedule may increase without the experienced leadership the consultant would provide. This is not the recommended alternative.

Alternative 2) – Authorize execution of a contract that will add a Program Leader Consultant directing the Port's existing program management team. This will bring additional management resources to the program with experience managing large, progressive design-build projects at airports and reduce risks to the program budget and schedule. **This is the recommended alternative.**

ATTACHMENTS TO THIS REQUEST

- None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- January 27, 2015 – IAF Funding Plan
- January 27, 2015 – IAF RFP Advertisement
- January 13, 2015 – IAF Update.
- December 2, 2014 – IAF Scope and Budget Update.
- October 28, 2014 – IAF Q3 Quarterly Briefing.
- August 19, 2014 – IAF Q2 Quarterly Briefing.
- August 5, 2014 – IAF RFQ Advertisement.
- July 22, 2014 – IAF Progress Briefing.
- June 10, 2014 – IAF Update and Quarterly Briefing.
- May 6, 2014 – IAF Project Delivery Briefing.
- April 22, 2014 – Capital Program Briefing.

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

February 17, 2015

Page 3 of 3

- March 11, 2014 – IAF Master Planning authorization.
- February 25, 2014 – IAF Program Briefing.
- November 19, 2013 – International Arrivals Facility Construction Management, testing and inspection; surveying and locating and safety service agreements.
- July 23, 2013 – International Arrivals Facility Project & Program Support; and Price Factor Design-build Methodology authorization.
- July 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- July 9, 2013 – Alternative Public Works Contracting Briefing.
- April 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- June 26, 2012 – Briefing on Airport Terminal Development Challenges at Seattle-Tacoma International Airport.
- June 14, 2011 – International Air Service Growth and Future Facility briefing.
- February 2, 2010 – Briefing on South Satellite Passenger Growth and Facility Considerations, Delta's Proposed Airline Lounge and Other Possible Future Aviation Projects.