



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting February 27, 2018

DATE: February 20, 2018

TO: Stephen P. Metruck, Executive Director

FROM: Wendy Reiter, Director, Aviation Security
James R. Schone, Director, Aviation Commercial Management
Wayne Grotheer, Director, Aviation Project Management Group

SUBJECT: Interim Fire Station – West Side (CIP #C800876)

Amount of this request: \$5,295,000

Total estimated project cost: \$5,500,000

ACTION REQUESTED

Request Commission Authorization for the Executive Director to: (1) execute an amendment to the lease with PACCAR to remove land from their pad needed to meet Port Fire Department requirements, and (2) authorize the design and construction of an interim fire station next to the PACCAR hangar on the west side of Sea-Tac International Airport. The total estimated project cost is \$5,500,000.

EXECUTIVE SUMMARY

This project would establish a stand-alone, fully functional fire station next to the PACCAR hangar, which will provide adequate accommodations for Fire Department staff and equipment enabling the Fire Department to meet the Federal Aviation Administration's (FAA's) mandated airfield response time.

Since 1979, the Airport Fire Department has operated out of a single fire station, located adjacent to the main terminal building on the east side of the airport runways. As part of the FAA Federal Aviation Regulation Part 139 airport certification process, the Fire Department is required to demonstrate its ability to respond to the midpoint of the furthest runway within three (3) minutes. The completion of the airport's third runway and reconfiguration of taxiways impacted this response time such that additional location has been arranged in order to correct the situation.

In order to meet the FAA's mandated response time the Fire Department has been operating from a small converted conference room within the PACCAR hangar, located on the west side of the airfield. This temporary facility is inadequate for continuing Fire Department operations.

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An option to enlarge and segregate this facility within the PACCAR hangar could not meet the Fire Department’s requirements and PACCAR’s operations.

In negotiations with PACCAR, a longer-term solution was agreed upon that will meet the needs of the Fire Department while minimizing the impact on flight operations at PACCAR.

As discussed in the alternatives section of this memorandum, by building this interim facility detached from the PACCAR facility the anticipated new Westside Fire Station can be built at this site without disrupting the Fire Department’s functions on the Westside of the airfield. Port staff anticipates that this interim facility will be utilized at this Westside location until at least the 4th quarter of 2023, for a minimum estimated life of four years.

JUSTIFICATION

The current temporary housing at PACCAR is extremely small and does not meet the Fire Department’s personnel accommodation standards. In this small space, the Fire Department can only operate a skeleton crew of two (2) fire fighters. To properly staff the station, the Fire Department requires a total of five (5) fire fighters and two (2) Aircraft Rescue Fire Fighting (ARFF) trucks at the location.

DETAILS

Scope of Work

This project involves installing a modular type building to accommodate the necessary living quarters for the five (5) firefighters and a steel framed metal covered shelter for the storage of two (2) ARFF trucks. These buildings will be located directly east of the PACCAR hangar within their current lease boundary. Additional asphalt placement, a concrete slab, security fence relocating and utility work is required to facilitate placement of the new modular building and shelter. The living quarters will consist of five (5) bunkrooms, a day room, kitchen, male and female restrooms with showers, laundry facilities and an exercise room. Secured entry doors, video conferencing equipment and an emergency response alerting system will be installed. The ARFF truck storage shelter will include features currently used at the existing fire station. Design will be completed using a combination of in-house and contracted services. Also included in the project is procurement of an estimated \$60,000 of furnishings for the station.

The Port’s Aviation Project Management Group is coordinating and partnering with the Port’s small business group to help identify and outreach to small businesses for opportunities within the project scope of work and will be establishing contracting goals for the project.

Schedule

Design start	2018 Quarter 1
Construction start	2019 Quarter 2
Construction Complete	2019 Quarter 4

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Cost Breakdown	This Request	Total Project
Design	\$691,000	\$896,000
Construction	\$4,604,000	\$4,604,000
Total	\$5,295,000	\$5,500,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

All alternatives contemplate the construction of a permanent fire station on the west side of the airport, at the site of the PACCAR Hangar. This project, in the \$35 to \$45 million range would start construction after the expiration of the hangar lease, and be completed in approximately 2023.

Alternative 1 – Status Quo - Do not perform the improvements or provide a secondary ARFF truck shelter.

Cost Implications: \$0

Pros:

- (1) Lowest capital cost and no long-term lease payments.

Cons:

- (1) The Fire Department would continue to use inadequate facilities on the west side.
- (2) The current agreement can be terminated by PACCAR on very short-term notice.
- (3) PACCAR has requested that the Port’s use of its space be separated and segregated from its operations.

This is not the recommended alternative.

Alternative 2 – Enter into a long term agreement with PACCAR and construct the Fire Department’s west side facility as a segregated space within the PACCAR hangar.

Cost Implications: \$2,600,000

Pros:

- (1) This alternative responds to PACCAR’s request that a segregated space be created.
- (2) The Fire Department would have the storage space for two (2) ARFF trucks.

Cons:

- (1) This alternative would not meet the requirements by the Fire Department to facilitate five (5) firefighters due to the limited amount of space that PACCAR is willing to provide inside the building for the tenant improvements.
- (2) The Port will incur a build out expense in addition to a long-term lease agreement.
- (3) Utility payment responsibilities would be complicated to resolve.
- (4) Space build out inside of PACCAR hangar presumably would have to move again if a new primary station was built on the PACCAR site as depicted in our SAMP plans.

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This is not the recommended alternative.

Alternative 3 – Build a separate modular building providing firefighters an improved living space and a shelter for two (2) ARFF vehicles.

Cost Implications: \$5,500,000

Pros:

- (1) The Fire Department would have a facility to meet the FAA’s response time requirements.
- (2) The facility would be improved and meet adequate accommodations for the Fire Department.
- (3) This alternative responds to PACCAR’s request that a segregated space is created.
- (4) The modular building offers flexibility to respond to future needs.
- (5) The Fire Department would have the storage space for two (2) ARFF trucks.
- (6) Building detached from the PACCAR facility allows the anticipated new Primary Fire Station to be built without disrupting Fire Department operations on the Westside of the airfield.

Cons:

- (1) Constructing a separate building outside of the PACCAR hangar will cost more.
- (2) Additional paving would be required.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$2,400,000	\$0	\$2,400,000
Estimate changes	\$3,100,000		\$3,100,000
Revised estimate	\$5,500,000		\$5,500,000
AUTHORIZATION			
Previous authorizations	\$205,000	0	\$205,000
Current request for authorization	\$5,295,000	0	\$5,295,000
Total authorizations, including this request	\$5,500,000	0	\$5,500,000
Remaining amount to be authorized	\$0	\$0	\$0

Annual Budget Status and Source of Funds

This project was included in the 2018 – 2022 capital budget and plan of finance with a budget of \$2,400,000 million. The cost increase was due to building a separate modular building providing firefighters an improved living space and a shelter for two (2) ARFF vehicles. The budget increase will be transferred from the Aeronautical Allowance CIP (C800753) resulting in

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no net change to the Aviation capital budget. The funding source will be the Airport Development Fund.

Financial Analysis and Summary

Project cost for analysis	\$5,500,000
Business Unit (BU)	Airfield Movement
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.06 in 2020

Future Revenues and Expenses (Total cost of ownership)

Maintenance, utilities and janitorial costs will be incurred, but this amount is not established at this time.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None