



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6c

ACTION ITEM

Date of Meeting January 30, 2018

DATE: January 17, 2018

TO: Dave Soike, Interim Executive Director

FROM: Ralph Graves, Senior Director Capital Development

SUBJECT: Alternate Utility Facility – Utility Services Update (CIP #C800538)

ACTION REQUESTED

Request Commission authorization for the Executive Director to amend and increase the Not-to-Exceed amount of the Puget Sound Energy (PSE) Engineering Services and Construction Agreement (ESCA) required for the Alternative Utility Facility (AUF) from \$850,000 to \$1,500,000. No additional funding is associated with this request.

SUMMARY

This action is proposed with an abbreviated one-page memo in response to Commission bylaws discussions on December 12, 2017. At that time, commissioners suggested a trial effort to use a shortened memo for action on the unanimous consent calendar to reduce staff time for action items less than \$1 million that the Executive Director considers routine.

To support the AUF project PSE has determined both power feeds to the Port’s South Sea-Tac substation must be de-energized simultaneously which requires additional funding for this work. The funding associated with this agreement is within the current authorized project budget. There is no new funding associated with this request.

The Port and PSE had previously planned to keep one of the two feeds energized and operational at all times. In order to de-energize both feeders, keep Sea-Tac Substation operational and perform the work in a safe manner, a portable temporary substation must be installed. The cost for this new work is estimated at \$400,000 with an additional \$250,000 contingency. The contingency will allow Port staff to further modify the PSE scope of work within the approved budget without additional Commission authorization. The temporary substation will be utilized for a period of six to eight weeks.

The AUF project will provide an enclosed, dual fuel, standby power facility that is functionally complete, fully integrated, and capable of supplying 30 megawatts (MW) of power to the airport and supporting facilities. Upon the unexpected loss of normal utility power, the AUF will provide stable power to the Airport for up to 24 hours without replenishment of fuel.

There are no attachments to this memo.