

**MOTION 2018-12:
A MOTION OF THE PORT OF SEATTLE COMMISSION**

adopting the International Arrivals Facility program recommendations of the Executive Review Panel; directing the Port of Seattle Executive Director to implement the recommendations; providing reporting requirements and deadlines; and authorizing the Executive Director to authorize potential additional service from the members of the Executive Review Panel up to a total cost of \$500,000.

**ADOPTED, AS AMENDED
SEPTEMBER 25, 2018**

INTRODUCTION

The Port of Seattle Commission convened a panel of experienced construction management professionals, the “Executive Review Panel,” (ERP) for the International Arrivals Facility (IAF) project (project) at Seattle-Tacoma International Airport to review the execution and supervision of the project’s progressive design-build project delivery method, project cost escalation, and the process being used to negotiate a guaranteed maximum price (GMP) for the project. The panel has made recommendations for the project going forward.

To fulfill its oversight role, the commission finds it necessary to establish specific reporting requirements for the IAF program. The reporting requirements described below will serve to ensure the commission and the public have increased visibility of key aspects of the project status. With these tools, the commission will be in a better position to track and evaluate the progress of the IAF program, and to make changes or modifications in project elements on a timely basis as needed.

The port soon will embark on a number of complex and costly capital projects as part of the Sustainable Airport Master Plan (SAMP) and other initiatives. A review and report of staff to the commission within six months of the adoption of this motion will inform commission decision-making on future capital project management at Seattle-Tacoma International Airport.

TEXT OF THE MOTION

Section 1. Review Panel Recommendations.

The Port of Seattle Commission adopts, and directs the Executive Director to implement, the recommendations of the International Arrivals Facility Executive Review Panel as follows:

- (1) Assign Chief Operating Officer Dave Soike as Port Executive to lead the IAF program.
- (2) Clarify decision-making and augment project staff as necessary to reflect the size and complexity of the individual projects within the IAF program.
- (3) Develop a workplan and accountability mechanism to ensure recommendations are followed and projects are managed effectively.
- (4) Continue to strengthen the relationship and communication between the port and the design-builder.
- (5) Increase stakeholder engagement with partner agencies, the aviation community, and airlines and tenants.
- (6) Increase visibility of the project for the benefit of the port and external audiences, including a “dashboard” reporting mechanism for the commission every two weeks to include key performance indicators, quarterly commission briefings, and improved status reports for the port’s web page.
- (7) Conduct careful and independent review of all potential project-delivery methods for future projects.

Section 2. Oversight and Reporting.

To fulfill its oversight role, the commission directs port staff to perform the following reporting activities:

- (1) Develop a project “dashboard” communications platform available to the commission and the public that identifies the real-time status toward achieving key construction milestones and schedule, project spending and cash flow, worker utilization, invoice payment, women- and minority-owned business enterprise participation, program activation and commissioning, and other measures as appropriate, within 30 days of this motion’s adoption.
- (2) Prepare a program workplan that will identify critical-path milestones and schedule, project leadership, partnering sessions, and engagement with the Dispute Resolution Board. The workplan shall be made available to the Aviation Committee within 30 days of this motion’s adoption.
- (3) Report to the port commission within seven days of proposed scope changes or project occurrences that will materially affect either project schedule or cost.
- (4) Schedule monthly project updates to the Commission’s Aviation Committee.
- (5) Provide a public briefing to the commission from port project staff and the contractor on a quarterly basis.

Within six months of the adoption of this motion, the Executive Director shall undertake a review of the port's airport capital project management and processes and report to the commission its findings.

Section 3. Independent Project Management Services Agreements.

To assist in the commission's oversight of the IAF program, SAMP, and other major airport capital projects, the members of the Executive Review Panel shall be retained and utilized as necessary to:

- (1) Review and provide advice to port staff and the commission on other capital project management and processes.
- (2) Review the IAF program workplan and staffing needs.
- (3) Provide periodic review of the program status and reports to the port commission.

To continue the service of the panel members as directed by commissioners during the September 25, 2018, commission meeting and assist in the three areas identified above, the commission exercises its authority under RCW 53.19.020 to determine that a competitive solicitation process is not appropriate or cost-effective and authorizes the Executive Director to authorize potential additional service from the Executive Review Panel up to a total of \$500,000. The commission previously determined a competitive process for the original agreements was not appropriate or cost effective based on staff's extensive outreach to identify and select appropriate professionals who have the experience with large construction programs and relevant experience in construction and project management, design, aviation development, and design-build contracting. This additional work requires the same level of expertise. Furthermore, the additional work would require a significant cost for the port in retracing work that has already been completed to achieve the current level of in-depth understanding held by the current panel members.