



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6e

**ACTION ITEM**

**Date of Meeting** March 24, 2020

**DATE:** February 4, 2020

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Arlyn Purcell, Director Aviation Environment and Sustainability  
Stan Shepherd, Manager Airport Noise Programs  
Wayne Grotheer, Director Aviation Project Management

**SUBJECT:** Villa Enzian Condominium Sound Insulation Construction C200095

**Amount of this request:** \$2,438,000

**Total estimated project cost:** \$20,000,000

**ACTION REQUESTED**

Request commission authorization for the Executive Director to construct, advertise, and award of a major works contract to provide residential sound insulation construction for the Villa Enzian Condominiums in Des Moines near the Seattle-Tacoma International Airport in an amount not to exceed \$2,438,000 of a total project cost of \$20,000,000.

**EXECUTIVE SUMMARY**

As part of the Port’s long-term commitment to communities surrounding the airport, it is necessary to offer sound insulation for eligible properties within the current Federal Aviation Administration (FAA) Airport Noise Compatibility (Part 150) noise remedy boundary. In order to complete this work, the Port has established a project specifically for the three potentially eligible condominiums within the boundary. This request would allow a Major Works Contract for construction of the first of three potentially eligible condominium complexes. This contract will provide sound insulation for 28 units at the Villa Enzian Condominiums located at 1208 South 216th St. in Des Moines. The remaining two condominium complexes will be sound tested at a later date to determine eligibility.

Authorization for this work includes the installation of new Sound Transmission Class (STC) rated windows, doors, and storm doors, as well as supplemental ventilation for each unit to meet the FAA standard of a 45 decibel (dB) DNL interior noise level. The Villa Enzian project is currently at 100% design and the preliminary estimate for this scope of work is \$2,438,000. The King County Housing Authority (KCHA) confirmed that the Villa Enzian project is not in the Weatherization Program jurisdiction. Port staff will continue to work with KCHA to seek opportunities to collaborate on sound insulation and weatherization on future projects. We will return to the Commission to request funding for the remaining two condominium complexes at a later date.

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**JUSTIFICATION**

Resolution No. 3683 was adopted by the Commission on October 22, 2013. This resolution included all recommendations from the Part 150 Study including sound insulation for condominium complexes. The goal of this program is to meet the requirements of Resolution No. 3683 to conduct an ongoing noise remedy program.

***Diversity in Contracting***

Since up to 80% of the project could potentially be funded with FAA AIP grants, the Port will follow the United States Department of Transportation’s Disadvantaged Business Enterprise (DBE) program requirements. Certified DBE goals will be administered in accordance with CFR 49 Part 26, by the Diversity in Contracting Department.

**DETAILS**

The Port will provide funding, staff, consultant and contractor oversight, and administration of the program to provide design and Project/Construction Management for the sound insulation of the Villa Enzian Condominiums. The construction company procured will provide construction, construction oversight and quality control for the sound insulation renovations. For sound insulation treatments to work properly, the windows and doors must remain closed. The air becomes stagnant and the use of a positive ventilation system is required to circulate fresh air throughout the home.

In return for sound insulation, the Homeowners Association (HOA) and each homeowner are required to provide the Port with an Avigation Easement which will be recorded permanently on the parcel with King County. An Avigation Easement provides the Port with protections for free and unobstructed passage of aircraft over the parcel and becomes the Port’s asset.

***Scope of Work***

The company hired will provide construction, construction oversight and quality control. Construction work will include:

- (1) STC rated solid core doors
- (2) STC rated windows
- (3) Storm doors
- (4) Positive air ventilation or air conditioning as required
- (5) Other associated work determined to be necessary by the architect to install the above items or to meet building and fire code
- (6) Regulated materials abatement (asbestos and lead) necessary to facilitate these installations

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**Schedule**

*Activity*

Design start	2019 Quarter 4
Construction start	2020 Quarter 4
In-use date	2021 Quarter 3

**Cost Breakdown**

	Villa Enzian	Remaining Two Complexes	Total
Design	\$822,000	\$4,285,000	\$5,107,000
Construction	\$2,438,000	\$12,455,000	\$14,893,000
Total cost	\$3,260,000	\$16,740,000	\$20,000,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

The two other alternatives being considered prior to the February 25, 2020 Commission Briefing by Airport Noise Programs would require significantly longer schedule duration and/or been costlier. Based on the direction provided by the Commission on February 25, 2020 to accelerate all active and planned residential sound insulation programs, there are at present no other realistic options other than to proceed with the recommended alternative for this scope of work as described.

**Alternative 1** – Authorize noise remediation of Villa Enzian Condominiums as described above  
Cost Implications: \$2,438,000 (current construction estimate).

Pros:

- (1) Meets commitment to noise remediation in the community per Commission Resolution 3683
- (2) Provides a direct community benefit to reduce noise impacts in residential properties from aircraft operations at the airport
- (3) The use of a Major Works Contract allows more opportunities for certified DBE contractors and supplier participation
- (4) The project is currently at 100% design

Cons:

- (1) The Port assumes the financial risk for this work if FAA AIP grant funding cannot be secured.

***This is the recommended alternative.***

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**FINANCIAL IMPLICATIONS**

***Cost Estimate/Authorization Summary***

	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate	\$24,000,000	\$0	\$24,000,000
Budget decrease	(\$4,000,000)	\$0	(\$4,000,000)
Revised estimate	\$20,000,000	\$0	\$20,000,000
<b>AUTHORIZATION</b>			
Previous authorizations – Design Services for 3 condominium complexes	\$5,107,000	\$0	\$5,107,000
Current request for authorization – Major Works Contracting for Villa Enzian	\$2,438,000	\$0	\$2,438,000
Total authorizations, including this request	\$7,545,000	\$0	\$7,545,000
Remaining amount to be authorized -- Major Works Contracting for remaining 2 Condominium Complexes	\$12,455,000	\$0	\$12,455,000

***Annual Budget Status and Source of Funds***

The Noise Remediation for three Condominium Complexes (CIP C200095) was included in the 2020-2024 capital budget and plan of finance with a total capital budget of \$20,000,000. FAA AIP Grant funding is currently not available for this project. However, the Port anticipates that 80% of the grant eligible costs will be funded with future grants, though the timing of the grants is not known or guaranteed. Additional funding sources will include the Airport Development Fund and future revenue bonds. The project cost estimate remains a rough estimate due to the uncertainties relating to the scope and cost.

***Financial Analysis and Summary***

Project cost for analysis	\$20,000,000
Business Unit (BU)	Airfield Movement Area
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.05 in 2021 (less if grant funding is received)

***Future Revenues and Expenses (Total cost of ownership)***

N/A

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

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**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

February 25, 2020 – Port staff briefed the Commission on the current status of Airport Noise Programs and presented an option to accelerate the Residential Sound Insulation projects already underway or planned for the future.

July 10, 2018 – The Commission approved \$5,107,000 to hire a firm to provide architecture and engineering services for the sound insulation of condominium complexes near Seattle-Tacoma International Airport.

October 22, 2013 – Second reading and final passage of Resolution No. 3683 concluding the Federal Aviation Regulation (FAR) Part 150 Noise and Land Use Compatibility Study Update for Seattle-Tacoma International Airport.

October 8, 2013 – First reading of Resolution No. 3683 concluding the Federal Aviation Regulation (FAR) Part 150 Noise and Land Use Study Update for Seattle-Tacoma International Airport.