



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6c

ACTION ITEM

Date of Meeting October 13, 2020

DATE: October 5, 2020

TO: Stephen P. Metruck, Executive Director

FROM: Stephanie Jones Stebbins, Managing Director, Maritime Division
Arthur Kim, Project Manager, Marine Maintenance
Catherine Chu, Capital Project Manager, Seaport Project Management

**SUBJECT: Authorization for Construction of Bulkhead Stabilization Project at Terminal 30
(CIP # 801155)**

Amount of this request: \$802,000
Total estimated project cost: \$1,100,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to advertise and execute construction contracts for the Terminal 30 (T-30) Bulkhead Stabilization Project for an estimated amount of \$802,000 additional funding with the total project authorization of \$1,100,000.

EXECUTIVE SUMMARY

The existing bulkhead, or seawall, at the north end of T-30 is estimated to be over 70 years old and a section of it is failing. If left alone, the entire wall is at risk of failure, causing erosion of upland soil into the East Waterway. In order to preserve the asset and protect the environment, the recommended remedy is to: a) patch up the bulkhead to prevent trapping fish in the affected area and prevent further erosion, and b) excavate behind the bulkhead and replace it with riprap to stabilize the remaining bulkhead and preserve land. This will stabilize the area for the foreseeable future, while leaving options open in the long-term for the Port to either replace the entire wall or remove the wall and regrade the land behind the wall.

Total estimated project cost is \$1,100,000, including approximately \$80,000 costs to date for design. If authorized by the Commission, construction is planned to start in late 2020, and to be completed by summer of 2021.

JUSTIFICATION

The purpose of the project is to preserve the asset and protect the environment. With no action, the damage to the bulkhead and erosion will continue in the immediate future. In the medium to long-term future, the entire bulkhead is expected to fail without intervention.

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Diversity in Contracting

The project team is coordinating with the Diversity in Contracting Department to determine appropriate WMBE aspirational goals for this project.

DETAILS

The project is located at the north end of Terminal 30 that is just outside the SSA Terminals LLC (SSAT) lease boundary and is owned by the Port of Seattle. See attached PowerPoint slides.

Scope of Work

Overall project scope includes:

- (1) Patch the bulkhead to avoid trapping fish and erosion.
- (2) Excavate the existing soil behind the failed bulkhead to relieve pressure from the bulkhead.
- (3) Install riprap system to stabilize the slope.

All work completed to date was done by in-house staff to 100% design level. The Port of Seattle has approval from federal, state, city, and tribal governments to complete the proposed work. The work will be performed under the Port’s Pile Systems Repair and Maintenance Program which gives advanced approval for qualified, repair and maintenance actions. The proposed work meets the criteria for the Pile Systems Repair and Maintenance Program. We will coordinate with Terminal 30 tenant SSAT to minimize impact to operations.

Schedule

If approved by the Commission, Marine Maintenance will patch the bulkhead immediately following permit notification requirements, to be completed by the February 15th in-water work window. The remaining work behind the bulkhead will be advertised as a Major Construction contract to be completed by Summer 2021.

Activity

Commission design authorization	N/A
Design start	2020 Quarter 2
Commission construction authorization	2020 Quarter 4
Construction start	2020 Quarter 4
In-use date	2021 Quarter 2

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do Nothing: As part of the feasibility study, Port of Seattle engineers evaluated a “do nothing” alternative.

Cost Implications: No additional capital spending for design and construction.

Pros:

- 1. No capital investments.

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Cons:

1. Erosion of uplands soils into East Waterway will continue causing potential environmental concerns .
2. High likelihood of the failure of the entire bulkhead causing a much higher capital cost for repairs in medium to long-term future.

This is not the recommended alternative.

Alternative 2 – Replace wall in failed area only.

Cost Implications: \$2,314,000.00

Pros:

1. Preserves the asset and stops erosion.
2. Replacing the entire wall phases to ease cashflow.

Cons:

1. Cost.
2. Not addressing remaining areas of the aging wall.

This is not the recommended alternative.

Alternative 3 – Patch the wall and stabilize behind failed area only.

Cost Implications: \$1,100,000

Pros:

1. Minimal work.
2. Minimal impact.
3. Preserves the asset and stops erosion while leaving future options open.

Cons:

1. Not addressing the remaining areas of the aging wall.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE	\$1,100,000	\$0	\$1,100,000
AUTHORIZATION			
Previous authorizations	\$298,000	0	\$298,000
Current request for authorization	\$782,000	\$20,000	\$802,000
Total authorizations, including this request	\$1,080,000	\$20,000	\$1,100,000
Remaining amount to be authorized	\$0	\$0	\$0

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Annual Budget Status and Source of Funds

This project CIP C801155 T-30 Bulkhead Stabilization has been included in the draft 2021 Capital Plan with a total project cost of \$1,145,000.

This project will be funded by the General Fund.

Financial Analysis and Summary

Project cost for analysis	\$1,100,000
Business Unit (BU)	Joint Venture (Port of Seattle funded)
Effect on business performance (NOI after depreciation)	This project is not expected to generate or preserve any revenue. This project indirectly supports adjacent port and tenant operations.
IRR/NPV (if relevant)	N/A
CPE Impact	N/a

Future Revenues and Expenses (Total cost of ownership)

This project preserves existing asset and protects the environment. Riprap generally requires very minimal maintenance. It leaves options open for the remaining bulkhead. The remaining bulkhead will require ongoing monitoring for potential repairs and/or replacement, which is not in the scope of this project.

ATTACHMENTS TO THIS REQUEST

- (1) PowerPoint slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None