



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8c

ACTION ITEM

Date of Meeting November 17, 2020

DATE: October 27, 2020
TO: Stephen P. Metruck, Executive Director
FROM: Kenneth R. Lyles, Director of Maritime Operations & Security
Jo Woods, Sr. Manager, Recreational Boating
Tin Nguyen, Sr. Manager, Marine Maintenance
Robert Hoyman, Project Manager III, Marine Maintenance
SUBJECT: Harbor Island Marina Restroom Replacement (WP# 106023)

Amount of this request: \$155,000
Total estimated project cost: \$430,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) proceed with construction of the Harbor Island Marina (HIM) restroom replacement project and (2) use Port crews to construct the project. The amount of this request is \$155,000 for a total estimated project cost of \$430,000.

EXECUTIVE SUMMARY

This project will replace an existing 275 SF wood framed portable restroom/shower facility, which is beyond its useful life. The new 286 SF precast concrete facility will provide improved access and be designed for a fifty-year lifespan. This building will support the Port's sustainability efforts and significantly reduce operating costs over the lifespan of the building.

JUSTIFICATION

The existing restroom facility was purchased by the Port in 2000 and is a wood framed portable building with two restroom/shower accommodations. It is elevated 36" above ground level and is accessed either by using stairs or a series of ramps. Over the previous seven years, Marine Maintenance has performed in excess of \$105k of repair work and \$52k of maintenance. Over the lifespan of the existing facility repairs have included roof replacement, floor replacement, structural repairs, and replacement of finishes. In 2017, the continued deteriorating conditions of the portable restroom facility were determined to be significant and would not justify further investments in repairs and improvements to extend its useful life.

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DETAILS

Harbor Island Marina provides ninety slips on four docks for recreational boaters and ten Commercial & Industrial slips on a separate dock. Amenities to the marina include secure gated access, parking and a gender specific restroom/shower facility.

It was realized early in planning that improvements to quality and sustainable design would result in reduced life cycle cost and provide features supporting future marina improvements. The new building will be an entirely precast concrete structure with a utility room and will include two gender neutral restroom/shower facilities. The new structure incorporates a sloped roof that will alleviate approximately 70% of the maintenance and repair costs in the first fifteen years. The design of the building includes LED lighting, added insulation and a high efficiency heating system. The new building will also eliminate access challenges caused by the existing elevated installation of the portable restroom facility. It will be installed slab-on-grade without stair or ramp access and will be washable using a hose-down method. The expected life span for the precast concrete building will be at minimum, 50 years. The manufacturer of the new building is CXT Inc., who will manufacture the building offsite in Spokane, WA and transport it in one section to the HIM construction site.

The HIM Restroom Replacement Project was originally proposed in our 2019 Maritime Division Small Capital Program (CIP# 801003). The small capital program is intended for projects below \$300,000 and this project was authorized within the EX-2 Delegation of Authority for a total project cost of \$275,000. It was expected at the time that the building purchase and installation would be completed within the small project threshold.

During design development, changes to the precast building's foundation anchors led to increases in manufacturing costs and additional earthwork construction scope. There are also numerous challenges, which are now being forecasted by the project team as a result of the COVID-19 pandemic adversely affecting construction costs and schedules. The result of social distancing is negatively impacting labor productivity in both manufacturing and construction activities. It is unknown how long this will affect construction costs and delivery timelines. As such, the project team is increasing budget contingencies and recommends that the Port proceed now with the replacement of the restroom/shower facility in order to maintain adequate services at Harbor Island Marina.

Scope of Work

A temporary restroom-shower trailer will be stationed throughout the construction process. The existing restroom facility and foundation will be demolished using Port Crews. Port Crews will prepare the pad for the new structure, including relocating existing utilities and installation of below the grade foundation. The new facility will be delivered in a 99% completed state. It will be hoisted from an oversized load trailer to the final location with the help of Ness Crane, currently a Terminal 91 Lease Partner. Marine Maintenance Crafts will then complete the final connections, place asphalt, signage and complete other final touches.

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Relationship to Other Project Work at HIM

This is one of three current projects at Harbor Island Marina in various development stages directed toward replacement or repair of assets, which are beyond their useful service life or in a deteriorating condition. All three projects are seeking Commission action before year end and due to their condensed timing, are noted below for clarity:

- **HIM Dock-E Power Improvements:** Commission construction authorization completed on 10/13/2020. Construction planned for in Q4 2020.
- **HIM Restroom Replacement:** Current authorization request
- **HIM Dock-E Float & North Pier Improvements:** Seeking Commission authorization for design in November 2020. Construction anticipated for in 2022-2023.

Both the HIM Dock-E Power Improvements and the HIM Restroom Replacement Projects have been planned for construction in advance of the HIM Dock-E Float & North Pier Improvements, which requires a more complex design and longer duration for permitting. These two smaller projects have been accelerated in the Maritime Capital Plan due to concerns with safety and the Port’s ability to provide required amenities to Marina users. Consideration has been given to the relationships of these three projects and it has been determined that execution of both the HIM Dock-E Power Improvements and HIM Restroom Replacement in advance will best serve marina users and complement the work to be performed under the proposed 2022-2023 HIM Dock-E Float & North Pier Improvements.

Schedule

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|----------------------------------|------------------------------|
| (1) Permitting Completion | October 2020 |
| (2) Building Fabrications | November 2020 – January 2021 |
| (3) Existing Building Demolition | January 2021 |
| (4) New Building Installation | February 2021 |
| (5) Construction Completion | March 2021 |

Activity

EX-2 small project start-up authorization	2019 Quarter 2
Design completion	2020 Quarter 3
Commission construction authorization	2020 Quarter 4
Construction start	2021 Quarter 1
In-use date	2021 Quarter 1

Cost Breakdown

	This Request	Total Project
Design & Permitting	\$0	\$90,000
Building Purchase	\$0	\$105,000
Construction	\$155,000	\$235,000

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Total	\$155,000	\$430,000
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ALTERNATIVES AND IMPLICATIONS CONSIDERED**Alternative 1** – Defer replacement of the restroom facility.

Cost Implications: In recent years maintenance costs averaged \$22,000/year to maintain the existing restroom-shower facilities service for customers. This is approximately \$20,000 more annually than the predicted maintenance costs for the first ten years of the new building. As part of the planning for this project, maintenance has been deferred from 2019 to present except for work which supports continued use of the facility.

Pros:

- (1) Defer costs during COVID-19 pandemic crisis.

Cons:

- (1) Added maintenance costs which could be avoided.
- (2) Diminished service to marina users.
- (3) Risk of loss of services
- (4) Costs spent would be expensed with no added benefit to extending the asset's useful life.

This is not the recommended alternative.

Alternative 2 – Replace in kind with elevated wood frame portable restroom facility.Cost Implications:Pros:

- (1) Reduced purchase costs of \$20,000 for custom sized wood frame portable building to match existing versus precast concrete.
- (2) Reuse of the existing foundation would result in a savings of approximately \$25,000.

Cons:

- (1) Elevated access causing difficulty for ADA access.
- (2) Shorter lifespan of 20 years versus precast concrete of 50+ years.
- (3) Construction of new stairs and ramps will cost \$15,000.
- (4) Similar maintenance costs as existing building.
- (5) Increased life cycle costs over proposed precast concrete building.

This is not the recommended alternative.

Alternative 3 – Increase budget and continue with construction of precast restroom facility.Cost Implications:Pros:

- (1) Minimum 50 year lifespan.

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- (2) Improved ADA access with slab-on-grade construction.
- (3) Reduced life cycle operations and maintenance costs.

Cons:

- (1) Additional costs during a period of budget challenges.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$275,000	\$0	\$275,000
Current change	\$155,000	0	\$155,000
Revised estimate	\$430,000	0	\$430,000
AUTHORIZATION			
Previous authorizations	\$275,000	\$0	\$275,000
Current request for authorization	\$155,000	0	\$155,000
Total authorizations, including this request	\$430,000	0	\$430,000
Remaining amount to be authorized	\$0	\$0	\$0

Annual Budget Status and Source of Funds

This project was included in the 2020 Capital Plan under CIP C800561 Maritime 2019 Small Projects. Additional funding for this project is offset by lower than anticipated capital spending in 2020.

This project will be funded by the General Fund.

Financial Analysis and Summary

Project cost for analysis	\$430,000
Business Unit (BU)	Recreational Boating
Effect on business performance (NOI after depreciation)	This project will increase annual depreciation by approximately \$14K. No direct incremental revenue is expected to result from this project.
IRR/NPV (if relevant)	N/A
CPE Impact	N/A

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ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None