



COMMISSION
AGENDA MEMORANDUM

Item No. 8h

ACTION ITEM

Date of Meeting January 25, 2022

DATE: January 14, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Laurel Dunphy, Director, Airport Operations
Wayne Grotheer, Director, Aviation Project Management

SUBJECT: North Employee Parking Lot Improvements (C800957)

Amount of this request: \$1,061,000

Total estimated project cost: \$17,488,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) authorize an additional amount of \$843,000 for the design and construction of Phase I and (2) authorize an additional amount of \$218,000 for the design of Phase II of the North Employee Parking Lot (NEPL) Improvements project at Seattle-Tacoma International Airport. This authorization request is in the amount of \$1,061,000, for a total authorization in the amount of \$6,045,000.

EXECUTIVE SUMMARY

The NEPL Improvements project includes two phases of work. Phase I remodels the three bus shelter buildings, replaces an entrance gate, and provides other minor site improvements. Phase II includes pavement restoration and the replacement of failing infrastructure and a rockery retaining wall.

In October 2021, the electrical feeders to Shelter 1 failed and the facility is currently on temporary power provided by a generator. The remaining electrical feeders in NEPL were tested and were found to be at the end of their useful life and at risk of failure in the short-term. Therefore, replacement of all electrical feeders is now included in the project resulting in an overall cost increase of \$2,104,000. Phase I would replace the failed electrical feeders to Shelter 1, and Phase II would replace the remaining electrical feeders.

JUSTIFICATION

This project supports the Century Agenda goals to advance this region as a leading tourism destination and business gateway and to be the greenest and most energy-efficient port in North America. The NEPL was placed into service in August 1998 and provides employee parking for Airport tenants, service providers, and airline employees. After 23 years of use, the NEPL requires

Meeting Date: January 25, 2022

improvements to ensure the continued use of this facility, as well as improve environmental compliance, and increase customer satisfaction. The project will also expand electric vehicle parking as allowed by current infrastructure and assess further expansion.

Diversity in Contracting

The design contract for Phase I includes an aspirational goal of seven percent for women and minority business enterprises (WMBE) participation. The design contract for Phase II includes an aspirational goal of ten percent for WMBE participation. The project team is working with the Diversity in Contracting Department to determine participation opportunities and will set appropriate aspirational goals for WMBE participation for the construction contracts.

DETAILS

The NEPL provides 4,122 employee parking spaces for Airport tenants, service providers, and airline employees. A total of 11,170 monthly parking permits have been issued for the use of this facility out of an available 12,000 monthly parking permits. Airport Operations provides a 24/7 transit connection to the Main Terminal that currently operates on a ten-minute headway. There are three Bus Shelter buildings in NEPL, each approximately 2,000 square-feet in size, that provide a waiting area and restrooms in support of the transit operations.

The Commission authorized design and construction of Phase I of the project on October 9, 2018, and authorized additional funds on June 8, 2021, due to the deferral of the project in 2020 and code related cost increases. Phase I of the project includes a minor remodel of all three bus shelters, including restroom upgrades compliant with the current Americans with Disabilities Act requirements, and will establish a permanent space in Shelter 1 to support transit operations which will include the installation of Wi-Fi. Phase I also updates the entry sign, replaces a failed bus gate, and expands the available electric vehicle (EV) parking from 12 existing stalls to 14 stalls. This past October, the feeders providing electrical power to Shelter 1 failed, and the shelter is currently being powered by a rented generator. This request would replace those failed electrical feeders and restore permanent power to Shelter 1.

The Commission authorized the design of Phase II of the project on June 8, 2021. The authorization also included some early pavement work that was completed in late summer. Phase II will replace the failing asphalt concrete pavement along the bus pathway and repair limited identified areas of pavement distress. The parking lot will be seal coated to extend the useful life of the pavement in the parking areas. In addition, the project will replace failing storm water channel drains, a water line, and a rockery retaining wall. Phase II will also assess the overall requirements and capabilities to support the expansion of the EV charging infrastructure as part of the schematic design effort. This past October, Aviation Maintenance tested the electrical feeders to Shelters 2 and 3, and to the Guard Building, and determined that these feeders are at the end of their useful life and at risk of failure in the short-term. This request includes replacing these electrical feeders to provide a long-term solution for power to those

Meeting Date: January 25, 2022

facilities. As part of the EV parking assessment the electrical feeders will be evaluated to determine if they need to be upsized to support additional EV parking.

Scope of Work

The scope of work for Phase I of the project includes the following: a minor remodel of all three bus shelters including the restrooms and waiting areas, a permanent operational space in Shelter 1 to support transit operations that includes the installation of Wi-Fi, replacement of the failed electrical feeders to Shelter 1, updates to the entry sign, replacement of a failed bus gate, and a minor expansion of EV parking.

The scope of work for Phase II of the project includes the following: replacement of failing and distressed pavement along the bus pathway, resealing the parking areas, replacement of the failing rockery retaining wall, and replacement of failing infrastructure including storm water channel drains, a water line, and the electrical feeders to Shelters 2 and 3 and the Guard Building. Should a decision be reached during schematic design to expand the EV charging infrastructure the scope of work for Phase II would increase.

Schedule

Phase I Construction start	2022 Quarter 3
Phase I In-use date	2023 Quarter 1
Phase II Design start	2021 Quarter 4
Phase II Commission construction authorization	2022 Quarter 4
Phase II In-use date	2024 Quarter 3

Cost Breakdown

	This Request	Total Project
Phase I Design	\$162,000	\$487,000
Phase I Construction	\$681,000	\$1,935,000
Total Phase I	\$843,000	\$2,422,000
Phase II Design	\$218,000	\$2,565,000
Phase II Construction	\$0	\$12,501,000
Total Phase II	\$218,000	\$15,066,000
Total Project Cost	\$1,061,000	\$17,488,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Defer full scope to future projects or no action

Cost Implications: \$0

Pros:

- (1) No additional capital investment

Meeting Date: January 25, 2022

Cons:

- (1) Shelter 1 would need to be permanently shut-down impacting operations and customer service
- (2) Shelters 2 and 3, and the Guard Building, may lose power in the short-term severely limiting the utilization of the employee parking facility

This is not the recommended alternative.

Alternative 2 – Replace only failed electrical feeders to Shelter 1 only

Cost Implications: \$843,000

Pros:

- (1) Lower overall capital investment
- (2) Quickest path to restore power to Shelter 1 supporting operations and customer service goals

Cons:

- (1) Shelters 2 and 3, and the Guard Building, may lose power in the short-term severely limiting the utilization of the employee parking facility

This is not the recommended alternative.

Alternative 3 – Replace all electrical feeders to Shelters and Guard Building

Cost Implications: \$2,104,000

Pros:

- (1) Provides a long-term solution
- (2) Quickest path to restore power to Shelter 1 supporting operations and customer service goals
- (3) Phased implementation supporting potential change to increase power due to EV charging requirements

Cons:

- (1) Higher overall capital investment

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$6,635,000	\$0	\$6,635,000
Previous changes	\$8,676,000	\$73,000	\$8,749,000
Current change	\$2,104,000	\$0	\$2,104,000
Revised estimate	\$17,415,000	\$73,000	\$17,488,000

Meeting Date: January 25, 2022

AUTHORIZATION			
Previous authorizations	\$4,984,000	\$0	\$4,984,000
Current request for authorization	\$1,061,000	\$0	\$1,061,000
Total authorizations, including this request	\$6,045,000	\$0	\$6,045,000
Remaining amount to be authorized	\$11,370,000	\$73,000	\$11,443,000

Annual Budget Status and Source of Funds

This project, CIP C800957, was included in the 2022-2026 capital budget and plan of finance with a total budget of \$15,311,000. A budget increase of \$2,104,000 was transferred from the Non-Aeronautical Reserve CIP (C800754) resulting in zero net change to the Aviation capital budget. The funding source will be the Airport Development Fund (ADF) and revenue bonds. The incremental impact to Employee Parking Card rate between \$0.10 to \$11.54 in 2022-2024

Financial Analysis and Summary

Project cost for analysis	\$17,488,000
Business Unit (BU)	Employee Parking
Effect on business performance (NOI after depreciation)	Incremental employee parking card rate will increase by \$11.54 by 2024. NOI after depreciation will increase as capital costs are included in cost recovery rate base.
IRR/NPV (if relevant)	N/A
CPE Impact	N/A

Future Revenues and Expenses (Total cost of ownership)

This project will reduce long-term operating and maintenance costs for the facility by replacing failing infrastructure.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

June 8, 2021 – The Commission authorized 1) additional funds for the design and construction of Phase I, 2) completion of design and the utilization of Port crews and a small works contract to complete early pavement work, and 3) additional funds for the design of Phase II of the NEPL Improvements project.

October 9, 2018 – The Commission authorized design and construction of Phase I of the NEPL Improvements project.