



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting March 22, 2022

DATE: February 18, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Melinda Miller, Director, Real Estate Portfolio & Asset Management
Pete Ramels, General Counsel
Julie Yun, Capital Project Manager

SUBJECT: Fishermen’s Terminal ADA Compliance Project Construction Funding Request

Amount of this request: \$850,000

Total estimated project cost: \$1,190,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to proceed with the Construction of the Fishermen’s Terminal ADA Compliance Project (C801198/U00658) in the amount of \$850,000.

EXECUTIVE SUMMARY

The Port of Seattle entered into a settlement agreement on October 5, 2020, to address alleged Americans with Disabilities Act (ADA) related deficiencies at the Fishermen’s Terminal parking lot area south of the Fishermen’s Center Building. The required minor or non-structural alterations improvements relating to the number of accessible spaces and routes, and the height and visibility of signage, were completed within 120-days of the effective agreement date by Marine Maintenance through 2020 expense funds. Other required alterations such as regrading, filling, demolition, reconstruction, or other significant remediation to address remaining ADA-related issues are required to be completed by October 5, 2022. The project team has developed a 90% Design and permit submittals are currently under agency review.

This request would allow staff to proceed with the Construction and deliver on Port commitments per the settlement agreement by October 5, 2022.

JUSTIFICATION

This project is driven by the settlement agreement committing the Port to deliver structural improvements at Fishermen’s Terminal to comply with ADA code.

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Furthermore, this project would help improve safety and maintain Port assets to support the Port’s Century Agenda objectives under the following strategies:

- Position the Puget Sound region as a premier international logistics hub.
- Responsibly invest in the economic growth of the region and all its communities.
- Advance this region as a leading tourism destination and business gateway.

Diversity in Contracting

Design development has been performed through Port’s Infrastructure Indefinite Delivery Indefinite Quantity (IDIQ) consultant contract. The M/WBE goal for this contract was set at 18% and the current diversity in contracting utilization for the Service Directive is at 16%.

Construction Services for this project will be contracted through Port Construction Services (PCS) Small Works Contracts. This project anticipates utilization of a Port-wide Asphalt Paving & Striping On-Call Contract, which is currently in the process of being executed. Diversity in Contracting Goals are not established on PCS Small Works Contracts as historically there are opportunities for WMBE firms to prime. As such, no Diversity in Contracting goal has been established. However, Diversity in Contracting along with CPO will ensure outreach to WMBE firms to encourage them to bid.

DETAILS

Scope of Work

Scope of work under this project are:

- (1) Develop design and specifications, conduct project outreach, and develop construction phasing.
- (2) Apply for permits.
- (3) Construction implementation. Planned work includes sidewalk/roadway demolition and reconstruction, pavement overlays, pavement markings, signage installation, and landscaping.

Schedule

Activity

Commission design authorization	2021 Quarter 2 (complete)
Design start	2021 Quarter 2 (complete)
Commission construction authorization	2022 Quarter 1
Construction start	2022 Quarter 2
In-use date	2022 Quarter 4

Cost Breakdown

	This Request	Total Project
Design	\$0	\$300,000
Construction	\$850,000	\$890,000
Total	\$850,000	\$1,190,000

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Delayed/No Action

Cost Implications: Potential reduced costs for avoided work but potential for increased costs related to enforcement of Settlement Agreement.

Pros:

- (1) Preserve Port capital funding and resources for other priority projects and financial initiatives

Cons:

- (1) Would not comply with the Port’s agreement to address ADA concerns.
- (2) Could potentially increase safety risk to customers and visitors.

This is not the recommended alternative.

Alternative 2 - Proceed with construction of the structural improvements as proposed, contracting through Port Construction Services small works contracts.

Cost Implications: Requires allocation of \$850,000 in the Capital Plan.

Pros:

- (1) Comply with the Port’s agreement to address ADA concerns within the committed timeframe.

Cons:

- (1) Limited temporary construction impacts.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$1,500,000	\$30,000	\$1,530,000
Previous changes – net	\$0	\$10,000	\$10,000
Current change	(\$350,000)	\$0	(\$350,000)
Revised estimate	\$1,150,000	\$40,000	\$1,190,000
AUTHORIZATION			
Previous authorizations	\$300,000	\$40,000	\$340,000
Current request for authorization	\$850,000	\$0	\$850,000
Total authorizations, including this request	\$1,150,000	\$40,000	\$1,190,000
Remaining amount to be authorized	\$0	\$0	\$0

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Annual Budget Status and Source of Funds

This project has been included in the 2022 Plan of Finance under C801198 FT ADA Compliance at an estimated total project cost of \$1,492,000. The expense portion (\$40K) was funded through the 2020 and 2021 maintenance operating budgets.

This project will be funded by the Tax Levy.

Financial Analysis and Summary

Project cost for analysis	\$1,190,000
Business Unit (BU)	Maritime Portfolio Management
Effect on business performance (NOI after depreciation)	Depreciation will increase by \$48K per year, thereby reducing the NOI by the same amount.
IRR/NPV (if relevant)	No incremental revenue. The NPV is the present value of the project cost.
CPE Impact	N/A

Future Revenues and Expenses (Total cost of ownership)

N/A

ADDITIONAL BACKGROUND

N/A

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- April 15, 2021 Commission authorized Design funding
- September 22, 2020 Commission authorized Settlement Agreement for Accessibility Improvements at Fishermen’s Terminal