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COMMISSION

AGENDA MEMORANDUM Item No. 8g

ACTION ITEM Date of Meeting June 28, 2022

DATE: June 16, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Laurel Dunphy, Director, Airport Operations

Eileen Francisco, Director, Aviation Project Management Group

SUBJECT: Widen Arrivals Roadways Bridge Demolition – Irregular Bid (CIP #800866) (Short Form)

Amount of this request: \$600,000

Total estimated project cost: \$79,100,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to award and execute a major works construction contract to the lowest responsive bidder for an irregular bid outcome and authorize an additional \$600,000 supporting the completion of the bridge demolition effort as part of the Widen Arrivals Roadways project (CIP #800866) at Seattle-Tacoma International Airport (Airport). The amount of this request is \$600,000 for a total project authorization of \$15,900,000.

SUMMARY

On May 24, 2022, the Port of Seattle received two bids for the Widen Arrivals Roadways Bridge Demolition effort. The lowest responsive bid came in at 55% over the engineer's estimate which is considered an irregular bid per Resolution No. 3605 Paragraph 4.2.3.4. The additional funds requested in this action will be used to cover the bid overrun.

The recommendation is to move forward and award the bid. The bid results and engineer's estimate were reviewed to determine a likely cause for the cost increase. None were identified except that the market conditions continue to be unfavorable due to increasing fuel and material costs, labor shortages, and uncertainty given the war in Ukraine. Rejecting these bids and either rebidding the contract or combining it with the main construction contract may not result in lower costs. In addition, the work would be delayed and therefore overlap with other planned construction work at the Airport increasing the impacts to passengers, tenants, and employees. The current budget for the Widen Arrivals Roadways project is \$79,100,000 of which \$2,156,000 supports the bridge demolition effort. Given the bid results the total budget to support the bridge

Template revised January 10, 2019.

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demolition effort would need to increase to \$2,830,000. The design of the Widen Arrivals Roadways project has progressed. The 60% design resulted in a total estimated cost of \$82.4 million which is \$3.3 million above budget. Staff is working to reduce costs as part of the 90% design effort however additional funding will likely be required to complete the Widen Arrivals Roadways project. If required, the request for additional funds will be addressed with the planned Commission construction authorization in Q1 2023.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

November 9, 2021 – The Commission, (1) authorized the advertisement and award of a major public works contract for the early demolition of the fourth-floor bridge to the main parking garage, (2) authorized an amendment of an existing service agreement for Airport Roadway Design Support Services with HNTB, in the amount of \$3,100,000, with a new contract total of \$8,700,000, (3) authorized the Port to enter into a reimbursable agreement with the Federal Aviation Administration, and (4) authorized an additional \$6,900,000

January 22, 2019 – The Commission authorized design for \$8,340,000

Template revised June 27, 2019 (Diversity in Contracting).