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**COMMISSION**

AGENDA MEMORANDUM Item No. 8f

ACTION ITEM Date of Meeting September 13, 2022

DATE: September 7, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Janice Zahn, Interim Director of Engineering

SUBJECT: Electric Utility Supervisory Control and Data Acquisition (CIP #800699) Change Order  
Time Extension Over 60 Days

Amount of this request: \$0

Total estimated project cost: \$11,950,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute a change order to Contract MC-0319013 Electric Utility Supervisory Control and Data Acquisition at Seattle-Tacoma International Airport (SEA) to add up to 180 Calendar days to the Contract Duration for impacts due to Covid related supply chain delivery delays of critical material. (CIP #C800699)

**EXECUTIVE SUMMARY**

This change order requires the addition of up to 180 calendar days to the Contract Duration. Commission action is required under the General Delegation of Authority because the additional time being added to the contract is over 60 calendar days. No additional project funding is included with this request.

**Description of Change**

This change order will revise the contract completion date and settles all claims due to impacts caused by Covid related supply chain delivery delays of critical Port furnished material.

**Background**

This project is installing an industrial computer system to allow for the safe operation, monitoring, and control of the electrical power distribution system at SEA. This SCADA system is located throughout SEA providing a complete, fault-tolerant control and data acquisition system. The SCADA system, when completed in 2023, will serve 26 medium-voltage supply power distribution centers (12.4kV – 480V) and two utility substations (12.4kV) and will enable compliance with current electrical safety regulations.

On July 15, 2021, the Port executed a construction contract with VECA Electric & Technologies the amount of \$2,917,225.00 with a contract completion date of January 6, 2023. The Contract

Template revised January 10, 2019.

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has experienced cost growth, due to several Change Orders for design changes to accommodate differing site conditions, and operations and maintenance requirements. Additionally delays in delivery of critical material has occurred due supply chain issues for which the Contractor is entitled to additional time. As a result of these material delays, VECA notified the Port of potential time impacts to the contract Substantial Completion date of up to 147 calendar days. Discussions with the Contractor are ongoing and further material delays are possible, hence our request for up to 180 days. Upon agreement, this Change Order will encompass all additional time and cost due the Contractor as a result of the material deliver delay.

**Diversity in Contracting**

The Woman and Minority Business Enterprise (WMBE) aspirational goal is 7% for the construction project and the contractor is on track to meet this goal.

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

Alternative 1 – Do not authorize the issuance of the Change Order for additional time.

Pros:

(1) None noted.

Cons:

(1) Contractor forced to meet original contract completion date, creating risk of potential for litigation for constructive acceleration.

(2) Increases staff soft costs, potential legal expenses.

This is not the recommended alternative.

Alternative 2 – Authorize the issuance of the Change Order to extend the Contract duration by up to 180 days. If executed, this change order will settle all outstanding claims between the Contractor and Port related to provision of the Port furnished material.

Pro:

- (1) This is a Port caused, excusable and compensable delay. The Contractor is entitled to the additional Contract Time.
- (2) This time extension is necessary for reconciliation of the schedule delay.
- (3) The Contractor will not have to submit a claim of protest.

Cons:

- (1) None noted.

This is the recommended alternative.

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

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ATTACHMENTS

None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- July 9, 2021 – Commission authorized: 1) \$10,350,00 budget increase total budget to \$11,950,000; 2) advertise and award a major works construction contract at Seattle-Tacoma International Airport; and 3) use of Port crews and small works contractors to assist with the project.
- August 4, 2015 – The Commission authorized \$1.56 million for a design contract and preparation of design and construction bid documents for the Electric Utility Switching Project at Seattle-Tacoma International Airport. The commission also authorized use of port crews for the project. The total project estimate at that time was \$1.6 million.

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