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COMMISSION

AGENDA MEMORANDUM Item No. 8e

ACTION ITEM Date of Meeting October 25, 2022

DATE: October 17, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Eileen Francisco, Director, Aviation Project Management

Laurel Dunphy, Director, Aviation Operations

SUBJECT: Restroom Renovations Phase 5 Construction (CIP #800697)

Amount of this request: \$13,858,000

Total estimated project cost: \$61,692,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to 1) advertise and award a major works construction contract for the fifth phase of the Restroom Upgrades on Concourses B, C, and D project at Seattle-Tacoma International Airport; 2) execute a Project Labor Agreement for this project; and (3) use Port crews. The amount requested under this authorization is \$13,858,000 of an anticipated total project cost of \$61,692,000.

EXECUTIVE SUMMARY

The public restrooms on Concourses B, C, and D, are old, outdated and overcrowded. When complete the new restrooms created by this project will improve the passenger experience by being brightly lit, featuring touch free faucets, soap dispensers and paper towel dispensers, and larger, more accessible stalls.

This is a five-phase project. The first three phases are complete, Phase 4 restroom construction is nearing completion. This request is to construct the Phase 5 restrooms. Phase 5 will remodel the remaining public restrooms on Concourses B, C and D and will incorporate adult changing tables, nursing suite, service animal relief area and additional family restrooms. This project was recently awarded a \$10,000,000 grant from the Federal Aviation Administration (FAA) through the Bipartisan Infrastructure Law (BIL) — Airport Terminal Program (ATP). Project Labor Agreements (PLAs) have been used on past projects to reduce risk to operations impacts and construction schedule delays caused by potential labor disputes. This project is planning to use a project specific PLA which is awaiting approval by the FAA.

Template revised January 10, 2019.

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JUSTIFICATION

The public restrooms on Concourse B, C, and D, in addition to being old, have limited air circulation and odors that have permeated the finishes that often result in passenger's dissatisfaction with terminal restrooms. Enlarging, renovating, and building new restrooms will improve air circulation, reduce odors, and improve maintainability, accessibility, and passenger experience. This project, with its increase in restroom size and number of fixtures, further improves the passenger experience considering these new requirements.

Diversity in Contracting

This project is federally funded which requires the federal recipient to utilize U.S. Department of Transportation's certified Disadvantaged Business Enterprises (DBE) program. The project team is working with the Diversity in Contracting Department in establishing the Federal DBE goal.

DETAILS

Scope of Work

The project scope for Restrooms Phase 5 includes the renovation of (5) existing sets of restrooms to reflect the latest Port Restroom Standards. The existing restrooms near Gates B3, C16, and D11 are to be renovated to multi-fixture gendered specific (Women's / Men's) restrooms with (2) adjacent single fixture (Family) restrooms. One of the single fixture restrooms at C16 will include an adult changing table.

The D3 existing restrooms will be converted to a series of single fixture (Family) restrooms. The existing restrooms near Gate D1 will be converted to our first "Amenities Suite" which will include a service animal relief area, Nursing Suite with adjoining Lactation Room and two single fixture (Family) restrooms, with one of the restrooms to include an adult changing table.

All the locations require renovated plumbing, HVAC, lighting, restroom fixtures, tile, flooring,

decorative tile, and miscellaneous finishes.

Schedule

Activity

Phase 5 Construction start 2023 Quarter 2

Phase 5 in-use date 2024 Quarter 2

Total Project Complete 2024 Quarter 3

Cost Breakdown This Request Total Project

Design \$0 \$7,587,000

Construction \$13,858,000 \$54,105,000

Total \$13,858,000 \$61,692,000

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not proceed with Phase 5

Cost Implications: \$ previously spent with \$0 of new spending (design costs to-date of \$1.5M would be expensed)

Pros:

(1) No additional capital expenditures

Cons:

(1) Loss of \$10M in FAA AIP grants

(2) Reduce business opportunities to DBE

(3) Reduce amenities to our customers

(4) Limited accessibility at Sea-Tac

o Fewer ambulatory stalls

o Loss of adult changing stations

(5) Maintainability and janitorial services would be limited

(6) \$1.5M in design costs would need to be expensed

This is not the recommended alternative.

Alternative 2 – Proceed with Phase 5

Cost Implications: \$13,858,000 total project cost

Pros:

(1) Maximize FAA Grant Funding

(2) Provides business opportunities to DBE

(3) Expands customer amenities

o Mother's Rooms

o Animal Relief Areas

(4) Improves accessibility at Sea-Tac

o Ambulatory stalls

o Adult changing tables

(5) Improved maintainability of restrooms, including janitorial services

Cons:

(1) Highest cost alternative

This is the recommended alternative.

FINANCIAL IMPLICATIONS

The original estimate was developed in 2015. In 2021, \$308,000 was transferred to the Airport Art Pool budget.

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Cost Estimate/Authorization Summary Capital Expense Total

COST ESTIMATE

Original estimate \$11,180,000 \$0 \$11,180,000

Previous changes – net \$50,779,000 \$41,000 \$50,820,000

Budget transfer to Art Pool (2021 Q1) (\$308,000) 0 (\$308,000)

Revised estimate \$61,651,000 \$41,000 \$61,692,000

AUTHORIZATION

Previous authorizations \$47,793,000 \$41,000 \$47,834,000

Current request for authorization \$13,858,000 \$0 \$13,858,000

Total authorizations, including this request \$61,651,000 \$41,000 \$61,692,000
Remaining amount to be authorized \$0 \$0 \$0
Annual Budget Status and Source of Funds
This project, CIP C800697, was included in the 2022-2026 capital budget and plan of finance with a budget of \$61,651,000. The funding source would be revenue bonds, Airport Development Fund (ADF) and grants. The total FAA grants is estimated at \$21 million.
Financial Analysis and Summary
Project cost for analysis \$61,651,000
Business Unit (BU) Terminal Building cost center
Effect on business performance NOI after depreciation will increase due to inclusion of (NOI after depreciation) capital (and operating) costs in airline rate base.
IRR/NPV (if relevant) N/A
CPE Impact \$0.10 in 2025
Future Revenues and Expenses (Total cost of ownership)
Aviation Maintenance anticipates minimal impacts to operating and maintenance costs, as a result of the scope of work in Phase 5 of this project.
ATTACHMENTS TO THIS REQUEST
(1) Presentation slides
PREVIOUS COMMISSION ACTIONS OR BRIEFINGS
September 8, 2020 – Commission authorized additional budget and to advertise and execute a major works contract for Phase 4.
August 11, 2020 – Commission authorized the Executive Director to increase the authorized spending by \$350,000, of which \$232,000 are COVID-19 related.
July 29, 2020 – Commission notification for Phase 3 construction contract – cumulative change orders exceeding 10%

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May 21, 2020 – The Commission was notified of change orders exceeding 10% and 25% of the original contract amount for Phase 2.

September 24, 2019 – The Commission authorized execution of a construction contract for Phase 3 of this project that was more than 10% over the engineers estimate and authorized additional construction funds for \$1,200,000.

September 24, 2019 – Commissioners and Executive Director Metruck received an Executive Response from Aviation Managing Director Lyttle regarding All-Gender Restrooms.

September 12, 2019, Commissioners and Executive Director Metruck received an Executive Response from Aviation Managing Director Lyttle.

February 26, 2019 – The Commission was briefed by staff on a recommendation to move forward with motion to develop a Seattle-Tacoma International Airport gender inclusive restroom plan.

October 23, 2018 – The Commission authorized construction of Phase 2 and Phase 3 of this project for \$8,969,000.

October 23, 2018 – The Commission was briefed on the status of the motion to develop a Seattle-Tacoma International Airport gender inclusive restroom plan.

May 22, 2018 – The Commission heard a motion to develop a Seattle-Tacoma International Airport gender inclusive restroom plan.

September 12, 2017 – The Commission authorized construction of Phase 1 of this project for \$2,536,000

July 12, 2016 – The Commission authorized the design for \$5,087,000.

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