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COMMISSION

AGENDA MEMORANDUM Item No. 8d

ACTION ITEM Date of Meeting November 29, 2022

DATE: November 15, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Melinda Miller, Director, Real Estate Asset Management

Jermaine Murray, Director, Port Construction Services

Julie Yun, Capital Project Manager

SUBJECT: Fishermen's Terminal ADA Compliance Project (C801198)

Amount of this request: \$600,000

Total estimated project cost: \$1,790,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to acquire additional funding for the construction of the Fishermen's Terminal ADA Compliance project (CIP# C801198) in the amount of \$600,000.

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.

This request would allow staff to reinitiate currently paused construction and deliver on Port commitments per the settlement agreement.

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.

This project is currently paused at approximately 85% completion status until additional funds are available. Reasons for the additional funding request are as follows:

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1. Decreased work productivity due to PCS resource availability and new staff onboarding resulting in extended schedule.
2. Schedule delay and decreased work efficiency due to concrete strike and subsequent material delays.
3. Overtime and added work hours (6-7 days per week) as compared to the original plan (5/10 work schedule) in order to increase productivity and minimize tenant impact in early stages of construction.
4. Higher burn rate on PCS labor and construction management, and increased PCS overhead due to extended schedule.
5. Construction Escalation – material costs have seen a 10% increase in 2022.

Diversity in Contracting

Design development was performed through the Port's Infrastructure Indefinite Delivery Indefinite Quantity (IDIQ) consultant contract. The WMBE 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 was contracted through Port Construction Services (PCS) Small Works Contracts. This project utilizes a Port-wide Asphalt Paving & Striping On-Call Contract. 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.

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 (complete)
Construction start 2022 Quarter 3 (complete)
In-use date 2023 Quarter 1

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Cost Breakdown This Request Total Project

Design \$0 \$300,000

Construction \$600,000 \$1,490,000

Total \$600,000 \$1,790,000

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 release of additional funding and proceed with construction to completion.

Cost Implications: Requires allocation of \$600,000 in the Capital Plan

Pros:

(1) Re-start construction and 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 (\$350,000) \$10,000 (\$340,000)

Current change \$600,000 0 \$600,000

Revised estimate \$1,750,000 \$40,000 \$1,790,000

AUTHORIZATION

Previous authorizations \$1,150,000 \$40,000 \$1,190,000

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Current request for authorization \$600,000 0 \$600,000

Total authorizations, including this request \$1,750,000 \$40,000 \$1,790,000

Remaining amount to be authorized \$0 \$0 \$0

Annual Budget Status and Source of Funds

This project has been included in the 2023 Draft Plan of Finance under C801198 FT ADA

Compliance with a total cost of \$1.232 million. The additional cost will be covered by C800002

Maritime Division Reserve.

This project is funded by the General Fund.
Financial Analysis and Summary
Project cost for analysis \$1,790,000
Business Unit (BU) Maritime Portfolio Management
Effect on business performance Depreciation will increase by approximately \$72K per (NOI after depreciation) 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
None.
ATTACHMENTS TO THIS REQUEST
(1) Presentation
PREVIOUS COMMISSION ACTIONS OR BRIEFINGS
March 22, 2022 Commission authorized Construction funding
April 15, 2021 Commission authorized Design funding
September 22, 2020 Commission authorized Settlement Agreement for Accessibility Improvements at Fishermen's Terminal

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