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Item No: 8e_Supp
Meeting date: March 26, 2024
Maritime Industrial Center
Electrical Infrastructure Replacement

Design-Build Construction Authorization
Kelly Purnell – Capital Project Manager
Jennifer Maietta– Director, Real Estate Asset Management (Sponsor)
Kenneth Lyles – Director, Fishing and Commercial Operations (Sponsor)

CIP # C801241

Action Requested

Request Commission authorization for the Executive Director to:

1. Approve construction funding in the amount of \$7,948,000
for a Design-Build construction contract for the Maritime
Industrial Center Electrical Infrastructure Replacement
project.

Amount of this Request: \$7,948,000

Total Estimated Project Cost: \$12,408,000

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Project Overview

- Currently authorized for design for Design-Bid-Build project delivery
 - 60% design
 - Severe operational constraints and complex site conditions
 - High probability of high bids and risk for change orders during construction without early onboarding of contractor to determine construction methodology and logistics approach
- Design-Build project delivery
 - Design-Build will allow for cost certainty earlier and provide for more informed decisions before going to construction
 - Minimizes risks associated with site, operational constraints and other projects early through early contractor engagement.

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Current Tenant Mix

- Building A-1:
 - Mix of storage, warehouse, repair and maintenance shops, silk screen printing
- Building A-2, yard and moorage:
 - Boat yard and marine services (metal fabrication, woodwork, heating and cooling, electronics)
- Building A-3, A-4, A-5, yard and moorage:
 - Fishing vessel support operations

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Current Tenants

MIC Tenant Space Type Industry/Use

Bristol Wave Seafoods, LLC Industrial Boatyard, fishing industry
Alliant Marine Group, LLC Industrial Boatyard, recreational vessels
Biely & Shoaf Co. Warehouse and office Distribution logistics
Three By Three, Inc Warehouse Distribution logistics
Washington State Dept. of Fish &
Offices and storage Law enforcement and biology
Wildlife

Silver Bay Seafoods, LLC Industrial Fishing operations
DC Diesel, LLC Industrial Marine engine repair
Oxford Screen Printing Industrial Commercial printing
Shelford's Boat, Ltd Storage Fishing operations
International Pacific Halibut
Storage Maritime non-profit
Commission
Alaskan Leader Fisheries LLC Storage Fishing operations

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Cost Estimate Increase

- Direct costs updated based on design work completed since last authorization and transitioned to Design-Build.
- Continued market volatility

?4% increase in general contractor markups
?3% increase in construction escalation

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Project Location
Electrical Equipment
Replacement Demolition of 5
consolidated to 3 existing facilities
locations

2700 W Commodore Way, Seattle, WA 98199
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Proposed project layout & Site Constraints
Limited and Single point of
narrow access entry to tenant
around building property
A-1

Areas of
construction
impact

Single point of
entry to MIC site
off Commodore
Way

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Current Condition - Electrical

- Significant corrosion
- Stormwater intrusion
- Degraded protective coatings
- Decaying structural pads

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Project Scope – Electrical Replacements

- Demolition of (5) existing switchboards and associated equipment
- Demolition of wharf shed
- Install (5) new switchboards and associated equipment
 - Replace primary switchboards 2SPN and 4SP
 - Replace wharf switchboards 4W and 2W
 - Replace switchboards 2P, 4P, EY4, SEY4
- Install new conduits and vaults
- Potential for contaminated soil remediation

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Project Risks

RISKS DESCRIPTION PROBABILITY IMPACT MITIGATION

Impacts to tenants, fishing fleet, and Port operations at the site

Transition project to Design-Build to incorporate

Operational Constraints during construction are likely due to very constrained site access and Med High construction methodology early operating space.

Equipment at end of useable life due to exposure to maritime

Equipment at end of lifespan High High Replace electrical switchboards and switchgear. environment and length of use.

Transition project to Design-Build to incorporate

Power interruptions to Power will need to be interrupted at the site when installing and

High Med construction methodology and temporary power logistics buildings/operations switching over to new equipment.

early.

Port is acquiring equipment in advance to mitigate

Electrical equipment supply chain has been impacted for years due to additional delays that would occur by waiting for Long lead equipment

high demand and lingering Covid disruptions. Procurement lead Med High contractor. Delivery and transfer of equipment to procurement delays

times are 65-80 weeks. Delays could impact construction. contractor will be included in RFP documents for Design-Build.

Avoidance of sea wall tie-backs in locating equipment,

Two of the sea walls at the property are past typical lifespans for

and minimize trenching as feasible. Transition project to

1940's and 1950's era sea wall category of structures. Trenching must occur in proximity and risk of Med High

Design-Build to incorporate construction methodology

damage exists

early.

Transition project to Design-Build to incorporate

Other projects (stormwater improvements, EV Charger) are

construction methodology early. Close coordination with

Other projects on-site scheduled on the property and could cause more complexity in Med High

other project design and construction teams.

constructing electrical, impacting schedule and cost.

Site is an old Coast Guard Facility and is across the street from an old

Unforeseen environmental Contingency budget associated with unanticipated soil

petroleum company. Unknown soil contamination may exist that was Low Med

costs remediation.

not captured in geotechnical analysis.

Submit for shoreline and SEPA exemptions before

Permitting Delays in permitting due to design issues Med Med project goes to a Design-Build contractor. Have contractor obtain grading/building permits.

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Opportunities

- Opportunities
 - Upgraded and safe equipment with higher load capacities for future site upgrades (EV chargers, shore power, tenant changes)
 - Design-Build allows for early collaboration with general contractor to finish design and determine best construction methodology and

logistics

– Design- Build mitigates risks earlier in the process rather than just in construction.

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Preliminary Schedule

Commission design authorization 2022 Quarter 4

Design start 2022 Quarter 4

Commission authorization for major electrical 2023 Quarter 1
equipment procurement

Commission Design-Build for remaining 2024 Quarter 1
design and construction authorization

Construction start 2025 Quarter 2

In-use date 2026 Quarter 1

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Funding

Cost Estimate/Authorization Summary Capital Expense To ta l

COST ESTIMATE

Original estimate \$1,500,000 \$0 \$1,500,000

Previous changes - Net \$7,090,000 \$0 \$7,090,000

Current change \$3,818,000 \$0 \$3,818,000

Revised estimate \$12,408,000 \$0 \$12,408,000

AUTHORIZATION

Previous authorizations \$4,460,000 \$0 \$4,460,000

• Design \$850,000 \$850,000

• Electrical Equipment Procurement \$3,610,000 \$3,610,000

Current request for authorization \$7,948,000 \$0 \$7,948,000

Total authorizations, including this \$12,408,000 \$0 \$12,408,000
request

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

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Questions?

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