



Item No: 4D_supp
Date of Meeting: April 2, 2019

Program Authorization For Terminal 5 Modernization Program

Presenter: Anne Porter, POS Capital Program Leader

Program Authorization

Terminal 5 Modernization Program

As referenced in NWSA Resolution No. 2016-04, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.

DUAL VOTE: NWSA/POS/POT: Request funding for program authorization in the amount \$314,150,000 for a total authorized amount of \$340,000,000 to complete work associated with the Terminal 5 (T-5) Modernization Program, Capital Improvement Project (CIP) No. C800132 and C800726.

NWSA ONLY VOTE: Request program authorization to complete work associated with T-5 Modernization Program, CIP No. C800132 and C800726. This request has four distinct authorizations as follows:

1. Terminal 5 Modernization Program Authorization
2. Berth Modernization Project Construction Authorization
3. Uplands Improvement Project Design & Permitting Authorization
4. HOMEPORT VOTE: POS/POT: Authorize funding the program spending beyond 2019



Background

Terminal 5 Modernization Program

Terminal 5 began operating as a container terminal in 1964

- First major remodel began in 1997
 - Southwest Harbor Redevelopment
 - Significant environmental cleanup
 - Expanded to 185 acre international container terminal
 - Accommodated largest vessels at the time up to 6,000 TEU's
 - Vessel sizes continued to increase
- The modernization program
 - Strengthen crane rails
 - Increase electrical capacity for larger cranes
 - Deepen berth to accommodate larger vessels



Background

Terminal 5 Modernization Program



Program Description and Details

Terminal 5 Modernization Program

- **Berth Modernization Project:**
 - Crane Rails
 - Dock Rehabilitation
 - Slope Stabilization
 - Berth Deepening
 - Power Supply/Distribution
- **Uplands Improvement Project:**
 - Stormwater Treatment
 - Marine Buildings
 - Permit Conditions
 - Lease Obligations



Berth Modernization Project Schedule

Terminal 5 Modernization Program

Activity	Timeframe
Advertise Bids	February 27, 2019
Bid Opening	April 10, 2019
Contract Award	April 21, 2019
Contract Completion	December 31, 2022

Uplands Improvement Project schedule will depend upon scope elements

Source of Funds

Terminal 5 Modernization Program

- **Estimated cost of the Modernization Program is \$340,000,000**
- **The 2019-2023 Capital Investment Plan (CIP) allocates \$319,000,000 for the program**
- **\$14,200,000 previously authorized spending occurred pre-2019**
- **The homeports have identified funding sources for the remaining program investment.**
- **Investments in upland improvements such as shore power and stormwater treatment are still being considered for potential grant funding opportunities**



Financial Summary

Terminal 5 Modernization Program

Program Element Description	This Request	Total Project Cost	Cost to Date	Remaining Cost
CONSTRUCTION	\$251,000,000	\$251,000,000	\$0	\$251,000,000
DESIGN AND PROJECT MANAGEMENT	\$4,800,000	\$25,000,000	\$14,100,000	\$10,900,000
PERMIT CONDITIONS	\$8,350,000	\$14,000,000	\$70,000	\$13,930,000
STORMWATER RESERVE	\$30,000,000	\$30,000,000	\$0	\$30,000,000
MANAGEMENT RESERVE	\$20,000,000	\$20,000,000	\$0	\$20,000,000
TOTAL	\$314,150,000	\$340,000,000	\$14,170,000	\$325,830,000
PREVIOUSLY AUTHORIZED	\$25,850,000			
REVISED TOTAL AUTHORIZATION	\$340,000,000			



Environmental Impacts/Review

Terminal 5 Modernization Program

- Air Quality
 - Implement Air Quality Management Plan
 - Monitor PM 2.5 to confirm operations meet modeled assumptions < 6 tons/year
- Noise
 - Implement Operations Noise Management Plan
 - All mobile cargo handling equipment uses broadband safety alarms
 - Railroad Quiet zone
- Traffic
 - Implement Gate Queue Management Plan
 - Avoid backups past intersection of SW Spokane St and access bridge
 - Roadway and signalization improvements
- Stormwater
 - Treatment system design is informed by future use
 - Tenant holds ISGP (Industrial Stormwater General Permit)
 - Best management practices and benchmark sampling



Conclusion

Terminal 5 Modernization Program

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