

**THE NORTHWEST SEAPORT ALLIANCE**  
**MEMORANDUM**

Item No:   2D  

Meeting: 02/07/17

**DATE:** February 3, 2017

**TO:** NWSA Managing Members

**FROM:** John Wolfe, Chief Executive Officer  
Sponsor: Dustin Stoker, Chief Operating Officer  
Project Manager: Ricardo Charlton, Director, Maintenance

**SUBJECT:** Correction of the Purchase of Two Container Spreaders (Master ID #101108.01)

**A. ACTION REQUESTED**

Correcting the Authorization of the sole source procurement of two (2) twin-pick container spreaders from EARLS Industries, Ltd, from \$603,000, plus Washington State Sales Tax to \$608,800.00 plus Washington State Sales Tax approved on December 12, 2016.

**B. BACKGROUND**

At the December 12, 2016 Managing Members Meeting, the Managing Members approved the purchase of both spreaders at the above price of \$603,000. Subsequent to approval, staff recognized he made an administrative oversight was made while creating the original request memo. The actual invoice price from EARL's is \$608,800 plus tax and should have been reflected in the original memo.

**C. TIMEFRAME/PROJECT SCHEDULE**

Original Commission Approval Date	December 12, 2016
Corrected Commission Approval Date	February 7,2017
Contract Issuance	February 8, 2017
Equipment Delivery (estimated)	December 31, 2017

**D. FINANCIAL SUMMARY**

**Source of Funds**

The 2017-2021 Capital Improvement Plan allocates \$662,000 for this project.

**Financial Impacts**

The costs will be capitalized and depreciated over a 20-year period, resulting in an annual depreciation expense of \$33,000. There will be no depreciation for 2017 based on the anticipated project completion date of December 31, 2017.

**E. NEXT STEPS**

1. Complete purchase negotiations and issue a purchase order contract to EARL Industries, Ltd. for four (4) twin-pick container spreaders.
2. Acceptance testing and training upon delivery.

c: Mark Little, Director, Contract and Purchasing  
Don Esterbrook, Deputy Executive  
Dustin Stoker, Chief Operating Officer  
Laura Guenthard, Senior Accountant, Finance