

Item No.: 9B\_Supp  
Date of Meeting: November 1, 2022

# Project Authorization For T106 CBP Facility Renovation Project



**THE NORTHWEST**  
SEAPORT ALLIANCE  
SEATTLE + TACOMA

Presenters: Stefan Wynn, Architect  
Capital Project Manager, POS

# **Action Requested (Dual Vote) Managing Members Action Terminal 106 CBP Facility Renovation Project**

Request Managing Member vote authorization to:

As referenced in NWSA Resolution No. 2020-02, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.

- a. Approve project authorization increase in the amount of \$1,300,000 to complete all work associated with the T-106 U.S. Customs and Border Protection Facility Renovation Project, Master Identification No. 2021-29 NH for a total authorized amount not to exceed \$7,702,000
- b. Develop, advertise, and execute an alternative public works delivery contract using the Design-Build project delivery method.

# **Action Requested (Dual Vote)**

## **Port of Seattle Action**

### **Terminal 106 CBP Facility Renovation Project**

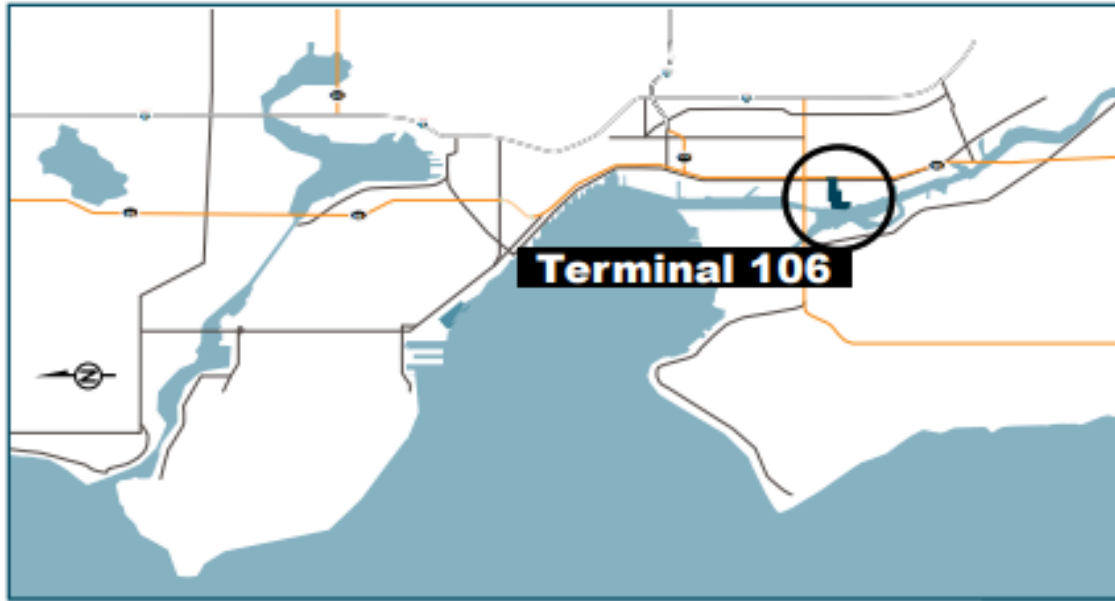
Jointly, request the Commissioners of the Port of Seattle authorization to:

- a. Approve project authorization increase in the amount of \$169,000 for a total authorized amount not to exceed \$1,001,260 which is to be reimbursed in full to the NWSA following the substantial completion of all work associated with the T-106 U.S. Customs and Border Protection Facility Renovation Project, Work Project No. U00690.
- b. Develop, advertise, and execute an alternative public works delivery contract using the Design-Build project delivery method.

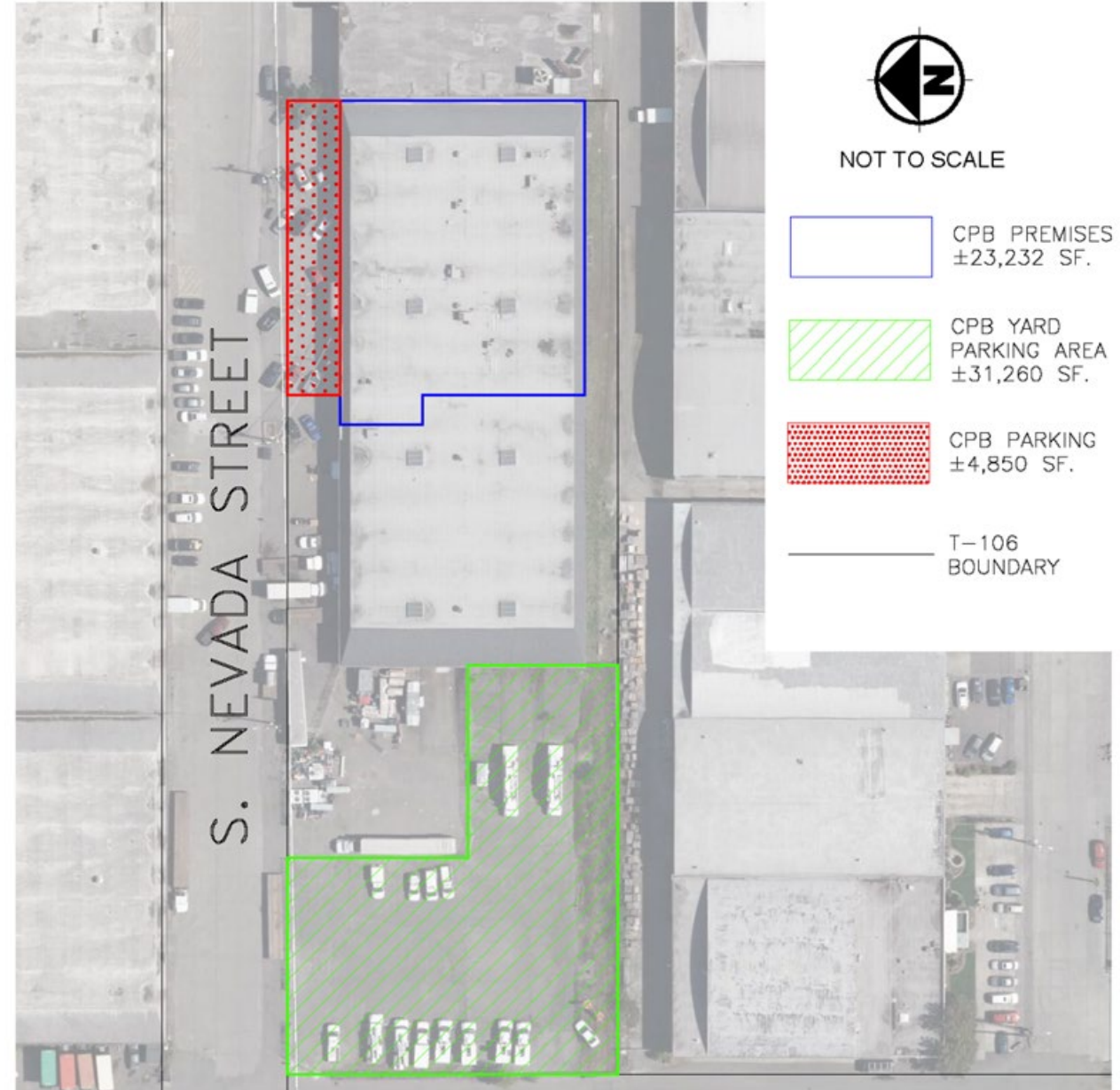
# CBP Renovation Project & Prior Actions Summary

## CBP, Terminal 106 2W

- CBP staff providing international cargo inspection services office out of both T106 & T102
- Neither location meets CBP standards for suitable workspace, and CBP required updates to its T106 office and workspace location, at which the T102 staff can consolidate
- At the August 3, 2021 Managing Members meeting, two actions were approved:
  1. Funding (\$6.4M) to complete an office and facility renovation project (“Renovation Project”) to update T106 to meet CBP standards
  2. ILA between the NWSA and Port which:
    - Transfers management of the CBP premises from the Port to the NWSA upon completion of the Renovation Project;
    - Identifies cost allocations between the Port and NWSA;
    - Identifies the roof of the building 2W as an asset in need of future repair
- At the September 7, 2022 Managing Members, Two actions were approved:
  1. Funding (\$1.7M) to replace the low slope portion of the roof that is past its useful life.
  2. Update the ILA between the NWSA and the Port.



# Terminal 106 Site Plan



# Project Background

## Terminal 106 CBP Facility Renovation Project

- All ports of entry are generally required by CBP to provide suitable and reasonable office, workspace and parking to CBP according to various provisions of Titles 6, 8 and 19 of the United States Code, additionally with particular emphasis on the Cross Border Trade Enhancement Act of 2016 (6 USC § 301) and 36 Op. Atty. Gen 431 (1928) as its basis for this requirement.
- Existing facilities may continue in their current state until seaport operations change, or new seaport facilities are established
- NWSA's request for RPMs at T-5 constitutes a seaport operations change prompting CBP to request suitable office and workspace meeting current CBP requirements (Title 19, C.F.R.)

# Project Objectives

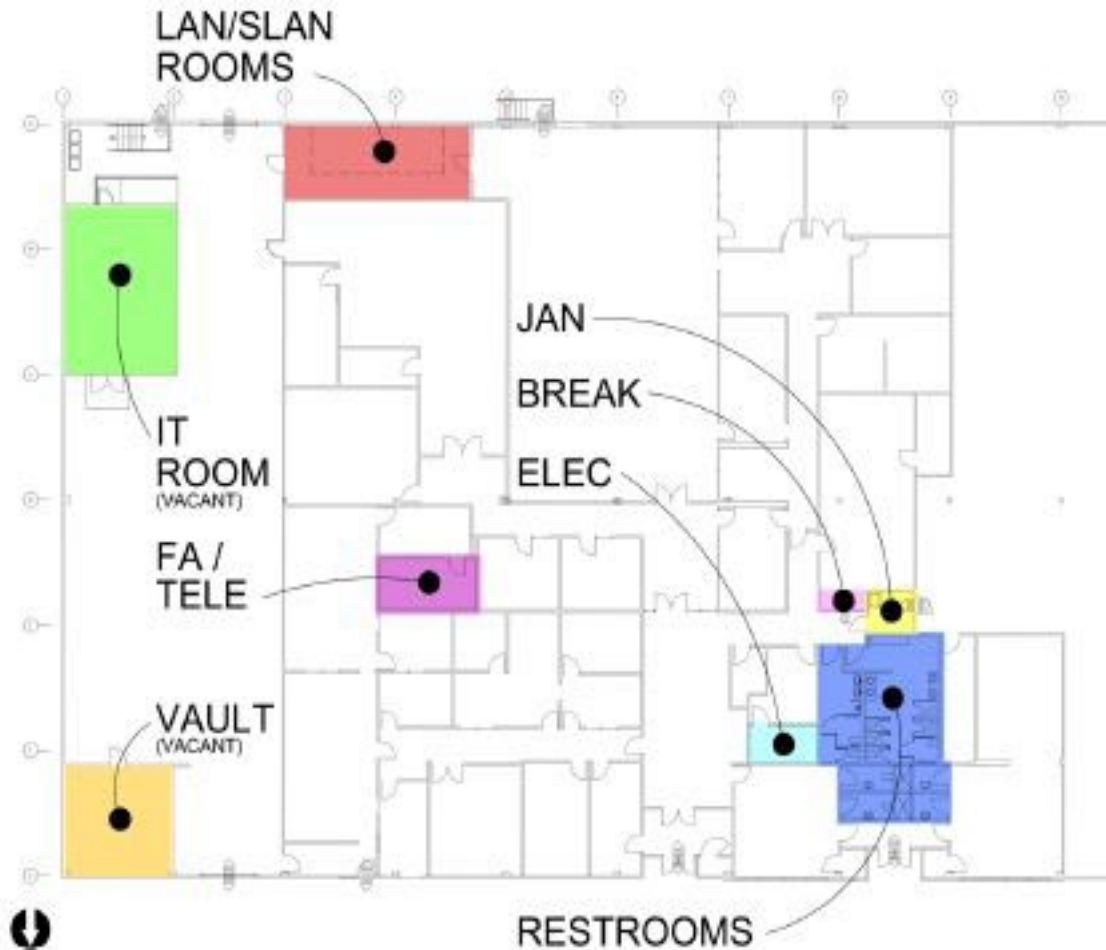
## Terminal 106 CBP Facility Renovation Project



- Built in 1952 as un-conditioned warehouse space
- Office area added later functioning as building-within-a-building
- Some original fixtures and systems remain; some updates in 1980
- Key project objective: Utilize existing internal walls and infrastructure to greatest extent possible
- Modifications required to meet current code standards and accommodate greater staff number

# Project Details

## Terminal 106 CBP Facility Renovation Project



- Updates to:
  - Mechanical & plumbing systems
  - Fire protection & alarm systems
  - Electrical & lighting
  - Telecommunications
  - Intrusion detection, video surveillance systems, & access control systems
  - Building exterior perimeter improvements
  - Assessment of IT & furniture needs
- Existing infrastructure retained where possible

# Project Schedule

## Terminal 106 CBP Facility Renovation Project

Activity	Timeframe
Addendum for Roof SOW	9/09/2022
Consensus Scoring Meeting	10/10/2022
Notice of Award	11/10/2022
Substantial Completion	5/31/2024

# Background Interlocal Agreement

NWSA and POS agreed to a cost allocation method for the CBP office Renovation per the following:

- Cost Allocations: NWSA 87% and POS 13% with these allocations will be applied to:
  - Total Renovation Project costs
  - Ongoing operational costs

NWSA and POS agreed to a cost allocation method for the low slope roof replacement per the following:

- Pro-rata basis cost share of NWSA 55% and POS 45%

# Financial Impact

## Terminal 106 CBP Facility Renovation Project

- Authorized Renovation Funding \$6,402,000
  - \$5.6M NWSA 87%
  - \$800K POS 13%
- Approved Roof Funding \$1,700,000
  - \$935K NWSA 55%
  - \$765K POS 45%
- Total Authorized Funding \$8,102,000
  - \$6.5M NWSA
  - \$1.6M POS

# Financial Impact

## Terminal 106 CBP Facility Renovation Project

- Additional Funding Request \$1,300,000
  - \$1.1M NWSA 87%
  - \$2K POS 13%
- Revised Roof Estimate \$552,000
  - \$303K NWSA (\$632K decrease)
  - \$248K POS (\$517K decrease)
- Existing Total Project Estimate \$8,100,000
  - \$6.5M NWSA
  - \$1.6M POS
- Revised Total Project Estimate \$8,254,000
  - \$7M NWSA
  - \$1.25M POS

# Financial Summary

## Terminal 106 CBP Facility Renovation Project

Item	Previous Request *	This Request	Total Project Cost *	Cost to Date	Remaining Cost
Procurement & Management	\$1,752,000	\$350,000	\$2,102,000	\$212,000	\$1,890,000
Design & Construction	\$4,650,000	\$950,000	\$5,600,000	\$0	\$5,600,000
Project Total:	\$6,402,000	\$1,300,000	\$7,702,000	\$212,000	\$7,490,000

- ❖ NOTE: Previous Request contains \$102,000 feasibility study authorization.
- ❖ NOTE: Total Project Cost do not include the low slope roof replacement which is a separate Authorization.

# Financial Summary

## Terminal 106 CBP Facility Renovation Project

Project costs associated with the T-106 CBP Office and Facility Renovation and the T46 Roof renovation will be capitalized and depreciated over an estimated 10-year life. The increase in the office renovation is partially offset by the reduction in the roof costs. The net increase in total cost to the NWSA is approximately \$500,000, or approximately \$50,000 per year for ten years.

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- b. Develop, advertise, and execute an alternative public works delivery contract using the Design-Build project delivery method.

# Action Requested (Dual Vote)

## Port of Seattle Action

### Terminal 106 CBP Facility Renovation Project

Jointly, request the Commissioners of the Port of Seattle authorization to:

- a. Approve project authorization increase in the amount of \$169,000 for a total authorized amount not to exceed \$1,001,260 which is to be reimbursed in full to the POS following the substantial completion of all work associated with the T-106 U.S. Customs and Border Protection Facility Renovation Project, Work Project No. U00690.
- b. Develop, advertise, and execute an alternative public works delivery contract using the Design-Build project delivery method.