

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

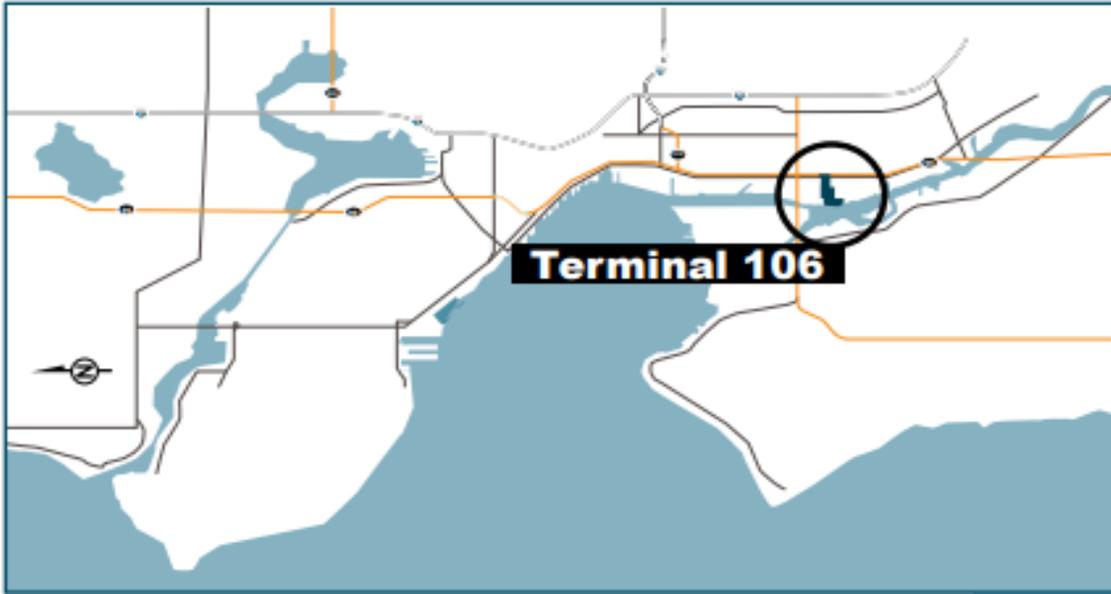
Jointly, request the Commissioners of the Port of Seattle authorization to:

- 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.

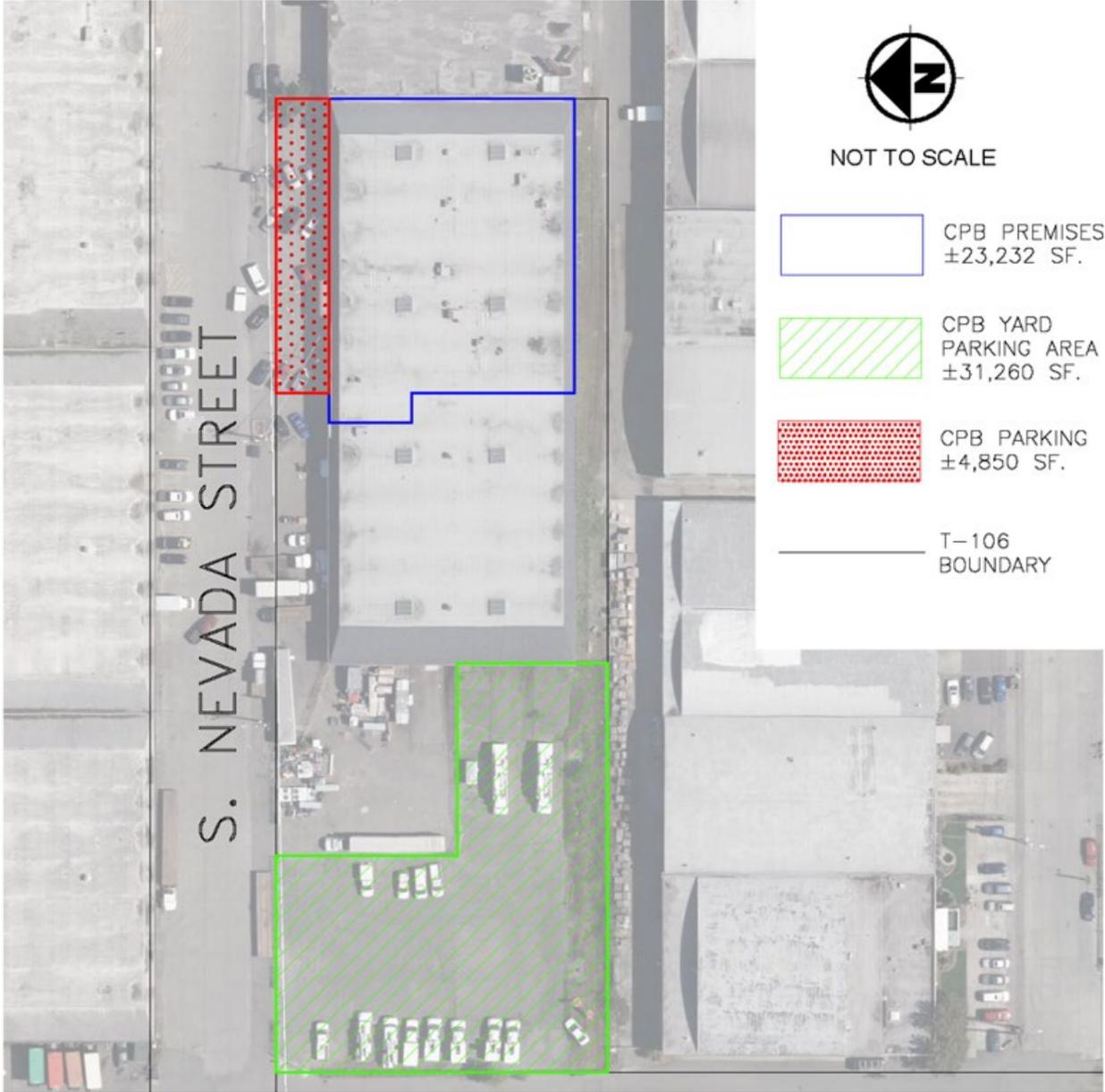
CBP Renovation Project & Prior Actions Summary

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

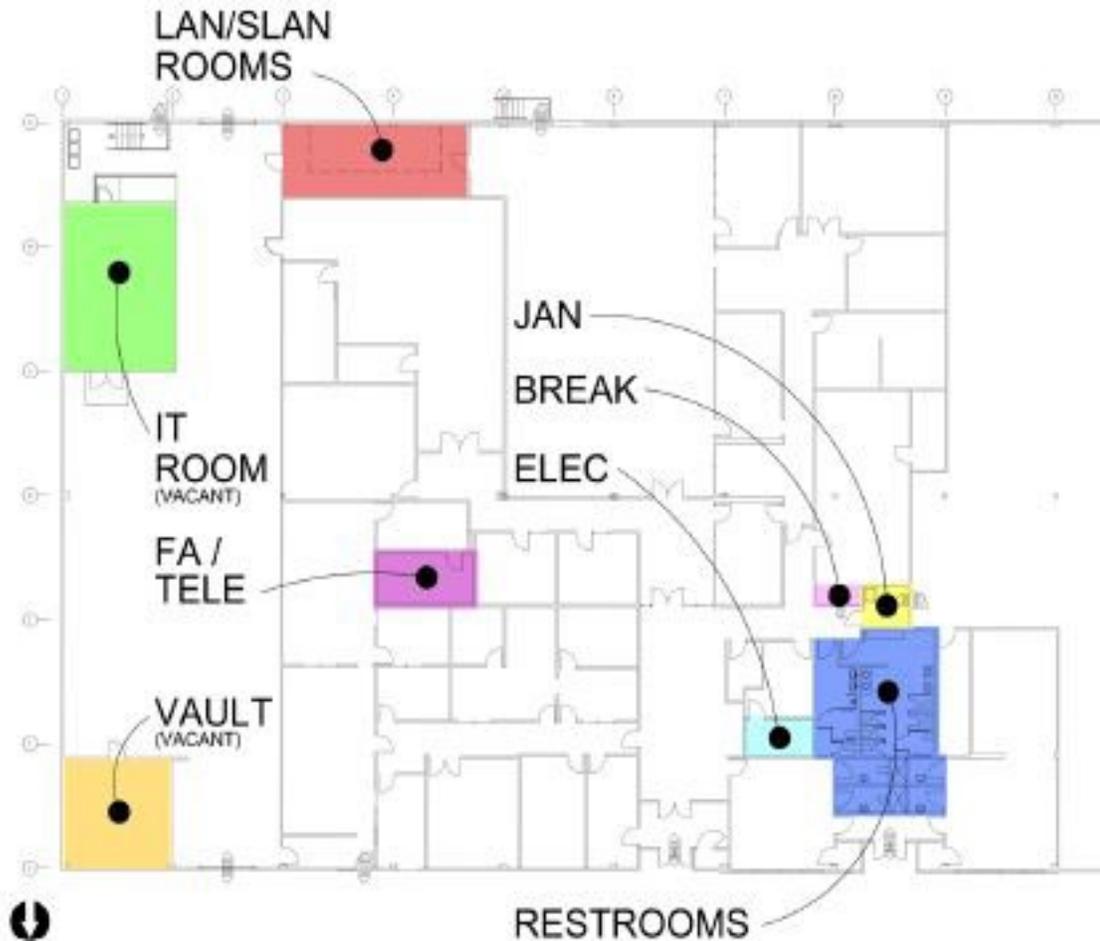
Terminal 106 CBP Facility Renovation Project



- 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:

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