

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

**MANAGING MEMBERS**  
**ACTION ITEM**

<b>Item No.</b>	<u>4D</u>
<b>Date of Meeting</b>	<u>March 20, 2018</u>

**DATE:** March 7, 2018

**TO:** Managing Members, The Northwest Seaport Alliance

**FROM:** John Wolfe, Chief Executive Officer  
**Sponsor:** Tong Zhu, Chief Commercial Officer  
**Project Manager:** Pedro Reyes, Engineering Project Manager II

**SUBJECT:** West Sitcum Container Property Repurpose Project

**A. ACTION REQUESTED**

*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.*

Request project authorization in the amount \$556,000 for a total authorized amount of \$706,000, for work associated with the West Sitcum New Container Property Repurpose Project, Master Identification No. 201045.01.

**B. SYNOPSIS**

The new lease with the SSAT at the West Sitcum Container Terminal reduced the overall leased acreage by 15 acres of property which will now be repurposed by the NWSA for non-container use. Before these additional acres can be used for non-container purposes, repairs will need to take place. As part of a lease obligation with AWC, repairs will also need to be made to 11 additional acres already being used by AWC.

**C. BACKGROUND**

Of the 15 acres for non-container use, 13 acres will be used primarily for automobile overflow parking. US Military cargo staging and Breakbulk overflow cargo. The remaining 2 acres is leased, on a month-to-month basis, to Pacific Maritime Association for ILWU Local 23 Cargo Handling Equipment Training. This project supports GLOVIS America (KIA) and Auto Warehousing Company meet storage needs. Additionally, as mentioned earlier, this property could be used for Military outloads, or large Breakbulk projects such as John Deere's annual spring shipment to China.

The area to be repurposed has significant pavement damage, including landing gear divots. This creates a safety concern for those operating in the area as well as quality issues for the vehicles.

Access will be through the existing Lot "M" and Lot "Q" yards and will be completely delineated from the SSAT operation.

This yard can also be used for other non-container activities such as the military if needed.

**D. PROJECT DESCRIPTION AND DETAILS**

***Scope of Work for This Request:***

- Preparation of contract documents
- Asphalt milling and paving of failing pavement
- Pavement striping
- Project administration

***Schedule***

Project Bidding	March 2018
Construction	May 1, 2018
Contract Completion	August 2018

**E. FINANCIAL IMPLICATIONS**

***Project Cost Details***

	<b>This Request</b>	<b>Total Project Cost</b>	<b>Cost To Date</b>	<b>Remaining Cost</b>
Design	\$0	\$40,855	\$0	\$40,855
Construction	\$556,000	\$665,145	\$0	\$665,145
<b>Total</b>	<b>\$556,000</b>	<b>\$706,000</b>	<b>\$0</b>	<b>\$706,000</b>

***Source of Funds***

The 2018-2022 Capital Investment Plan (CIP) included \$925,000 for this project in the Capital project category. This project has now been determined to be a repair and will be expensed. The 2018 budget includes \$1.5 million for unanticipated repairs that was included in the NWSA income statement. This project has been assigned \$706,000 from the unanticipated expense project budget. The unused capital funds will be available for other capital projects within the Managing Member authorized funding level.

***Financial Impact***

Project costs will be expensed as incurred.

**F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS**

Alternative 1) Do Nothing. If this is done, this area will not be used for auto storage or military use due to the uneven surface and no new revenue will be generated.

Alternative 2) Make repairs to asphalt so that the additional 15 acres can be used for either auto storage or the military in a safe manner.

**Alternative 2 is recommended.**

**G. ENVIRONMENTAL IMPACTS/REVIEW**

Permitting: This work is SEPA exempt and requires no environmental permits.

Remediation: It is unlikely contaminants at regulated levels will be encountered in this project. Any soils hauled off-site will be tested prior to disposal.

Water Quality: No water quality impacts are anticipated.

Air Quality: No air quality impacts are anticipated.

**H. ATTACHMENTS TO THIS REQUEST**

- Computer slide presentation.

**I. PREVIOUS ACTIONS OR BRIEFINGS**

<u>Date</u>	<u>Action</u>	<u>Amount</u>
January 9, 2018	Executive Authorization	\$150,000
<b>TOTAL</b>		<b>\$150,000</b>