



Item No: 9C_Supp
Meeting Date: Aug. 2, 2022

Terminal 5 Intermodal Yard (IY) Project Authorization Increase

Curtis Stahlecker, Capital Project Manager, POS

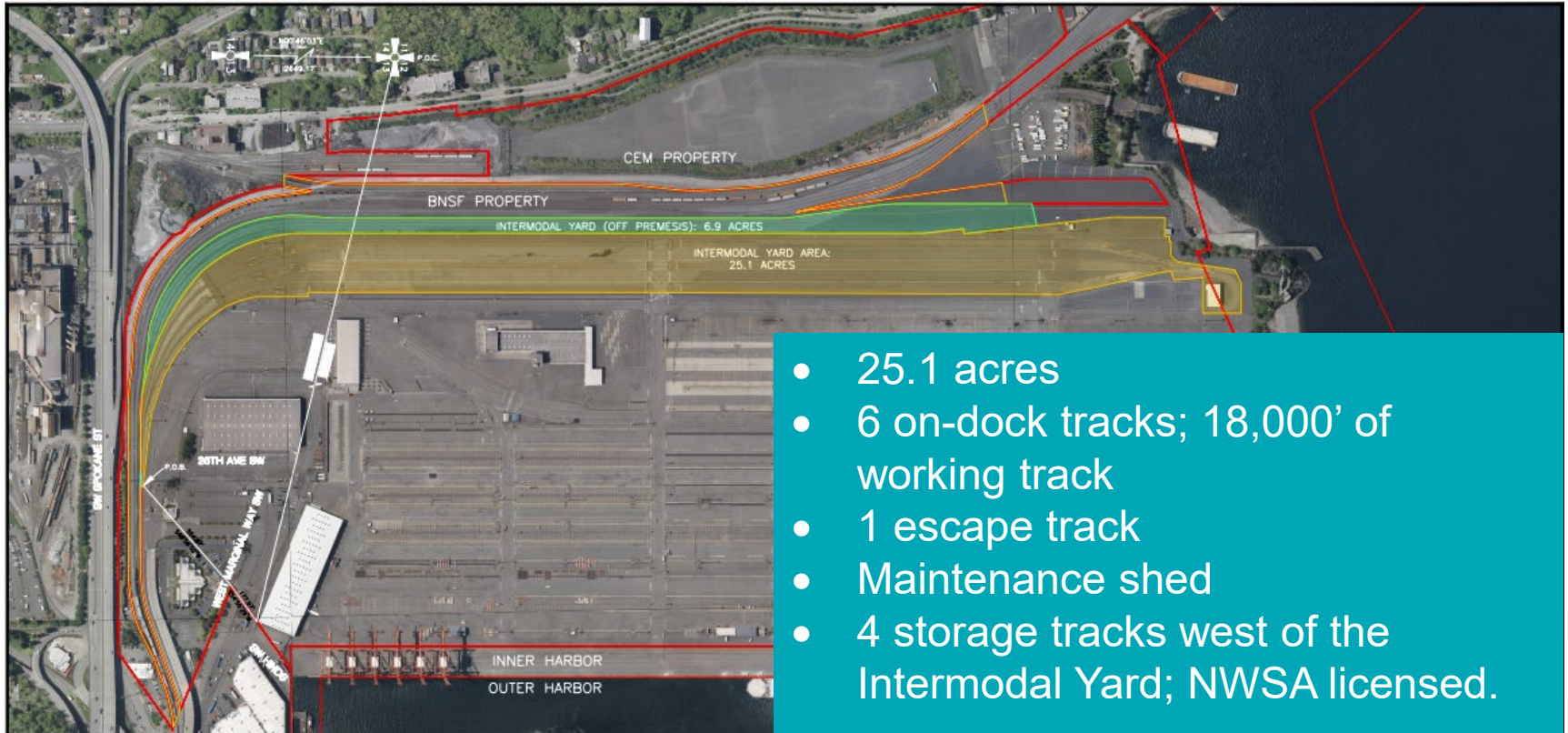
Actions Requested

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.

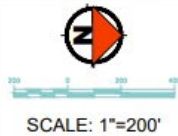
Request project authorization in the amount \$3,253,000, for a total authorized amount of \$9,807,000, to complete the design and installation of the work associated with the T5 Intermodal Yard Improvements Master Identification No. U00668 and related projects



Terminal 5 Intermodal Yard Premises



- 25.1 acres
- 6 on-dock tracks; 18,000' of working track
- 1 escape track
- Maintenance shed
- 4 storage tracks west of the Intermodal Yard; NWSA licensed.



— POS TERMINAL 5 BOUNDARY

INTERMODAL YARD AREA
25.1 ACRES

INTERMODAL YARD AREA
(OFF PREMESIS)
6.9 ACRES

EXHIBIT A

05/12/2021

TERMINAL 5
INTERMODAL YARD

PAGE 01 of 01

Background

- August 2, 2021, Authorization included:
 - SSAT agreement to upgrade the IY
 - BNSF Switch and Signal upgrade
 - NWSA Project U00668 Design and Construction
Southern IY heaving and subsidence

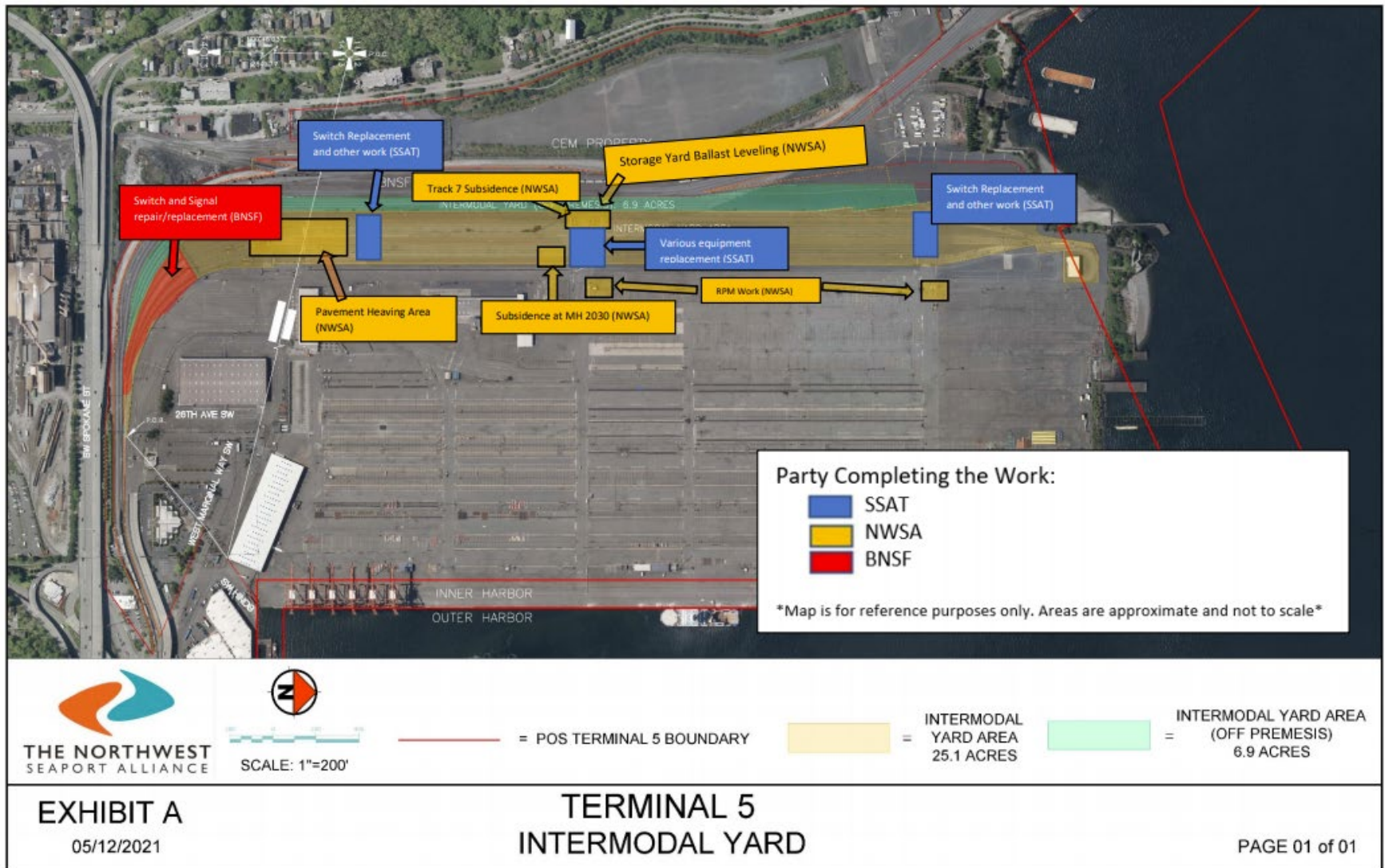


Background

- The previous authorizations funded work that was to be completed before IY operations began in January 2022
- SSAT agreement provided \$3m in funding to make necessary improvement and upgrades to the facility
- BNSF Switch and Signal upgrade provided \$600k for rail switches and signal upgrades
- NWSA Project U00668 Design and Construction provided funding to repair areas of subsidence and restore the Track 7 (escape track) to safe operation



Planned T5 Intermodal Yard Improvements



T5 IY Improvements

SSAT & BNSF Spending less than Authorization

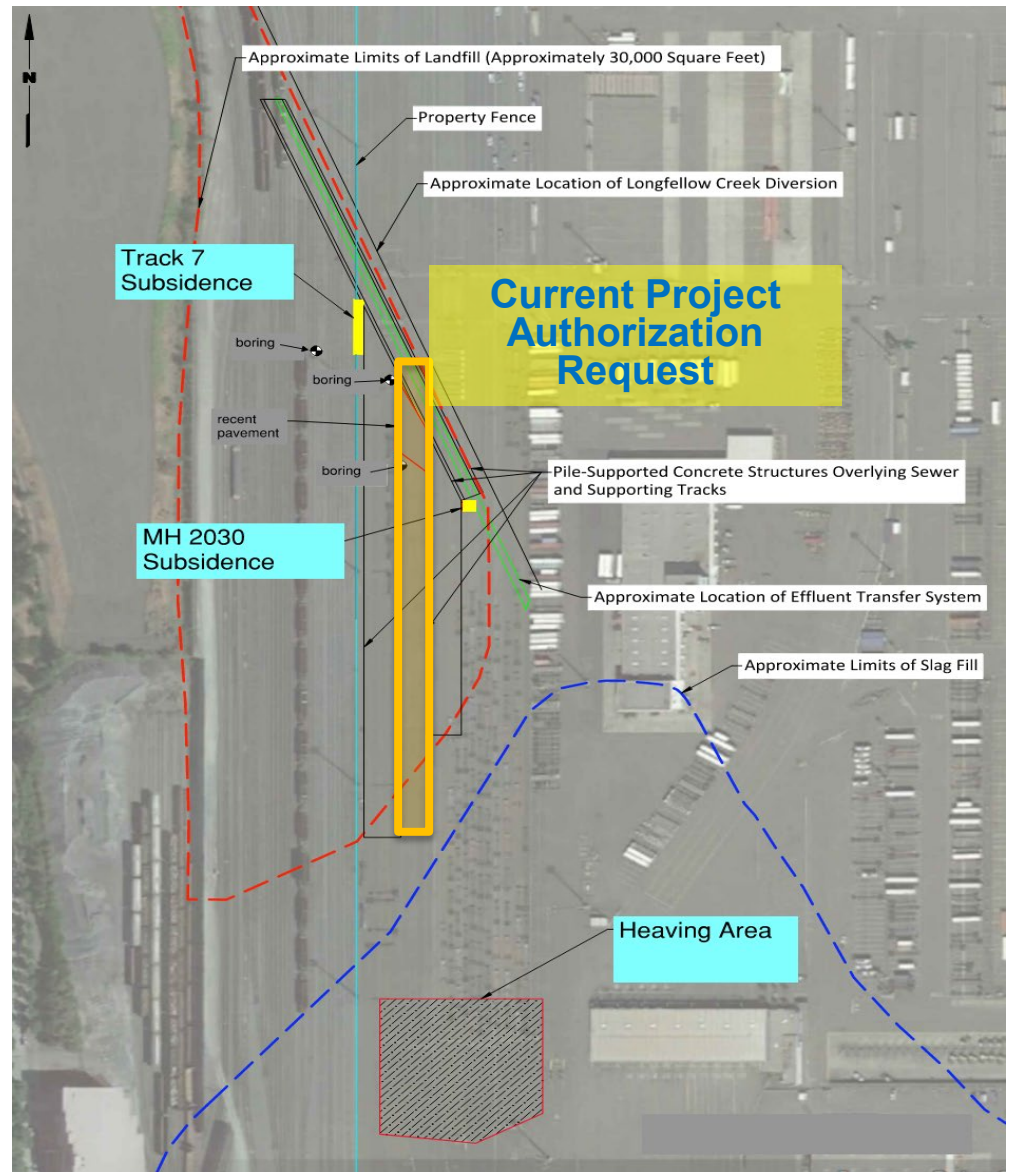
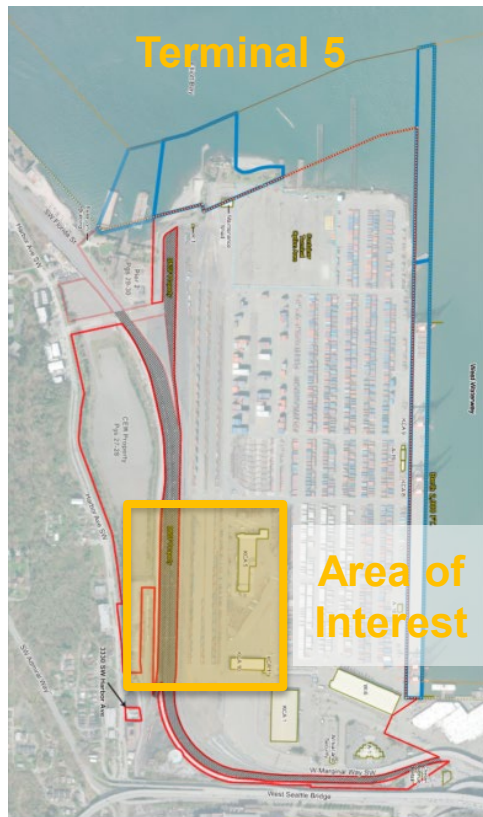
Item	Authorized amount	Paid to Date	Anticipated invoices	Total Expected Costs
SSAT Equipment Update	\$3,000,000	\$1,389,000	\$1,013,000	\$ 2,402,000
BNSF Switch and signal	\$604,000	\$300,000	\$0	\$ 300,000
Total	\$ 3,604,000	\$ 1,689,000	\$ 1,013,000	\$ 2,702,000

- The combined savings is at least \$900k less than the previous authorization

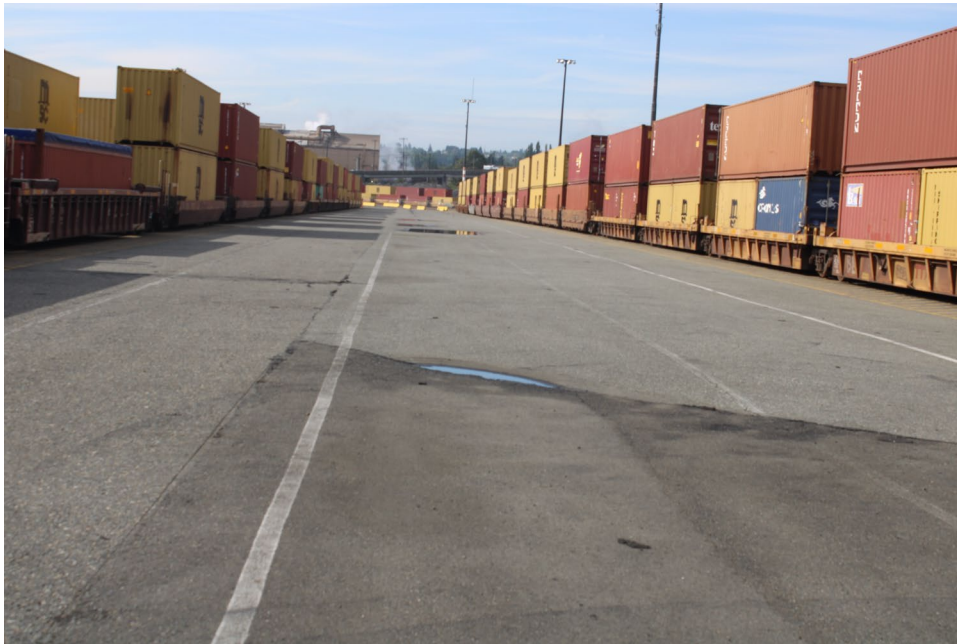
T5 IY Improvements Project Description (NWSA Work)

- ✓ Repaired subsidence that occurred adjacent to Manhole (MH) 2030
- ✓ Restored the operational use of Track 7 and repaired adjacent subsidence
 - Repair uneven surface and misalignment of rail in the southern end of the IY eliminating potential worker and equipment safety concerns **(90% Designed)**
 - Upgrade the electrical service to 100-amps for the rail RPMs **(90% Designed)**
- ✓ Provided ballast at intermodal storage tracks

IY Restoration Areas



Terminal 5 IY – Existing Conditions



Condition between tracks 4 and 5

Terminal 5 IY – Existing Conditions



Surface deformations at edge of support structure



Project Schedule

Activity	Timeframe
Advertise for Bid	February 01, 2023
Open Bids	March 03, 2023
Notice of Award	March 07, 2023
Substantial Completion	October 31, 2023
Final Completion	December 31, 2023



Environmental Impacts / Review IY Use Agreement

- **Permitting:** All T-5 Lease MUP conditions apply
- **Stormwater:** SSAT has an active ISGP on the terminal.
- **Air Quality:** The T-5 Lease Air Quality Management plan applies



Source of Funds

- The estimated cost for this portion of the project is \$3,253,000.
- The total estimated budget for the T5 IY improvements and equipment upgrades is \$9,807,000.
- The current Capital Investment Plan (CIP) allocates \$9,807,000 for the total IY project. The CIP previously provided \$6,554,000 for the IY project.



Financial Summary

T5 Intermodal Yard Improvements

	This Request	Total Project Cost	Cost to Date	Remaining Cost
Pre-Design	\$0	\$50,000	\$20,000	\$30,000
Design	\$240,000	\$662,000	\$190,000	\$472,000
Construction	\$3,915,000	\$6,393,000	\$300,000	\$6,093,000
SSAT/BNSF IY & Switch upgrades	(\$902,000)	\$2,702,000	\$1,689,000	\$1,013,000
Total	\$3,253,000	\$9,807,000	\$2,199,000	\$7,608,000



Financial Impact

- **Estimated project costs of \$6,242,000 will be capitalized and depreciated with an estimated useful life of 15 years. Estimated annual depreciation expense will be \$416,000. Estimated project costs of \$3,565,000 will be expensed as incurred.**
- **The impact of the additional \$3,253,000 has been included in the Seattle Harbor Strategy financial model. Completion of this work will allow the NWSA to require SSA to provide a minimum of 130,000 intermodal lifts that will provide revenue of approximately \$4,000,000 per year based on current tariff rates**



Actions Requested

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.

Request project authorization in the amount \$3,253,000, for a total authorized amount of \$9,807,000, to complete the design and installation of the work associated with the T5 Intermodal Yard Improvements Master Identification No. U00668 and related projects

