

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.	<u>5A</u>
Date of Meeting	<u>February 4, 2020</u>

DATE: January 26, 2020

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Mike Campagnaro, NWSA Leasing & Asset Manager

Project Manager: Ticson Mach, Capital Project Manager V

SUBJECT: Request for Project Authorization for Terminal 46 Stormwater Basin 2, Dock Rehabilitation Bents N66-N77, and Pavement Rehabilitation– North Harbor

A. ACTION REQUESTED

As referenced in NWSA Resolution No. 2018-01, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.

1. Requesting that Managing Members of the Northwest Seaport Alliance (NWSA) authorize work associated with improvements to Terminal 46 (T-46) that include Stormwater Basin 2 and Dock Rehabilitation Bents N66-N77, Master Identification No.'s U00347 (Stormwater) and 104827 (Dock Rehabilitation). No additional funding authorization is needed.
2. Requesting that Managing Members of the Northwest Seaport Alliance (NWSA) authorize transfer of fund from Dock Rehabilitation project in the amount \$2,676,212 for a total authorized amount of \$5,259,000 for work associated with the Terminal 46 (T-46) Pavement Rehabilitation, Master Identification No. U00314.

B. SYNOPSIS

The Terminal 46 Stormwater Basin 2 and Dock Rehabilitation Bents N66-N77 project provide improvements necessary to maintain a serviceable and environmentally sound terminal to support future operations. With the location of the Stormwater Basin 2 and Dock Rehabilitation Bents N66 to N77 projects being near

each other, the two projects are consolidated into one construction bid package. This effort saves overall procurement cost. Currently 100% design is complete; permits are in hand; and final construction documents are ready to advertise for bids.

This project includes installation of a water quality stormwater vault as well as rehabilitation of the underdock concrete pile caps and deck panels. A portion of the funding is reimbursable through the TIGER Grant.

The T-46 Pavement Rehabilitation project provides improvements necessary to maintain a serviceable pavement surface to support future operation in the NWSA operating area of T46. This would rehabilitate pavement in the apron and yard area that have deteriorated due to previous container operation. A portion of the funding is reimbursable by TIGER Grant.

C. BACKGROUND

Stormwater treatment, dock rehabilitation, pavement rehabilitation were original lease obligations of the 13th Amendment to the Total Terminals International (TTI) lease authorized on December 11, 2012 by the Port of Seattle. Effective August 31, 2019, TTI ceased all operations at T-46. The majority of work related to the lease obligations was completed in 2019 and the final stormwater and dock rehabilitation components were delayed because they were within the portion of the Terminal leased to the Washington State Department of Transportation (WSDOT) to accommodate construction of the Alaskan Way Tunnel Project. The WSDOT lease was terminated December 31, 2018. Originally planned separately, the design of the final stormwater treatment basin and the remaining dock rehabilitation were combined to gain efficiencies in construction and procurement.

In September 2014, the United States Department of Transportation ("USDOT") awarded Port of Seattle a \$20 million Transportation Investments Generating Economic Recovery (TIGER) grant for Terminal 46 improvements. The grant is then reduced to \$10.99 million due to change in scope in 2018. Of the \$10.99 million, \$8.32 million of this federal grant funding was allocated to the Container Dock Structure work. The Port of Seattle and the USDOT grant administration agency, Maritime Administration (MARAD), signed the grant agreement in April 2015. Both the stormwater and dock rehabilitation construction costs are 40% reimbursable under the grant.

The work, once completed, will continue to serve future terminal operations, and allow NWSA to optimize utilization of the awarded TIGER grant funds.

D. PROJECT DESCRIPTION AND DETAILS

Project Objectives

The objective of this project is to create and preserve assets for current and future operations at T-46.

Scope of Work

1. Installation of a water quality stormwater vault in preparation for future terminal operations at the north end of T-46 as well as the rehabilitation of the existing under-dock concrete pile caps and deck panels at the northwest corner of the wharf (bents N66 through N77). The work includes:
 - Excavation for and installation of a precast stormwater vault
 - Replacement of outfall pipe
 - Rehabilitate concrete pilecaps and precast deck panels.
2. Repair and rehabilitation of approximately 15 acres of pavement on the south half of T-46. The work includes:
 - Excavation for and installation of a precast stormwater vault
 - Replacement of outfall pipe
 - Rehabilitate concrete pilecaps and precast deck panels.

Schedule

Advertise for Bids	February/March 2020
Open Bids	March/April 2020
Notice of Award	April/May 2020
Substantial Completion	February 2021
Final Completion	March 2021

E. FINANCIAL IMPLICATIONS

Project cost details for the remaining stormwater, dock rehabilitation, and pavement projects are shown below:

Project Name	Design/ Permits	Construction	Total Project	Spent to Date	Remaining Cost
Stormwater Basin 2	\$ 1,161,000	\$ 1,420,000	\$ 2,581,000	\$ 875,000	\$ 1,706,000
Dock Rehab N66-N77	\$ 673,000	\$ 3,894,000	\$ 4,567,000	\$ 181,000	\$ 4,386,000
Pavement Rehab	\$ 562,000	\$ 4,697,000	\$ 5,259,000	\$1,271,000	\$ 3,988,000
Total	\$ 2,396,000	\$ 10,011,000	\$12,407,000	\$2,327,000	\$10,080,000

The T-46 Capital Program has been authorized a total of \$42,790,000 as follows:

Project Name	Status	Previous Authorization	Spent to Date	Over (Under) Authorization
Stormwater Basins 5,6,8	Complete	\$ 6,200,000	\$ 5,860,118	\$ (339,882)
Dock Rehabilitation	In Progress	\$ 30,290,000	\$ 19,287,840	\$ (11,002,160)
North Crane Rail	Cancelled	\$ 1,117,212	\$ 1,117,212	\$ -
Fender Modifications	Complete	\$ 200,000	\$ 192,604	\$ (7,396)
Stormwater Basin 2	In Progress	\$ 2,400,000	\$ 875,000	\$ (1,525,000)
Paving	In Progress	\$ 2,582,788	\$ 1,271,000	\$ (1,311,788)
Total Program		\$ 42,790,000	\$ 28,603,774	\$ (14,186,226)

A transfer of funds from Stormwater Basins 5,6,8 to Stormwater Basin 2 will cover remaining work of Stormwater project as shown in table below. No additional funding is needed.

A transfer of funds from Dock Rehabilitation to Pavement Rehabilitation will cover remaining work of Pavement project as shown in table below. No additional funding is needed.

Project Name	Total Project Cost	Previous Authorization	Amount of Funds to Transfer	Revised Budget Allocation	Forecasted Over (Under) Authorization
Stormwater 5,6,8	\$ 5,860,118	\$ 6,200,000	\$ (300,000)	\$ 5,900,000	\$ (39,882)
Dock Rehabilitation	\$ 26,500,000	\$ 30,290,000	\$ (2,676,212)	\$ 27,613,788	\$ (1,113,788)
North Crane Rail	\$ 1,117,212	\$ 1,117,212	\$ -	\$ 1,117,212	\$ -
Fender Mods	\$ 192,604	\$ 200,000	\$ -	\$ 200,000	\$ (7,396)
Stormwater Basin 2	\$ 2,600,000	\$ 2,400,000	\$ 300,000	\$ 2,700,000	\$ (100,000)
Paving	\$ 5,259,000	\$ 2,582,788	\$ 2,676,212	\$ 5,259,000	\$ -
Total Program	\$41,528,934	\$ 42,790,000	\$ -	\$ 42,790,000	\$ (1,261,066)

Source of Funds

The 2020-2024 Capital Improvement Plan allocates \$1,706,000 for the Stormwater Basin 2 project, and \$4,386,000 for the Dock Rehabilitation Bents N66-N77 project.

The 2020-2024 NWSA Capital Investment Plan (CIP) allocates \$3,989,000 for Pavement project. Previous spending was funded through the CIP in previous years.

Financial Impact

Stormwater and Dock Rehabilitation project costs will be capitalized and depreciated over an estimated 20 year useful life, resulting in annual depreciation of \$334,000.

The NWSA will receive an estimated \$2,155,000 in grant income in 2020.

Pavement Rehabilitation project costs will be expensed as incurred. Any grant reimbursements will be recorded as non-operating income when the reimbursement is requested.

The NWSA will receive an estimated \$1,434,000 in grant income in 2020

This project is necessary to comply with the terms of the TIGER grant as well as provide for successful operations at the T-46 terminal.

F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

STORMWATER BASIN 2 AND DOCK REHABILITATION BENTS N66-N77

1. **No Action:** The proposed dock rehabilitation area is designated as a load restricted area due to the deteriorated pilecaps and deck panels. Not moving forward with the work would mean the dock would not be able to support future operations. This is not the recommended alternative.
2. **Defer Stormwater and Dock Rehabilitation to future date:** The TIGER grant will expire in September 2021 and will not be available to fund portions of the project. Deferment will require additional construction coordination with future operations, likely increasing project complexity and costs. This is not the recommended alternative.
3. **Proceed with the proposed work:** The installation of the stormwater quality vault and rehabilitation of the dock area will support future operations. Fulfilling TIGER grant funding obligations preserves our credibility with funding agencies increasing our opportunities for successful future grant requests. This is the recommended alternative.

PAVEMENT REHABILITATION

1. **Defer pavement rehabilitation until new lease is signed:** The TIGER grant will expire in September 2021 and will not be available to fund a portion of the project. This is not the recommended alternative.
2. **Fully rehabilitate the pavement in NWSA operating area:** This option would exceed the spending capacity of the NWSA, and potentially require re-work due to unknowns surrounding the new operation requirements of a potential tenant. This is not the recommended alternative.
3. **Rehabilitate higher distressed areas within the NWSA operating area:** This option provides a balance of repairing areas with higher damage, maintain flexibility for modifications to meet potential new tenant needs, and utilizes available TIGER grant funding. This is the recommended alternative.

G. ENVIRONMENTAL IMPACTS / REVIEW

Permitting: All permitting has been completed for the stormwater project. A construction permit extension will be needed to address project delays. A SEPA exemption for repair and maintenance has been completed for the dock and pavement rehabilitation projects. A shoreline exemption for repair and maintenance has been completed. The project has completed internal stormwater and grading approval.

Remediation: There is no anticipated contamination at T-46. Any removed soils will be tested and disposed of appropriately.

Stormwater: The proposed water quality stormwater vault will meet the obligations of the TIGER grant and allow for flexibility to respond to any future regulatory or operational changes at the terminal. Repair and maintenance of existing pavement and is exempt from treatment. Internal review of the Construction Stormwater Control Plan has been completed.

Air Quality: Construction equipment will utilize best management practices to reduce emissions.

H. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation.

I. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
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Early 2012	POS division authorization for preliminary design and permitting of dock rehabilitation	\$57,000
November 6, 2012	POS commission authorization for design and permitting of dock rehabilitation	\$1,797,000
December 11, 2012	POS commission authorization for 13 th Amendment to TTI lease	NA
April 9, 2013	POS commission authorization for design and permitting of improvements related to TTI lease amendment, including stormwater	\$6,000,000
February 4, 2014	POS commission authorization for construction of stormwater improvements	\$6,500,000
November 7, 2017	NWSA managing member authorization for construction of portions of dock rehabilitation	\$28,436,000
May 1, 2018	NWSA managing member briefing on T-46 Capital Program Overview	NA
TOTAL		<u>\$42,790,000</u>



Item No: 5A_supp
Date of Meeting: February, 4, 2020

Project Authorization for Terminal 46 Stormwater Basin 2, Dock Rehabilitation Bents N66-N77, Pavement Rehabilitation

**Presenter: Ticson Mach
Capital Project Manager**

Terminal 46 Stormwater Basin 2 and Dock Rehabilitation Bents N66-N77

- As referenced in NWSA Resolution No. 2018-01, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.c.iii., states project costs exceeding \$300,000 require approval from Managing Members.
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Background

- Project originally an obligation of the 13th Amendment to the Total Terminals International (TTI) lease approved in 2012
- Awarded the Transportation Investments Generating Economic Recovery (TIGER) grant in 2015
- Continue to serve future operations, and utilize the awarded TIGER grant

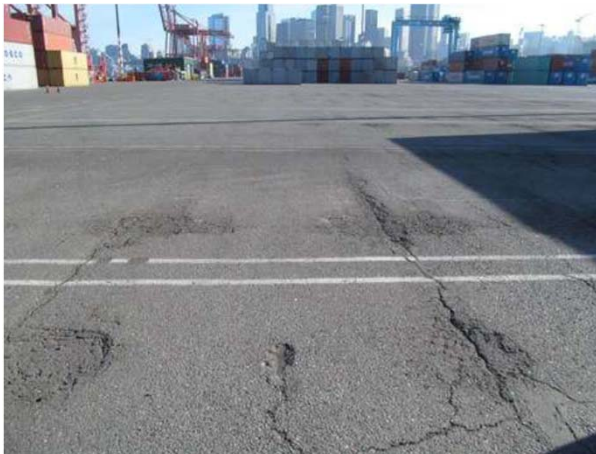


Project Description and Details

- **The proposed improvements include the following:**
 - Installation of precast stormwater vault
 - Replacement of outfall pipe
 - Rehabilitate concrete pilecaps and precast deck panels
 - 2.5" grind and overlay in the yard area
 - Pothole repairs
 - Removal and full-depth replacement of some asphalt pavement over the existing concrete wharf structure
 - Repair work associated with subsidence of the existing pavement behind the wharf bulkhead, involving the filling of voids beneath the concrete transition slab with high density polyurethane foam (HDPF) through drilled injection holes

Pavement Rehabilitation

Work Scope



Stormwater Basin 2

Work Scope



Dock Rehabilitation

Work Scope

P-I

Crack Epoxy Injection



P-II

Soffit Rehabilitation



P-III

Spall Patching



D-I

Spall Patch



D-II

Small Delamination



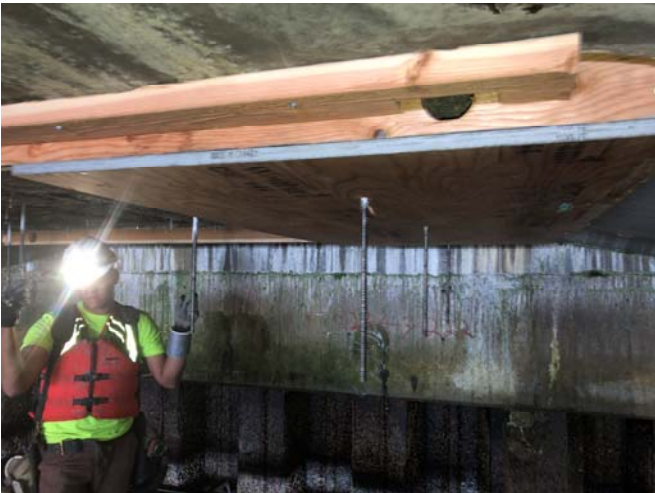
D-III

Large Delamination



Dock Rehabilitation

D-III Large Delamination



Dock Rehabilitation

P-II Soffit Delamination



Project Schedule

Activity	Timeframe
Advertise Bids	February/March 2020
Bid Opening	March/April 2020
Contract Award	April/May 2020
Contract Completion	March 2021

Source of Funds

Stormwater and Dock rehabilitation

- The 2020-2024 Capital Improvement Plan Budget allocates \$1,706,000 for Stormwater Basin 2, and \$4,386,000 for Dock Rehabilitation Bents N66-N77 projects.

Pavement Rehabilitation

- The total project cost of \$5,259,000 is included in the 2020-2024 Capital Investment Plan (CIP), with previous spending funded through the CIP in previous years.

Financial Summary

Project	Design/ Permits	Construction	Total Project Cost	Spent to Date	Remaining Cost
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Total	\$ 2,396,000	\$ 10,011,000	\$ 12,407,000	\$ 2,327,000	\$ 10,080,000

Environmental Impacts/Review

Permitting: All permitting has been completed for the stormwater project. A SEPA exemption for repair and maintenance has been completed for the dock and pavement rehabilitation projects.

Remediation: There is no anticipated contamination at T-46. Any removed soils will be tested and disposed of appropriately

Water Quality: Construction of the water quality stormwater vault will fulfill the obligations of the TIGER grant and ensure future operations have the flexibility to respond quickly to changing regulations. Internal review of the Construction Stormwater Control Plan has been completed

Air Quality: Utilize best management practices to reduce emissions

Conclusion

- **Requesting that Managing Members of the Northwest Seaport Alliance (NWSA) authorize work associated with improvements to Terminal 46 (T-46) that include Stormwater Basin 2 and Dock Rehabilitation Bents N66-N77, Master Identification No.'s U00347 (Stormwater) and 104827 (Dock Rehabilitation). No additional funding authorization is needed.**
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