

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No. 4A
Date of Meeting December 4, 2018

DATE: November 19, 2018
TO: Managing Members
FROM: John Wolfe, CEO
Sponsor: Andre Elmaleh, Snr Manager, Business Development (Non-Container)
Project Manager: Stanley Ryter, Engineering Project Manager II
SUBJECT: Project Authorization for work associated with 2810 Marshall Avenue Roof Project

A. ACTION REQUESTED

Requesting Managing Members of The Northwest Seaport Alliance (NWSA) for the Chief Executive Officer or their delegate project authorization in the amount of \$3,956,750, for a total authorized amount of \$4,200,000, to complete work associated with the 2810 Marshall Avenue Roof project, Master Identification No. 201051.01.

B. SYNOPSIS

Replacement of a roof that is at the end of its serviceable life.

C. BACKGROUND

The roof on the 2810 Marshall Ave – AWC building – is at the end of its serviceable life. The existing membrane type roof was installed in 2003 as an overlay to a composition shingle roof built in 1982. Leaks are occurring with greater frequency and there are safety concerns for personnel who must go on the roof to perform repairs, as well as slip and fall injuries due to wet floors inside the warehouse. AWC has recently invested in office upgrades to their corporate and executive office areas that have received some damage due to water intrusion. There are computer systems and customer parts located on the shop floor that cannot get wet. The lease stipulates that the roof is the Port's responsibility and the customer is seeking a robust solution to the issue.

The failure is due to the age and condition of the roof. Port maintenance, as well as the roof membrane manufacturer (prior to warranty expiration), have spent considerable time finding and repairing leaks as the 2003 membrane roof overlay has aged. A completely new roof is required.

Cost estimates for the work were developed by the designer and a thorough independent review of their construction documents and cost estimate was completed. Engineering has implemented this additional quality assurance review process on a broader basis due to the very competitive and volatile bidding climate our region is experiencing.

D. PROJECT DESCRIPTION AND DETAILS

The objective is to provide a leak-free roof with a 20-year warranty. The scope of work includes removal of the existing roofing material and replacement with a new PVC roofing system including insulation meeting Washington State energy codes. Details include:

- Full sequential removal of the existing membrane roof overlay and the underlying original roofing material down to the metal roof decking.
- Removal of the existing heat/smoke vents and skylights.
- Spot repairs of the underlying metal decking as necessary.
- Installation of new heat-activated heat/smoke vents and skylights.
- Replacement of existing sheet metal parapet caps and roof scuppers.
- Installation of new roof which consists of rigid glass-mat faced gypsum boards, vapor barrier, rigid polyiso insulation and a 60 mil PVC membrane.

Schedule

The project schedule is set up so that the construction occurs during the driest months of the year to limit exposure of roofing activities to precipitation. Testing of the existing roof and 90% design of the new roof have been completed. The City of Tacoma building permit has been obtained and final design and bid document preparation is underway.

Advertise Bids	January 2019
Bid Opening	February 2019
Contract Award	March 2019
Substantial Completion	September 2019

E. FINANCIAL IMPLICATIONS

Project Cost Details

	This Request	Total Project Cost	Cost to Date	Remaining Cost
Design		\$ 243,250	\$ 142,181	\$ 101,069
Construction	\$ 3,956,750	\$ 3,956,750	\$ -	\$ 3,956,750
Total	\$ 3,956,750	\$ 4,200,000	\$ 142,181	\$ 4,057,819

Source of Funds

The current Capital Investment Plan (CIP) Budget allocates \$4,200,000 for this project.

Financial Impact

Project costs will be capitalized and depreciated over an estimated 15-year life resulting in annual depreciation of \$280,000. There will be no depreciation in 2018.

The estimated remaining net book value of \$304,000 will be expensed at project completion.

The NWSA auto business is budgeted to provide net Income before depreciation of \$5.3 million in 2019.

F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

- **No Action Alternative:** Roof continues to leak, damaging interior.
- **Recommended Action:** Full roof replacement.

G. ENVIRONMENTAL IMPACTS/REVIEW

Permitting:

City of Tacoma Building Permit has been obtained. No additional permitting is anticipated.

Remediation:

Existing roofing material has been tested and no hazardous material was found in roofing.

Water Quality:

No water quality considerations are anticipated.

Air Quality:

Demolition may cause some minor dust.

H. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation.

I. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
March 13, 2018	Executive Authorization	\$243,500
TOTAL		\$243,500