

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.	<u>6A</u>
Date of Meeting	<u>June 4, 2019</u>

DATE: May 20, 2019

TO: Managing Members

FROM: John Wolfe, CEO
Sponsor: Tong Zhu, Chief Commercial Officer
Project Manager: Anne Porter, Director, Seaport Project Management

SUBJECT: Terminal 5 Modernization Program Updates

A. SYNOPSIS

The Terminal 5 Modernization Program is now fully authorized for a total of \$340,000,000. The major contract for the berth modernization has been executed and the construction team is working through pre-construction submittals. All work is proceeding on schedule and within budget. Upland elements of work such as roadway improvements, longshore breakrooms and stormwater treatment are in design. Coordination with tenant is ongoing as we work through construction impacts and additional upland improvement plans.

B. BACKGROUND

The NW Seaport Alliance (NWSA) entered into a long term lease for the redevelopment of Terminal 5 in the North Harbor, to create a modern international container terminal. Once the Terminal 5 Modernization Program is completed, the facility will have the capability to handle the largest vessels currently calling the west coast, allowing the NWSA to compete for the super post-panamax vessels, increasing current container volumes, supporting economic development and creating jobs in the region.

C. CURRENT STATUS

The T5 Berth Modernization Project bid opening occurred on April 24, 2019. We received five bids for the project, which are summarized below. The successful low bid was from Orion Marine Contractors, Inc. at \$159,986,390.00. The contract was executed on May 20, 2019. The construction team is working closely with Orion to obtain all pre-construction submittals in a timely manner, including a baseline schedule of all project elements and phasing plans.

Rank from Low to High	Company	Bid Price	Percent of EE (\$184,004,129)
1	Orion	\$159,986,390.00	86.95%
2	Pacific Pile & Marine	\$163,676,500.00	88.95%
3	Manson	\$163,906,000.00	89.08%
4	Shimmick	\$179,938,100.00	97.79%
5	Kiewitt	\$200,653,420.00	109.05%

Other current activities include the following:

- Seattle City Light ordered equipment and materials for electrical upgrades
- Construction Management team relocated to the Administration Building on site
- Matson operations began
- Scoping for Longshore Breakrooms began

D. BUDGET STATUS

Program is within current authorization of \$340,000,000, including the Management Reserve fund of \$20,000,000. Criteria for use of the Management Reserve include major changes in scope and significant changes in site conditions or schedule. Requests for approvals will be submitted to project sponsor and reported quarterly.

2019 Quarter 2 Program Budget	Prior Budget	Period Changes	Current Budget	Spent to Date	Remaining
Construction	\$ 251.0	\$ 3.1	\$ 254.1	\$ -	\$ 254.1
Design and Project Management	\$ 25.0	\$ 0.7	\$ 25.7	\$ 14.8	\$ 10.9
Permit Conditions	\$ 14.0	\$ -	\$ 14.0	\$ 2.4	\$ 11.6
Stormwater Reserve	\$ 30.0	\$ -	\$ 30.0	\$ -	\$ 30.0
Management Reserve	\$ 20.0	\$ (3.8)	\$ 16.2	\$ -	\$ 16.2
Total	\$ 340.0	\$ -	\$ 340.0	\$ 17.2	\$ 322.8

E. NEXT STEPS

Contractor mobilization and start of work will occur over the next few weeks. There will be several public events such as an Open House and Ground Breaking. The next Quarterly Update will be provided in September 2019.

F. PREVIOUS ACTIONS OR BRIEFINGS

Date	Action	Amount
May 20, 2019	Program Authorization for Construction of Berth Mo	\$ -
April 2, 2019	Additional Program Funding and Authorization to Fu	\$ 314,150,000
February 26, 2019	Pre-Authorization Program Briefing	\$ -
February 5, 2019	Pre-Authorization Program Briefing	\$ -
November 13, 2018	Motion to Prepare Construction Documents for Autl	\$ -
August 1, 2017	Railroad Quiet Zone Funding, Tribal Payments, and	\$ 5,650,000
October 4, 2016	Additional Funding, Seattle City Light Agreement, a	\$ 8,200,000
June 7, 2016	DEIS Briefing	\$ -
November 4, 2015	Additional SEPA and Design Funding	\$ 2,000,000
October 13, 2015	Test Pile Bids Exceeded Engineer's Estimate	\$ -
July 14, 2015	Additional Design Authorization	\$ 5,000,000
June 3, 2014	Initial Design Authorization	\$ 4,700,000
May 13, 2014	T5 Berth Modernization Briefing	\$ -
March 12, 2014	Additional Pre-Design Authorization	\$ 150,000
November 27, 2013	Initial Pre-Design Authorization	\$ 150,000