



Item No.: 6A
Date of Meeting: June 4, 2019

THE NORTHWEST SEAPORT ALLIANCE

Terminal 5 Modernization

Program Update

June 4, 2019

AGENDA

Terminal 5 Modernization Program

- **Program Overview**
- **2019 Quarter 2 Progress**
- **Budget**
- **Schedule and Phasing**
- **Schedule Risks**
- **Budget Oversight**
- **Look Ahead**



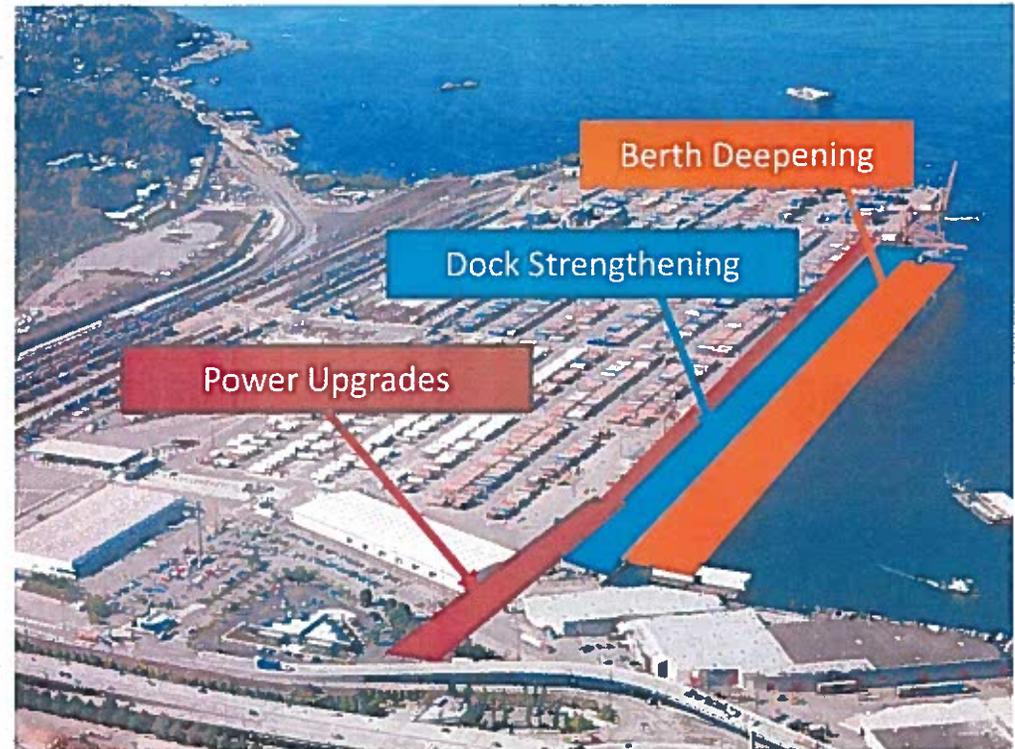
Terminal 5 – Program Overview

Berth Modernization Project:

- Crane Rails
- Dock Rehabilitation
- Slope Stabilization
- Berth Deepening
- Power Supply/Distribution

Uplands Improvement Project:

- Stormwater
- Marine Buildings
- Permit Conditions
- Lease Obligations



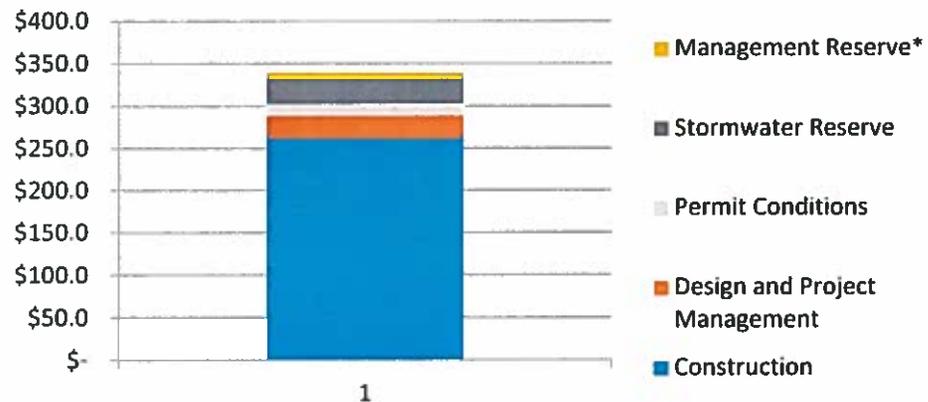
Terminal 5 – 2019 Quarter 2 Progress To Date

- **Bid Results**
 - 5 bids received 4/24/2019
 - Range: \$159,986,390 to \$200,653,420
 - Average: \$173,632,082 (-6%)
 - Engineer's Estimate (EE): \$184,004,129
- **Executed Contract**
 - Signed 5/20/2019 with Orion Marine Contractors, Inc. for \$159,986,390
 - 13% under EE (total underage is \$30m with contingency and sales tax)
- **Seattle City Light (SCL) Equipment Order**
 - 4/30/2019 submitted order of all materials
- **Moved Port construction offices into administration building**
- **Matson Operations**
 - Initial vessel call on 4/26/19 and newest vessel Kaimana Hila on 5/3/19
- **Shorepower State Capital Budget Investment (\$4,400,000)**

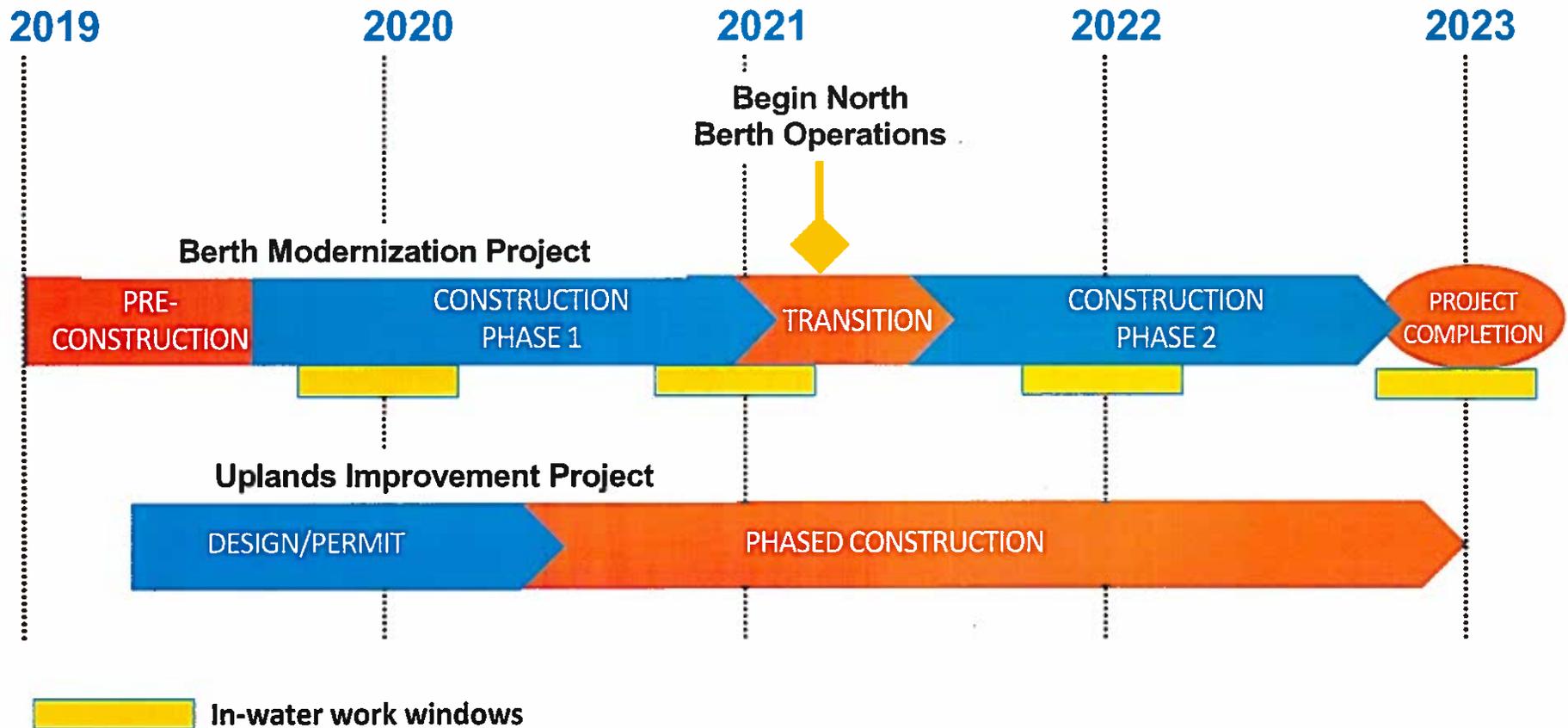
Terminal 5 – Budget

2019 Quarter 2 Program Budget	Authorized Budget	Quarter 2 Changes	Updated Budget	Spent to Date	Remaining Authorized Budget
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

*Marine Buildings \$ 3.8



Terminal 5 – Schedule and Phasing



Terminal 5 – Schedule Risks

- **Phase 1 Construction Schedule Risks**
 - 1 month for wharf demolition (7/15/19 – 8/15/19)
 - 6 months for in-water work (8/15/19 – 2/15/20)
 - 10 months for primary substation (7/1/19 – 5/1/20)
- **Design Schedule for Berth Modernization permit conditions**
 - Rail Quiet Zone
 - Spokane Corridor Signalization
 - Pedestrian Pathway
 - Roadway Improvements
- **Design & Permit Schedule for Upland Improvements**
 - Marine Buildings
 - Stormwater treatment system (tenant)
 - Paving and RTG runways (tenant)

Terminal 5 – POS Budget Oversight

- **Quarterly Reporting**
 - Monthly actuals monitored against budgets & reported quarterly to Commission
- **Commitment Control**
 - Keeps spending within authorized budget limits
- **Project Reports**
 - Provide real time visibility into expenses, encumbrances/purchase orders and available project budget balances
- **Internal Controls**
 - On all procurement, contracting and disbursements
 - Ensures oversight through delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments
- **Audits**
 - Internal audits and annual external audits by both State Auditor's Office and Port independent auditors
- **Comprehensive Policies**
 - Capital/expense determination, overhead calculations along with proper inventory and disposal procedures
 - Project management teams and Accounting staff compliance ensures proper asset classifications, lives and retirements

Terminal 5 – Look Ahead

Community Open House 6/22/2019

Ground Breaking Event 7/10/2019

Contractor Mobilization late-June to mid-July

Construction late-July through 2022

Design Longshore Breakrooms

Submit Quiet Zone to Federal Rail Administration (FRA)

Design Roadway Improvements

Quarterly Update in September 2019

