

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.	<u>6D</u>
Date of Meeting	<u>May 4, 2021</u>

DATE: April 21, 2021

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Jason Jordan, Director, Environmental and Planning Services

Project Manager: Norman Gilbert, Engineering Project Manager II

SUBJECT: RFID at PCT Truck Queue

A. ACTION 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 \$5,500.23, for a total authorized amount of \$305,500.23, for work associated with the RFID at PCT Truck Queue, Master Identification No. 201075.01.

B. SYNOPSIS

In March 2021, Port staff became aware that the cost of this project would exceed the current authorized amount and the authorization limit of the Chief Executive Officer, resulting from Maintenance Department costs exceeding their forecast.

C. BACKGROUND

RFID (Radio Frequency Identification) was installed in 2018 at all international container terminal gates (in gates and out gates) as part of the enforcement of the NWSA Clean Truck Program, where all trucks must have a 2007 engine or newer, or equivalent emission control system, to enter the gates. RFID at the gate is used to provide a red light/green light to allow entry to compliant trucks and turn away non-compliant trucks. This project is part of the expansion of RFID outside the gates, to allow the port to monitor and provide further visibility to real-time wait times for terminals, allowing the trucking community to make efficient decisions of which terminals to call at and when, limiting idling emissions from truck queues.

This project was initiated in April 2019 through Executive Authorization to evaluate six potential locations to expand the Clean Trucks RFID tracking system. From that evaluation two locations were advanced to design and installation. One location at Lot F and the second at the Pierce County Terminal (PCT) Truck Queue Lot. Lot F was performed under a separate project and Master Identification Number.

In May 2020, Port Maintenance through the Article 5 process of the Collective Bargaining Agreement between the Port and ILWU Local 22 accepted a portion of the installation of the Clean Trucks RFID tracking system at the PCT Truck Queue Lot. This work included the purchase and installation of all electrical components including the RFID hardware and installation of a speed bump. All other work for trenching, paving and installation of a new light pole were turned down and Contracted to be installed by one of the Port's on-call Public Works Contractors.

An Executive Authorization was approved in June of 2020 to authorize the funds needed to complete the design and construct the Clean Trucks system at the PCT Truck Queue Lot. The start of construction was delayed due to timber pole availability and began in November with the trenching, paving and pole installation. Installation of the electrical components followed shortly after. In late November Maintenance notified the Engineering Project Manager that their costs were approaching, and forecasted to exceed, the initial budget. The forecasted overage was still within the existing project contingency. In late December as the forecasted costs continued to increase, an additional Executive Authorization was approved. In late January 2021, Maintenance completed their portion of the project and were in the process of closing out their costs on the project when it was discovered that there was a second Work Order that was not included in the tracking or forecasting of the project. This additional cost to the project required a final Executive Authorization to the limit of \$300,000.

In early March, delinquent Consultant and vendor invoices were received which made it apparent that the project was going to exceed the \$300,000 authorization. Requests to all vendors, Contractors and Consultants were made to confirm that all billing had been received. Final confirmation of billing and tabulation of final project costs happened in late March.

The project is complete, and the system is successfully tracking the truck queue times at PCT.

D. PROJECT DESCRIPTION AND DETAILS

Evaluate six potential locations to expand the Clean Trucks RFID tracking system. Expand the tracking system to the PCT Truck Queue Lot. Include the ability to relocate the tracking system after the completion of the Wapato Creek bridge construction.

Project Objectives

- Expand the NWSA's ability determine non-compliant emissions controls and track overall queue times for trucks accessing our facilities.

Scope of Work

The scope of work will include:

- Evaluation of six potential locations for Clean Trucks expansion
- Design and construct a new RFID tracking system at the PCT Truck Queue Lot

Schedule

Initiate Project	April 2019
Design Completion	May 2020
Construction Begins	November 2020
System Commissioning	January 2021
Final Completion	February 2021

E. FINANCIAL IMPLICATIONS

Project Cost Details

	This Request	Total Project Cost	Cost to Date	Remaining Cost
Design		\$ 80,067.45	\$ 80,067.45	\$ -
Construction	\$ 5,500.23	\$ 225,432.78	\$ 225,432.78	\$ -
Total	\$ 5,500	\$ 305,500	\$ 305,500	\$ -

Source of Funds

The current Capital Investment Plan (CIP) Budget allocates \$315,000 for this project.

Financial Impact

Project costs will be capitalized and depreciated over an estimated 5-year life resulting in annual depreciation expense of \$61,000. Estimated depreciation expense for 2021 will be \$56,000 based on a completion date of February 2021.

F. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Alternative 1) Authorize increased budget. This action is to make official the notice and actual cost increase as required by the Master Policy.

Alternative 1 is the recommended course.

G. ATTACHMENTS TO THIS REQUEST

- None

H. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
April 3, 2019	Executive Authorization NWSA-20190329.01	\$63,500
May 9, 2019	Executive Authorization NWSA-20190508.01	\$17,500
June 18, 2020	Executive Authorization NWSA-20200612.01	\$171,000
January 5, 2021	Executive Authorization NWSA-20201229.01	\$25,000
February 3, 2021	Executive Authorization NWSA-20201229.01	\$23,000
TOTAL		\$300,000



Item No: 6D
Date of Meeting: May 4, 2021

Project Authorization For RFID at PCT Truck Queue

Presenter: Norman Gilbert
Engineering Project Manager II

Project Authorization RFID at PCT Truck Queue

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 additional project authorization in the amount \$5,500.23 for a revised total of \$305,500.23 for the RFID at PCT Truck Queue project, Master Identification No. 201075.01.

Background

RFID at PCT Truck Queue

- RFID (Radio Frequency Identification) was installed at all international container terminal gates in 2018 as part of the NWSA Clean Truck Program.
- NWSA has expanded this system outside of the gates to provide visibility of real-time wait times at the terminals.
- This project was initiated in April 2019 to evaluate six potential locations for expansion of the RFID system.
 - Two locations were advanced to design and installation; Lot F (performed under separate MID) and PCT Truck Queue Lot
- The work was authorized under the Executive Authorization process for all phases of the project.

Background

RFID at PCT Truck Queue

- In May 2020 Port Maintenance elected to perform a portion of the work through the Article 5 process of the CBA with ILWU Local 22. The remaining portion of work was performed by one of the Port's on-call Contractors.
- Installation of the RFID system started in November 2020 due to long lead time in receiving some of the materials.
- After completion of the installation in late January 2021, the Maintenance Department was in the process of closing out their Work Order and identified a second Work Order to this project that was not in the previous forecasts. This added Work Order cost brought the total project costs close to the \$300,000 limit.
- In early March 2021 the NWSA received delinquent Consultant and vendor invoices which made it apparent that the total project cost was going to exceed the \$300,000 Executive Authorization
- The NWSA has confirmed that all outstanding invoices have been received.

Project Description and Details

RFID at PCT Truck Queue

Project Scope of Work includes the following:

- Evaluation of six potential locations for Clean Truck Expansion
- Design and Construct a new RFID tracking system at the PCT Truck Queue Lot



Project Schedule

RFID at PCT Truck Queue

Activity	Timeframe
Initiate Project	April 2019
Design Completion	May 2020
Construction Begins	November 2020
System Commissioning	January 2021
Final Completion	February 2021

Source of Funds

RFID at PCT Truck Queue

- **The current Capital Investment Plan (CIP) allocates \$315,000 for this project.**
- **Project costs will be capitalized and depreciated over an estimated 5-year life resulting in annual depreciation expense of \$61,000. Estimated depreciation expense for 2021 will be \$56,000 based on a completion date of February 2021.**



Financial Summary

RFID at PCT Truck Queue

Item	Budget Estimate	Cost to Date	Remaining Cost*
DESIGN	\$80,067	\$80,067	\$0
CONSTRUCTION	\$225,433	\$225,433	\$0
PROJECT TOTAL	\$305,500	\$305,500	\$0

Conclusion

RFID at PCT Truck Queue

Request additional project authorization in the amount \$5,500.23 for a revised total of \$305,500.23 for the RFID at PCT Truck Queue project, Master Identification No. 201075.01.

