COMMISSION AGENDA

Item No: 4B

Meeting: 06/15/17

DATE: May 31, 2017

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Ricardo Charlton, Director, Equipment Maintenance
Project Manager: Stanley Ryter, Engineering Project Manager II

SUBJECT: Project Authorization for work associated with the Bridge Crane in the Strad House

A. ACTION REQUESTED

Request project authorization in the amount $295,000 for a total authorized amount of $365,000, for work associated with the Bridge Crane in the Strad House, Master Identification No. 101116.01.

B. BACKGROUND

Four new straddle carriers are due to arrive in November 2017. Unlike the 32 existing straddle carriers, the new straddle carriers will have a more efficient diesel electric engine. The diesel electric straddle carriers have their engines mounted at the top of the unit. A 12-ton capacity overhead bridge crane is necessary to perform engine maintenance on these new straddle carriers.

The straddle carriers are maintained by Port Maintenance at the Port Maintenance Building. The straddle carrier maintenance facility consists of four bays. Bays No. 1 and 2 have an overhead bridge crane, while Bays No. 3 and 4 have the structural system to support one. A crane has never been installed in Bays No. 3 and 4.

The overhead bridge crane in Bays No. 1 and 2 does not have the clearances available to lift the engine out of the new generation of straddle carriers and place it on the shop floor without running into an obstruction. The new straddle carriers are 15" taller than the previous models. The new proposed crane will allow servicing of the new straddle carriers in Bays No. 3 and 4.

The structural system to support the proposed new bridge crane was constructed in 1990 and designed for a 20-ton lifting capacity. It can be used with only minor structural modifications.

C. PREVIOUS APPROVALS

Action	Date	Amount
Executive Authorization	January 27, 2017	$70,000

D. PROJECT DESCRIPTION

The scope of work will include:

- Procurement of the Bridge Crane
- Structural and Electrical Upgrades
- Installation and Testing of the Bridge Crane

E. REQUESTED AUTHORIZATION

Authorization for this project includes all tasks necessary for the completion of the procurement and construction stage more specifically identified in the Cost Details table below. Generally, this will include the use of internal and external engineering and environmental services, construction and procurement.

F. PROJECT SCHEDULE

Design Completion	June 26, 2017
Bid, Award and Execute Contract	August 23, 2017
Delivery of Bridge Crane	February 7, 2018
Finish Installation and Commissioning	February 28, 2018

G. FINANCIAL SUMMARY

Estimated Cost of Project:

The total project cost including all stages is estimated at $365,000.

Estimated Construction Stage Cost:

The total estimated cost of the construction for this project is $295,000, including those items identified in the Cost Details table below. If the cost of this estimate is anticipated to exceed the authorized amount, additional Commission authorization will be requested.

Source of Funds

The 2017-2021 Capital Improvement Plan allocates $416,000 for this project.

Cost Details

Item	Budget Estimate	Cost to Date	Remaining Cost
DESIGN STAGE			
Consultant(s)	$45,000	$25,000	$20,000
Port Staff	$20,000	$6,800	$13,200
Permitting	$5,000		$5,000
DESIGN STAGE TOTAL	**$70,000**	**$31,800**	**$38,200**
CONSTRUCTION STAGE			
Construction	$168,500		$168,500
WSST	$21,000		$21,000
Consultant(s)	$12,000		$12,000
Port Staff	$36,000		$36,000
Permitting	$4,500		$4,500
Testing & Inspection	$5,000		$5,000
Miscellaneous (incl. contingency)	$48,000		$48,000
CONSTRUCTION STAGE TOTAL	**$295,000**	**$0**	**$295,000**
PROJECT TOTAL	**$365,000**	**$31,800**	**$333,200**

Financial Impact:

The project costs will be capitalized and depreciated over a 15-year period, resulting in an annual depreciation expense of $24,300. The depreciation associated with this project was included in the 2017-2021 operating budget, with an estimated start date of January 2018. There will be no depreciation for 2017 based on the anticipated project completion date of May 2018.

H. ECONOMIC INVESTMENT/JOB CREATION

No permanent job creation or additional economic investment is anticipated from this project.

I. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: A building permit and an electrical permit are both necessary for this project.

Remediation: No remediation is necessary to complete this project.

Water Quality: No impacts to water quality.

Air Quality: No impacts to air quality.

J. NEXT STEPS

Final design is wrapping up. The next step of the project is to obtain the building permit and advertise the project for competitive bidding.