

Item No.: 4F

Date of Meeting: December 19, 2019

Port of Tacoma Administrative Office Space

Presenter:
Erin Galeno
Chief Financial and Administrative Officer



ACTION REQUESTED

Request a motion by the Port of Tacoma Commission, directing the Executive Director to advance one of the three alternatives for future administration office work space.

BACKGROUND

- The Port of Tacoma and NWSA co-locate administrative office space in the Port of Tacoma Administration Building.
- Annual support costs have been \$1.8 million with the Port of Tacoma retaining approximately \$0.6 million and charging \$1.2 million to the NWSA.

BACKGROUND

The Port Administration building was constructed in 1982:

- Brought eight Port departments together for the first time, improving organizational efficiency and communications.
- Size - 42,000 square-foot, two-story building
- Cost \$2.8 million to construct (\$67 per square foot)
- The architectural firm of Robert Billsborough Price & Associates designed the building.
- Absher Construction Company (Puyallup) was the general contractor.

BACKGROUND

- An independent consultant was retained to assess the potential future major maintenance and repairs necessary to prolong the useful life of the Administration building for an estimated 20 years.
- Washington Partners, who were selected via a public procurement, provided estimated costs associated with leasing a third-party office space in Tacoma.





ALTERNATIVES CONSIDERED



Alternative 1: Stay in Port Administration Building Long-term (10 – 20 years)

- This alternative will require an estimated \$11.6 million capital investment in the next 2 years by the Port of Tacoma.
- An agreement between the Port and NWSA regarding an increase to the support service agreement would be required for the NWSA to participate in the cost of the reinvestment (estimated impact to NWSA is \$0.5 - \$1.0 million annually depending on estimated life of the repairs.)

ALTERNATIVES CONSIDERED

Alternative 2: Exit Port Administration Building (during 2020) and Lease Third Party office space

- Requires staff to identify, negotiate, relocate staff to a non-port owned office building and oversee critical structural repairs to preserve the Port Administration building for potential alternative future uses.
- Port would still need to consider investing an estimated \$3.2 million in major maintenance/repairs would be necessary to repair the shoreline slope & seawall, replace the standing seam roof and repair the exterior wall finishes.

ALTERNATIVES CONSIDERED



Alternative 3: Stay in Port Administration Building 3 – 5 Year and invest in a New Port Administration Building

- An estimated \$5.1 million in major maintenance/repairs would be necessary to repair the shoreline slope & seawall, replace the standing seam roof, repair the exterior wall finishes, repair plumbing, restrooms, front door and brick accent pavers, and replace interior finishes such as the carpet.
- Additional major maintenance may be necessary on a break/fix situation. (ex: lighting, HVAC, electrical to work stations)

ACTION REQUESTED



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