

COMMISSION AGENDA

Item No: 4C

Meeting: 11/25/19

DATE: November 6, 2019

TO: Port Commission

FROM: Eric D. Johnson, Executive Director

Sponsor: Lou Paulsen, Director, Strategic Operations Projects and Risk Management

Project Manager: David Myers, Engineering Project Manager II

SUBJECT: Project Authorization for work associated with the Fiber Optic lines to Lot F

A. ACTION REQUESTED

As referenced in Resolution No. 2018-01-PT, Exhibit A, Delegation of Authority Master Policy, Paragraph IV.B.(2), states project costs exceeding \$300,000 require approval from Port Commission.

Request project authorization in the amount \$779,500 for a total authorized amount of \$970,000, for work associated with the installation of new fiber optic lines from Communications Hut 1.1 (located near the intersection of Port of Tacoma Road and East 11th Street) to both the Husky Terminal and Stevedoring administration building and Lot F, Master Identification No. 101286.01.

B. SYNOPSIS

Installation of new fiber optic lines to Lot F will substantially improve the utility of this site and will support Port Security, Port Information Technology (IT), NWSA Operations and the development of a new gate complex at Lot F by Husky Terminal And Stevedoring (Husky).

C. BACKGROUND

Today, Lot F and adjacent Port-owned properties located on the General Central Peninsula are unserved by fiber optic lines and thus lack the infrastructure needed to provide data connectivity to the rest of the Port. To remedy this issue and facilitate remote security monitoring of activities on and around Lot F, the Port pursued and obtained a 2018 Port Security Grant from the Department of Homeland Security. Further details concerning the grant are provided below.

The data connectivity afforded by this fiber optic cabling will provide broad utility to the Port. Several important operational and environmental programs and initiatives will be supported by this project, including:

- Improved remote security monitoring through the installation of four (4) additional CCTV cameras at Lot F. The costs of these cameras and their installation are included in this project authorization.
- Increased bandwidth and redundant access to remote diagnostics and performance monitoring of the eight (8) new NWSA Super Post-Panamax Cranes located on Piers 3 and 4.
- Per the terms of the Fifth Amendment to the Lease and Operating Agreement (approved by the Managing Members of the NWSA on May 7, 2019), Husky plans to construct and operate a new gate complex at Lot F. This project will provide fiber optic cabling which will enable Husky to transmit data between this new gate complex and their existing administration building located on Terminal 4.
- The collection of RFID data for the NWSA Operations Service Center for use in monitoring truck queues and terminal efficiency and productivity. This will include information on truck queue metrics (e.g., turn-time data). Data collected will be used to mitigate truck congestion and emission reductions (under the Clean Truck program) by communicating real-time information to the drayage truck community via the NWSA Community Portal.
- Validation of trucker compliance with the Clean Truck program requirements.

To satisfy grant obligations and support the needs of these programs and initiatives, the Port will install separate Port fiber optic lines from Hut 1.1 to Husky's administration building and to Lot F. At Lot F, a new communications hut will be installed to provide a connection point for these and potential future fiber optic lines.

As mentioned, the Port received a U.S. Department of Homeland Security grant for this project. The grant application was based on an initial project cost estimate (from June of 2018) in the amount of \$693,654.23. The Port was awarded a project grant in the amount of \$619,959. The grant is subject to a 25% local match with the remaining 75% to be reimbursed to the Port. However, design costs, Port staff time and Port Maintenance costs are not eligible under the grant. Thus, the Port will receive approximately \$525,000 in grant funds upon completion of this project. Project cost details are provided below.

During the formation of the NWSA, it was determined that infrastructure investments are the responsibility of the homeports. In this case, the grant was awarded to the homeport and will off-set more than 50% of the overall project costs.

D. PROJECT DETAILS

Scope of Work for This Project:

- Install two (2) 48-strand fiber optic lines from Husky's administration building through Hut 1.1 to Lot F.
- Install new conduit and below ground infrastructure where necessary utilizing existing conduit and vaults where available.

- Install above ground lines along Port of Tacoma Road utilizing Tacoma Public Utility poles where practical.
- Purchase and install a new fiber optic hut and related utilities at Lot F.
- Purchase and install four (4) new cameras and access points and two (2) fiber optic switches on Lot F for Port Security, IT and NWSA Operations use.

Schedule

Advertise for Bid	November 2019
Open Bids	December 2019
Notice of Award	December 2019
Substantial Completion	March 2020
Final Completion	April 2020

E. FINANCIAL SUMMARY

Estimated Cost of Project

The total project cost including all stages is estimated at \$970,000.

Estimated Cost for This Request

The total estimated cost for this project is \$970,000. If the cost of this estimate is anticipated to exceed the authorized amount, additional Commission authorization will be requested.

Estimated Sales Tax

The total estimated sales tax to be paid to local and state governments for this project is \$80,631.

Cost Details

Item	This Request	Total Previous Authorizations	Total Required Authorizations	Total Project Costs	Costs to Date	Costs Remaining
Total	\$779,500	\$190,500	\$970,000	\$970,000	\$24,296	\$945,704

Source of Funds

The current Capital Investment Plan (CIP) allocates \$749,000 for this project. Additional budget will be requested during the 2020 budget process. The Port will receive approximately \$525,000 in grant funding. The Port contribution to the project will be approximately \$445,000.

Financial Impact

Project costs will be capitalized and depreciated over an estimated useful life of 10 years. There will be no depreciation expense for 2019.

Grant income will be recorded as non-operating revenue at the time reimbursement is requested.

Net book value – N/A

F. ECONOMIC INVESTMENT/JOB CREATION

This work is being accomplished in support of existing programs and as part of the Fifth Amendment to the Lease and Operating Agreement with Husky Terminal And Stevedoring. This project is largely funded through a federal security grant. This project is anticipated to create five (5) to eight (8) construction jobs.

G. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Alternative 1: Run fiber optic lines on Tacoma Power, CenturyLink and other utility poles along 11th and Thorne to the site. Multiple easements and agreements would have been required and the overall costs would be higher.

Alternative 2: Complete the project as designed. This option minimizes the need to use Tacoma Power poles and utilizes a significant amount of existing infrastructure. This option will cost less and much of the system will be underground in a more secure environment.

Alternative 3: Consider use of existing fiber on the opposite side of Port of Tacoma Road. As this fiber is dedicated to Port use only, it could not be utilized by the tenant and a separate line would still be required.

Alternative 4: Utilize wireless point to point systems in lieu of fiber optic lines. Due to direct line of site requirements and the need for uninterrupted communications between the site and the Husky Terminal, this alternative was eliminated.

Alternative 2 is the recommended course.

H. ENVIRONMENTAL IMPACTS/REVIEW

Permitting:

A City of Tacoma Work Order permit will be required for work in the Right-of-Way. A separate Permit will be required from Tacoma Power to enable the Port to utilize six (6) existing poles along Port of Tacoma Road for aerial installation of the fiber and to cross Port of Tacoma Road.

Remediation:

Due to the shallowness of excavation and the location of the required trenching, it is not anticipated that any contaminated soils will be encountered. If encountered, appropriate measures will be taken to characterize and dispose of the material in accordance with local and state agencies.

Stormwater:

No stormwater impacts are anticipated.

Air Quality:

No air quality impacts are anticipated. This project will provide a long term solution for collection of data in support of the Clean Truck Program.

I. PREVIOUS ACTIONS OR BRIEFINGS

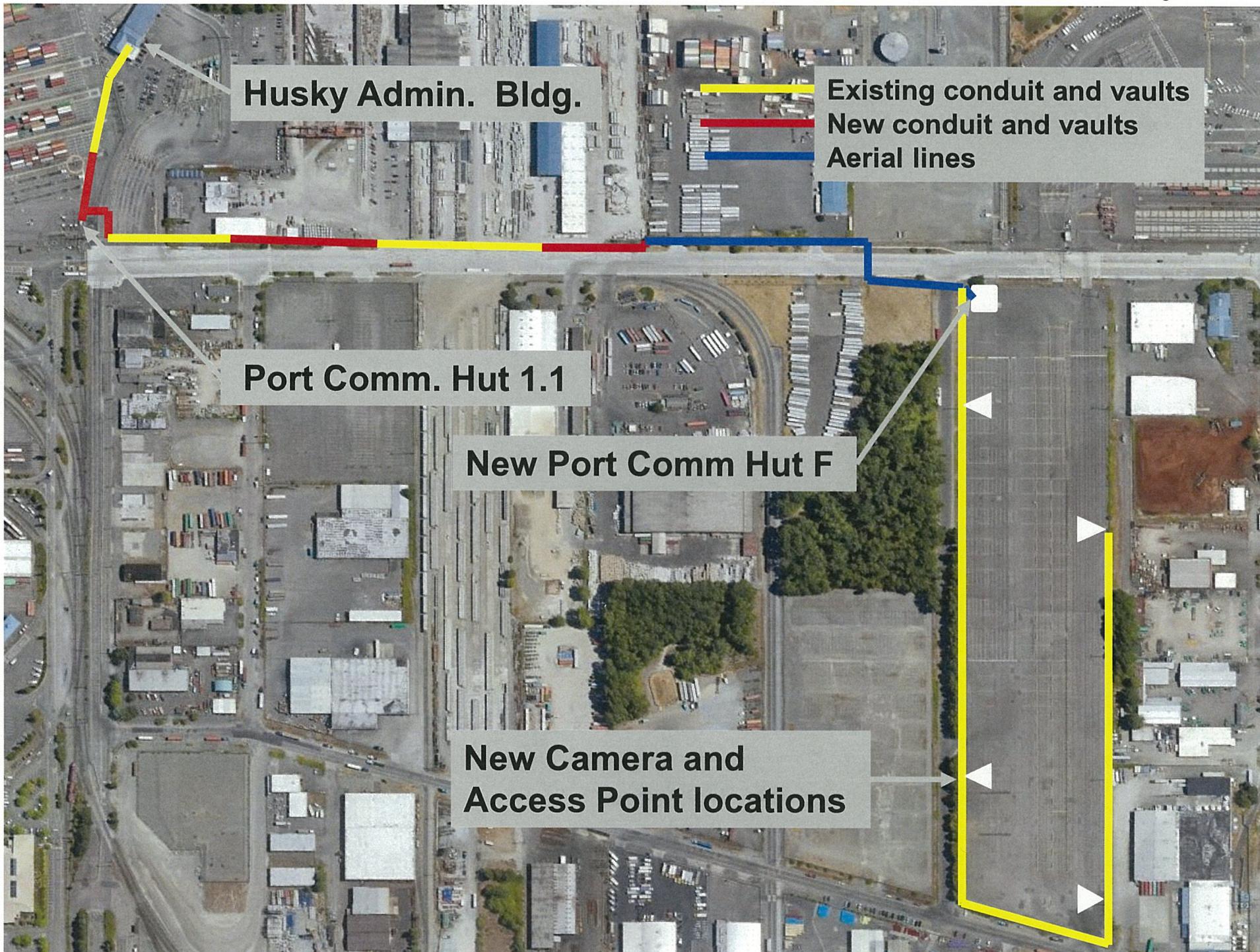
Date	Action	Amount
February 5, 2019	Executive Authorization POT-20190131.01	\$190,500

J. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation.
- Diagram of planned work

K. NEXT STEPS

Bid and award a construction contract and complete the planned work.



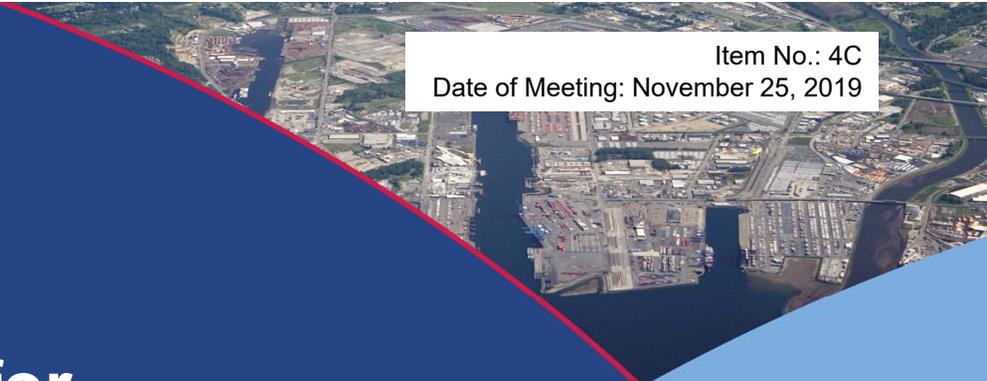
Husky Admin. Bldg.

Existing conduit and vaults
New conduit and vaults
Aerial lines

Port Comm. Hut 1.1

New Port Comm Hut F

New Camera and
Access Point locations



Item No.: 4C
Date of Meeting: November 25, 2019

Project Authorization for Fiber Lot F

David Myers
Project Manager II



Project Authorization Fiber Lot F



As referenced in Resolution No. 2018-01-PT, Exhibit A, Delegation of Authority Master Policy, Paragraph IV.B.(2), states project costs exceeding \$300,000 require approval from Port Commission.

Request project authorization in the amount \$779,500, for a total authorized amount of \$970,000, for the installation of new fiber optic lines from the Husky Admin Building to Lot F, Master Identification No. 101286.01.

Background Fiber Lot F

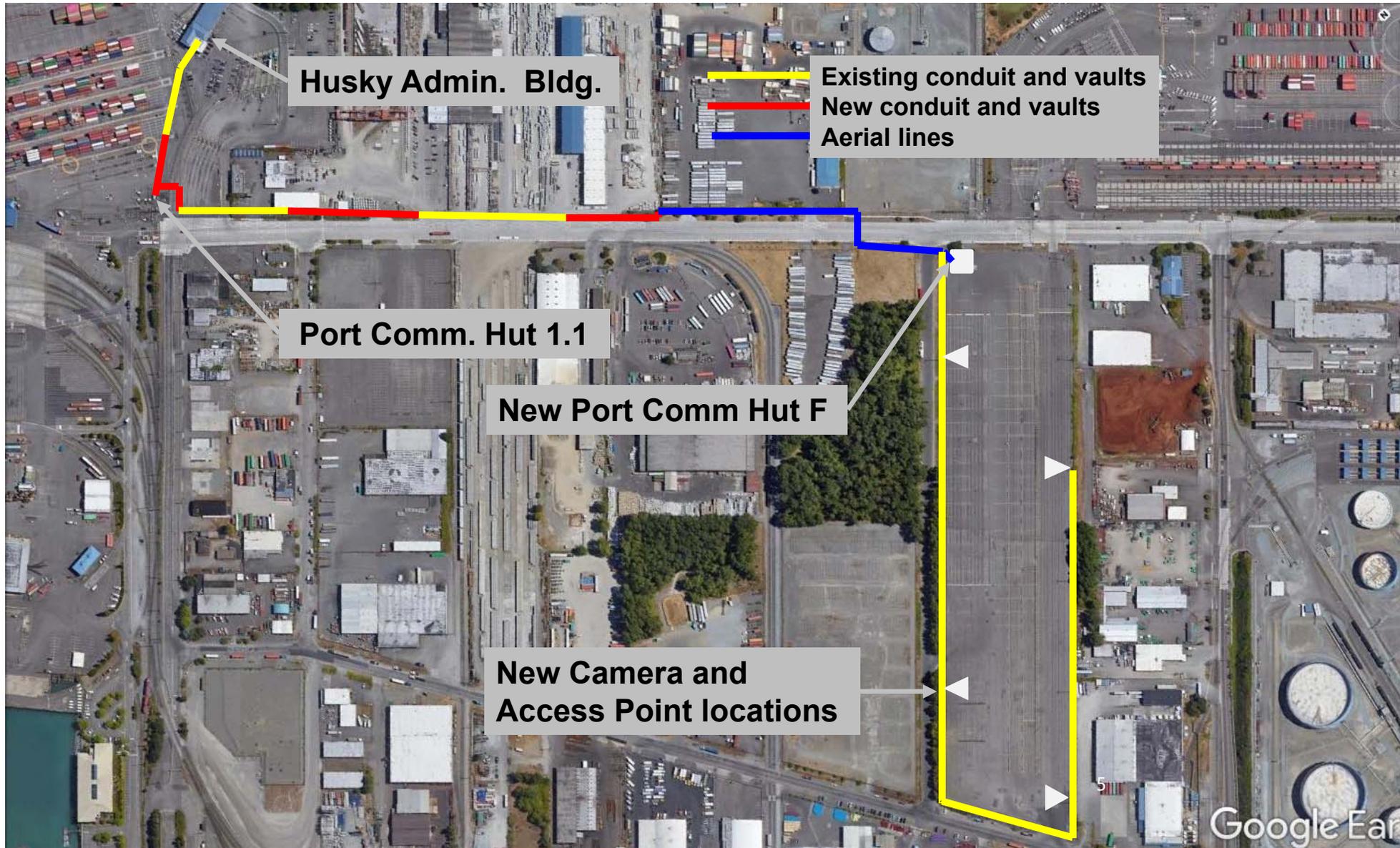


- Lack of visibility for Port Security currently exists on this side of Port of Tacoma Road.
- Port of Tacoma has received a US Department of Homeland Security grant for this project.
- Data connectivity will provide:
 - Improved remote security with the installation of cameras, access points and other equipment at Lot F
 - Increase bandwidth and redundancy to Husky Terminal

Background Fiber Lot F



- Data connectivity - continued:
 - Fulfill Lease obligations and allow uninterrupted communications from Lot F to Husky Terminal
 - Collection of data in support of the Clean Truck Program
 - Provide validation of trucker compliance with the Clean Truck Program



Husky Admin. Bldg.

- Existing conduit and vaults**
- New conduit and vaults**
- Aerial lines**

Port Comm. Hut 1.1

New Port Comm Hut F

New Camera and Access Point locations

Project Description and Details

Fiber Lot F



- The proposed improvements include the following:
 - Two (2) 48-strand fiber optic lines from the Husky Admin Bldg to Lot F
 - Install new conduit and vaults as required
 - Install aerial lines as required
 - Install a new communications hut on Lot F with required equipment
 - Install four (4) cameras and access points on Lot F

Project Schedule Fiber Lot F



Activity	Timeframe
Advertise Bids	November 2019
Bid Opening	December 2019
Contract Award	December 2019
Contract Completion	March 2020

Source of Funds Fiber Lot F



- The estimated cost of the project is \$970,000.
- The current Capital Investment Plan (CIP) allocates \$749,000 for this project. Additional budget will be requested during the 2020 budget process.

Financial Summary Fiber Lot F



Item	This Request	Total Previous Requests	Total Request	Total Project Cost	Cost to Date	Remaining Cost
TOTAL	\$779,500	\$190,500	\$970,000	\$970,000	\$24,296	\$945,704

- The Port received a US Department of Homeland Security grant for this project. Approximately \$270,000 in Design, Port staff and Port Maintenance costs are not eligible under the grant.
- The grant has a 75/25 split and is expected to reimburse the Port approximately \$525,000.
- The Port contribution to the project will be approximately \$445,000

Environmental Impacts/Review Fiber Lot F



Permitting:

City of Tacoma Work Order for work in the Right-of-Way

Tacoma Public Utilities pole access agreement

Remediation:

None anticipated impacts

Environmental Impacts/Review Fiber Lot F



Stormwater:

No anticipated impacts

Air Quality:

No anticipated impacts;

Provide long term solution for collection of data in support of Clean truck Program.

Conclusion Fiber Lot F



Request project authorization in the amount \$779,500, for a total authorized amount of \$970,000, for the installation of new fiber optic lines from the Husky Admin Building to Lot F, Master Identification No. 101286.01.