

COMMISSION AGENDA

Item No: 3F

Meeting: 08/17/17

DATE: August 3, 2017

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Dakota Chamberlain, Chief Facilities Development Officer
Project Manager: David Myers, Engineering Project Manager II

SUBJECT: Authorization for work associated with the Upper Clear Creek Mitigation Site

A. ACTION REQUESTED

Request authorization in the amount \$1,950,000, for a total authorized amount of \$2,250,000, for work associated with the Upper Clear Creek Mitigation Site, Master Identification No. 101181.01.

B. BACKGROUND

The Port of Tacoma entered into a settlement with the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Justice (DOJ) to mitigate for wetland impacts due to the Port's invasive snail eradication efforts. Part of that settlement included constructing forested wetlands, re-channelizing Clear Creek and constructing salmon habitat and associated buffers at the Upper Clear Creek site located off Gay Road south of the Puyallup River. The project also provides substantial mitigation bank credits to the Port for similar habitat as noted above to offset habitat impacts associated with future development within the Port.

On July 19, 2012, the Port of Tacoma Commission authorized the design of the project in the amount of \$1,175,000, and subsequently on March 12, 2014 the Port of Tacoma Commission authorized the remainder of the project in the amount of \$7,889,000, for a total project authorization of \$9,064,000. The design and construction have been completed and the site is currently in the Landscape Maintenance period. Due to contract nonconformance related issues with the general contractor and their subcontractor, the Port has been forced to terminate their contract for default. To date, \$8,805,563 has been spent on this project. Following closeout, any remaining funds will be returned to the Capital Improvement Plan.

This request will enable the Port to complete the necessary documents to contract for the remaining maintenance work. It will also cover Port staff and consultant costs and anticipated legal fees associated with cost recovery from the previous contractor and their surety.

C. PREVIOUS APPROVALS

<u>Action</u>	<u>Date</u>	<u>Amount</u>
Executive Authorization	August 8, 2017	\$300,000

D. PROJECT DESCRIPTION

The scope of work will include:

- Plant replacement
- Irrigation of the site
- Mulch replenishment at all containerized plants
- Overseeding of bare areas outside the mulch rings
- Insect pest control
- Invasive plant and weed control, including reed canary grass, blackberry and Japanese knotweed
- General site maintenance, including pruning, staking, plant maintenance and debris removal

E. PROJECT SCHEDULE

Bid and Award Project	September 2017
Substantial Completion	December 2018
Final Completion	January 2019

F. FINANCIAL SUMMARY

Estimated Cost of Project

The project cost for this stage of work is estimated at \$2,250,000, 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

This project will be funded with income generated through operations.

Cost Details

Item	Budget Estimate	Cost to Date (August 8, 2017)	Remaining Cost
PROJECT TO COMPLETE INCLUDING LITIGATION			
Landscape Maintenance	\$1,205,000	\$0	\$1,205,000
WSST	\$120,000	\$0	\$120,000
Consultant(s)	\$120,000	\$0	\$120,000
Port Staff	\$350,000	\$0	\$350,000
Legal	\$300,000	\$0	\$300,000
Miscellaneous (incl. contingency)	\$155,000	\$0	\$155,000
PROJECT TOTAL	\$2,250,000	\$0	\$2,250,000

Financial Impact

Project costs will be collected and expensed based on the timing and outcome of final settlement.

G. ENVIRONMENTAL IMPACTS/REVIEW

Permitting:

Permits associated with herbicide application are the responsibility of the contractor. No other Port permits are required for this component of work.

Remediation:

No remediation is contemplated under this scope of work.

Water Quality:

No water quality concerns are anticipated under this scope of work.

Air Quality:

No air quality concerns are anticipated under this scope of work.

H. NEXT STEPS

Complete the contract documents, advertise for bids and award the work to complete the Landscape Maintenance related activities as noted above.

Actively pursue cost recovery from the former contractor and their surety.