

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 6d

**Date of Meeting** 5/03/2011

**DATE:** April 27, 2011

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Nora Huey, Director, Central Procurement Office  
George England, Program Leader, Aviation Capital Improvement Program

**SUBJECT:** Arai Jackson Ellison Murakami Professional Service Agreement Amendment in support of the Bus Maintenance Facility Project

**Amount of This Request:** \$450,000

**Source of Funds:** Customer Facility Charges/  
Airport Development Fund

**Total Value of This Agreement If Amended:** \$2,920,000

**ACTION REQUESTED:**

Request authorization for the Chief Executive Officer to amend the Arai Jackson Ellison Murakami (AJEM) Professional Service Agreement for up to \$450,000 for design support during construction of the Bus Maintenance Facility (BMF) and to provide notification to the Port of Seattle Commission in accordance with RCW 53.19.060 that the total amended amount exceeds 50% of the original contract not to exceed value of \$1,900,000. Considering earlier amendments and with the execution of this amendment, the total value of the AJEM Agreement would be \$2,920,000. No new funding is requested to amend this Agreement as funds have been previously authorized as part of the BMF project budget.

**SYNOPSIS:**

In order for the Port to complete the BMF project, this Agreement must be amended for additional budget to continue to provide design support during construction through completion of the project. Construction support services were originally estimated prior to the design phase of the project, and were included in the AJEM Professional Service Agreement. When the design phase was completed, it became apparent the budget would need to be increased, due to the complexity of the project requiring increases in the scope of work and the "level of effort" for construction support services. \$100,000 of additional funding is also included in this request to provide contingency within the contract for the completion of construction support services; the procurement and installation of furniture, fixtures and equipment; and the completion of the LEED® certification process post construction. The funds supporting this amendment have been previously authorized, and there is no increase to the overall BMF project budget.

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As required by RCW 53.19.060 and Resolution No. 3605, this memorandum also constitutes notification to the Commission when the amended amount exceeds 50% of the original not to exceed contract value. This memorandum will be placed on file for public inspection at the Port's bid desk.

### **BACKGROUND:**

In April 2008, the Port of Seattle began the procurement process for design and construction support services for the BMF project as a Category C contract. In July 2008, the Port of Seattle executed a Professional Service Agreement with AJEM for \$1,900,000. This contract was executed prior to the issuance of Port Policy CPO-1; however, it includes the requirement for the issuance of Service Directives in order to authorize work. In July 2009, the contract was amended to add \$350,000 for design and construction support services in support of the addition of the compressed natural gas fueling facility to the BMF project. In June 2010 the contract was amended to add \$220,000 for design support to address required changes to the contract specifications.

Construction support services were originally estimated and included in the original \$1,900,000 Professional Service Agreement for the BMF project, and included in the \$350,000 amendment for the compressed natural gas fueling facility. These estimates for construction support services totaled \$440,000 and were based upon a range of assumptions that defined the overall scope of work and level of effort before the project began the design phase.

At the completion of the design phase, the range of assumptions used to define the overall scope of work and "level of effort" for the construction support services were reviewed. The overall scope of work has increased since a greater number of submittals and coordination meetings are now required, and a greater number of requests for information are anticipated, than was previously assumed for the project. Given the changes in the Port's standard operating procedures, the "level of effort" assumptions for each task included in the scope of work has also significantly increased. The total estimated cost for construction support services is now \$790,000 which is \$350,000 greater than the original estimated budget.

An additional \$100,000 is included in this request for a total increase of up to \$450,000 in order to provide contingency within the contract for the completion of construction support services, the procurement and installation of furniture, fixtures and equipment, and for the completion of the LEED® certification process post construction. Since this contract requires the issuance of Service Directives in order to authorize work, these additional funds will not be authorized unless required to support the BMF project.

The current contract value is \$2,470,000, and with the execution of this amendment, the value of the AJEM Agreement would be \$2,920,000.

### **SCOPE OF WORK AND SCHEDULE:**

The following major scope elements to be continued for completion of the BMF project include, but are not limited to:

- Responding to requests for information;
- Reviewing project submittals;

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- Preparing design change notices;
- Reviewing shop drawing submittals;
- Performing site visits;
- Reviewing construction non-compliance and quality issues; and
- Providing special review and site inspection as necessary.

### **PREVIOUS COMMISSION ACTION:**

The following list of previous Commission actions include only those related to the BMF project.

- February 27, 2007, the Commission authorized \$9,210,183, including \$6,460,183 in additional design funding for the Rental Car Facility (RCF) program and \$2,750,000 for preconstruction services and for demolition of buildings on the Consolidated Rental Car Facility site.
- May 13, 2008, the Commission authorized 1) \$3,574,300 in additional design funds for the RCF program, 2) the award of the General Contractor/Construction Manager contract to Turner Construction Company and \$286,500,000 for the construction of the Consolidated Rental Car Facility, and 3) the execution of a change order in the amount of \$1,606,710 for additional construction staff and logistics facilities.
- December 15, 2008, the Commission authorized the suspension of most work under the contract for construction of the Consolidated Rental Car Facility for an indefinite period, not to exceed one year. Design for the BMF and Off-Site Roadway Improvement projects would continue.
- June 2, 2009, the Commission authorized an additional \$607,000 for the design of the Compressed Natural Gas Fueling Facility as part of the BMF Project.
- June 30, 2009, the Commission 1) lifted the suspension and restarted the entire RCF program, 2) authorized \$591,670 in additional design funds for the BMF and Offsite Roadway Improvement projects, 3) authorized \$27,826,000 in additional construction funds for the Consolidated Rental Car Facility, 4) authorized multiple change orders for a not to exceed value of \$16,800,000 and up to 260 calendar days for the construction of the Consolidated Rental Car Facility, and 5) revised the Commission notification requirements for change orders for the Consolidated Rental Car Facility.
- February 2, 2010, the Commission authorized \$24,474,000 of construction funds and granted approval to advertise for construction the BMF project.
- May 18, 2010, the Commission authorized the Chief Executive Officer to execute a Developer Extension Contract, and supporting Bill of Sale, Right of Entry and Easement documents, with the Highline Water District in support of the BMF project.