



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6i

**ACTION ITEM**

**Date of Meeting** October 22, 2019

**DATE:** October 1, 2019

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Jim Rosmond, Manager, PCS Construction, Port Construction Services  
Dwight Rives, Director, PCS, Port Construction Services

**SUBJECT:** Port of Seattle Fire Station House HVAC Upgrades (CIP #C800100)

**Amount of this request:** \$55,000  
**Total estimated project cost:** \$350,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to: (1) approve an increase to the funding of design, construction, and permitting of the Port of Seattle Fire Station HVAC Upgrades project in the amount of \$55,000 for a total of \$350,000; and (2) resume the work to complete upgrades to the Fire Station heating system under a Small Works contract, presently in progress, and as early as practicable prior to the onset of lower seasonal temperatures.

**EXECUTIVE SUMMARY**

The Port of Seattle Fire Station HVAC Upgrades Project (WP 105985) was designed, permitted, and activated for construction to address a serious problem with the air quality within berthing and administrative spaces in the existing Aircraft Rescue and Fire Fighting (ARFF) building. The scope of this project calls for the replacement of two interior humidifiers, installation of one new humidifier, and replacement of valve assemblies for 15 existing duct coil units in the ceiling areas throughout the building.

Work was begun as a Small Jobs Capital project funded at \$295,000. Due to discovery of unforeseen conditions, Port Construction Services has increased the project budget to \$350,000, which triggers the need for Commission authorization under the General Delegation of Authority.

**JUSTIFICATION**

This project originated out of the need to address poor interior air quality, particularly health and comfort issues of low humidity and inadequate heating in the building's three berthing areas. The 40-year-old HVAC system has experienced failing duct heating coils and in-duct humidifiers in the berthing spaces. During winter months when outdoor air is excessively dry, the conditioned air supplied to fire station dormitories trends to the low end of the Occupational Safety and Health Administration (OSHA) acceptable range (20 percent to 30 percent), and occupants have complained of ill effects such as itchy skin, irritated throats, and dry eyes. The

Meeting Date: October 22, 2019

Fire Department relayed the need to the Aviation division to act on improving conditions in the Station House in response to increasing complaints from the firefighters. Since a protracted design and construction cycle would jeopardize the ability to resolve the issue before the heating season began this year, a Facilities and Infrastructure (F&I) design and Small Works contract managed by Port Construction Services (PCS) was believed to be the best available project delivery option to affect the repairs in time.

***Diversity in Contracting***

The contractor currently performing the HVAC upgrades at the fire station under Small Works Contract #SW-0319867, is a Minority Business Enterprise (MBE).

**DETAILS**

See Executive Summary

***Scope of Work***

The scope of work for this project is for the design and installation of the new humidifiers and heating coil valve assemblies above the ceiling area throughout the fire house building. Additionally, work to relocate existing utilities is required in some areas above the ceiling to install the new equipment.

***Schedule***

- 3/22/2019 Small Jobs Capital Project, POS Fire Station HVAC Upgrades approved by the Director of Aviation Facilities and Capital Programs.
- 5/31/2019 Project design completed, ready for permit application and contract bid preparation.
- 6/25/2019 Notice of Intent to Award Port of Seattle Contract #SW-0319867 to Cun D.C., Inc. dba Duo Tec issued.
- 7/02/2019 POS Contract #SW-0319867 awarded to Duo Tec.
- 7/31/2019 Aviation Building Dept issues Building & Mechanical Permits.
- 8/23/2019 Contractor’s Site Safety Plan accepted & Notice to Proceed issued.
- 10/31/2019 In-use date (projected).
- 11/16/2019 Contract Completion Date.

***Cost Breakdown***

	This Request	Total Project
Design	\$0	\$10,000
Construction	\$55,000	\$340,000
<b>Total</b>	<b>\$55,000</b>	<b>\$350,000</b>

Meeting Date: October 22, 2019

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Suspend current Small Works contract, demobilize and remobilize contractor after authorization to extend and fund additional change order work is granted.

Cost Implications: Contract will incur charges for the effort to pull equipment, labor and materials off the site and then remobilize at a later date. Inefficiencies will also be realized for possible work during the heating season to provide temporary heat and extended rental costs of equipment and material cost escalations. Impact estimated to cost approximately \$20,000 in contract costs and additional cost of \$10,000 per month for temporary heating measures.

Pros:

- (1) Port of Seattle will retain existing contractor for continuity and resumption of contract work without need for resoliciting a new contract and orienting a new one to take over.
- (2) Integrity of normal Port authorization procedures and protection from unauthorized cost overruns.

Cons:

- (1) Work will be pushed into the “heating season” when building occupants will need to rely on a temporary heating system and probably gaps in heating service during construction.
- (2) Project cost will escalate proportionate to the period of delay in resuming the contract work.

This is not the recommended alternative.

**Alternative 2** – Terminate the incumbent Small Works contract for convenience and resolicit the contract as a Major Works Contract project.

Cost Implications: This option will increase costs and delay the start of work well into or after the heating season. This option will escalate costs for not only a new contract and the management of it, but also termination costs of the incumbent small work contract. The overall cost is estimated to be approximately \$650,000 (\$200,000 in sunken costs of the current contract, \$50,000 for temporary heating measures over the autumn/winter, and \$400,000 to follow on with another contract to complete the work).

Pros:

- (1) A repackaged contract may be able to address additional deficiencies by completely modernizing the current HVAC infrastructure.
- (2) The project would follow regulatory procedures for contract solicitation and award.

Cons:

- (1) Work to upgrade HVAC system components is nearly 50 percent complete. Termination would disregard final completion of work which is projected in late October 2019.
- (2) Cost. Completion of work on the present course is roughly half of what it will be to abandon the current contract and transition to another (next year).
- (3) This option would terminate the work currently being performed by a DBE contractor. A rebid of the contract does not assure this opportunity again.

Meeting Date: October 22, 2019

This is not the recommended alternative.

**Alternative 3** – Continue work, presently in progress at roughly 50 percent completion, and approve additional funding, with Commission approval, of the current Small Jobs Capital project to completion, expected late October/early November.

Cost Implications: The Small Jobs Capital project is presently funded at \$295,000. This work can be completed with a supplement of \$55,000 for a total cost of \$350,000.

Pros:

- (1) Work will be completed at earliest opportunity with the need of little or no temporary heating measures for the autumn months.
- (2) This option affords the most economical solution to the health and safety issue concerning the air quality issues inside the fire station.
- (3) The work will be completed by a MBE contractor.

Cons:

- (1) The Port will forego an opportunity to implement the replacement of a more thorough and contemporary HVAC system in the fire station house. This alternative can be viewed as a provisional repair to a dated system that has potential for more HVAC issues until the station is replaced/relocated.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

<b><i>Cost Estimate/Authorization Summary</i></b>	<b>Capital</b>	<b>Expense</b>	<b>Total</b>
<b>COST ESTIMATE</b>			
Original estimate	\$295,000	\$0	\$295,000
Cost increase	\$55,000		\$55,000
Revised cost estimate	\$350,000		\$350,000
<b>AUTHORIZATION</b>			
Previous authorizations	\$295,000	0	\$295,000
Current request for authorization	\$55,000	0	\$55,000
Total authorizations, including this request	\$350,000	0	\$355,000
Remaining amount to be authorized	\$0	\$0	\$0

***Annual Budget Status and Source of Funds***

This project is included in the 2019 – 2023 capital program under the Small Jobs Capital (CIP #C800100) Program. It was approved on March 22, 2019 and activated as a project April 7, 2019. The funding source is the Airport Development Fund. The impact on airline cost per enplaned passenger (CPE) is less than \$.01.

Meeting Date: October 22, 2019

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None