



Port of Alaska Modernization Program

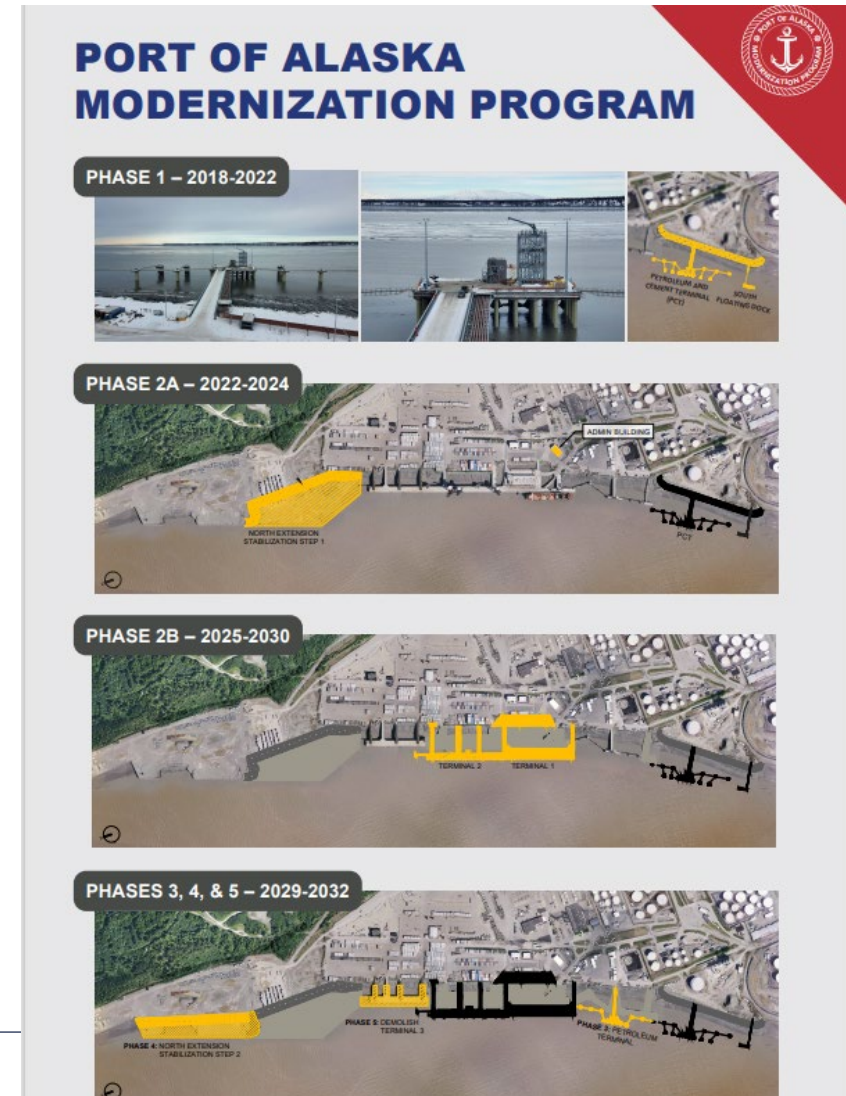
EUOC Work Session – April 7, 2023

- PAMP Items to go before the Assembly
 - Brief Program Update
 - Cargo Terminal 1 – Recommendation to Award Designer-of-Record (DOR) Contract
 - Admin Building - Requested Increase in Change Order Authority

Since 2022 Legislative Session

- Completed Petroleum and Cement Terminal (PCT) and South Floating Dock Construction
- Awarded a \$9 million design-build contract for the new Administration Building project
- Awarded a \$114 million design-build contract for the North Extension Stabilization - Step 1 (NES1) project
- Received a \$68.7M grant for NES1
- Completed preliminary design for the Cargo Terminals Replacement project
- Conducted bid process for DOR contract for new Terminal 1
- Continued permitting for NES1 and Cargo Terminals Replacement projects

**PORT OF ALASKA
MODERNIZATION PROGRAM**



PHASE 1 – 2018-2022

PHASE 1 images show construction of the Petroleum and Cement Terminal (PCT) and South Floating Dock. A diagram labels the 'PETROLEUM AND CEMENT TERMINAL, FLOATING DOCK (PCT)'.

PHASE 2A – 2022-2024

PHASE 2A image shows aerial views of the terminal area with labels for 'ADMIN BUILDING' and 'NORTH EXTENSION STABILIZATION STEP 1'.

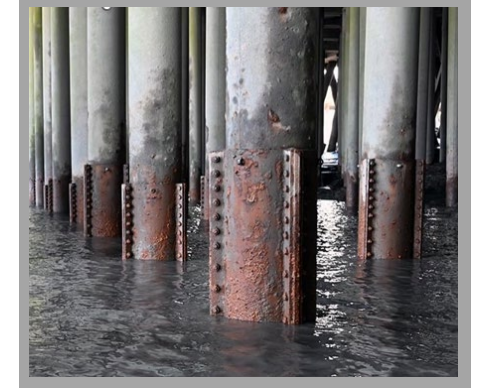
PHASE 2B – 2025-2030

PHASE 2B image shows aerial views of the terminal area with labels for 'TERMINAL 2' and 'TERMINAL 1'.

PHASES 3, 4, & 5 – 2029-2032

PHASES 3, 4, & 5 image shows aerial views of the terminal area with labels for 'PHASE 4 NORTH EXTENSION STABILIZATION STEP 2', 'PHASE 3 TERMINAL 3', and 'PHASE 5 PETROLEUM TERMINAL'.

Cargo Terminal 1: Designer-of-Record Contract



- **30% preliminary design complete – not impacted by POA’s proposed change to Terminal 2**
- **Scope includes cost studies of potential changes to the following: Seismic design criteria, location of stevedore buildings, and number of truck lanes**
- **Funding source: FY2023 State of Alaska Designated Legislative Grant No. 23-DC-045, \$25,000,000 awarded July 1, 2022**
- **Federal grant applications this year will focus on Cargo Terminals Replacement**
- **Recommendation to Award DOR Contract:**
 - Selected proposer: GHD-WSP
 - Contract terms have been negotiated and have been approved by MOA Legal
 - Contract Value – \$10.75 million plus 10% contingency Change Order Authority
 - On Assembly Meeting Agenda for April 11th
 - Design completion in 1Q 2024
 - Delaying award would delay Terminal 1 construction completion
 - Operating restrictions on existing terminals could come as early as 2025



Evaluation of Modified Seismic Design Criteria

DOR Task: Perform an engineering evaluation of the terminal design using ASCE 61-14 “controlled and repairable damage” seismic performance criteria in design earthquake (DE).

Deliverables:

- Terminal design engineering evaluation and preliminary details with “controlled and repairable damage” performance in design event.
- Concept-level cost estimate of potential construction cost savings at this performance state.
- Description of expected structural damage with the revised design.
- Explanation of the ability of the structure to carry service loads under emergency conditions in this performance state.
- Description of proposed inspection and repair plan for post-design seismic event.



Decision on Proposed Change



Change in seismic design criteria would represent a significant change to the current design, which is based on:

- Original 2014 GAC recommendation
- POA's 2016 interpretation, evaluation and recommendation
- PMO's and PCT Designer of Record's input
- Design Advisory Board's 2021 recommendation (AO 2021-056)

Proposed change may reduce base cost of construction, but may also present negative impacts:

- Design, permitting and construction delays
- Increased risk of earthquake damage
- Reduced reparability in the event of damage (potentially moving damage from above water to below water and mudline)

Change decision will need to consider what cost savings is worth these potential delays and risks



Admin Building – Request to Increase Change Order Authority

- Progress continues well despite delays caused by demolition debris buried at the site
- Initial contingency Change Order Authority would be more-than extinguished by debris excavation, removal and disposal costs
- Additional scope changes and value-adding services recommended by POA to expedite transition to the new building, which is critical to the commencement schedule for Terminal 1 construction
- Request additional Change Order Authority to cover the above changes, beyond the original contingency levels

Subterranean Debris at New Administration Building Site

- Debris encountered during water line excavation and pile testing.
- Debris appears to be rubble disposed after 1964 earthquake. No records of placement exist.
- Excavation and debris removal are complete. Helical foundation piles have now been installed.
- Offsite disposal of debris and contaminated soils pending approval.





Cost Summaries for Scope Changes

Excavation, Removal and Disposal of Demolition Debris

PREVIOUSLY EXECUTED CHANGE-ORDER:	
Excavation and Removal of Pile Obstructions	\$597,764.00
PENDING APPROVAL TO PROCEED:	
Disposal of Excavated Debris and Unsuitable/Contaminated Soils	\$265,000.00
TOTAL	\$862,764.00

Scope Upgrades and Additional Services

PENDING APPROVAL TO PROCEED:	
Garage Fire Protection (MOA insurer requires protection beyond codes)	\$284,232.00
Communications and Security Upgrades (MOA IT requirements beyond original scope)	\$517,514.00
Additional Site Paving (improving pavements adjacent to work site)	\$124,126.00
TOTAL	\$925,872.00

Contract Summaries

- Total Recommended Increase = **\$1,788,636**,
- Pending values represent Not-to-Exceed costs for each item
- These services need to be completed whether under this Contract or another
- Completing them under this Contract facilitates the transition to the new building and compresses the overall move schedule
- Funding source: FY2023 State of Alaska Designated Legislative Grant No. 23-DC-045, \$25,000,000 awarded July 1, 2022

Initial Base Contract Amount (AM 258-2022)	\$ 8,266,286.00
Change Order No. 1	\$ 69,443.00
Change Order No. 2	\$ 735,065.00
Total Authorized (Net Value of Contract)	\$ 9,070,794.00
Original Change Order Authority (AM 258-2022)	\$ 827,000.00
Change Order No. 1	\$ (69,443.00)
Change Order No. 2	\$ (735,065.00)
Change Order Authority Increase (Recommended)	\$ 1,788,636.00
Maximum Cost of Pending Scope Changes	\$ (1,190,872.00)
Total Remaining Contingency Change Order Authority	\$ 620,256.00

