

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>5d</u>
Date of Meeting	<u>June 25, 2013</u>

DATE: June 17, 2013
TO: Tay Yoshitani, Chief Executive Officer
FROM: Cassie Fritz, Manager, Seaport Project Management Support Services
SUBJECT: Project Control Services for Airport, Seaport and Real Estate Divisions

Amount of This Request:	\$0	Source of	Future project
Maximum contract value:	\$1,000,000	Funds:	authorizations and annual operating budget

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to execute a professional services indefinite delivery, indefinite quantity (IDIQ) contract for project control services in the amount of \$1,000,000 with a contract duration of three years and an ordering period of three years in support of upcoming capital improvement and major expense projects for Aviation, Seaport and Real Estate Divisions. There is no budget request associated with this authorization.

SYNOPSIS:

In the next few years, the Port of Seattle is embarking on several large development programs to fulfill business plan goals and Century Agenda objectives. Procuring a project control services IDIQ contract will allow the Port to meet the needs of the planned projects in a timely manner. One of the major factors in delivering a successful project is applying the appropriate level of project controls, and an IDIQ will allow the flexibility to staff as needed.

IDIQ contracts provide the Port with the flexibility to meet business requirements as they arise by issuing individual Service Directives to accomplish tasks within a general, pre-defined scope of work on an as-needed basis for a fixed period of time and a maximum contract amount.

Competitively procured IDIQ contracts are a widely used public sector contracting tool, consistent with the Port's Resolution No. 3605, as amended, and governed by CPO-1 policy. The public advertisement for these contracts will contain goals for inclusion of small businesses. Budgets to utilize these contracts will come separately from either annual operating budget or individual project authorizations.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

June 17, 2013

Page 2 of 2

PROJECT SCOPE OF WORK AND SCHEDULE:

Project Control Services may include tasks related to cost control, scheduling, cost estimating, risk analysis, reimbursable agreement tracking/invoicing, and project reporting.

Service Directives will be written with stipulated not-to-exceed amounts and will identify the scope of services. The contract will have a duration of three years; however, because there is a three-year ordering period, the contract duration may be extended to allow for work initiated during the contract ordering period to be fully implemented. Each service directive will specify the specific scope, duration, and schedule associated with the work.

FINANCIAL IMPLICATIONS:

The total estimated cost for project control services will not exceed \$1,000,000. No work is guaranteed to the consultants and the Port is not obligated to pay the consultant until a service directive is executed. After receiving authorization for each project in accordance with Resolution No. 3605, as amended by Resolution No. 3628, the actual work will be defined and the Port will issue individual project-specific service directives.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

Alternative 1) – Prepare separate procurements each time additional project controls service are required. This alternative would require many more procurement processes, add time to projects, and increase administrative costs in order to hire consultants for each project. This is not the recommended alternative.

Alternative 2) – Prepare a single procurement to contract with a project controls consultant for needs as they arise. This alternative would minimize the number of procurement processes necessary for timely completion of projects. **This is the recommended alternative.**

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

- None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

- None.