

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>6c</u>
Date of Meeting	<u>May 28, 2013</u>

DATE: May 20, 2013
TO: Tay Yoshitani, Chief Executive Officer
FROM: Wayne Grotheer, Director, Aviation Project Management Group
SUBJECT: Architectural IDIQ Contracts for Seattle-Tacoma International Airport

Amount of This Request: \$ 0

Source of Funds: Current and Future Operating Budgets; Future Individual Project Authorizations

Maximum Value of Contracts: \$3,000,000

Est. Jobs Created: 10

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to execute two professional services indefinite delivery, indefinite quantity (IDIQ) contracts for architectural services in the amount of \$1,500,000 per contract for a total of \$3,000,000 with contract ordering periods of three years in support of upcoming capital improvement projects at Seattle-Tacoma International Airport. There is no budget request associated with this authorization.

SYNOPSIS:

Airline needs are driving many near-term development projects at the Airport. It is necessary to have architectural design capability immediately available along with other associated team disciplines, such as electrical and structural engineering. 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.

BACKGROUND:

In January 2012, the Commission authorized a single Architectural IDIQ contract for \$4,000,000 in order to ensure commonality of design as many of the proposed projects were terminal-related and therefore needed commonality of design. The designer has not been able to keep up with the quantity of small project design services required to fulfill the business plan objectives. The list of associated projects has changed and there is a diminished need for commonality of design.

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Over the next few years, a number of projects are being planned and significant changes will be coming to the Airport to fulfill business plan objectives. Procuring additional Architectural IDIQ contracts will allow the Port to meet the needs of the planned projects in a timely manner. This is consistent with the incumbent's understanding of the Port procuring additional resources.

Most of the upcoming design work at the Airport is for smaller projects with quick turnaround requirements. In order to meet the service capacity and turnaround times needed, staff recommends that the Port contract with two additional architectural firms.

PROJECT STATEMENT AND OBJECTIVES:

The Port will advertise and issue a request for qualifications (RFQ) that includes a goal for small contractors and suppliers (SCS) participation determined by the Office of Social Responsibility. Although the projects are primarily architectural, the intent is for the architectural consultant to retain a multidisciplinary design team necessary to produce a complete design. The multidisciplinary approach and SCS goals will enable a variety of small businesses to participate during the selection processes.

The contract will have a contract ordering period (during which the design services may be separately authorized) of three years. The actual contract duration may extend beyond three years in order to complete the work identified in particular service directive(s). Service directives may be issued during the contract ordering period. The Port will not issue service directives in excess of the \$1,500,000 contract value.

Representative projects could include, but are not limited to, modifications to Satellite Transit System lobbies, concourse level improvements, passenger lounge upgrades, tenant relocations, information display design, and building remodel. It is anticipated that some of these projects and other non-identified projects will move forward for approvals during 2013, 2014 and 2015. It is also anticipated that not all of the projects listed will have designs initiated during the three-year contract ordering period. Projects not initiated during this period would be accomplished via separate future IDIQ or project-specific consultant selections.

PROJECT SCHEDULE:

It is estimated that these contracts will be executed by September 2013 and have a three-year ordering period. The contract duration may extend beyond that period to allow work begun earlier to be completed.

FINANCIAL IMPLICATIONS:

The total estimated cost for design services will not exceed \$3,000,000. Each contract will have a not-to-exceed threshold of \$1,500,000. 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, the actual work will be defined and the Port will issue individual project-specific service directives.

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ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

Alternative 1 – Prepare two procurements, one for each architectural contract. This alternative would require more procurement processes and add time and increase administrative costs in order to hire two consultant design teams. This is not the recommended alternative.

Alternative 2 – Prepare separate procurements for each project. This alternative would require many more procurement processes, add time to projects, and increase administrative costs in order to hire consultant design teams for each project. Project integration would be more difficult to achieve. This is not the recommended alternative.

Alternative 3 – Prepare a single procurement to contract with two architectural firms for identified design needs as they arise. This alternative would provide a higher degree of integrity in design for construction and 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:

- On January 10, 2012, the Commission voted to authorize the execution of a professional services indefinite delivery, indefinite quantity contract for architectural services.