

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

**COMMISSION AGENDA**  
**ACTION ITEM**

**Item No.** 4f  
**Date of Meeting** November 11, 2014

**DATE:** October 24, 2014  
**TO:** Theodore Fick, Chief Executive Officer  
**FROM:** Ralph Graves, Managing Director,  
Janice Zahn, Assistant Director, Engineering Services  
**SUBJECT:** Engineering Special Testing, Inspection and Investigation IDIQ

<b>Amount of This Request:</b>	\$0	<b>Source of Funds:</b>	Future project authorizations and annual operating budget
<b>Maximum contract value:</b>	\$2.5 million		

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to execute up to three (3) indefinite delivery, indefinite quantity (IDIQ) consulting agreements for cumulative total amount not to exceed \$2.5 million for services related to special testing, inspection and investigation services in support of Port projects. No funding is associated with this request.

**SYNOPSIS**

Staff anticipates issuing up to three IDIQ contracts to provide special testing and inspection consultant services to support construction projects for all core business units. Special testing and inspection services may include concrete strength tests, soil density testing, and structural steel testing.

With the fluctuating project workload, 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. The Port's Office of Social Responsibility will assist in identifying any small business opportunities prior to the time of public advertisement.

**BACKGROUND**

In December 2014, the Port intends to advertise for a Special Testing, Inspections and Investigations IDIQ contract. The goal is to have the three (3) service agreements in place by April 2015 when we anticipate utilizing most of the current IDIQ contracts' remaining contract value.

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This authorization will only authorize the execution of the contract. A service directive will be issued for each project authorizing the consultant to perform a specified scope of work only after staff has received authorization for the project in accordance with Port policies and procedures. The cumulative total not-to-exceed cost for three Construction Management Special Testing, Inspection and Investigations contracts is \$2.5 million with a three-year contract ordering period.

## **PROJECT JUSTIFICATION AND DETAILS**

### ***Scope of Work***

Within the next three years, over 65 projects are identified as having construction costs over \$300,000. To support the special testing, inspection and investigation services (e.g. – concrete strength tests, soil density testing and structural steel testing) on these projects, a request for proposal (RFP) would be issued to execute multiple IDIQ contracts to provide special testing and inspection services. The types, numbers, amounts, and durations of consultant services are established based on projected needs of the Capital Improvement Programs for Aviation, Seaport, and the Real Estate divisions.

The RFP will include goals for small business participation. Each contract will have a contract ordering period of three years during which the services may be separately authorized. The actual contract duration may extend beyond three years in order to complete the work identified in a particular service directive. The Port will not issue service directives in excess of each contract's value or after expiration of the contract ordering period.

### ***Schedule***

The goal is to have three (3) service agreements in place by April 2015 as the current IDIQ Contracts have expended close to 75% of their current funding.

## **FINANCIAL IMPLICATIONS**

### ***Budget Status and Source of Funds***

There is no funding request associated with this authorization. Individual service directives will be executed to authorize the Consultant to perform any specific work on the contract against approved project authorizations.

## **STRATEGIES AND OBJECTIVES**

Promote local business through efficient and cost effective use of consultants to provide specialized services for Port design and construction projects.

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1)** – Procure individual project specific contracts - This alternative would require the lengthy and costly process of selecting consultants for each task, thus requiring increased lead time, additional management oversight, additional administrative preparation, and increased

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advertising fees. This is not a viable alternative if the Port is committed to best practices for capital project delivery and meeting our business sponsor needs. This is not the recommended alternative.

**Alternative 2)** – Delay the advertisement and award of these IDIQ contracts. Existing contracts are near their contract funding limits and have expended almost 75% of their current funds available. Delays in contract procurement may cause project impacts, schedule delays, and increased costs. This is not the recommended alternative.

**Alternative 3)** – Advertise and execute up to three (3) IDIQ services agreements to allow for the efficient and cost effective use of consultants to provide the technical services required by Engineering. **This is the recommended alternative.**

**Alternative 4)** – Do nothing. Construction would be non-compliant with project and permit requirements.

## **ATTACHMENTS TO THIS REQUEST**

- None

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- None