

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

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

**Item No.** 4d  
**Date of Meeting** May 12, 2015

**DATE:** May 4, 2015  
**TO:** Ted Fick, Chief Executive Officer  
**FROM:** Wayne Grotheer, Director, Aviation Project Management Group  
David Soike, Director, Aviation Facilities & Capital Programs  
**SUBJECT:** Indefinite Delivery Indefinite Quantity (IDIQ) Service Agreement for 3<sup>rd</sup> Party Commissioning Agent

**Amount of This Request:** \$0      **Source of Funds:** Current and Future Operating Budgets;  
**Maximum Value of Contract:** \$4,000,000      Future Individual Project Authorizations

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to execute two IDIQ contracts for a 3<sup>rd</sup> Party Commissioning Agent with a total maximum value of \$4 million for the Port of Seattle.

**SYNOPSIS**

Third Party Commissioning ensures that complex electrical and mechanical systems such as the C4 UPS project, CTE HVAC project, Main Terminal Low Voltage project, Standby Power project, and SCADA project are delivered with optimal operational effectiveness. This request authorizes the CEO to execute contracts with two firms for 3rd Party Commissioning Agent services. No funding is associated with this request.

The Aviation Project Management Group has identified nearly \$90 million in capital improvement projects that will require the use of a 3<sup>rd</sup> Party Commissioning Agent. Evaluation of the options resulted in IDIQ contracts being selected as the best method to secure necessary services.

The contracts will be available to meet the needs of the Maritime, Economic Development, and Aviation Divisions, as well as for Alliance properties. The proposed IDIQ contracts will allow the Port to respond to future service needs efficiently and cost effectively. The project manager will coordinate with the Office of Social Responsibility to identify opportunities for small business participation prior to the public advertisement of the IDIQ. The International Arrivals Facility and NorthSTAR projects will separately procure their own 3<sup>rd</sup> party Commissioning Agent services contracts. This action does not impact the Sustainable Airport Master Plan (SAMP).

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## **PROJECT SCOPE OF WORK AND SCHEDULE**

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

The IDIQ contracts will be procured according to Port policies and procedures in accordance with Resolution No. 3605, as amended, and procurement policy CPO-1. The Port will advertise and issue a request for qualifications that will include a goal for small business participation. The contracts will be written with specific not-to-exceed amounts and identify the services required. Each contract will have a contract-ordering period (during which the services may be separately authorized) of three years. The actual contract duration may extend beyond three years in order to complete work identified in particular service directives. Service directives may be issued during the contract-ordering period and within the total original contract value.

These IDIQ contracts will retain the services of two 3<sup>rd</sup> Party Commissioning Agent firms that will develop commissioning plans, schedules and documentation and conduct field investigations pertaining to the overall commissioning process for projects in the CIP, or any other projects that interface with Port central mechanical and electrical systems. The International Energy Code and Washington State Energy Code require commissioning of certain energy using systems, equipment and facilities. The 3<sup>rd</sup> Party Commissioning Agent will assist the Port in assuring that the projects comply with the requirements of these codes. United States Green Building Council requires commissioning of certain energy using systems, equipment and facilities for all projects and facilities seeking Leadership in Energy & Environmental Design (LEED) Certification, if LEED certification is desired.

### ***Schedule***

It is estimated that the contracts will be executed by 3<sup>rd</sup> quarter of 2015, and have a three-year ordering period with a one year option. Each service directive will specify the duration and schedule associated with the task or tasks involved.

## **FINANCIAL IMPLICATIONS**

No work is guaranteed to the consultant and the Port is not obligated to pay the consultant until a service directive is executed. The budget for work performed under this contract will come from individual authorizations for capital project work. Consequently, there is no funding request associated with this authorization.

## **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 and within the total contract amount.

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## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

### **Alternative 1) – Separate Procurement for Each Project**

Pros:

- Separate contracts would allow consulting firms multiple opportunities to compete for each individual project.

Cons:

- This alternative is inefficient use of port resources and staff time and does not leverage the Port's contracting methods. It would increase overhead and administrative costs to the Port, as we would need to manage more procurement processes and contracts.
- This alternative may add time to each project schedule to complete the procurement process for each individual project and would impact the ability to meet project and customer needs.
- Costs to the consulting companies may increase as they would be responding to multiple procurements.

This is not the recommended alternative.

### **Alternative 2) Establish IDIQ contracts with two 3<sup>rd</sup> Party Commissioning Agent firms**

Pros:

- Selecting two firms allows for multiple CIP projects that have the need for a 3<sup>rd</sup> Party Commissioning Agent to have the resources available and provides multiple firms the opportunity to work for the Port of Seattle.
- This alternative reduces costs in staff time and overhead for each CIP in that the solicitation, negotiations and contracting for the 3<sup>rd</sup> Party Commissioning Agents services has already been completed and each CIP project need only budget for the Commissioning Agents services.
- This alternative is the most efficient use of Port resources and staff time.
- This alternative leverages the Port's contracting methods.
- Port projects seeking a LEED certification will be able to use either of these two firms.

Cons:

- This alternative would limit the number of opportunities available to firms to compete for work.

This is the recommended alternative and provides the Port of Seattle with the most cost effective method to ensure all CIP projects have 3<sup>rd</sup> Party Commissioning Agent support as required.

## **ATTACHMENTS TO THIS REQUEST**

- None

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## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- None