

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4g
Date of Meeting October 13, 2015

DATE: September 23, 2015
TO: Ted Fick, Chief Executive Officer
FROM: Brick Spangler, Environmental Program Manager, Maritime Environmental and Planning
Kathy Bahnick, Manager, Maritime Environmental and Planning
SUBJECT: Upland and Sediment Environmental Site Management and Investigation Support Services Indefinite Delivery, Indefinite Quantity Agreements

Maximum Value of Contracts: \$2,000,000

ACTION REQUESTED

Request Commission Authorization for the Chief Executive Officer to execute up to two personal services indefinite delivery, indefinite quantity (IDIQ) contracts for consultant support for environmental services in support of potential future environmental investigations and remediation activities totaling no more than \$2,000,000 with a three-year contract ordering period. No funding is associated with this request.

SYNOPSIS

Port Environmental Programs provide and manage remediation liability and environmental regulation support services for the Maritime, Economic Development, Aviation, and Capital Development Divisions and the Northwest Seaport Alliance (Alliance). The service agreements resulting from this request will allow the Port to respond to a range of environmental investigation, characterization and remediation needs.

Existing open-order environmental services agreements are due to expire in March 2016. In order for Environmental Programs to continue to provide these services, new contracts with environmental technical and consultant services providers are needed. The contracts will be managed by the Maritime Environmental Program but will be available for use by other Port Divisions and the Alliance.

This request is only for contracting authority; funding will be authorized by the Commission under the annual environmental remediation liabilities authorization process or through project-specific authorizations.

We are reviewing the contract scope of work with the Office of Social Responsibility (OSR) to identify small business subcontracting availability for these contracts. Small business subcontracting requirements will be established and stated in the solicitation.

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CONTRACT SCOPE OF WORK AND SCHEDULE

Scope of Work

The purpose of these proposed contracts is to provide timely, cost-effective consulting services necessary to perform remediation-related assessments, investigations and other related activities to understand potential liability associated with contamination present at a current or potential future Port Facilities. These remediation-related assessments and investigations primarily address contaminated sites regulated under the State's Model Toxics Control Act or Federal Superfund program (CERCLA) requiring specialized services addressing the technical and regulatory needs of these regulations.

IDIQ contracts provide the Port's Environmental Programs with flexibility to meet the regulatory requirements and perform necessary assessments. Issuing individual service directives on an as-needed basis, within a general pre-defined scope of work for a fixed period of time and a maximum contract amount will enable the Port to accomplish these tasks. Competitively bid IDIQ contracts are a widely used public sector contracting tool, consistent with the General Delegation of Authority and governed by the CPO-1 policy.

In addition to this proposed IDIQ, Port staff are proposing an Environmental Construction Support Services IDIQ, under a separate commission authorization request (Item No. 4f) that is focused on management of construction waste and other regulated materials generated by operating facilities. Expertise is required in materials management under state and federal solid waste regulations. Personnel required to meet these two IDIQ requirements are significantly different. Combining these two procurements was considered in acquisition planning. A single procurement would result in larger contract with multiple specialty subcontractors. Two separate procurements was selected in order increase ability to select, avoid prime contractor management fees and provided direct access the specialized services required.

Schedule

Contracts should be executed by February 2016 in order to have a transition period between these new contracts and the current ones. The new contracts will have a five-year ordering period. Each service directive will specify the duration and schedule associated with the task or tasks involved.

FINANCIAL IMPLICATIONS

Charges to these contracts will be from projects separately authorized. There is no funding request as part of this authorization since the budget for this requested action will be authorized in the annual Environmental Remediation Liability (ERL) program authorization requests. All costs will be accounted for as environmental remediation liabilities and charged to expense in accordance with Port Policy AC-9. The tax levy is the primary funding source.

TRIPLE BOTTOM LINE

State and federal laws require elimination of unacceptable levels of environmental risk caused by the presence of contaminants in soil, groundwater, and sediment. From the perspective of the surrounding communities and the customers that we serve, the Port's participation in site remediation is the hallmark of responsible environmental stewardship. Cleanup also returns

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contaminated land to a more productive use. Regarding small business participation, the Office of Social Responsibility (OSR) will provide analysis and recommend or require Small Contractors and Suppliers (SCS) participation in accordance with the Port's small business policy (Resolution No. 3618).

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) – Project work completed by adding Port staff

Pros:

- Adding new Port staff to complete these potential projects would reduce the Port's reliance on outside service contracts and increase the Port's technical capacity to respond to our internal customers in the long term.

Cons:

- The level of effort and expertise requirements for the potential project work to be completed under this IDIQ is unknown at this time. Therefore, determining proper staff needs to complete this work is not feasible.
- This alternative would add several months to each project schedule to hire or reallocate current staff for each individual project and would impact the ability to meet project and customer needs.
- Potential project work under this IDIQ would most likely require specialized environmental sampling equipment that the Port does have access to due to the associated capital and maintenance cost.

This is not the recommended alternative.

Alternative 2) – Separate procurement for each project

Pros:

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

Cons:

- This alternative would increase overhead and administrative costs to the Port, as we would need to manage more procurement processes and contracts.
- This alternative may add several months 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 company may increase as they would be responding to multiple procurements.

This is not the recommended alternative.

Alternative 3) – Prepare a single procurement for two IDIQ contracts

Pros:

- Prepare a contract with up to two firms for identified needs as they arise. This alternative would ensure the Port has the necessary professional and technical resources available to assist in time-critical evaluations and delivery of future projects, and that small business participation is part of the criteria.
- This alternative would minimize the number of procurement processes necessary for timely completion of projects and reduce overhead and administrative costs to the Port.

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Cons:

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

This is the recommended alternative.

ATTACHMENTS TO THIS REQUEST

- None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None