

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	4d
Date of Meeting	June 28, 2016

DATE: June 15, 2016
TO: Ted Fick, Chief Executive Officer
FROM: Julie Collins, Senior Director, Public Affairs
SUBJECT: Service agreement for Facilitation and Project Management Services IDIQ contracts

Amount of This Request: \$1,500,000

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute two contracts for facilitation and project management services involving complex business or public policy issues, for a cost not to exceed \$1,500,000 and duration of up to three years. There is no funding request associated with this authorization.

SYNOPSIS

The Port has occasions where an expected need emerges around a complex issue or business project and it becomes necessary to hire a consultant to provide facilitation services. For Public Affairs, this may involve unanticipated policy developments that require specialized expertise or management of a complex short-term project.

IDIQ contracts provide the Port with 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. Port staff are coordinating with the small business team within Economic Development Divisions to determine whether the Port will set aside one of the contracts and/or establishing small business subcontracting goals. Funding of services under this contract will come separately from annual operating budget.

BACKGROUND

There are several situations where Public Affairs or other Port departments may need to retain the services of a consultant. The use of consulting services may occur because they bring unique knowledge or specialized experience that Port staff may not possess. In other situations, an issue may emerge unexpectedly and Port staff might not have the ability to shift other responsibilities to assume this new work. Another example where project facilitation services are valuable is when there are conflicting viewpoints among stakeholders or sensitive issues that require the expertise of a skilled facilitator who may also serve the role as an objective third-party.

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

June 15, 2016

Page 2 of 4

Over the past two years, the Port has utilized consultants in such circumstances including: managing the due diligence work associated with the formation of The Northwest Seaport Alliance, facilitating a process to seek stakeholder alignment in the advancement of the International Arrivals Facility project, and for project management in the short time-frame work related to the vacation of Occidental Avenue.

PROJECT JUSTIFICATION AND DETAILS

This approach will put a proactive system in place to address the inevitable need, which arises from time-to-time, for urgent consulting assistance.

Scope of Work

The consultant will assist the Port in facilitating and/or managing projects that involve complex business or public policy issues.

The consultant assistance may include the activities including:

- Clarifying desired project/issue outcomes
- Identifying key stakeholders
- Assessing stakeholder perspectives
- Framing potential challenges and opportunities

Additional consultant work could also include:

- Meeting facilitation
- Conducting surveys/interviews, and developing recommended options, processes
- Strategies or systems to accomplish the objective of the project/issue

Deliverable will be negotiated at the time of service directive and may include:

- Presentation materials, including PowerPoint
- Contact list and summaries of outreach efforts
- Meeting handouts or other materials
- Survey material, comment cards or other feedback forms
- Summary of meeting activities, including public comments, data from feedback forms, etc.
- Other documents needed to support tasks authorized under service directives, as directed by Port staff.

Schedule

It is estimated the contract will be executed in fourth quarter 2016.

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

June 15, 2016

Page 3 of 4

FINANCIAL IMPLICATIONS

There is no funding request associated with this authorization. The total estimated cost for both contracts is \$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.

STRATEGIES AND OBJECTIVES

The purpose of this contract is to proactively plan for the consulting resources necessary for a rapid response to an unexpected issue or situation. The strategic rationale for this contract is to ensure the Port has access to highly knowledgeable and experienced facilitation and project management services in a timely manner.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Contract for facilitation consultant on a project-by-project basis.

Cost Implications: Increase in costs due individual additional procurements.

Pros:

- (1) Separate contracts will provide multiple opportunities for consulting firms to compete for work.
- (2) Flexible staffing resources.

Cons:

- (1) This alternative would require additional time and cost to procure a consultant for each project, requiring additional lead time, management oversight, additional administrative preparation.
- (2) Consultant firms may need to spend more time and money responding to individual project based procurements.
- (3) This alternative may lead to more non-competitive contracts.

This is not the recommended alternative.

Alternative 2 – Reduce the contract amount and retain a public affairs-only focus.

Cost Implications: Initial contract value will be less because we only cover public affairs needs.

Pros:

- (1) Public affairs-oriented issues frequently emerge without warning, so being able to at least address this area of need would be an improvement over Alternative 1.

Cons:

- (4) Other departments also have needs for such readily-available consulting services and would still have to rely on a separate procurement process for each situation. This

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

June 15, 2016

Page 4 of 4

alternative would require additional time and cost to procure a consultant for each project, requiring additional lead time, management oversight, additional administrative preparation.

- (5) Consultant firms may need to spend more time and money responding to individual project based procurements.
- (1) This alternative may lead to more non-competitive contracts.

This is not the recommended alternative.

Alternative 3 – Establish two contracts for a total of \$1,500,000 for facilitation and project management services port-wide.

Cost Implications: \$1,500,000.

Pros:

- (1) This provides a competitive process to establish multiple contracts and assures the Port has critical consultant service available on short notice.
- (2) Retain consultant to perform specific work on service directives in an expeditious manner since the contract and base prices will already be established. Port will only need to negotiate specific scope and associated fee.

Cons:

- (1) Less opportunities for firms to compete for various projects.
- (2) Staff may rely too heavily on readily-available consulting services rather than first exploring less-cost options.

This is the recommended alternative.

ATTACHMENTS TO THIS REQUEST

- Computer slide presentation.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None.