



**COMMISSION
AGENDA MEMORANDUM**

Item No. 4b

ACTION ITEM

Date of Meeting October 24, 2017

DATE: October 13, 2017

TO: Dave Soike, Interim Executive Director

FROM: Ralph Graves, Senior Director, Capital Development
Dwight Rives, Director, Port Construction Services

SUBJECT: IDIQ Contract for Regulated Materials Management Support Services

Amount of this request: \$0

Total estimated project cost: \$1,500,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute three indefinite delivery, indefinite quantity (IDIQ) contracts for regulated materials management services to support project, operational and safety needs of all Port Divisions and the Northwest Seaport Alliance. The contracts will not exceed \$500,000 each, for a total amount not to exceed \$1,500,000. There is no budget request associated with this authorization. Each contract will have an ordering period of three years.

EXECUTIVE SUMMARY

This memorandum requests authorization to execute contracts with consulting firms to provide the Port with regulated materials management (RMM) support at Port of Seattle and Northwest Seaport Alliance facilities. Regulated materials (e.g., asbestos, lead and other heavy metals, PCBs, refrigerants) are managed by the Port RMM Program. Services related to industrial hygiene (historically included in RMM service agreements) will be procured separately to attract more small businesses to propose.,

The primary concerns of the RMM Program are:

- (1) The health and safety of the public and Port employees, tenants and contractors;
- (2) Regulatory compliance during routine Port operations; and
- (3) Regulatory compliance during construction or maintenance projects.

The Port RMM Program is implemented by a team of qualified Port staff in Port Construction Services (PCS) and Marine Maintenance. The RMM Program also requires a variety of RMM consulting services in order to achieve regulatory compliance and a safe working environment.

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These services include:

- (1) Regulated materials program management
- (2) Regulated materials surveys or “good faith” inspections
- (3) Regulated materials abatement design services
- (4) Regulated materials project and abatement monitoring services

Charges to the proposed RMM Support Services contracts will be funded by projects that have previously been authorized by the Commission under separate requests. Consequently, there is no budget or funding request associated with this authorization.

JUSTIFICATION

Regulated materials (asbestos, lead and other heavy metals, PCBs, mold, refrigerants) must be managed by building owners in accordance with a complex and comprehensive set of federal, state and local regulations. Port Construction Services (PCS) manages the Port’s Regulated Materials Management (RMM) Program using a combination of Port staff from PCS and Marine Maintenance, and specialized consultants who are well versed in regulatory issues and industry standards for RMM.

Prior to any construction, demolition, renovation or maintenance project, the Port is required to perform a “good faith” inspection to determine if asbestos or other regulated materials will be disturbed by the work. Hazards in the work area must then be communicated to individuals with the potential for exposure in the form of reports and awareness training. During projects that disturb regulated materials, continuous third-party monitoring is necessary to maintain regulatory compliance and a safe environment for staff, tenants, contractors and the public.

The scope of services in these contracts will allow the Port of Seattle and Northwest Seaport Alliance to achieve these safety objectives and ensure regulatory compliance.

These contracts will also contribute to the Port’s Century Agenda goal to promote small business growth. In accordance with recommendations from the Small Business Office, the solicitation will include small business goals and small business participation will be considered in the evaluation of proposals.

Small Business

Small business participation is a priority for this procurement. To that end, services related to industrial hygiene (historically included in RMM service agreements) will be procured separately (i.e., IDIQ contract for \$150,000). The Port will select 3 to 5 firms to participate in this process, and will award the contract to a small business if possible. In addition, this RMM procurement and the referenced industrial hygiene procurement will be presented at a future PortGen event.

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DETAILS

The Port RMM Program is implemented by a team of qualified Port staff in PCS and Marine Maintenance. The program also requires a variety of RMM consulting services in order to achieve regulatory compliance and a safe working environment.

RMM consulting needs cannot be defined far enough in advance to allow the Port to issue project specific contracts. Indefinite delivery, indefinite quantity (IDIQ) contracts provide the Port with the flexibility to meet RMM needs as they arise. Individual service directives are issued to accomplish specific RMM tasks, on an as-needed or on-call basis, for a defined period of time, up to a defined dollar amount. Competitively bid IDIQ contracts are a widely used public sector contracting tool, and are consistent with the Port of Seattle Policy for Consulting Services, CPO-1, rev 4/1/16.

Scope of Work

The intent of these IDIQ contracts will be to provide comprehensive RMM support services for all Port of Seattle and Northwest Seaport Alliance facilities. Regulated materials will include, but will not be limited to:

- (1) Asbestos,
- (2) Lead and other heavy metals,
- (3) PCB light ballasts,
- (4) Universal waste lamps,
- (5) PCB transformers,
- (6) PCB caulking, and
- (7) Refrigerants.

RMM support services will include, but will not be limited to:

- (1) Regulated materials surveys (good faith inspections)
- (2) Regulated materials design services (including abatement plans and specifications)
- (3) Abatement cost estimating
- (4) Abatement project monitoring and project oversight inspection services
- (5) Contractor quality control monitoring and inspections
- (6) Construction management support services (including project scheduling, project coordination assistance, document review, and project closeout assistance)
- (7) Support and coordination of RMM work for Operations and Maintenance (O&M) activities and capital projects
- (8) Construction Safety Plan reviews and on-site safety inspections of construction projects and sites.
- (9) On-site safety training including: asbestos, lead and silica awareness.

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Schedule

Per the procurement schedule developed by the Central Procurement Office, the execution date for these contracts is expected to be in February 2018. Each contract will have an ordering period of three years, ending in February 2021.

Activity

Commission authorization	2017 Quarter 4
Procurement complete	2018 Quarter 1
Contract ordering period start	2018 Quarter 1
Contract ordering period end	2021 Quarter 1

Cost Breakdown

Charges to these contracts will be funded by projects that have previously been authorized by the Commission under separate requests. Consequently, there is no budget or funding request associated with this authorization.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Prepare a separate procurement for each of the above services.

Pros:

- (1) Smaller scopes of work reduce contract amounts and the resources needed to procure each contract.
- (2) Higher potential for small business participation with smaller scopes of work.

Cons:

- (1) The dollar amount associated with each individual RMM service may not require a competitive procurement process for each contract.
- (2) Scopes of work may be too small and reduce interest from potential bidders.
- (3) This option would not be the most efficient use of Port resources, as it would result in procurement and management of multiple low dollar contracts for related services.

This is not the recommended alternative.

Alternative 2 – Provide the necessary services with Port staff.

Pros:

- (1) Around-the-clock coverage for regulated materials issues.
- (2) Consistent report formats for good faith inspections, abatement closeout reports and other air monitoring reports.

Cons:

- (1) During project work, the Port often experiences spikes that require around-the-clock coverage. Providing Port staff to that could respond to these needs on an on-call basis would require PCS to hire additional full-time staff for swing and graveyard shifts. Since the need for these services is intermittent and dependent on project schedules,

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there would be periods of time where these individuals would not have work. As full-time employees, they would be paid a salary regardless. This would not be an efficient use of the Port's resources.

- (2) Some of the referenced work requires specialized certifications that are not practical for Port staff to maintain.
- (3) Consultants provide a form of "third party insurance" by verifying regulated materials controls and abatement work on behalf of the Port. This minimizes the Port's risk associated with RMM work. Providing Port staff to perform verification would eliminate the benefits of third party verification.

This is not the recommended alternative.

Alternative 3 – Prepare one Category III Procurement that includes all of the above services in the scope of work, and issues three indefinite delivery, indefinite quantity (IDIQ) contracts.

Pros:

- (1) This alternative ensures a competitive process.
- (2) This alternative provides Port staff with the information and tools needed to respond in a timely manner for requested services.
- (3) This alternative provides the resources to cover multiple projects simultaneously.
- (4) This alternative allows for intermittent coverage as dictated by project needs.

Cons:

- (1) Lower potential for small business participation. However, participation by sub-contractors (e.g., laboratories) that are small businesses is likely.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Charges to these contracts will be funded by projects that have previously been authorized by the Commission under separate requests. Consequently, there is no budget or funding request associated with this authorization.

ADDITIONAL BACKGROUND

In 2015, the Port issued three contracts (\$500,000 each) for similar services. One of these contracts will expire on February 1, 2018; the other two will expire on April 1, 2018.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None