

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

**COMMISSION AGENDA**

**Item No.**  
**Date of Meeting**

5d  
June 9, 2009

**DATE:** May 12, 2009

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Raymond P. Rawe, Director, Engineering Services

**SUBJECT:** Advertise and execute a group of ID/IQ (Indefinite Quantity – Indefinite Delivery) Service Agreements to support the Engineering department

**ACTION REQUESTED**

Authorization for the Chief Executive Officer to advertise and execute a group of ID/IQ (Indefinite Quantity – Indefinite Delivery) Service Agreements to support the seven scopes of work for the Engineering department.

**SYNOPSIS**

CPO-1 allows the Port to execute ID/IQ Projects types of Service Agreements to provide Consultant services to meet Port needs. Existing open order Service Agreements are expiring within the next several months. In order to provide Consultant services to support capital project delivery needs, new contracts are necessary. These series of Service Agreements will be procured within the limits of CPO-1, with Service Directives executed to authorize work for specific projects. This action authorizes forming “empty” contracts: funds for work under the contracts will be approved as part of Operating Budgets or on a project basis.

**BACKGROUND**

The number of outside technical Services Agreements that the Port enters into is substantial and there is a significant amount of effort and time required to process each agreement. As an example, some of the administration activities required include: long lead time advertisements, consultant interviews, consultant selection and negotiation, contract preparation, and insurance requirements. These activities inhibit rapid response and reduce the management and staff time available for other engineering and construction activities. Significant economics and efficiencies can be obtained by reducing the number of selection processes. Over 100 total projects are identified as having committed costs for identified for the next three years.

The ID/IQ type of Service Agreements contracts take advantage of these efficiencies and consolidate multiple tasks into one consultant agreement. The name of this type of contract (ID/IQ) is borrowed from federal contracting practices. This open order type of contract

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approach is common among many public agencies, such as the Corps of Engineers, U. S. Coast Guard, Washington State Department of Transportation and King County. This type of contract is also a good vehicle for new businesses and small businesses interested in doing business with the Port to showcase their firm's capabilities.

ID/IQ contracts will be procured according to the process detailed in CPO-1, which became effective January 31, 2009. The contracts will be written with specific not-to-exceed amounts and for a maximum of three years. Individual Service Directives will be negotiated and processed before any work is performed. Service Directives, consisting of a Scope, Fee Agreement and Schedule, will not be established until the project has been approved in accordance with Resolution 3605.

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

In June 2009, Engineering Services plans to advertise for a series of ID/IQ contracts. The goal is to have these Service Agreements in place by the end of August 2009.

Each contract will have a separate Request for Qualifications (RFQ) prepared and advertised sequentially. Each RFQ will include goals for small business participation. Each design contract will have a Contract Ordering Period (during which the design services for the listed projects may be separately authorized) of three years. .

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 individual selection committees can award multiple smaller contracts within the requested amounts listed below based upon the consultant submittals and Port goals for small business opportunities.

Service Agreements anticipated for solicitation by Engineering include:

Construction Testing and Inspection	\$ 600,000
Construction Safety	\$ 200,000
Construction Safety Training	\$ 15,000
Construction Auditing Services	\$ 250,000
Survey	\$ 300,000
Utility Locate Services	\$ 200,000
Document Control Services	\$ 200,000

### **ALTERNATIVES CONSIDERED/RECOMMENDED ACTION**

1. Do nothing - Under this alternative the Port's Engineering Department would not proceed with advertising and awarding ID/IQ type of Services Agreements. 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 advertising fees. This is not a viable alternative if the Port is committed to

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Best Practices for capital project delivery and meeting our business sponsor needs.

2. Delay the advertisement and award of these ID/IQ contracts. Existing contracts are near their contract limits or are set to expire by the summer of 2009. Delays in contract procurement may cause suspension of work assignments, project impacts, schedule delays and increased costs.
3. **Advertise and execute ID/IQ 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.**

### **FINANCIAL IMPLICATIONS:**

#### *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.

### **ENVIRONMENTAL SUSTAINABILITY/COMMUNITY BENEFITS:**

These ID/IQ contracts create opportunities for small businesses participation.

### **PROJECT SCHEDULE:**

The ID/IQ contracts will be limited to the three (3) year duration allowed by the CPO-1 policy and will be defined in the solicitation documents.