

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

**COMMISSION AGENDA**

**Item No.** 5d

**Date of Meeting** April 14, 2009

**DATE:** March 18, 2009

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

**FROM:** Stephanie Jones Stebbins, Senior Manager, Seaport Environmental Programs  
Kathy Bahnick, Senior Program Manager, Seaport Environmental Programs

**SUBJECT:** Authorization to transfer \$750,000 from Aviation to Seaport Remediation Open Order Authorization

**ACTION REQUESTED:** Request for authorization for the Chief Executive Officer to transfer \$750,000 from Aviation to Seaport Remediation open order authorization

**SYNOPSIS**

In 2004, Seaport Environmental Programs and Aviation Environmental Programs conducted Category C procurement (RFQ 040017) for a broad array of on-call environmental consulting services. Contracts were established with a roster of selected consultants. The total value of the contracts was \$11,750,000; \$7,500,000 was allocated to the Seaport and \$4,250,000 to Aviation. As of March 1, 2009, Aviation Environmental Programs estimates that it will not spend \$750,000 of its allotment. Seaport Environmental Programs, on the other hand, is in need of additional contracting authority to continue required work under agreed orders that have been contracted.

Seaport Environmental Programs requests authorization to transfer \$750,000 of the original authorization from Aviation to Seaport. The requested transfer will not modify the original authorized amount, but will only increase the Seaport Environmental Programs allocation to \$8,250,000 and reduce the Aviation Environmental Programs allocation to \$3,500,000.

**BACKGROUND**

In June 2004, Commission approved the advertisement and award of a series of outside Professional Service agreements (PSAs) for consulting services for environmental investigation and remediation open order contracts. This authorization was for PSAs in support of both Aviation and Corporate Divisions for a total aggregate amount of \$11,750,000 through the end of calendar year 2009. At that time, Seaport Environmental Programs was under Corporate as part of the Health, Environmental and Risk Management group. The estimated split of costs between Corporate and Aviation was \$7,500,000 and \$4,250,000 respectively. The Corporate

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Environmental Group entered into 14 agreements under this procurement. The agreements ranged from full service contracts to small specialty contracts. Of the 14 consultants selected, seven were small businesses. The amount currently contracted for this work under the existing Seaport Environmental Programs open order contracts is \$7,490,761 and Aviation Environmental Programs has a current contract value of \$3,300,900. In order to complete ongoing work being performed under the existing Seaport contracts, we would like to transfer \$750,000 from the Aviation authorization to Seaport. Under currently known conditions and current cost estimates, Aviation does not anticipate spending this part of the original allocated authorized amount.

### **PROJECT DESCRIPTION/SCOPE OF WORK**

A large portion of the work being performed under these contracts are for work being conducted under Agreed Orders for T117, T30 and T91; source control work for the Lower Duwamish Waterway superfund site and long term operation and maintenance requirements that resulted from past cleanup work. This authorization supports continuing the work that is required through 2009. Comments by regulators may cause schedules to slide for work on T91, T30 and T117, beyond 2009. New discoveries at a number of these sites have resulted in additional investigation under the Orders and additional time to complete the required cleanup reports. The discovery of dioxin in the streets in the vicinity of T117 resulted in dioxin sampling being needed throughout the site which has delayed regulator comments on the draft Engineering Evaluation/Cost Analysis that was submitted in July 2009. Higher than expected polychlorinated biphenyl resulted in an additional round of sampling at T91 before the draft Feasibility study could be completed and submitted to the Department of Ecology for their review in February 2009. An additional use of this procurement if additional dollars are available may be for initial investigation for T115N to determine whether the site warrants entering into an Agreed Order in the future. Authorization to begin the investigation will be discussed in a separate Commission action.

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

1. Do nothing - Do not approve transfer of the procurement dollars from Aviation Environmental Programs to Seaport Environmental Programs. This would result in not meeting our environmental cleanup obligations under various agreements since in all likelihood, replacement contracts will not be executed for 6 to 9 months. This is not the recommended alternative.
2. Transfer the procurement dollars from Aviation Environmental Programs to Seaport Environmental Programs. This will allow the consultant currently working on the various projects to continue the work they have been identified to perform. If warranted extend the

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end date to cover the gap in service until the new procurements are in place. This is the recommended alternative.

## **FINANCIAL IMPLICATIONS**

### **Cost Estimate**

The estimated cost for services for most of the work under these contracts is budgeted under the environmental reserve which is funded by the tax levy. A small percentage is budgeted under approved operating budgets and capital projects.

## **PROJECT SCHEDULE**

This request is to increase the contracting dollars authorized for this series of contracts in order to continue to perform the work scheduled this year under these contracts.

## **PREVIOUS COMMISSION ACTION**

On June 22, 2004, the Port Commission approved authorization for the Chief Executive Officer; Manager of Health, Environmental and Risk Services; Deputy Managing Director, Aviation Facilities Environmental Program; and Manager Aviation Environmental Programs; to advertise and award a series of outside Professional Service Agreements and amendments, for the purpose of: 1) supporting and conducting the design, preparation, and dissemination of environmental review documents required under the State Environmental Policy Act (SEPA) and National Environmental Policy Act (NEPA); assisting the Port's efforts to obtain and maintain necessary permits and compliance with appropriate federal, state, and local government agencies through the end of the calendar year of 2009 not to exceed a total aggregate amount of \$3,000,000; and, 2) Environmental investigation and remediation services support through the end of the calendar year of 2009 for required environmental programs and projects not to exceed a total aggregate amount of \$11,750,000, for a total not to exceed amount of \$14,750,000.