

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5a
Date of Meeting January 5, 2010

DATE: December 15, 2009
TO: Tay Yoshitani, Chief Executive Officer
FROM: Mark Longridge, Capital Project Manager
SUBJECT: Procurement of a Group of 4 Indefinite Delivery/Indefinite Quantity Professional Service Agreements

ACTION REQUESTED:

Authorization for the Chief Executive Officer to enter into individual Indefinite Delivery/Indefinite Quantity (IDIQ) contracts for Security System Design, Geotechnical Engineering, Engineering Services at Terminal 86, and Estimating Services to be used to support Port of Seattle projects. Total amount for all contracts will not exceed \$2,500,000.

SYNOPSIS:

In accordance with the Port's mission to create economic vitality and of our strategy to be a high performance organization, Seaport Project Management proposes to advertise and select qualified firms to provide Security System Design, Geotechnical Engineering, Engineering Services at Terminal 86, and Estimating Services to the Port of Seattle.

The current plan is to award up to 4 contracts ranging in value from \$500,000 to \$750,000. The contract amounts and distribution of work are based on historic usage and forecasted work of each discipline.

In accordance with CPO-1 guidelines each individual contract will not exceed \$750,000 and will have a maximum contract ordering period of three years. Service Directives must be executed during the contract ordering duration and work on the service directives may continue after the contract ordering duration has expired. The contract will continue until all work is complete on each service directive.

BACKGROUND:

The Port enters into a substantial number of Service Agreements each year. Each requires a significant amount of time and paperwork to process.

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Over the last two months, staff has identified needs in the listed service areas, and determined IDIQ contracts to be the best method to acquire the proposed services and ensure the procurement process meets Central Procurement Office's Procedures for Personal and Professional Services (CPO-1) standards. These are relatively small contracts that should provide opportunities for small business participation. Each procurement will be reviewed for small business participation and a small business goal may be established by Office of Social Responsibility. As part of the evaluation and selection decision, proposers will be evaluated as to their commitment to use small businesses on the team.

Utilizing IDIQ contracts allows a more efficient, cost-effective way to respond to service requests. This type of open order contract is commonly used among many public agencies such as the Corps of Engineers, Navy, Coast Guard, King County, and the Washington State Department of Transportation.

PROJECT DESCRIPTION/SCOPE OF WORK:

IDIQ 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 with a maximum ordering duration 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.

Service Agreements anticipated for solicitation by Seaport Project Management are:

<u>Contract Type</u>	<u>Example Work</u>	<u>Ordering Duration</u>	<u>Maximum Value</u>
Security System Design	Camera installations, security access and lighting systems	3 years	\$750,000
Geotechnical Engineering	Soil sampling, analysis and engineering	3 years	\$750,000
Terminal 86 Engineering Services	Study, testing and engineering of facility and associated utilities and infrastructure	3 years	\$500,000
Estimating Services	Estimates of design, permitting and construction activities	3 years	\$500,000

PROJECT SCHEDULE:

Each Service Directive will specify the schedule associated with the tasks involved.

FINANCIAL IMPLICATIONS:

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There is no funding request associated with this authorization. Individual Service Directives will be executed to authorize the Consultants to perform any specific work on the contracts against individually approved project authorizations.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

1. Prepare separate procurements each time services are needed in any discipline. This option would not be the most efficient use of Port resources, as it would result in multiple low dollar contracts for similar services. This is not the recommended alternative.
2. Prepare one Category III procurement for each specialized service area. This alternative ensures a competitive process, encourages small business participation, and provides staff with the tools needed to respond in a timely manner to request for service. **This is the recommended alternative.**

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

On April 21, 2009 and June 9, 2009 the Commission authorized prior requests from Seaport Project Management for other IDIQ contracts.