

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

**COMMISSION AGENDA**

**Item No.** 6a

**Date of Meeting** June 8, 2010

**DATE:** May 21, 2010

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

**FROM:** Michael Ehl, Director, Airport Operations  
Elizabeth Leavitt, Director, Aviation Planning & Environmental Services

**SUBJECT:** Terminal Development Strategy Campus Planning Services IDIQ for Seattle-Tacoma International Airport (CIP # C800411).

**Amount of This Request:** \$0      **Source of Funds:** Current and Future Operating Budgets;  
Future Individual Project Authorizations

**Maximum Value of IDIQ**

**Contract:** \$1,300,000

**ACTION REQUESTED:**

Request Port Commission authorization for the Chief Executive Officer to execute a professional services Indefinite Delivery Indefinite Quantity (IDIQ) contract for terminal development strategy campus planning services (CIP # C800411) totaling \$1,300,000 for three (3) years in support of upcoming capital improvement projects at Seattle-Tacoma International Airport (Airport). No funding is associated with this authorization.

**SYNOPSIS:**

IDIQ contracts provide the Port with the 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. Competitively bid IDIQ contracts are a widely used public sector contracting tool, consistent with the Port's Resolution No. 3605 and governed by CPO-1 policy. This IDIQ contract would be used for terminal development strategy planning at the Airport. Over the next few years, the Airport anticipates that there will be significant space realignments at the Airport, such as Alaska Airlines' consolidation of operations on Concourse C and the North Satellite and changes resulting from airline mergers, such as the recent Delta-Northwest merger and the proposed United-Continental merger. Additional planning will be required when the Airport moves ahead with refurbishing and expanding the dilapidated Federal Inspection Facility (FIS) where international passengers are cleared into the United States. Other terminal development projects

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that are candidates for this IDIQ contract include fast travel and passenger processing and Airport-wide linkages.

### **BACKGROUND:**

To fulfill the business plan objectives for the Airport, a number of projects are being planned for the future. Of these future projects, some have commonality of scope, which could allow for their planning needs to be met by a single IDIQ contract rather than individual planning contracts per project. Combining these individual planning efforts into a single IDIQ will improve the integrity of planning where important to the Airport campus. It would also provide more efficient delivery of service by combining these needs into a single procurement process.

The not-to-exceed cost for the contract is \$1,300,000 for a 3 year Contract Ordering Period. This authorization will only authorize the execution of the contract. A Service Directive will be issued for each project authorizing the consultant to perform a specified scope of work only after staff has received authorization for the project in accordance with Port policies and procedures.

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

Prepare one IDIQ type contract for terminal development strategy planning projects for the Airport. Terminal development strategy planning includes program definition and comprehensive planning work for the components described below:

1. Airline Realignment: This component is in support of the Alaska Airlines Relocation Plan that consolidates their operations on Concourse C and the North Satellite and relocates affected carriers. In addition, it would support other potential airline realignment requests (such as United with Continental in response to their recent merger) to address their business initiatives.
2. International Arrivals and Departures: This component provides additional capacity for international arriving flights and some renewal for our 40 year old FIS facility.
3. Fast Travel and Passenger Processing: This component includes improvements and technology to expedite passenger check-in processing in support of an initiative by the International Air Transport Association.
4. Airport-Wide Linkages: This component includes comprehensive Airport-wide planning for airside, landside, and terminal issues linked to the strategy for terminal development.

The contract will have a separate Request for Qualifications (RFQ) prepared and advertised. The RFQ will include goals for small business participation. The contract will have a Contract Ordering Period (during which the design services may be separately authorized) of 3 years. The actual contract duration may extend beyond 3 years in order to complete the work identified in a particular service directive(s). The RFQ has listed projects that would be included in the scope

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of work for each planning effort. Projects not listed but that become necessary may be included in this contract provided they are for terminal development impacted planning projects at the Airport and work is ordered via a Service Directive during the Contract Ordering Period. The Port will not issue Service Directives in excess of the \$1,300,000 contract value. The selected consultant would be precluded from competing for follow on design work.

The projects listed for this contract are either business plan prospective or conceptual in nature. Representative projects could include:

1. Supporting infrastructure for Alaska Airlines Relocation Plan.
2. North Satellite Expansion and Seismic Upgrade.
3. Improvements for FIS.
4. Comprehensive planning for Airport-wide issues linked to terminal development.
5. Fast Travel and passenger processing improvements.

It is anticipated that some of these projects will move forward for approvals during 2010. It is also anticipated that not all of the projects listed will have planning initiated during the 3 year Contract Ordering Period. Projects not initiated during this period would be accomplished via future consultant selections.

The consultant shall provide all required professional services for the Terminal Development Campus Planning Services contract on an IDIQ basis throughout the term of this Agreement. The specific scope of work to be accomplished for each project shall be identified in a Service Directive. The Service Directive will also include the schedule and cost of services to be provided by the consultant for each project.

### **FINANCIAL IMPLICATIONS:**

The total estimated cost for services will not exceed \$1,300,000. The contract will have a not-to-exceed dollar threshold. No work is guaranteed to the consultant, and the Port is not obligated to pay the consultant until a Service Directive is executed. The budget for work performed under this contract is included in the 2010 Operating Budget, will be included in future operating budgets for preliminary planning expense work, or the budget will come from individual authorizations for capital project work.

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

Each project will identify environmental sustainability and community benefits as part of its authorization.

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### **TRIPLE BOTTOM LINE SUMMARY:**

Each project will identify a triple bottom line summary as part of its authorization.

### **PROJECT SCHEDULE:**

It is estimated that the contract will be executed by August 2010 and have a 3 year ordering period. The contract duration may extend beyond that period to allow work to be completed.

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

Alternative 1 - Prepare a single procurement for identified planning. This alternative would provide a higher degree of integrity in planning for design and minimize the number of procurement processes necessary for timely completion of projects. This is the recommended alternative.

Alternative 2 - Prepare separate procurements for each project. This alternative would require many more procurement processes, add more time to projects, and increase administrative costs in order to hire consultant design teams for each project. Project integration would be more difficult to achieve. This is not the recommended alternative.

### **PREVIOUS COMMISSION ACTION:**

No previous Commission action.