

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5a

Date of Meeting August 3, 2010

DATE: July 16, 2010

TO: Tay Yoshitani, Chief Executive Officer

FROM: Michael Ehl, Director, Airport Operations
Wayne Grotheer, Director, Aviation Project Management Group

SUBJECT: Design Services IDIQ for Airport Ticket Counter, Gate Podium and Other Passenger Processing Casework and Related Infrastructure at Seattle-Tacoma International Airport (CIP # C800276 and future CIPs).

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

Maximum Value of IDIQ Contract: \$1,200,000

Estimated Value of Capital Improvement Program Costs Supported by IDIQ: \$15,000,000

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to execute a professional services Indefinite Delivery Indefinite Quantity (IDIQ) contract for airport ticket counter, gate podium and other passenger processing casework and infrastructure design services (CIP # C800276 and future CIPs) totaling \$1,200,000 for three years in support of upcoming capital improvement and expense projects at Seattle-Tacoma International Airport (Airport). No funding is associated with this authorization.

SYNOPSIS:

The Airport anticipates major space realignments of ticket counters and gate podiums over the next few years. This airport ticket counter, gate podium and other passenger processing casework and infrastructure design services IDIQ contract ensures the Airport can meet the airlines' future needs as spaces are realigned.

The Airport has installed equipment, such as passenger check-in kiosks, in the garage, at ticket counters and in gate areas as a productivity and cost-savings program. These can be used interchangeably by participating airlines. By creating a flexible, common-use environment, more airlines are able to use the existing facilities without major capital investment in new facilities, which helps hold down their costs. The Airport is further able to handle more passengers and support future growth within the current terminal footprint.

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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.

BACKGROUND:

A number of projects are being planned for the future to fulfill the business plan objectives for the Airport. Some of these future projects require installation of passenger processing casework and infrastructure that can best be met by a single IDIQ contract rather than individual design contracts. Expansion of the Airport's passenger processing casework and infrastructure is generally completed on a just-in-time, as needed basis via a series of smaller scale projects. Combining these individual design contracting efforts into a single IDIQ will ensure consistency of design and finish. It also provides more efficient delivery of service by combining procurement for these needs into a single process.

The not-to-exceed cost for the contract is \$1,200,000 for a three-year Contract Ordering Period. The preliminary estimated value of the Capital Improvement Program costs supported by this IDIQ is \$15,000,000. 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 passenger processing casework and related infrastructure projects for the Airport. Examples of design elements that may be included in these projects are:

- Infrastructure design and hardware/software configuration for passenger processing computer and AV equipment
- Construction support such as shop drawing reviews, casework production inspections and installation oversight.
- Update task lighting and signs
- Port standard gate podiums, casework inserts and ticket counter casework
- Relocate Port standard gate podium casework and backscreen monitors
- Cabling planning and design
- Revise Port standards for ticket counter and gate casework

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

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Ordering Period (during which the design services may be separately authorized) of three years. The actual contract duration may extend beyond three years in order to complete the work identified in a particular service directive(s). The RFQ has listed potential projects that would be included in the scope of work for each planning effort. Projects not listed, but that become necessary, may be included in this contract provided they are within the scope of the original RFQ/contract and work is ordered via a Service Directive during the Contract Ordering Period. The Port will not issue Service Directives in excess of the \$1,200,000 contract value. Projects not initiated during the Contract Ordering Period will be accomplished via future consultant selections.

The consultant shall provide all required professional services for the Airport Ticket Counter, Gate Podium and Other Passenger Processing Casework and related Infrastructure Design 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 \$1,200,000. 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 either 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 future authorizations for capital project work not yet fully defined.

ENVIRONMENTAL SUSTAINABILITY/COMMUNITY BENEFITS:

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

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 in December 2010, or early 2011, and have a three-year ordering period. The contract duration may extend beyond that period to allow work to be completed.

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ALTERNATIVES CONSIDERED/RECOMMENDED ACTION:

Alternative 1 - Prepare a single procurement for passenger processing casework and infrastructure. This alternative provides higher consistency of design, flexibility in implementation of new passenger processing systems and minimizes the number of procurement processes necessary for timely completion of projects. **This is the recommended alternative.**

Alternative 2 - Prepare separate procurements for each passenger processing casework and infrastructure project. This alternative requires many more procurement processes, adds more time to projects, and increases administrative costs to hire consultant design teams for each project. Design consistency would be more difficult to achieve. This is not the recommended alternative.

PREVIOUS COMMISSION ACTION:

On June 1, 2010, the Commission was briefed on Trends and Dynamics in the Aviation Industry, which included incorporation of technology to optimize long-term facility utilization at Seattle-Tacoma International Airport.

On August 25, 2009, the Commission authorized execution of a design consultant contract to complete design, and purchase and install computer hardware and software for the Common Use Expansion project at Seattle-Tacoma International Airport for \$506,000 out of a total projected program cost of \$3,018,000.

On August 11, 2009, the Commission was briefed regarding Common Use expansion at Seattle-Tacoma International Airport.