

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5a

Date of Meeting March 8, 2011

DATE: February 9, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: Cassie Fritz, Manager, Seaport Project Management Support Services

SUBJECT: Procurement of Indefinite Delivery, Indefinite Quantity Professional Service Agreements for Project Management Services

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to enter into Indefinite Delivery, Indefinite Quantity (IDIQ) contracts for Project Management (PM) Services to be used to support Seaport, Real Estate, Aviation and Capital Development Divisions Service Directives. Multiple IDIQ contracts will be issued for a total not exceed amount of \$3,000,000, and for a maximum time of three years. No funding is associated with this request.

SYNOPSIS:

In accordance with the Port's mission to create economic vitality and of our strategy to be a high performance organization, Seaport and Aviation Project Management propose to advertise and select multiple qualified firms to provide Project Management services to the Seaport, Real Estate, Aviation and Capital Development Divisions. The Port's Office of Social Responsibility will assist in identifying any small business opportunities prior to the time of public advertisement of the IDIQ. 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.

ADDITIONAL BACKGROUND:

The Port enters into a substantial number of Service Agreements each year. Each requires a significant amount of time and paperwork to process. Over the last several months, staff held acquisition planning meetings to identify how best to acquire the proposed services and ensure the procurement process meets Central Procurement Office's Procedures for Personal and Professional Services (CPO-1) standards.

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

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as the Corps of Engineers, Navy, Coast Guard, King County, and the Washington State Department of Transportation, and has been used successfully by the Port since 2009.

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 for a maximum of three years. The Port's Office of Social Responsibility will assist in identifying any small business opportunities prior to the time of public advertisement of the IDIQ. One executed, 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 No. 3605.

PROJECT SCHEDULE:

Each Service Directive will specify the schedule associated with the tasks involved. The contracts themselves will be awarded for a maximum of three years.

FINANCIAL IMPLICATIONS:

Charges to these contracts will be from projects which have already been authorized within established procedures. Consequently, there is no funding request associated with this authorization.

STRATEGIC OBJECTIVES:

This project supports the Port's strategy to "Ensure Airport and Seaport Vitality" through renewing and replacing vital seaport infrastructure to Port of Seattle waterfront operations.

Best management practices will be deployed in the selection of materials, work practices and ongoing total cost of ownership.

BUSINESS PLAN OBJECTIVES

This project is aligned with the business plan objectives to maintain safe facilities and assets while providing customers with compelling value.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

1. Prepare separate procurements each time Project Management services are needed. 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

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needed to respond in a timely manner to requests for service. **This is the recommended alternative.**

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

There have been no prior commission actions related to this IDIQ.