

**ATTACHMENT B****TODAY'S BRIEFING FOR April 5, 2011****Walker Parking Consultants Contract History In Support of the Consolidated Rental Car Facility (RCF) Program**

At the Commission's request, staff will brief the Commission on Walker Parking Consultants contract and involvement in the development and design of the RCF program. Staff will present the details of the original solicitation, selection, contracting methodology and approach, project history as it relates to the contract growth, a review of the various procurement policies and when they were authorized, compliance with these procurement requirements in place at the time each amendment was issued and a review of how this contract would have been conducted today under current procurement policies.

**PROCUREMENT POLICES AND PROCEDURES**

Over the life of the Walker Parking contract, there have been six major changes to procurement policies and procedures.

- Resolution 3181 and PUR-2 as amended by the Commission in November of 1994 dictated all requirements for amending a Category C Professional Services Agreement
- Senate Bill 3274, signed in June 2008, clarified limits on amendments and imposed a requirement for staff to inform Commission when the contract value grew by 50%.
- Resolution 3605 in August of 2008 which completely replaced Resolution 3181 and restricted adding new scope of work to contracts and brought in the requirement to notify the Commission if an amendment to a contract exceeded 50% of the original contract value.
- CPO-1 in January 2009, which replaced PUR-2, implemented the service agreement provisions of 3605 and defined the project-specific service-directive type consulting contract.
- An amended Resolution 3605, passed in November of 2009, which added a requirement to specifically request Commission authorization for any amendment to a Professional Services Agreement over \$300,000.
- CPO-6 in January 2010, which states Port procedures for competition waivers.

**HISTORY**

In March 2001, the Commission authorized schematic design of the RCF and advertisement for and selection of an outside consultant for design of the RCF. The scope was to design a 5-6 story RCF, located at the corner of S160th St and International Boulevard, for an estimated design fee of approximately \$15 million.

Staff determined, given the size and complexity of designing the RCF, a project specific solicitation was the only approach to take. In accordance with Resolution 3181 and PUR-2 as amended in 1994 by the Commission, staff initiated a Category C competitive selection process for a Professional Services contract that would exceed \$200,000 to select the RCF design consultant team. A Request for Qualifications was issued, proposals were received and reviewed, several firms were shortlisted and interviewed. In the fall of 2001 Walker Parking Consultants was selected under this competitive process. The project was immediately put on hold due to the impact of the events of 9/11/2001, so the Port did not enter into a contract with Walker Parking at this time.

Late in 2003, after the Aviation Division re-analyzed the need for a consolidated RCF, management directed staff to slowly begin to restart the project. Given the tenuousness of project status, the Project Management Group took a stepped approach in designing the RCF that would maximize efficiencies and minimize unnecessary spending. As a result, the Port negotiated and executed the base contract in March

of 2004 with Walker Parking for \$100,000 to re-initiate the team, determine who from the original team needed to be replaced and to develop the project manual the design team would operate by for the entire life of the project. **Under amended 3605 and CPO-1, staff would probably have executed a contract for the full amount authorized in March 2001 and issued a Service Directive for \$100,000.**

Between March and October 2004 six amendments were issued, two specific for completing the concept validation and detailed programming of the RCF, and four to design the Rental Car Improvements (RCI). **Under the amended 3605, these two amendments would have been issued as Service Directives. Under amended 3605, the RCI project would not have been allowed to be amended to Walker's contract by staff, since the scope was not included within the original scope for soliciting the RCF design team. Under SB 3274 and CPO-6, Commission might have determined that a new competitive solicitation was not appropriate or cost-effective, allowing this out-of-scope modification.**

In April 2005, the Commission authorized the RCI project to expand rental car operations to the second floor of the existing garage as a result of the delay in the RCF project, constrained on-site facilities (1<sup>st</sup> floor of garage) and excess garage capacity. In order to meet that project's aggressive schedule, staff received approval through the Decision Committee to amend Walker's contract to design and support construction of the MGI project using funding outside of the RCF project.

In November 2004, the Commission authorized funds to design the RCF and to procure the GC/CM contractor. It is important to note the scope of the RCF now became the current program which included the RCF, the Bus Maintenance Facility (BMF), the Off-Site Roadway Improvements (ORI), the Main Terminal Improvements (MTI) and the purchase of buses. **Under the amended 3605, the Commission action would have included language to amend Walker Parking contract for the amount being authorized and to serve as the 50% notification requirement. An amendment would have been issued for the full authorized amount.**

Between November 2004 and December 2006, five amendments were issued. During this time the RCF project was stopped and restarted twice and staff was directed to slow the design as a result respectively of obtaining legislation to collect Customer Facility Charges to fund the program, the decision of Southwest Airlines to not move to King County Airport and the evaluation of the 3<sup>rd</sup> developer alternative the Industry requested the Port consider. **Under the amended 3605 all but one would have been issued as Service Directives. Amendment 7 would not have been issued since it was for the RCI project.**

In February 2007 the Commission authorized additional design and GC/CM pre-construction funds. Under the amended 3605, the Commission action would have included language to amend the Walker parking contract for the amount being authorized and to serve as the 50% notification requirement. An amendment would have been issued for the full authorized amount. Between March 2007 and February of 2008, eight amendments were issued. **Under the amended 3605 and CPO-1, all but two would have been issued as Service Directives to complete the final design of the RCF and design development of the ORI. Amendments 15 and 17 would not have been issued as the BMF project was not considered within the scope of the original solicitation.**

**Later in 2008 the Central Procurement Office ruled the BMF could not be completed by Walker Parking and a new competitive solicitation following 3605 was conducted.** Arai Jackson was selected as the new designer. During this period staff was directed to expedite final design of the RCF program, the Industry and the Port rejected the 3<sup>rd</sup> party developer alternative, staff evaluated and the Industry and Port rejected the Main Garage RCF alternatives and the Commission froze all capital projects.

In May 2008, the Commission authorized additional design funds and award of the GC/CM contract to Turner Construction. **Under the amended 3605, the Commission action would have included language to amend the Walker parking contract for the amount being authorized and to serve as the 50% notification requirement. An amendment would have been issued for the full authorized amount. Between June 2008 and October 2008, six amendments were issued to support**

**construction of the RCF, support procurement of the RCF electrical equipment, pay design claims and complete final design of the ORI. All but one would have been issued as a Service directive. Amendment 25 would still have been issued as an amendment since it changes allowable rates within the contract in accordance with 3605 which was authorized in July during this period.**

In November 2008, the Commission authorized additional design for the ORI project. This authorization would have required the language to amend the Walker Contract, but not required the 50% notification. **An amendment would have been issued for the full authorized amount. In April 2009 and amendment was issued, which would have been a Service directive under the amended 3605. During this period the Commission authorized suspension of the entire RCF program due to funding and bond market concerns.**

In June 2009, the Commission authorized additional design for the ORI and BMF. This authorization would have required the language to amend the Walker Contract, but not required the 50% notification. **An amendment would have been issued for the full authorized amount. The Commission also authorized the restart of the entire RCF program.**

Between June and December 2009, three amendments were issued for RCF design revisions and pay design claims and for ORI additional design. **These amendments would have been Service Directives under the amended 3605.**

In December 2009 the commission authorized additional design for the ORI project. This authorization would have required the language to amend the Walker Contract, but not required the 50% notification. **An amendment would have been issued for the full authorized amount. Between February and April 2010, two amendments were issued for additional ORI design and to pay RCF design claims. These amendments would have been Service Directives under the amended 3605 and CPO-1.**

Amendments 32 and 33 were authorized in accordance with current amended 3605 requirements that included language to amend the Walker contract and the 50% notification requirement.

Other Documents Associated With This Briefing:

- Walker Parking Contract History PowerPoint