

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5e

Date of Meeting May 3, 2011

DATE: April 26, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves, Managing Director, Capital Development
Dwight Rives, Director, Port Construction Services

SUBJECT: Procurement of Indefinite Delivery, Indefinite Quantity (IDIQ) Professional Services Agreements for Regulated Materials Management Consulting.

Amount of This Request: \$0

Source of Funds:

Future Individual Project Authorizations

Est. State and Local Taxes: \$0

Est. Jobs Generated: 0

Total Project Cost: N/A

ACTION REQUESTED:

Request Commission Authorization for the Chief Executive Officer (CEO) to advertise for and execute up to three Indefinite Delivery, Indefinite Quantity (IDIQ) contracts for regulated materials management (RMM) consultant services to support Aviation, Seaport, Real Estate, and Capital Development Division project needs. IDIQ contracts will likely not exceed \$750,000 for each contract for a total amount not to exceed \$2,250,000. No funding is associated with this request.

SYNOPSIS:

This memorandum requests authorization to execute contracts with consultant firms to provide the Port with regulated materials management (RMM) support for Port-wide facilities. The Port has implemented the POS Regulated Materials Management Program to provide protection from the effects of asbestos exposure, to control disturbance of asbestos-containing materials (ACM) during repair and maintenance operations, and to minimize situations that may cause the accidental release of asbestos fibers. The RMM Program also manages lead-based paint, PCB light ballast removal, and toxic mold inspections and abatement and several other regulated building materials. The primary concern of the RMM Program is the health and safety of POS employees, tenants, consultants, contractors and the public, and to assure regulatory compliance on any project that may disturb any of these regulated materials. This authorization will only

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authorize the execution of the contract. Service Directives for work will be issued authorizing the consultant to perform a specified scope of work only after staff has received authorization and funding for the project in accordance with Port policies and procedures.

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.

ADDITIONAL BACKGROUND:

Although the Port Construction Services manages several types of Regulated Materials, the most common issues involve asbestos-containing materials (ACM).

Typical of buildings built before the mid-1980s, the Airport Terminal buildings and many of the Seaport facilities incorporate asbestos in many applications. However, asbestos should not present any risk to health or safety of employees and occupants unless disturbed through construction or inappropriate maintenance practices. The proper management and abatement of asbestos is regulated by a set of very complex and comprehensive federal, state and local regulations. These services are usually provided by specialized consultants who are very familiar with all of the regulatory issues and industry standards.

In 2009, the Port issued two contracts (\$500,000.00 each) for similar services. Based on the projected work load for 2011, these contracts will be nearing capacity by the end of 2011.

Port Construction Services (PCS) manages the RMM Program using a combination of Port Staff supplemented with a variety of consultant services. These services included:

- Regulated Materials Program Management
- Regulated Materials Surveys
- Regulated Materials Abatement Design Services
- Regulated Materials Project Monitoring Services
- Mold and Indoor Air Quality Investigation Services

PROJECT JUSTIFICATION: This request is for authorization to execute Service Agreements that will be used to support projects that will be authorized with established procedures.

PROJECT STATEMENT AND OBJECTIVES:

Project Statement:

- Prior to conducting any construction, demolition, renovation or maintenance project, the Port is required to perform a good faith inspection to determine if any asbestos will be disturbed by the work. The Port is also required to assure that any other regulated materials that could

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pose a safety hazard to workers on the project, the public, or the environment are properly identified and managed. The services in the scope of work will assure that regulated materials on Port properties and in Port projects are properly identified and managed.

Project Objectives:

- These contracts will provide the services necessary to assure that the Port of Seattle is in compliance with all applicable Regulated Materials Regulations.

PROJECT SCOPE OF WORK AND SCHEDULE:

Scope of Work:

The intent of this agreement is to provide comprehensive regulated materials support services for all Port facilities. For the purposes of this contract, regulated materials (RM) is defined as but not limited to asbestos, lead-based paint, PCB-containing light ballasts, PCB-containing building caulking, mold, and refrigerants.

Schedule:

- On the current schedule, we expect contract execution to be in late September 2011. Each contract will have a Contract Ordering Period of three years. The actual contract duration may extend beyond 3 years in order to complete the work identified in particular service directive(s). The Port will not issue service directives in excess of each contract's value.

FINANCIAL IMPLICATIONS:

- Charges to these contracts will be from projects which have previously been authorized by the Commission under separate requests. Consequently, there is no funding request associated with this authorization.

Budget/Authorization Summary

There is no budget or funding included as part of this request.

Source of Fund

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

Financial Analysis Summary: N/A

ECONOMIC IMPACTS AND BUSINESS PLAN OBJECTIVES:

The services provided by these contracts will help assure that the Port manages regulated materials in full compliance with all applicable regulations.

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STRATEGIC OBJECTIVES:

- The services to be provided these contracts are critical to achieving the Strategic Objective relating to Environmental Stewardship.
- The services assure that the Port has all the required information concerning such materials as asbestos, lead-based paints, and PCB-containing building materials during the planning and construction phases, which will be needed to produce reasonable cost estimates.
- By utilizing the services of these firms, the Port will be able to assure that all of the Port's Construction Projects comply with all environmental and construction safety regulations relating to asbestos, lead-based paints, PCB-containing building materials and other regulated building materials.
- The services provided by these contracts will include giving Port employees and tenants the information they need to enable them to manage their projects in compliance with all safety and environmental regulations.

ENVIRONMENTAL SUSTAINABILITY AND COMMUNITY BENEFITS:

- The services provided by the contracts will enable the Port and the Port's tenants to complete projects without the risk of releasing regulated building materials, including asbestos, lead, and PCBs, into the environment.
- The services will also enable the Port to manage and remove asbestos containing materials in compliance with all applicable regulations.

TRIPLE BOTTOM LINE:

- We plan to execute service agreements with three separate firms.
- In accordance with the Office of Social Responsibility (OSR) recommendations, small business participation will be considered in the evaluation criteria. Several small businesses in the Puget Sound area marketplace will be able to compete independently for these contracts.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

1. Prepare a separate procurement for each of the above services. This option would not be the most efficient use of Port resources, as it would result in multiple low dollar contracts for related services. This is not the recommended alternative.
2. Prepare one Category III Procurement combining the above services. This alternative ensures a competitive process, and provides Port staff with the tools needed to respond in a timely manner for requested services. By issuing multiple contracts on the Procurement, we will be providing business opportunities for and utilization of additional

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firms including small businesses. This type of Contract is a good vehicle for new businesses interested in doing business with the Port to showcase their firm's capabilities.

This is the recommended alternative.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

There has been no previous Commission action on the item.