

PORT OF SEATTLE  
MEMORANDUM

COMMISSION AGENDA

Item No. 5b  
Date of Meeting June 7, 2011

**DATE:** May 27, 2011  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** W. Allan Royal, Manager, Real Estate Development *WAR*  
**SUBJECT:** Authorization to execute an Indefinite Delivery, Indefinite Quantity Professional Service Agreement for Various Real Estate Services.

**Amount of This Request:** \$ 0.00      **Source of Funds:** N/A

**State and Local Taxes Paid:** \$ N/A      **Jobs Created:** N/A

**Total Estimated Project Cost:** \$2,500,000

**ACTION REQUESTED:**

Authorization for the Chief Executive Officer to execute an Indefinite Delivery/Indefinite Quantity (IDIQ) contract for Real Estate Services for the Seaport, Real Estate, Aviation and Capital Development Divisions. The contract will be three years (one year with 2 one-year options) and will be for a total not to exceed \$2,500,000.

**SYNOPSIS:**

The Real Estate Division proposes to execute an IDIQ contract with a qualified firm to provide various real estate services to the Seaport, Real Estate, Aviation and Capital Development Divisions. The contract will provide a wide variety of services such as Appraisals, Space Planning, Title Reports and Research. A comprehensive list is noted in the Scope of Work. The Office of Social Responsibility is providing a recommendation for small business participation. The broad Scope of Work provides an excellent opportunity for small business sub-contractors.

**BACKGROUND:**

The Commission approved the current Real Estate IDIQ contract in June of 2009. At that time the best estimates for volume of work for three years was \$500,000. This amount has proved to be insufficient since the dollar limit will be exhausted in the first 14 months. By their nature, IDIQ contracts have unknown and unforeseen demands that exhausted the first IDIQ earlier than expected.

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Utilizing an IDIQ contract allows a more efficient, cost-effective way to respond to service needs. Staff plans to award one contract to a prime consultant that will likely need to team with a number of subconsultants to provide all the services requested. This approach should simplify the contracting process among the interested firms. Experience derived from the current Real Estate IDIQ indicates that many of the subconsultants teamed with multiple prime consultants and therefore interviewed for the work several times. Creating more than one contract will more than likely repeat this cumbersome situation. Staff therefore recommends one contract and anticipates many subconsulting opportunities. Staff will consult with the Office of Social Responsibility to establish appropriate small business goals.

The proposed contract amount reflects historic usage and the forecasted work of each discipline identified in the acquisition planning process.

### **PROJECT SCOPE OF WORK AND SCHEDULE:**

#### ***Scope of Work:***

The Scope of Work may include:

- Property Acquisition and Disposition
- Relocation in compliance with the Uniform Act 49CFR24
- Right-of-way
- Easements
- Street Vacations
- Appraisals
- GIS mapping and database management
- Property Management
- Traffic Analysis
- Environmental Assessments
- NEPA/SEPA
- Title Reports
- Feasibility analysis both Market and Financial
- Entitlement Negotiations
- Property/building sustainability
- Forecasting for the Port's short term and long term real estate needs with the methodology for assessing the needs
- Space Planning
- Conduct research and submit reports on market data with prices and trends
- Review market standards for lease/acquisition pricing, provisions and Landlord/Seller concessions
- Assist in developing the Port's lease/acquisition/disposition criterion

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- Assist in developing benchmarks and best practices related to acquisition, disposition and lease administration
- Review, analyze and present proposals including evaluation matrices
- Draft Letters of Intent, Request for proposal and other Real Estate documents
- Brokerage Services

Individual Service Directives will be negotiated and processed before any work is performed. Service Directives, consisting of a Scope, Fee Agreement and Schedule will be approved in accordance with Resolution 3628 and will be executed in accordance with EX-2.

The current IDIQ may be exhausted by the end of October, 2011. The new IDIQ is expected to be advertised in June 2011 with contract execution in October, 2011.

### FINANCIAL IMPLICATIONS:

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

### ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

1. **Individual procurements.** Prepare separate procurements each time real estate services are needed in any discipline. This option would not be the most efficient use of Port resources. It would result in multiple low dollar contracts for similar services as well as delay projects as individual procurements are sent out for bid. This is not the recommended alternative.

2. **Execute a Real Estate Services IDIQ contract for \$2,500,000.** This alternative ensures a competitive process, encourages small business participation, and provides staff with the tools needed to respond in a timely manner to request for service. **This is the recommended alternative.**

### PREVIOUS COMMISSION ACTION:

- On June 9, 2009, the Commission authorized an initial Real Estate IDIQ contract in amount not to exceed \$500,000.

