

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 5a

**Date of Meeting** November 1, 2011

**DATE:** October 21, 2011

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Wayne Grotheer, Director, Aviation Project Management Group

**SUBJECT:** Indefinite Delivery Indefinite Quantity (IDIQ) contracts for (a) Mechanical and Electrical Engineering Design Services and (b) Commissioning Services.

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

**Maximum Value of Mechanical & Electrical Design IDIQ:** \$8,000,000

**Maximum Value of Commissioning IDIQ:** \$2,000,000

**Total Maximum Value:** \$10,000,000

**ACTION REQUESTED:**

Request Port Commission authorization for the Chief Executive Officer to execute the following contracts: (1) up to two IDIQ contracts for mechanical and electrical design services for a total maximum value of \$8,000,000 and (2) up to two IDIQ contracts for commissioning design services for a total maximum value of \$2,000,000. Each contract will have a contract ordering period of three years. No funding is associated with this authorization.

**SYNOPSIS:**

There are a number of Airport mechanical and electrical projects scheduled over the next three years which will require design and construction support by consultants. Typical projects are: Permanent Electrical Backup Power, Main Terminal HVAC Upgrades, Upgrade Main Terminal Pump Station, Electrical Feeder 101 Tap Replacements, Garage and Main Terminal Lighting Upgrades, Industrial Waste System Upgrades, Facility Monitoring System Controls Upgrades, and a variety of as yet unidentified similar projects.

The mechanical and electrical engineering IDIQ contracts would be used for future mechanical and electrical system upgrades of existing systems, designing new systems, and for renewal and replacement projects. There may be some architectural, structural/civil, and acoustical ancillary design services associated with each project.

Commissioning services will include, but not be limited to, developing commissioning criteria and commissioning plans for the contract documents for all types of new projects, as well as field verification of each system's performance prior to acceptance of the project.

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 2 of 4

The specific scope of work to be accomplished for each project shall be identified in a service directive.

We anticipate a number of small business opportunities. The Office of Social Responsibility (OSR) ensures effective outreach strategies to increase participation by small and disadvantaged businesses in procurement and contracting. OSR has performed an availability analysis based on the scope of work and established a goal of two small contractors and suppliers (SCS) firms for the mechanical and electrical engineering procurement. OSR has determined that there will be no SCS goal for the commissioning procurement.

### **BACKGROUND:**

Mechanical and electrical system projects are being planned for the future. Most of the projects have commonality of scope, which allows for design and construction support needs to be met by the IDIQ. Most electrical and mechanical construction contracts require that commissioning criteria be established and performed by an independent third party to ensure full functionality of the end product. There will be separate IDIQs for the mechanical and electrical design and the commissioning services.

The not-to-exceed cost for each mechanical and electrical design contract is \$4,000,000 for each contract for a total maximum value of \$8,000,000. If only one outstanding proposal is received, a single contract for \$8,000,000 may be awarded. The contract will have a contract ordering period up to three years (one year contract with two one-year options), during which time the Port may issue service directives. The actual contract duration may extend beyond three years in order to complete work started or ordered in a service directive. A service directive may be issued only during the contract ordering period.

### **PROJECT JUSTIFICATION:**

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, as amended, and governed by CPO-1 policy.

#### ***Project Objectives:***

As stated above, mechanical and electrical system projects are being planned for the future. Of these future projects, most have commonality of scope, which could allow for their design and construction support needs to be met by the IDIQ contracts rather than individual design and construction support contracts per project. The IDIQ allows us to work with up to two design teams and two commissioning teams, which greatly improves continuity of services.

Based upon the Port's experience with previous projects it is desirable to obtain an independent and unbiased commissioning authority perspective other than from the contractor or design team. Since the Port does not have in-house resources to provide commissioning services, it typically pursues a contract with an independent commissioning authority in support of the project.

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 3 of 4

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

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

This request will support the future needs to modify or replace components of mechanical and electrical systems that have reached the end of their useful life or need to be modified or expanded to support added customer requirements. It will provide design documents and construction support of identified mechanical and electrical projects in addition to unknown pop-up projects that may occur. Mechanical projects may include, but not be limited to the following: Central Plant facilities, people and baggage conveyance systems, fire protection systems, heating ventilation and air conditioning (HVAC) systems, stormwater treatment and handling systems, hydraulic systems, pipe distribution systems, sanitary sewer system, controls, plumbing and water distribution systems, passenger loading bridges, gangways, industrial waste system upgrades, studies and lifecycle cost analyses and infrastructure upgrades to support Airline Realignment projects. Electrical projects may include, but not be limited to: permanent emergency generator power systems, power system feeder tap replacements, upgrading or modifying power distribution systems, including feeders to facilities, power distribution projects, addition of 3<sup>rd</sup> and 4<sup>th</sup> point connectors, modifications to the airfield power system, and infrastructure upgrades to support Airline Realignment projects. Each contract will allow scope for architectural, structural, civil, fire protection, acoustical and other ancillary design services related to the mechanical and electrical project.

The commissioning IDIQ contracts will provide commissioning services for various projects. During pre-construction, the consultant will review and provide comment on 60%, 90%, and 100% design drawings and specifications; prepare commissioning, training, operations and maintenance specifications in accordance with the Port's master specifications; develop the Commissioning Plan; and prepare documents in support of LEED® certification where applicable. During construction, the commissioning consultant will coordinate with the contractor to implement the Commissioning Plan including the review and approval of equipment submittals, installation and operational checklists, functional performance testing criteria, and acceptance testing procedures; provide the Draft Commissioning Report for building temporary certificate of occupancy; and prepare documents in support of LEED® certification where applicable. Post-construction services will include a review of the contractor-provided operation and maintenance manuals for consistency with the commissioning process; coordinate and oversee the contractor provided equipment and system training; and provide the Final Commissioning Report.

#### ***Schedule:***

It is estimated that the contract will be executed by April 2012 and have a three-year ordering period. The contract duration may extend beyond that period to allow work to be completed.

### **FINANCIAL IMPLICATIONS:**

The total estimated cost for mechanical and electrical services will have a total maximum value of \$8,000,000. The total estimated cost for commissioning services will have a total maximum value of \$2,000,000. No work is guaranteed to the consultant, and the Port is not obligated to

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 4 of 4

pay the consultant until a service directive is executed. The budget for work performed under this contract will come from individual authorizations for capital project work.

### **ENVIRONMENTAL SUSTAINABILITY/COMMUNITY BENEFITS:**

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

### **STRATEGIC OBJECTIVES:**

Each project will identify Port strategic objectives as part of its authorization.

### **BUSINESS PLAN OBJECTIVES:**

Each project will identify Aviation business plan objectives as part of its authorization.

### **TRIPLE BOTTOM LINE SUMMARY:**

Each project will identify a triple bottom line summary as part of its authorization.

### **ALTERNATIVES CONSIDERED/RECOMMENDED ACTION:**

Alternative 1 - Prepare a single procurement for identified mechanical and electrical design services and a single procurement for commissioning services for the Port of Seattle. This alternative would provide a higher degree of integrity in planning for design and minimize the number of procurement processes necessary for timely completion of projects. **This is the recommended alternative.**

Alternative 2 - Prepare separate procurements for each project. This alternative would require many more procurement processes, add more time to projects, and increase administrative costs in order to hire consultant design teams for each project. Project integration would be more difficult to achieve. This is not the recommended alternative.

### **OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

None.

### **PREVIOUS COMMISSION ACTION:**

No previous Commission action.