

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5d

Date of Meeting January 10, 2012

DATE: December 30, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: Wayne Grotheer, Director, Aviation Project Management Group

SUBJECT: Architectural IDIQ Contract for Seattle-Tacoma International Airport

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

Maximum Value of Contract: \$4,000,000

ACTION REQUESTED:

Request Port Commission authorization for the Chief Executive Officer to execute a professional services indefinite delivery indefinite quantity (IDIQ) contract for architectural services totaling \$4,000,000 with a contract ordering period of three years in support of upcoming capital improvement projects at Seattle-Tacoma International Airport (Airport). There is no budget request associated with this authorization.

SYNOPSIS:

Airline needs are driving many near-term developments at the Airport. It is necessary to have architectural design capability immediately available along with other associated team disciplines, such as electrical and structural engineering. 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. The public advertisement for this contract will contain goals for inclusion of small businesses. Budget to utilize this contract will come separately from either annual operating budget or individual project authorizations.

BACKGROUND:

Over the next few years, a number of projects are being planned and significant changes will be coming to the airport to fulfill business plan objectives. Of these future projects, some have commonality of scope, which could allow for their design needs being met by a single IDIQ contract rather than individual design contracts per project. Combining these individual design efforts into a single IDIQ will improve the integrity of the design work where important to the

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Airport campus. It would also provide more efficient delivery of service by combining these needs into a single procurement process.

This authorization will only authorize the execution of the contract. A service directive will be issued for each project authorizing the consultant to perform specified scope of work only after staff has received authorization for the project in accordance with Resolution No. 3605, as amended.

PROJECT STATEMENT AND OBJECTIVES:

The Port will advertise and issue a Request for Qualifications (RFQ) that includes a goal for small contractors and suppliers (SCS) participation of three SCS firms. Although the projects are primarily architectural, the intent is for the architectural consultant to retain multidisciplinary design teams necessary to produce a complete design. The multidisciplinary approach and SCS goals will enable a variety of small businesses to participate during the selection processes.

The contract will have a contract ordering period (during which the design services may be separately authorized) of three years. The actual contract duration may extend beyond three years in order to complete the work identified in particular service directive(s). Service directives may be issued during the contract ordering period. The Port will not issue service directives in excess of the \$4,000,000 contract value.

Representative projects could include, but are not limited to, modifications to Satellite Transit System lobbies, terminal office space, concourse level improvements, board room upgrades, restroom renovations, parking garage waiting area improvements, tenant relocations, information display design, and project planning and definition. It is anticipated that some of these projects and other non-identified projects will move forward for approvals during 2012, 2013 and 2014. It is also anticipated that not all of the projects listed will have designs initiated during the three-year contract ordering period. Projects not initiated during this period would be accomplished via separate future IDIQ or project-specific consultant selections. This architectural IDIQ contract is similar to the architectural IDIQ contract that was executed in June 2010 and is anticipated to reach capacity shortly (or has reached capacity).

Port staff recommends having only one consultant team for this work in order to avoid different design teams designing for overlapping locations; to maximize efficiency and minimize costs associated with a learning curve; and to minimize overhead costs to manage multiple contracts.

PROJECT SCHEDULE:

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

FINANCIAL IMPLICATIONS:

The total estimated cost for design services will not exceed \$4,000,000. The contract will have a not-to-exceed dollar threshold. No work is guaranteed to the consultants and the Port is not obligated to pay the consultant until a service directive is executed. After receiving authorization

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for each project in accordance with Resolution No. 3605, as amended, the actual work will be defined and the Port will issue individual project-specific service directives.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

Alternative 1 – Prepare a single procurement for identified design needs as they arise. This alternative would provide a higher degree of integrity in design for construction 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 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.