

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4c
Date of Meeting January 6, 2015

DATE: December 17, 2014
TO: Ted Fick, Chief Executive Officer
FROM: Ralph Graves, Managing Director, Capital Development Division
SUBJECT: Additional funding request for a contract with Mercator International

Amount of This Request: \$125,000 **Source of Funds:** Corporate
Est. Total Project Cost: \$400,000

ACTION REQUESTED

Request Commission ratification of a \$125,000 amendment entered into with Mercator International LLC for critical work associated with consulting support required with the Seaport Alliance.

BACKGROUND

In early 2014, the Ports of Seattle and Tacoma entered into an agreement with Mercator International LLC valued up to \$199,000 to analyze the current international container situation, the competitive landscape, and consider ways in which the Puget Sound ports can position themselves to retain and grow their market share of the international container business.

As the work progressed, the ports required more support from Mercator to support due diligence decision making and planning. The agreement was amended an additional \$76,000 beyond its upper limit, for a new total of \$275,000, to accommodate this work. The Commission was notified of that competition waiver on August 28, 2014.

The ports continue to need more support from Mercator in order to stay on schedule for a Federal Maritime Commission submittal in March 2015. To support this critical and immediate need, CEO Ted Fick authorized an additional \$125,000 under the Critical Work provisions of Resolution No. 3605 Section 4.2.3.7. This memo requests Commission ratification of CEO Fick's action.

ATTACHMENTS TO THIS REQUEST

- December 12, 2014, Competition Waiver and Notification (which includes the August 28, 2014, Competition Waiver and Notification)

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None