



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6b

ACTION ITEM

Date of Meeting January 7, 2020

DATE: December 30, 2019

TO: Stephen P. Metruck, Executive Director

FROM: Kathy Roeder, Director of Communications
Cathy Swift, Manager Editorial and Marketing Communications

SUBJECT: IDIQ Contracts to provide creative services to the Port of Seattle

Total contract cost: \$1,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute up to four indefinite delivery, indefinite quantity contracts for creative services for a total maximum value of \$1,000,000 and a contract ordering period of three years. No funding is associated with this authorization.

EXECUTIVE SUMMARY

Creative services, such as graphic design, digital tools, and video production, inform the public about opportunities and activities at the Port and improve the customer experience at our facilities. While the Port completes most of its creative work in-house, indefinite delivery, indefinite quantity (IDIQ) contracts expand our range of capabilities with specialized services and expand the volume of work we can produce.

IDIQ contracts provide the Port with the flexibility to meet business requirements as they arise by issuing individual Service Directives to accomplish tasks within the general, pre-defined scope of work on an as-needed basis for a fixed period of time and a maximum contract amount. The funding for these service directives will come separately from either annual operating budgets or individual project authorizations.

JUSTIFICATION

The Port relies heavily on communications materials, particularly web and digital materials, brochures, flyers, videos, and installed materials like posters and barricades to promote upcoming opportunities and benefits provided by the Port. New programs, expanded initiatives, and increased construction drive increased need for current and relevant communications.

The Port particularly needs external support to expand transcreation and translation for Non-English as a Proficient Language (NEPL) communications.

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All Port departments access these services and either partner with External Relations on funding or cover the cost of creative service needs within their project budgets. The Port's communications team routinely partners with teams across the Port to ensure that providers deliver high-quality materials that meet our brand guidelines.

Competitively bid IDIQ contracts are a widely used public sector contracting tool, consistent with the Port's General Delegation of Authority and governed by Central Procurement Office (CPO)-1 policy.

Based on current spending plans, the Port will commit all of the \$600,000 authorized in the 2018 IDIQ contract by the late spring or early summer of 2020 (although projects may not be completed until later in the year). We request Commission authorization now to ensure that the Port maintains creative services support as the existing contract authority declines to zero.

Work completed and planned under the 2018 IDIQ contracts include items such as:

- Airport capital project and customer service promotions
- What's Next community report
- Port-wide Combined Annual Financial Report
- Consumer-friendly landing page for www.flySEA.org
- Redesign of Connections email newsletter template
- Maritime workforce and economic impact creative content
- Promotions in support of recreational moorage

The Port will exhaust the contract authority earlier than anticipated because more departments within the organization tapped into the IDIQ versus generating their own creative service contracts. While this drained resources earlier than anticipated, we consider this outcome a victory for maintaining brand consistency and streamlined procurement.

We also set the authorization amount too low to accomplish the Port's growing communications priorities, including expanding translation and transcreation and planning for more digital communications tools. As a result, we are asking for a larger authorization this year.

Based on to-date expenditures, we anticipate the Port will spend \$1,000,000 of the \$1,000,000 authorized in the 2020 contracts by September 2023. Our request of \$1,000,000 tracks our proven spending needs and allows for an increase in utilization, out of pocket, and labor costs.

Diversity in Contracting

Our department has a strong record of hiring women and minority-owned firms and hiring firms that partner with women and minority-owned businesses. The project team will coordinate with the Diversity in Contracting Department to determine appropriate WMBE aspirational goals for this project.

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DETAILS

This request is to execute up to four contracts; each up to \$250,000 which will be awarded to the highest ranked firms.

Scope of Work

Firms will provide high-quality creative services that inform the public, clearly communicate the Port's values, and improve the customer service experience. Firms will be expected to produce marketing and communications materials by following a strategic and engaged process, which will include attending planning meetings, developing creative briefs, and either working with existing Port assets or starting from scratch based on the need.

Deliverables will include public information and marketing research, analysis, and materials, such as market analysis, print or digital advertising, brochures, construction barricades, posters, informational handouts about the Port, exhibits, promotional videos, digital tools such as websites, applications or virtual reality/augmented reality experiences, interactive maps and more.

Contract duration will be two years with options to extend for one additional year. No funding is associated with this authorization.

Schedule

Upon Commission approval of this authorization, work can commence to issue a Request For Proposal (RFP). Firms should be under contract by April 2020.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

The Port could significantly expand its internal creative services team to limit reliance on outside agencies.

Alternative 1 – Reduce contract by half and additional creative services experts to boost in-house capabilities.

Cost Implications: \$750,000 for three years.

Pros:

- (1) Further develops our in-house expertise
- (2) In-house services can often deliver more quickly
- (3) Maintains a balance of internal and external resources

Cons:

- (1) Leads to less spending on local businesses or fewer opportunities for businesses
- (2) Commits Port to long-term spending on an additional FTE

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- (3) Reduces flexibility for the Port to seek specific or unique specialties

This is not the recommended alternative.

Alternative 2 – Offer up to four graphics contracts for up to \$1,000,000 for three years.

Cost Implications: \$1,000,000 for three years.

Pros:

- (1) Continue to benefit from external expertise and flexibility of on-call agencies
- (2) More realistic anticipated spending by the Port

Cons:

- (1) Budget might run out before the three years concludes, if circumstances or demands change significantly

This is the recommended alternative.

FINANCIAL IMPLICATIONS

There is no funding request directly associated with this authorization. No work is guaranteed to the selected consultants and the Port is not obligated to pay a selected consultant until a service directive is executed. The budget for work performed under each agreement will come from individual service directives authorizing the consultant to perform specific work on the contract against approved project authorizations and within the total contract amount.

Departments individually budget for many of their own marketing needs, such as the annual cruise brochure.

Cost Estimate/Authorization Summary

Capital

Expense

Total

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$0	\$1,000,000	\$1,000,000
AUTHORIZATION			
Current request for authorization	0	\$1,000,000	\$1,000,000
Total authorizations, including this request	0	\$1,000,000	\$1,000,000
Remaining amount to be authorized	\$0	\$0	\$0

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

July 10, 2018 -- The Commission authorized \$600,000 for the Port to execute three IDIQ contracts for graphic design services.

September 8, 2015 – The Commission authorized \$870,000 for the Port to execute three IDIQ contracts for graphic design services.