



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8d

ACTION ITEM

Date of Meeting October 26, 2021

DATE : September 24, 2021

TO: Stephen P. Metruck, Executive Director

FROM: Dave Soike, Chief Operating Officer
Jermaine Murray, Director, Port Construction Services

SUBJECT: Major Construction Electrical On Call Contract for Port Construction Services

Amount of this request: \$0

Total estimated project cost: \$1,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to advertise and execute one (1) major construction on-call contract for electrical work to support project, operational and safety needs of all Port divisions and the Northwest Seaport Alliance, for a total amount not-to-exceed \$1,000,000. There is no budget request associated with this authorization. The contract will last one (1) year, with an option to extend the contract up to two (2) years beyond the original contract completion date.

EXECUTIVE SUMMARY

This request establishes a major construction on-call electrical contract to more readily respond to projects that have larger than typical Port Construction Services (PCS) electrical scopes but can still be completed under Small Works requirements and will ensure overall contract capacity is available to quickly respond to all project need. No funding is associated with this request. Each project's electrical scope will be authorized separately at the time needed for it to begin.

JUSTIFICATION

In 2020, thirty percent (30%) of the Work Authorizations issued against PCS small works on-call contracts were for electrical scopes. Since 2016, Port Construction Services has executed 33 Work Authorizations over \$75,000 for electrical services in support of Capital and Expense project work at the Port of Seattle. PCS small works on-call contracts are typically procured for \$300,000, and Work Authorizations above \$75,000 greatly impact the capacity of these contracts intended to be readily available to meet the schedule demands of multiple projects across the Port. This major construction on-call contract will supplement, not replace, the small works on-call electrical contracts, supporting project needs with larger scopes, reduce workload

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in procuring additional contracts to ensure capacity is available, and allow adequate time to procure new small works electrical on-call contracts when needs are identified.

Diversity in Contracting

Due to the contract scope requirements, we anticipate very few subcontracting opportunities available, as such, a WMBE aspirational goal will not be applied. However, this contract will be a good opportunity for WMBE firms to bid and serve as prime contractors given the size and scope. The project team along with Diversity in Contracting department will outreach and support WMBE firms as opportunities become available.

DETAILS

This contract request will supplement Small Works electrical on-call contracts, allowing PCS to ensure capacity in providing electrical support for Port-wide Capital and Expense project needs.

Scope of Work

The services required under this contract will include providing labor, materials, equipment, tools, and incidentals to perform, complete and finish electrical systems installations. This contract will support Port Construction Services small works projects, including projects related to the Northwest Seaport Alliance. The scope of electrical work includes but is not limited to installations of raceways, wiring, boxes, transformers, miscellaneous electrical devices, temporary power and lighting assemblies, and equipment, testing, and grounding in accordance with all requirements of the code-enforcing agencies.

Schedule

Commission authorization	10/26/2021
Contract Executed	1/1/2022
First Electrical Project Anticipated	2/15/2022

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Procure multiple Small Works (\$300,000 total contract value) Port-wide and project specific on-call contracts. This alternative would require additional time and resources to produce ready to bid documents and multiple advertisements, thus requiring increased lead time, additional management oversight, additional administrative preparation, and increased soft costs.

Cost Implications: \$1000 - \$5,000 of additional procurement process costs, staff resources, and potential impact to project schedules with a strong likelihood of additional project costs due to individualized procurements.

Pros:

- (1) Small Works On-Call Electrical contracts can be requested when capacity of the existing contract is reached.

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Cons:

- (1) Small Works On-Call Electrical contracts are greatly impacted by project demands over \$75,000, a trend that is increasing in recent years.
- (2) This alternative would require the lengthy process of procuring new On-Call Electrical contracts frequently when capacity is exhausted on open contracts, thus requiring increased lead time, additional management oversight, additional administrative preparation, and increased soft costs.

This is not the recommended alternative.

Alternative 2 – Advertise and execute one (1) on-call contract for electrical work to allow for the efficient and cost-effective use of frequently used On-Call contract to provide the services required by Port Construction Services.

Cost Implications: Procurement process costs

Pros:

- (1) Efficient and effective use of Port staff procuring contracts that address multiple projects.
- (2) Low risk associated with addressing projects with electrical scope greater than \$75,000.
- (3) Low risk associated with potential project schedule delay due to an inability support a construction project from insufficient contract capacity.

Cons:

- (1) Electrical contractors interested in this work would potentially have additional costs and slightly higher contract unit prices associated with length and dollar amount of the contract.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

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

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None