



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8c

**ACTION ITEM**

**Date of Meeting** April 12, 2022

**DATE:** April 1, 2022  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Wayne Grotheer, Director, Aviation Project Management Group  
**SUBJECT:** Indefinite Delivery Indefinite Quantity (IDIQ) Service Agreements for Third-Party Commissioning Agent Services

**Amount of this request:** \$0  
**Total estimated maximum value of contracts:** \$3,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute up to three professional services indefinite delivery, indefinite quantity (IDIQ) contracts for third-party commissioning services, in support of the Aviation division’s capital programs, with a total maximum value of up to \$3,000,000 and a contract ordering period of up to five years.

**EXECUTIVE SUMMARY**

The Aviation Project Management Group (AV/PMG) utilizes IDIQ contracts to meet highly variable workload projections for design services. The past third-party commissioning agent services IDIQ contracts, valued at \$1,500,000, was used to completion only 2 years into its contract period. Based on current capital project projections, this request will provide the necessary third-party commissioning agent services to meet project needs for the next three to five years.

AV/PMG has identified nearly \$150 million in capital improvement projects that will require the services of a third-party commissioning agent over the next three years. Many of the small and medium projects may utilize the IDIQ contracts described herein for general commissioning, commissioning documentation, pre-construction and post construction services, field investigation, etc. Evaluation of the options resulted in IDIQ contracts being selected as the best method to secure the required services.

**JUSTIFICATION**

The workload demands for delivery of various capital improvement projects at the Seattle-Tacoma International Airport (SEA) are increasing. To support the increasing and dynamic business requirements of SEA, the IDIQ contracts provide flexibility through project-specific

Meeting Date: April 12, 2022

service directives that allow third-party commissioning services to be provided on an as-needed basis for a fixed period and a maximum contract amount.

***Diversity in Contracting***

There will be a 16% WMBE aspirational goal for each IDIQ contract.

**DETAILS**

This request is to execute three contracts valued at \$1 million each. In the event the Port does not receive a sufficient number of qualified proposals, the Port may award fewer contracts and increase capacity of the awarded contracts to the selected firms, for a total capacity not to exceed \$3 million.

Each contract will have up to a five-year ordering period. Service directives may be issued at any time during the contract-ordering period. Work may be performed after expiration of the ordering period. The total value of all service directives issued on a contract will not exceed the contract value.

Budgets to utilize these contracts will come separately from individual project authorizations.

The IDIQ contracts will be procured according to Port policies and procedures, as well as procurement policy CPO-1. The Port will advertise and issue a solicitation. The contracts will be written with specific not-to-exceed amounts and identify the services required. Each contract will have a contract ordering period (during which the services may be separately authorized) of two years with three option years, for a total of five years. The actual contract duration may extend beyond five years in order to complete the work identified in the service directives. Service directives may be issued during the contract-ordering period and within the total original contract value. The Port will have the option of moving money between contracts if the Port determines that a contracted current firm cannot adequately complete future work requests.

***Scope of Work***

Primary scope will be third-party commissioning agent services. Architectural, structural/civil, and other engineering services will be included as part of these contracts. There will be one procurement for third-party commissioning agent services with up to three (3) contracts issued. Although intent is to award three contracts, one or two contracts may be awarded depending on the qualifications of proposers.

Meeting Date: April 12, 2022

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Procure separate commissioning agent contracts for each project that requires an element of commissioning.

Cost Implications: Each project would expend additional administrative costs to procure individual third-party commissioning agent services contracts.

Pros:

- (1) Separate contracts would allow the consulting firms opportunity for each individual project.
- (2) Defers the administrative cost of procurement to a later date when individual projects each do their own procurement.

Cons:

- (1) Increased cost for individual procurements rather than a more efficient single procurement of one set of IDIQ contracts.
- (2) This alternative is an inefficient use of Port resources and staff time and does not leverage the Port’s allowable contracting methods. It would increase overhead and administrative costs to the Port, as we would need to manage more procurement processes and contracts.
- (3) This alternative will add time to each project schedule to complete the procurement process for each individual project and will impact our ability to meet project and customer needs.

This is not the recommended alternative.

**Alternative 2** – Hire two full-time engineers to meet project commissioning requirements.

Cost Implications: A potential savings of approximately \$1 million could be realized over a three-year period, compared with hiring consultants.

Pros:

- (1) Lower hourly cost than the use of consultant engineers.
- (2) Institutional knowledge is built by Port Staff.

Cons:

- (1) Commissioning services is not guaranteed work. Adding full time in-house staff would create long term costs that could potentially be unnecessary during times when the work is not needed.

This is not the recommended alternative.

Meeting Date: April 12, 2022

**Alternative 3** – Procure three Third-Party Commissioning Agent IDIQ contracts in a single solicitation action.

Cost Implications: No capital costs will be incurred with this procurement. Funding to utilize these contracts will separately be authorized by the individual projects requiring commissioning services.

Pros:

- (1) This alternative would ensure the Port has the necessary professional, technical and advisory resources available to assist with time critical planning efforts and delivery of potential future capital work.
- (2) Women and Minority Owned Business (WMBE) participation will be a contract requirement.
- (3) This alternative would minimize the number of procurement processes necessary for timely completion of tasks and reduce overhead and administrative costs to the Port and consultants.

Cons:

- (1) This alternative would limit the number of opportunities available to firms to compete for work.
- (2) This alternative would not build in-house commissioning expertise.

***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.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None