



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6c

**ACTION ITEM**

**Date of Meeting** September 10, 2019

**DATE:** August 29, 2019

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Elizabeth Leavitt, Senior Director, Environment and Sustainability  
Sandra Kilroy, Director, Maritime Environment and Sustainability

**SUBJECT:** Indefinite Delivery/Indefinite Quantity (IDIQ) Contract to Perform Environmental and Regulatory Support for Marine Stormwater Utility

**Total estimated contract amount:** \$3,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute one professional services indefinite delivery, indefinite quantity (IDIQ) contract to perform Environmental and Regulatory Support for Marine Stormwater Utility with a total value of \$3,000,000 and a contract period of five years plus two option years for Maritime properties. No funding is associated with this authorization.

**EXECUTIVE SUMMARY**

The Marine Stormwater Utility proposes to advertise and select one qualified firm to provide environmental and regulatory services in support of stormwater permit requirements and utility obligations. This IDIQ would be used to meet requirements of the Phase I Municipal Stormwater Permit and obligations of the Marine Stormwater Utility.

The Port has been using a balanced approach of staff and consultants to deliver the specialized work of the Stormwater Utility. In 2019 we added a staff position and have been able to reduce our use of outside services. This procurement supports the Port's strategy to manage our finances responsibly, provides a cost-efficient means to secure services for tasks that present variable workload and allows us to maintain the balance and access the specialized stormwater services that we would not be able to adequately provide with in-house staff.

**JUSTIFICATION**

The Port of Seattle Maritime Division operates under a Phase I National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit (MS4 permit) issued by the Washington State Department of Ecology (Ecology) and is required to develop and maintain a stormwater management program that meets MS4 Permit requirements. The Port also

Meeting Date: September 10, 2019

maintains a Marine Stormwater Utility (Utility), which collects fees for all Port properties that are used to assess, maintain, repair, and rehabilitate stormwater infrastructure.

To effectively comply with permit and utility obligations, a variety of specialized environmental services are required including those related to stormwater pollution prevention plans, illicit discharge detection and elimination, stormwater monitoring, inspections, mapping, pre- and post-construction plan review, infrastructure system assessment and rehabilitation, and environmental training.

Remaining in compliance and being proactive about the performance of our stormwater Best Management Practices align with the Port’s Century Agenda of being the cleanest and greenest Port, and specifically Objective 14 – Meet or exceed agency requirements for stormwater leaving Port-owned or operated facilities.

Failure to comply with the conditions of NPDES permits will result in permit violations and potential fines.

***Diversity in Contracting***

The Diversity in Contracting Department has been contacted regarding this procurement and an aspirational goal of 10 percent has been established for women- and minority-owned business enterprise.

**DETAILS**

This contract will enable the Port to meet stormwater permit requirements and utility obligations by providing environmental, technical and regulatory expertise to supplement Port staff.

The Port of Seattle is responsible for ensuring compliance with the Phase I NPDES MS4 permit issued by the Washington State Department of Ecology. Applicable regulations are promulgated and enforced by City of Seattle and Washington Department of Ecology. To effectively comply with MS4 permit requirements regular efforts involve developing and updating stormwater pollution prevention plans for Port and tenant operations, updating pollution prevention best practices for MS4 properties, inspecting infrastructure, responding to and reporting spills and illicit connections, updating operation and maintenance guidance to meet state and city regulations, conducting environmental training, and reviewing pre- and post-construction projects for compliance with stormwater and utility requirements.

The Marine Stormwater Utility, formed in 2014, is responsible for maintaining stormwater assets on maritime properties. This includes collecting fees for all Port properties that are used to assess, maintain, repair, and rehabilitate stormwater infrastructure. Regular efforts involve coordination with Seattle Public Utilities on an interlocal agreement, evaluating and prioritizing the upgrading of infrastructure, updating the GIS map of the stormwater system, providing rate

Meeting Date: September 10, 2019

billing for properties, establishing annual rates with Commission approval, and long-range planning for system resilience. The 2020 annual rate approval is on the Commission calendar for October 8, 2019.

Other stormwater program support efforts involve coordination with the Northwest Seaport Alliance on managed properties, support for industrial stormwater permits held by the Port, outreach to tenants and Port operations on stormwater regulatory changes and permit revisions, monitoring green infrastructure elements, technical research on stormwater treatment, participation in local and regional water quality panels and conferences, and continuing Salmon-Safe certification for parks and public access areas.

Remaining in compliance with water quality permits and being proactive about performance of our stormwater management system align with the Port’s goals of being the cleanest and greenest Port in North America.

Failure to comply with the conditions of the NPDES permit can result in permit violations and potential fines. Failure to assess and repair the stormwater infrastructure can result in property damage, operational delays and damage to Port operations and tenants.

Individual service directives consisting of a scope, fee agreement, and schedule will be negotiated and processed before any work is performed. Service directives will span the life of the contract, which is expected to be five plus two years.

**Scope of Work**

The Marine Stormwater Utility Services contract is a crucial component for meeting stormwater permit compliance and Utility obligations of the Marine Stormwater Utility.

The Marine Stormwater Utility Services Scope of Work consists of five principal tasks:

- (1) Marine Stormwater Utility support
- (2) Municipal stormwater permit support
- (3) Industrial stormwater permit support
- (4) Stormwater regulatory research
- (5) Stormwater resilience and voluntary programs

**Schedule**

Commission authorization	2019 Quarter 3
Contract execution	2019 Quarter 4
Service directives issued	2020 Quarter 1 through 2024 Quarter 4

Meeting Date: September 10, 2019

**Cost Breakdown**

This Request

Total Project

From yearly expense budgets	\$0	\$3,000,000
From capital project budgets	\$0	\$0
Total	\$0	\$3,000,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1 – No Action**

No new IDIQ contract would be awarded and no additional Port staff hired.

Cost Implications: \$0 per year

Pros:

- (1) Lowest cost alternative.
- (2) Contract administration needs would be eliminated.
- (3) Port staff would increase their technical depth, range, and capacity for stormwater regulatory and utility work.

Cons:

- (1) Port would be unable to maintain compliance with its stormwater permits.
- (2) The expertise to cover all tasks related to stormwater regulations, municipal permit compliance, and stormwater utility obligations would not be available with existing staff resources.
- (3) Risk of state and city regulatory violations and associated third party lawsuits if stormwater regulatory requirements are not fulfilled.
- (4) Risk of damage to Port properties if stormwater utility assessment and repairs are not addressed.

This is not the recommended alternative.

**Alternative 2 – Stormwater Permit and Marine Stormwater Utility Support Addressed Only by Port Staff**

This would add two (2) additional Port positions to provide the staffing required to cover all permit and utility work.

Cost Implications: \$300,000 to \$450,000 per year

Pros:

- (1) Contract administration needs would decline.
- (2) Port would have additional employees to address the variety of stormwater regulatory and utility tasks.
- (3) Port staff would increase their technical depth and capacity for stormwater regulatory and utility work.

Meeting Date: September 10, 2019

Cons:

- (1) Extensive training would be needed for new staff to address variety of stormwater regulatory and utility obligations.
- (2) The variability of tasks and timing would not support full-time work for two new staff throughout the year.
- (3) The expertise to cover all tasks varies considerably and finding two staff with technical depth, range, and capacity to fulfill all requirements would present a challenge.
- (4) Two new Port positions would need to be approved, which would cause delays in meeting permit requirements and utility obligations in 2020.

This is not the recommended alternative.

**Alternative 3 – Stormwater Permit and Marine Stormwater Utility Support Addressed Through IDIQ Contract and Port Staff**

Existing Port staff address permit and utility work with supplemental or specialized tasks performed by outside contractor.

Cost Implications: \$375,000 to \$430,000 per year

Pros:

- (1) Provides access to highly skilled, specialized and technically broad consultant workforce for varied stormwater regulatory and utility requirements on demand.
- (2) Provides flexibility where low utilization of contract will result in reduced cost below the annual estimate.
- (3) Allows Port staff to develop technical skills and be fully engaged in stormwater regulatory and utility programs.

Cons:

- (1) Requires coordination and management of contractor by Port staff.
- (2) Requires contract administration process to procure new contract.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

Funds for this IDIQ contract will come from the Stormwater Utility fund (00075). Annual expenses will be budgeted in the Marine Stormwater Utility (8001) expense operating budget.

***Cost Estimate/Authorization Summary***

	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate	\$0	\$3,000,000	\$3,000,000

Meeting Date: September 10, 2019

***Annual Budget Status and Source of Funds***

Funding for Service Directives under this contract will be from authorized division operating budgets. Consequently, there is no funding request associated with this request.

**ADDITIONAL BACKGROUND**

Consultant support for the Maritime Division stormwater program and the Marine Stormwater Utility, formed in 2014, dates to 2013 with an awarded IDIQ contract valued at \$8,757,000, which expires December 31, 2019. Since that time, two staff positions have been added to support the Stormwater Program Manager: Utility Program Manager and Environmental Management Specialist. This has led to our ability to reduce the use of outside consultants. The intent of this IDIQ request is to continue a sufficient level of specialized environmental, technical and regulatory support to supplement the skills and abilities of existing Port staff and ensure that regulatory deadlines are met.

The Commission meeting when the 2020 Stormwater Utility rates approval will be considered is October 8, 2019.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None