

DATE: OCTOBER 13, 2022

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____
APPROVAL OF FIRST AMENDMENT TO AGREEMENT
NOS. 19-3678 ARCADIS U.S., INC., 19-3679 BERG & ASSOCIATES,
INC., 19-3681 HARRIS & ASSOCIATES, INC., 19-3682 INTEGRATED
ENGINEERING MANAGEMENT AND SECOND AMENDMENT TO
AGREEMENT NO. 19-3680 ANSER ADVISORY MANAGEMENT, LLC,
ON-CALL CONSTRUCTION MANAGEMENT SERVICES**

SUMMARY:

Staff requests approval of Amendments to Agreements between the City of Los Angeles and the consultants performing on-call construction management services as follows:

- First Amendment to Agreement No. 19-3678 with Arcadis U.S., Inc. (Arcadis),
- First Amendment to Agreement No. 19-3679 with Berg & Associates, Inc. (Berg),
- Second Amendment to Agreement No. 19-3680 with Anser Advisory Management, LLC (Anser),
- First Amendment to Agreement No. 19-3681 with Harris & Associates, Inc. (Harris), and
- First Amendment to Agreement No. 19-3682 with Integrate Engineering Management (IEM)

The proposed Amendments would increase the term of each Agreement for an additional two years for a total duration of seven years, and an increase to the agreement amounts of \$2,000,000, resulting in a total agreement amount of \$4,000,000 for each agreement. In total, aggregate compensation under the five agreements would increase by \$10,000,000, from \$10,000,000 currently to \$20,000,000 as proposed. The Port is responsible for all compensation required by these agreements.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;

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2. Find that in accordance with the Los Angeles City Charter Section 1022, work under the Contract can be performed more feasibly by an independent contractor rather than by City employees;
3. Approve the First Amendment to Agreement Nos. 19-3678, 19-3679, 19-3681, 19-3682, and the Second Amendment to Agreement No. 19-3680, extending agreement durations an additional two years for a total duration of seven years, and an increase to the agreement amounts of \$2,000,000, resulting in a total agreement amount of \$4,000,000 for each agreement;
4. Authorize the Executive Director to execute and the Board Secretary to attest said Amendments for and on behalf of the Board;
5. Authorize and direct the Board Secretary to forward the Amendments to the City Council for its approval pursuant to Section 373 of the City Charter; and
6. Adopt Resolution No. _____.

DISCUSSION:

Background – The five existing On-Call Construction Management Services agreements provide on-call construction management services for various construction projects throughout the Port of Los Angeles (Port). Services will include, but are not limited to, construction management, cost estimating, constructability reviews, scheduling and other related construction management services. The consultants will augment Construction Division staff during peaks in the Construction Division's workload, and/or when specialized expertise is required. The number, sizes, and types of projects assigned to the selected consultants will be determined based on the needs of the Construction Division.

Previous Board Action – The Board approved all five On-Call Construction Management Agreements on September 5, 2019, for a 5-year term and a maximum compensation of \$2,000,000 for each consultant. The Board also approved the First Amendment to Agreement No. 19-3680 on November 19, 2020, which updated the name of DHS Consulting LLC, An Anser Advisory Company to Anser Advisory Management, LLC.

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Reasons for the Subject Amendments – The Construction Division has seen a significant increase in projects in these past few years and foresees a greater increase due to the advertisement for various terminal improvement, beautification, and roadway improvement projects, which will produce greater peak in the amount of work to be performed. Although current consultant contracts are in place, services have been utilized and contract amounts (total authorized) are close to being exhausted for some of the agreements. The table below exemplifies the total authorized in all Directives for the specified consultant issued versus the actuals, which is the total amount paid on those Directives to this fiscal ending year. To maintain the continuity of services for current projects and provide necessary services to complete future projects in a successful manner, a two-year extension and \$2,000,000 increase to each consultant contract is necessary (Transmittals 1-5).

Consultant	Total Authorized	Actuals used to date	Max. Contract Amount	Remaining Funds
Arcadis	\$885,825.00	\$15,965.00	\$2,000,000.00	\$1,114,175.00
Berg	\$1,980,957.75	\$1,468,994.00	\$2,000,000.00	\$19,042.25
Anser	\$1,989,860.00	\$1,148,284.00	\$2,000,000.00	\$10,140.00
Harris	\$704,652.50	\$178,513.00	\$2,000,000.00	\$1,295,347.50
IEM	\$1,333,200.00	\$762,148.00	\$2,000,000.00	\$666,800.00
TOTAL	\$6,894,495.25	\$3,573,904.00	\$10,000,000.00	\$3,105,504.75

ENVIRONMENTAL ASSESSMENT:

The proposed action is First Amendment to Agreement Nos. 19-3678, 19-3679, 19-3681, 19-3682 with Arcadis U.S., Inc., Berg, Harris, and IEM, and Second Amendment to Agreement No. 19-3680 with Anser for a two-year time extension and \$2,000,000 cost increase with no changes to the scope of work, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed Amendments will increase maximum compensation by \$10,000,000, from \$10,000,000 currently to \$20,000,000 as proposed across the five consultants. Funding for the current fiscal year has been budgeted in the fiscal year 2022/2023 budget. Funds for each Agreement are budgeted in Account No. 54225 (Construction Management Services), Work Order No. 11111, Center No. 1900, Program No. 000, and funding for each agreement is anticipated to be expended as follows:

Fiscal Year	Arcadis	Berg	Anser	Harris	IEM	TOTAL	Notes
FY 2019-2020	\$0	\$0	\$0	\$0	\$0	\$0	Actual
FY 2020-2021	\$0	\$500,157	\$624,950	\$50,783	\$346,010	\$1,521,900	Actual
FY 2021-2022	\$15,965	\$968,837	\$523,334	\$127,730	\$416,138	\$2,052,004	Actual
FY 2022-2023	\$1,000,000	\$800,000	\$800,000	\$1,000,000	\$1,000,000	\$4,600,000	Projected
FY 2023-2024	\$1,000,000	\$800,000	\$800,000	\$1,000,000	\$800,000	\$4,400,000	Projected
FY 2024-2025	\$1,000,000	\$600,000	\$700,000	\$1,000,000	\$700,000	\$4,000,000	Projected
FY 2025-2026	\$984,035	\$331,006	\$551,716	\$821,487	\$737,852	\$3,426,096	Projected
TOTAL	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$20,000,000	

The maximum compensation under each Agreement is \$4,000,000. The Port is responsible for all compensation required by these agreements.

Although the Contractor is not obligated to perform any work under the Contract in any fiscal year in which no appropriation for the Contract has been made, the Contractor agrees to resume performance of the work required by the Contract on the same terms and conditions for a period of 60 days after the end of the fiscal year if an appropriation is approved within that 60-day period. The Contractor is responsible for maintaining all insurance and bonds during this 60-day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable.

If, in any subsequent fiscal year, funds are not appropriated for work required by the Contract, the Contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved "As to Form" the First Amendment to Agreement Nos. 19-3678, 19-3679, 19-3681, 19-3682, and the Second Amendment to Agreement No. 19-3680.

TRANSMITTALS:

1. First Amendment between the City of Los Angeles Harbor Department and Agreement No. 19-3678 (Arcadis)
2. First Amendment between the City of Los Angeles Harbor Department and Agreement No. 19-3679 (Berg)
3. Second Amendment between the City of Los Angeles Harbor Department and Agreement No. 19-3680 (Anser)
4. First Amendment between the City of Los Angeles Harbor Department and Agreement No. 19-3681 (Harris)
5. First Amendment between the City of Los Angeles Harbor Department and Agreement No. 19-3682 (IEM)

FIS Approval: MB

CA Approval: SO



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SHAUN SHAHRESTANI
Chief Harbor Engineer



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:

Marla Bleairms For

EUGENE D. SEROKA
Executive Director

Author: CAckopiantz
First-SecondAmend
File No. 4.7