



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MAY 25, 2011

FROM: ENGINEERING DIVISION

SUBJECT: RESOLUTION NO. _____ FIRST AMENDMENT – PERSONAL SERVICE AGREEMENT NO. 2681 BETWEEN THE CITY OF LOS ANGELES AND HDR ENGINEERING, INC. FOR THE C STREET/I-110 ACCESS RAMP IMPROVEMENTS PROJECT ENGINEERING DESIGN SERVICES

SUMMARY:

Agreement No. 2681 (Agreement) between the City of Los Angeles Harbor Department (Harbor Department) and HDR Engineering, Inc. (Consultant), Los Angeles, California, to provide environmental documentation and engineering design services for the C Street/I-110 Access Ramp Improvements Project was approved by the Board of Harbor Commissioners (Board) on June 5, 2008.

This First Amendment (Transmittal No. 1), if approved by the Board and Los Angeles City Council (City Council), will add \$500,000 to the contract and increase the contract term by five years from the current expiration date of July 7, 2011 to July 7, 2016. This time extension will provide the additional time necessary to complete the project design and provide support services during construction. The total revised contract amount, including all change orders, will be \$3,992,200.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that in accordance with the City of Los Angeles Charter Section 1022, work covered under this Amendment can be performed more feasibly by an independent consultant rather than by City employees;
2. Approve this First Amendment to Agreement No. 2681 with HDR Engineering, Inc. to increase the contract amount by \$500,000 and extend the contract term by five years;
3. Authorize and direct the Board Secretary to forward the First Amendment to the City Council for its approval pursuant to Los Angeles Administrative Code 10.5(a);

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4. Authorize the Executive Director to execute and Board Secretary to attest to said Amendment for and on behalf of the Board; and
5. Adopt Resolution No. _____

DISCUSSION:

Background - The C Street/I-110 Access Ramp Improvements Project will improve the mobility in and around the West Basin area of the Port of Los Angeles (Port), and improve Port access to the I-110 Freeway by reconfiguring the C Street/I-110 off-ramp/on-ramps and combining two City of Los Angeles (City) street intersections into one intersection at Figueroa Street and Harry Bridges Boulevard.

This project was developed through an extensive planning process including traffic modeling, operational analysis, public input, and was approved by the State of California, Department of Transportation (Caltrans) since the majority of the work will be located within CalTrans right-of-way.

On November 25, 2008, the Board approved a cooperative agreement between the Harbor Department and Caltrans, whereby the Port will prepare the plans, specifications, and estimates (PS&E's) required for the improvements, including managing the construction, and CalTrans shall entitle the project, review and approve the PS&E's, and oversee the construction.

The proposed project scope reconfigures the existing C Street ramp to directly access Harry Bridges Boulevard; reconfigures the intersection of Harry Bridges Boulevard/Figueroa Street/John S. Gibson Boulevard; and modifies the C Street northbound on-ramp.

On June 5, 2008, the Board approved Agreement No. 2681 with HDR Engineering, Inc. (Consultant) to provide environmental documentation and engineering design services for the C Street/I-110 Access Ramp Improvements Project in the amount of \$3,228,000, with a contract term of three years. The Consultant commenced the preliminary design work and the Project Approval/Environmental Document (PA/ED) work in August 2008.

Progress To Date – To date, \$2,289,568 of the \$3,492,200 agreement amount (including all approved change orders to date) have been expended. Since the Agreement was approved, substantial progress has been made on this project. The Consultant submitted 65% Design Plans, for review and comments and is finalizing the draft environmental document and the Draft Project Report.

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First Amendment – Staff recommends that it is in the best interest of the City to amend the original Agreement with the Consultant for the C Street/I-110 Access Ramp Improvements Project for the following reasons:

1. The Amendment will extend the Contract for five years to retain the Consultant to complete the design, assist with Engineering Services for the entire duration of construction and maintain a single responsible party for professional liability.
2. The Amendment will allow the Harbor Department to meet the current State and local grant fund schedule requirements. If the project schedule is significantly delayed, the Port would apply for an extension to the grant funding completion date from the appropriate authorities. However, staff cannot guarantee that the State and local authorities would approve this request, thereby risking loss of grant funding of up to \$14,947,000.
3. The Amendment will increase the contract amount by \$500,000 for Task 10 - As-Needed Engineering Services. Task 10 was included in the original agreement, and this request is not a change in scope.
4. This Amendment will reset of Executive Directors Change Order Authority. The Proposed amendment resets the Executive Director's change order authority by incorporating previous Change Order Nos. 1-7 into the actual work, and setting Executive Director's cumulative change order authority to 15% of the new contract amount of \$3,992,200;

Summary of Change Orders issued to date: The Executive Director has issued seven (7) Change Orders to date adding \$264,200 of work to the original agreement (See Transmittal 4).

Summary of As-Needed Engineering Services (Task 10) authorized to date: The original agreement authorized \$500,000 under Task 10 for As-Needed Engineering Services, including, but not limited to, technical studies, analysis, conceptual designs, and other engineering services. To date, The Executive Director has authorized work under Task 10 totaling \$296,912 for As-Needed Engineering Services that were required for this project (see Transmittal 5). A balance of \$203,088 remains available under Task 10 As-Needed Engineering Services.

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Grant Funding – This project is slated to receive transportation grant funding from state and regional sources. Grants awarded to date (\$14,947,000) are as follows:

Project Funding	
Grant Funding	
a) Metro	\$ 6,647,000
b) State-TCIF	\$ 8,300,000
Subtotal	\$ 14,947,000
Harbor Revenue Funds	\$ 12,846,000
Total Project Cost	\$ 27,793,000

- a. Metro (\$6,647,000): The Los Angeles County Metropolitan Transportation Authority (LACMTA) 2007 Call for Projects, a competitive grant program, provided funding to projects that address transportation issues in the Los Angeles Region. The Harbor Department submitted the C Street/I-110 Access Ramp Improvements project for consideration under the Regional Surface Transportation Improvement (RSTI) category of the 2007 Call for Projects on January 26, 2007. As a result, on September 27, 2007, the LACMTA awarded \$6,647,000 of Proposition C grant funding for this project.
- b. State (\$8,300,000): The C Street/I-110 Access Ramp Improvements project was awarded \$8,300,000 of Trade Corridors Improvement Funds (TCIF) grant funding by the State of California (State) on April 10, 2008, through voter approved Proposition 1B. However, the Southern California TCIF projects have been over programmed by about \$148,000,000, which means that some projects might not be funded (assuming this over-programming is not resolved) as funds will be allocated on a first come, first serve basis. Hence, receiving funds is not absolutely guaranteed under the Harbor Department's previously executed "Baseline Agreement" with the State, and it will be critical to complete the final design phase as soon as possible. In order to accept the TCIF grant funding, the Harbor Department executed an Agreement between the Harbor Department and the State on June 19, 2008. The State grant requires a 50/50 match. The Harbor Department, besides its own funds, will utilize the LACMTA grant funds as the required 50/50 match for the State grant. Also, the TCIF

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grant will be forfeited if construction does not commence by December 31, 2013. The Harbor Department expects to seek an allocation of the TCIF grant prior to notice of advertisement.

All funding will be on a reimbursement basis and "front" funding is the responsibility of the Harbor Department.

Proposed Capital Expenditure Schedule:

FY 2012/13	\$ 364,751
FY 2013/14	\$ 13,495,289
FY 2014/15	\$ 13,554,688
FY 2015/16	\$ 378,272
Total	\$ 27,793,000

Small Business Enterprise Participation - Throughout the term of the Agreement, the Consultant will continue to maintain compliance with the City's contracting requirements and comply with Harbor Department's Small Business Enterprise Participation. The Consultant will maintain 25% SBE participation for the added scope and cost for the remainder of the project. The Consultant currently has an SBE participation level of 26%.

This Agreement is in conformance with both the City of Los Angeles Service Contract Worker Retention and Living Wage Ordinances.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an amendment to Agreement No. 2681. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, section (f) of the Los Angeles City CEQA Guidelines.

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ECONOMIC BENEFITS:

Additional spending under this Amendment will support an additional eight one-year-equivalent jobs in the five-county region.

FINANCIAL IMPACT:

Approval of the proposed First Amendment will extend the duration of the subject Agreement No. 2681 an additional five years through July 7, 2016 for a revised agreement term of eight years in total and increase the agreement authority to \$764,200 for a revised total agreement authority of \$3,992,200 (inclusive of \$264,200 change orders discussed herein). Of this \$500,000 additional funding requested under the proposed amendment, \$50,000 has been requested to be budgeted in the Fiscal Year (FY) 2011/2012 capital budget, upon Board approval, in Account No. 54220, Center 1172, Program 000. It is expected that the remainder of this additional authority amount requested under the subject amendment will be expended as follows upon approval by the Board in each subsequent fiscal year as part of the annual budget adoption process:

FY 2011/12	\$ 50,000
FY 2012/13	\$ 125,000
FY 2013/14	\$ 125,000
FY 2014/15	\$ 125,000
FY 2015/16	\$ 75,000
TOTAL	\$ 500,000

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CITY ATTORNEY:


The Office of the City Attorney has prepared and approved as to form and legality the proposed First Amendment to Agreement No. 2681.

TRANSMITTALS:

1. Amendment No. 1
2. Exhibit D-1
3. Exhibit E-1
4. Change Order Log
5. Summary of Authorized Work Under Task 10 – As-Needed Engineering Services
6. Project Site Map

CA Approval: m (initials)

FIS Approval: mj (initials)


ANTONIO V. GIOIELLO
Chief Harbor Engineer


MICHAEL R. CHRISTENSEN, P.E.
Deputy Executive Director

APPROVED:


for GERALDINE KNATZ, Ph.D.
Executive Director

Author: Mimi Gutierrez

MG:mvr
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