



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: DECEMBER 5, 2013**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND TRANSYSTEMS CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES FOR BERTHS 142-147 INTERMODAL CONTAINER TRANSFER FACILITY PROJECT**

**SUMMARY:**

The Berths 142-147 Intermodal Container Transfer Facility (ICTF) project (Project) is a component of the phased development of the Berths 136-147 Trans Pacific Container Services, Corp. (TraPac) Container Terminal Improvement Program. The Project will redevelop the existing Pier A Rail Yard into an intermodal container transfer facility. This professional services agreement (Agreement) provides for construction management services for the construction of the Project. TranSystems Corporation, located in Long Beach, California, is recommended to provide the required services. The Agreement amount is \$4,760,000 for a duration of three years.

**RECOMMENDATION:**

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

1. Find that in accordance with the City Charter Section 1022, work under the subject Agreement can be performed more feasibly by an independent consultant, and is necessary due to a peak in work volumes, current employees committed to other assignments, and a need for rail-related construction expertise;
2. Award the three-year Agreement to TranSystems Corporation in the amount of \$4,760,000; and authorize payment from the Construction Management Services account;
3. Authorize the Executive Director to execute, and the Board Secretary to attest to, this Agreement for and on behalf of the Board; and
4. Adopt Resolution No. \_\_\_\_\_.

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**SUBJECT: AGREEMENT – TRANSYSTEMS FOR CONSTRUCTION  
MANAGEMENT SERVICES FOR THE BERTHS 142-147 ICTF**

**DISCUSSION:**

Background/Context – On December 6, 2007, the Board approved the Berths 136-147 [TraPac] Container Terminal Environmental Impact Report (EIR). An addendum to this EIR to address conditions pertinent to the ICTF was considered by the Board on September 19, 2013, in connection with Second Amendment to Permit No. 881.

On June 6, 2013, State Proposition 1B Trade Corridors Improvement Fund Program – California Transportation Commission “Baseline Agreements” between the City of Los Angeles Harbor Department (Harbor Department) and the State of California was approved by the Board.

On April 18, 2013, the Board approved Resolution No. 13-7473, authorizing the prequalification of contractors under Specification No. 2752 for the construction of the Project.

On November 21, 2013, the Board approved Resolution No. 13-7583, authorizing award of the construction contract for the Project (Specification No. 2752) to Shimmick Construction Company, Inc., in the amount of \$61,375,000.

This Agreement (Transmittal 1) is for construction management services during construction of the Project, which is part of the overall automated container terminal development program at the TraPac terminal. The duration of the construction contract is 810 calendar days. Construction is anticipated to start in February 2014 and be completed in Summer 2016. An aerial site plan showing the location of the Project can be found on Transmittal 4.

Harbor Department Construction Division staff, particularly those with rail-related construction experience, are not available to adequately support this project. Staff is currently fully engaged supporting the construction of projects totaling over \$700 million. The consultant team, providing staff augmentation, will be led by a Construction Division staff member. Staff also reached out to other City of Los Angeles departments performing these services and found that City staff is unavailable to support this Project. Consultant services are therefore required to provide rail-related construction management expertise and augment Harbor Department construction management staff.

Scope of Services - Consultant services will include, but are not limited, to construction management, cost estimating, scheduling, document control, rail inspection and coordination with all stakeholders.

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Selection Process – On July 16, 2012, a Request for Qualifications (RFQ) to perform construction management services for construction of the Berths 142-147 ICTF project, and the Berths 142-143 Backland Improvements (Phases 2-4) project. Seven Statement of Qualifications (SOQs) were received. A selection committee consisting of members from the Construction Division, and one member from the Port of Long Beach, evaluated the SOQs based on qualifications of the prime and sub-consultants, and deemed all seven firms to be qualified to submit a proposal to provide the subject services. The seven firms are as follows:

- AECOM Technical Services, Inc. (Irvine, CA)
- ARCADIS U.S., Inc. (Los Angeles, CA)
- WorleyParsons Group, Inc. (Fountain Valley, CA)
- Berg & Associates, Inc. (San Pedro, CA)
- TranSystems Corporation (Long Beach, CA)
- Atkins North America, Inc. (Los Angeles, CA)
- Vanir Construction Management, Inc. (Los Angeles, CA)

The Harbor Department issued a Request for Proposals (RFP) to the seven firms on December 3, 2012. Proposals were received on March 15, 2013, and were evaluated and ranked by the evaluation committee. The following five firms were invited to deliver a presentation of their proposal to, and answer specific questions from, the evaluation committee:

- AECOM Technical Services, Inc.
- ARCADIS U.S., Inc.
- WorleyParsons Group, Inc.
- Berg & Associates, Inc.
- TranSystems Corporation

The evaluation committee interviewed the five firms and selected TranSystems Corporation as the most qualified firm because of its experience with construction management of transportation infrastructure, particularly rail yards, and its core team's extensive experience with rail yard projects similar in magnitude to the Project. Transmittal 2 shows the consultant rankings and evaluation. Transmittal 3 provides the work descriptions for TranSystems Corporation and their sub-consultants.

The recommendation for award of the construction management services for the Berths 142-143 Backland Improvements (Phases 2-4) project will be made under a separate Board report.

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Small Business Enterprise (SBE) Program, Very Small Business Enterprise (VSBE) and Sub-Consultant Participation – TranSystems Corporation has committed to the SBE participation level of 25 percent, and VSBE participation of five percent. Their sub-consultants are:

- SECA International Railway Consultants, Inc. (SBE)
- Integrated Engineering Management (SBE, VSBE)
- Simplus Management Corporation (SBE, VSBE)
- Hill International

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of an agreement with TranSystems Corporation for construction management services for the Berths 142-147 ICTF project. The Project was included as part of the Berths 136-147 [TraPac] Final Environmental Impact Statement EIR which was certified by the Board in December 2007 and the EIR addendum considered by the Board on September 19, 2013. Therefore, as an activity for which the underlying Project has previously been evaluated for environmental significance and processed according to the requirements of the California Environmental Quality Act (CEQA), the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Section 2(i) of the Los Angeles City CEQA Guidelines.

**ECONOMIC BENEFITS:**

Spending under the proposed contract will support 38 direct and 31 secondary one-year equivalent jobs for the five-county region.

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MANAGEMENT SERVICES FOR THE BERTHS 142-147 ICTF

**FINANCIAL IMPACT:**

The Berths 142-147 ICTF Project is one of ten projects included in the TraPac Terminal Improvement Program (Program). The Program budget was approved by the Board on September 19, 2013, at \$510,412,338, and this Project is budgeted at \$85,865,560. Both this Project and the Program are currently on budget and on schedule. Transmittal 5 shows the budget status for the ten projects.

Funding in the amount of \$1,579,633 for construction management services has been budgeted in the fiscal year 2013/2014 Budget in Account No. 54225 (Construction Management Services), Work Order No. 24551, Center No. 1161, and Program No. 000. It is anticipated that funds for this Agreement will be expended as follows:

<u>Fiscal Year</u>	<u>Amount</u>
FY 2013/2014	\$ 1,579,633
FY 2014/2015	\$ 1,737,000
FY 2015/2016	\$ 1,221,000
<u>FY 2016/2017</u>	<u>\$ 222,367</u>
<b>TOTAL</b>	<b>\$ 4,760,000</b>

The maximum compensation under this Agreement is \$4,760,000. Approximately \$1.45 million of the contract amount is on a fixed-fee basis, with approximately \$3.31 million of services to be compensated on an hourly basis through individual sub-task project directives issued under Exhibit "C" and Exhibit "D" of the Agreement.

Although the consultant 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 consultant 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, therefore, is approved within that 60-day period.

The consultant 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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This Agreement, along with the other projects and agreements that comprise the Program, is currently within the budgets approved by the Board on September 19, 2013, totaling \$510,412,338.

**CITY ATTORNEY:**

The Office of the City Attorney has prepared and approved the Agreement as to form and legality.

**TRANSMITTALS:**

1. Agreement between the City of Los Angeles and TranSystems Corporation
2. Final Evaluation and Rankings
3. Consultant and Sub-consultant Work Description
4. Site Map
5. Budget Status Sheet

FIS Approval:    (Initials)  
CA Approval:    (Initials)



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division

FOR 

MICHAEL R. CHRISTENSEN  
Deputy Executive Director

**APPROVED:**



GARY LEE MOORE, P.E.  
Interim Executive Director

JD:lh/lm  
AgmtTranSystemsB01

Author: J. Davis