

DATE: JANUARY 11, 2023

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF PERSONAL SERVICES AGREEMENTS BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND APEX COMPANIES, LLC, BURNS & MCDONNELL ENGINEERING COMPANY, INC., LEIGHTON CONSULTING, INC., NINYO & MOORE GEOTECHNICAL AND ENVIRONMENTAL SCIENCES CONSULTANTS, PACIFIC EDGE ENGINEERING, INC., PARSONS ENVIRONMENT & INFRASTRUCTURE GROUP, INC., TETRA TECH, INC., AND TRC SOLUTIONS, INC. FOR AS-NEEDED SITE ASSESSMENT AND RESTORATION SERVICES

SUMMARY:

Staff requests approval of the proposed Agreements (Agreements) with APEX Companies, LLC (Apex), Burns & McDonnell Engineering Company, Inc. (B&M), Leighton Consulting, Inc. (Leighton), Ninyo & Moore Geotechnical and Environmental Sciences Consultants (N&M), Pacific Edge Engineering, Inc. (Pacific Edge), Parsons Environment & Infrastructure Group, Inc. (Parsons), Tetra Tech, Inc. (Tetra Tech), and TRC Solutions, Inc. (TRC) to provide the City of Los Angeles Harbor Department (Harbor Department) with as-needed site assessment and environmental restoration services. This action will authorize eight proposed Agreements, each for a three-year term, with a combined not-to-exceed amount of \$21,000,000. The Harbor Department is financially responsible for payment of services rendered under the proposed Agreements.

RECOMMENDATION:

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

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Find that in accordance with the City Charter Section 1022, work under the subject Agreements can be performed more feasibly by independent consultants rather than by City employees;

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3. Approve the proposed Agreements for a term of three-years each, with a combined contract total of \$21,000,000 as follows:
 - a. Tetra Tech, Inc. (Pasadena, CA) for \$4,000,000;
 - b. APEX Companies, LLC (Signal Hill, CA) for \$4,000,000;
 - c. Leighton Consulting, Inc. (Irvine, CA) for \$3,000,000;
 - d. Pacific Edge Engineering, Inc. (Mission Viejo, CA) for \$3,000,000;
 - e. Burns & McDonnell Engineering Company, Inc. (Brea, CA) for \$2,500,000;
 - f. Parsons Environment & Infrastructure Group, Inc. (Pasadena, CA) for \$1,500,000;
 - g. Ninyo & Moore Geotechnical & Environmental Science Consultants (Los Angeles, CA) for \$1,500,000; and
 - h. TRC Solutions, Inc. (Irvine, CA) for \$1,500,000;
4. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreements, for and on behalf of the Board; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – Historic contamination of soil and groundwater in the Port of Los Angeles (Port) with hazardous and toxic wastes significantly affects or constrains the Harbor Department’s ability to develop and reuse property and complete development projects on budget and schedule. Due to the technical and very specialized nature of work involving contaminated properties, consultant services are required to assist the Harbor Department in restoring properties to a usable condition; reduce environmental liabilities; comply with regulatory agency requirements; establish baseline environmental conditions for lease terms and renewals; and to assist other divisions in the Harbor Department with development projects impacted by soil and groundwater contamination.

There are currently more than 100 known contaminated properties and/or regulated sites undergoing assessment and remediation at the Port that will need to be addressed in the coming years. As a result, and as described below, the Environmental Management Division (EMD) requests \$21,000,000 for a three-year term, as it is anticipated that a

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substantial amount of site assessment work will continue to be required in connection with regulatory requirements and planned development activity in the coming years.

Services to be Performed – Consultant assistance is necessary to assess the condition of properties, identify potential soil and groundwater contamination, determine the nature and extent of contamination, develop cost estimates and schedules associated with remediation of sites, implement necessary remediation, and provide other technical expertise as needed to comply with regulatory requirements. Examples of the contractual services to be performed under the proposed Agreements (Transmittals 1a-1h) include the following:

- Conduct Phase I Environmental Site Assessments
- Perform Remedial Investigations/Site Characterization of soil and/or groundwater
- Design and implement Remedial Feasibility Studies and Action Plans
- Prepare and submit Site Closure Reports to regulatory agencies
- Assist in regulatory agency coordination
- Provide environmental support during construction and development projects and/or real estate transactions
- Provide technical expertise and design services to assess potential environmental emerging technologies
- Oversee tenant's environmental cleanup
- Provide litigation support services to the City Attorney's office
- Provide technical support for the ISO 14001:2015 Environmental Management System (EMS)

At present, EMD's site assessment and restoration group includes three staff members with expertise in conducting and managing environmental assessment and remediation projects, and managing hazardous waste and emergency services. Staff serves as project managers for over 60 active projects. Consultant services are required because specialized technical expertise is needed to carry out the above-described work, especially considering the potentially dangerous and contaminated conditions of the work environment. Much of the work requires the operation and maintenance of specialized equipment for environmental monitoring in various media including soil and groundwater, and numerous specializations, such as hydrogeology, chemistry, computer modeling, and microbiology. At this time, it is neither practical nor cost-effective for the Harbor Department to significantly increase permanent staff to conduct the activities outlined in the scope of work. The selected firms have the resources to efficiently provide the specialized services needed to respond to the Harbor Department's environmental regulatory requirements and requests. The terms of the current agreements expire on March 5, 2023, and these new proposed Agreements are needed to continue to provide the necessary environmental services for the Harbor Department.

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A more detailed description of the Scope of Work is included in the proposed Agreements (Transmittal 2).

Work Assignments – Work assigned under the proposed Agreements will be authorized on an as-needed basis through a project directive (PD) process and approved by the Executive Director. Each PD will include a detailed scope of work, schedule, Small Business Enterprise (SBE) and Very Small Business Enterprise (VSBE) participation level, and cost estimate.

The current As-Needed Site Assessment and Restoration Agreements are authorized for a combined not-to-exceed amount of \$21,000,000 and an anticipated spending of \$11,500,000 is projected by their expiration in March 2023. Staff recommends maintaining the combined contract agreement amount at \$21,000,000 to ensure funding is available due to several large remediation projects anticipated within the duration of these contracts. Actual amounts to be expended under the contracts will be determined through the annual budget process.

Selection Process – On June 1, 2022, a Request for Proposals (RFP) was released and posted on the Port's website and the firms were notified through the City's Contracts Management and Opportunities Database, Regional Alliance Marketplace for Procurement.

The proposal and selection of the interview evaluation panel followed the requirements stated in the Harbor Department's 2022 Contract Procedures Manual. One Marine Environmental Supervisor and two Environmental Specialists from EMD were selected to be on the evaluation panel because they have the technical expertise needed to work with consultants in managing for the Port's environmental liabilities. In addition, one member outside of the Harbor Department, an Environmental Manager from Port of Long Beach, was selected to be on the evaluation panel because he has similar technical expertise. The evaluation panel was approved by the Deputy Executive Director.

The Harbor Department received 15 proposals on July 7, 2022. Proposals were reviewed using evaluation criteria published in the RFP (Transmittal 3). The RFP criteria for evaluation focused on project management, firm qualifications, technical expertise, and rates and fees. A listing of all 15 proposers and their proposal scores are attached in Transmittal 4. The proposals were scored to a total of 100 points, as outlined in the RFP. Eleven of the 15 proposers were short-listed and invited to interview.

Interview questions were developed from the criteria advertised in the RFP to assess the breadth and depth of the firms' expertise (Transmittal 5). Interviews were conducted from September 19 to 22, 2022 and included a 10-minute presentation followed by a

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question/answer session. The evaluation panel completed the scoring based upon the presentation and comprehensiveness in response to the interview questions. The interviews were scored to a total of 100 points and a Local Business Enterprise of 8% (8 points) was added to the score to determine the Final Score. A summary of the interview scoring is provided in the table below and attached in Transmittal 6.

Table. Summary of Interview Evaluation Scores

Consultants	Interviewer 1	Interviewer 2	Interviewer 3	Interviewer 4	Local Business Enterprise	Final Score
1	90	88	90	85	8	361
2	91	86	86	80	8	351
3	91.5	90	90	71	8	350.5
4	87	87	94	73	8	349
5	89	88	89	74	8	348
6	90.5	87	78	80	8	343.5
7	86	82	87	71	8	334
8	84	86	78	68	8	324
9	80	72	79	61	8	300
10	75	77	77	59	8	296
11	76.5	74	59	55	8	272.5

Following the evaluation process and interviews, the top eight firms were selected as the most qualified to meet the Harbor Department's anticipated needs over the next three years.

EMD is recommending that the Harbor Department enter into three-year term Agreements with the following eight firms identified as the most qualified:

Tetra Tech	\$	4,000,000
APEX	\$	4,000,000
Leighton	\$	3,000,000
Pacific Edge	\$	3,000,000
Burns & McDonnell	\$	2,500,000
Parsons	\$	1,500,000
Ninyo & Moore	\$	1,500,000
TRC	\$	<u>1,500,000</u>
TOTAL	\$	21,000,000

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This is the first opportunity for two of the eight firms, Burns & McDonnell and TRC, to provide environmental services to the Harbor Department's Site Restoration Group. Tetra Tech, APEX, Leighton, Pacific Edge, Parsons, and Ninyo & Moore are returning firms from the current contract period.

EMD assigned not-to-exceed amounts to each proposed Agreement based on the categories of work and services to be performed. Actual assignments for work will be made based on budget allocations in each fiscal year. Further, where appropriate, consultants will be asked to submit proposals for work in order to obtain competitive costs for various work assignments.

Small Business Development Program – Each proposed Agreement will include a 25% SBE goal including a 5% VSBE goal. These requirements can be met through the prime consultant or subconsultants. The SBE and VSBE commitment levels will be specified when work is authorized under each PD. Pacific Edge is both a certified SBE and VSBE; therefore 100% of their services will apply to each of these goals. If all the funds are expended in these contracts (\$21,000,000), the consultants will cumulatively achieve an SBE participation level of 35.7% (\$7,500,000), of which 43% (\$3,225,000) will be applied towards VSBE's. Both the SBE and VSBE requirements under the agreements will be exceeded. All firms will be required to submit a monthly subconsultant report indicating the level of compliance of these goals.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of eight proposed Agreements for as-needed site assessment and environmental restoration services, which is an administrative activity. As such, 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(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Agreements authorizes a total amount not-to-exceed \$21,000,000 for as-needed site restoration services over a three-year period. It is anticipated that funds for these Agreements will be expended as follows:

FY 2022/23	\$ 1,800,000
FY 2023/24	\$ 3,700,000
FY 2024/25	\$ 3,700,000
FY 2025/26	<u>\$11,800,000</u>
TOTAL	\$21,000,000

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Funds for FY 2022/23 in the amount of \$500,000 are available in Account 54260 (Environmental Assessment Services), Center 0330 (Environmental Management), Program 000 (Base Budget). Additional funds in Fiscal Year 2022/23 will be expensed from Center 0311 (Maintenance), Center 1000's (Capital Improvement Program) and Account 21995 (GASB 49 Provision-Current), Center 7000, Program 000.

The Harbor Department's financial obligations after the current fiscal year are contingent upon the Board's appropriation of funds. If any subsequent fiscal year funds are not appropriated by the Board for the work required by the proposed Agreements, the Agreements shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred. A funding out clause is included in each proposed Agreement.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the proposed Agreements as to form and legality.

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TRANSMITTALS:

- 1a. Agreement with Tetra Tech, Inc.
- 1b. Agreement with APEX Companies, LLC
- 1c. Agreement with Leighton Consulting, Inc.
- 1d. Agreement with Pacific Edge Engineering, Inc.
- 1e. Agreement with Burns & McDonnell Engineering Company, Inc.
- 1f. Agreement with Parsons Environment & Infrastructure Group, Inc.
- 1g. Agreement with Ninyo & Moore Geotechnical & Environmental Science Consultants
- 1h. Agreement with TRC Solutions, Inc.
2. Scope of Work
3. RFP Evaluation Criteria
4. Summary of Proposers and Proposal Scores
5. Interview Questions
6. Summary of Oral Interview Scores

FIS Approval: MB
CA Approval: SO



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DIBERNARDO
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

CC/yo
AUTHOR: P. Sun

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