



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: APRIL 20, 2011

FROM: CONSTRUCTION DIVISION

**SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACTS
CONSULTANTS: C2PM, JACOBS PROJECT MANAGEMENT CO.,
HARRIS & ASSOCIATES, INC., AND
INTEGRATED ENGINEERING MANAGEMENT
ON-CALL CONSTRUCTION MANAGEMENT SERVICES**

SUMMARY:

The four subject agreements will 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 and scheduling. Projects assigned to the selected consultants will vary in scope, and may require specialized expertise. The consultants will augment Construction Division staff during peaks in the Construction Division's workload. The number, sizes and types of projects assigned to the selected consultants will be determined based on the needs of the Construction Division.

Four consultants are recommended to provide services. C2PM is a small business located in Irvine, CA, Jacobs Project Management Co. is located in Cypress, CA, Harris & Associates, Inc. is located in Irvine, CA, Integrated Engineering Management is a small business located in San Pedro CA. Each of the four agreements is for \$1,000,000, with a duration of three years. The total maximum appropriation applicable to the four agreements is \$4,000,000.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that in accordance with the City Charter Section 1022, work under the subject Agreements can be performed more feasibly by an independent consultant, and is necessary due to a peak in work volumes, current employees are committed to other assignments;
2. Approve agreements with C2PM, Jacobs Project Management Co., Harris & Associates, Inc., and Integrated Engineering Management, each in the amount of \$1,000,000; and that payment is authorized from the Construction Management

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Services account. The Agreement duration for performance of the work will be three years;

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. _____.

DISCUSSION:

Background - The City of Los Angeles Harbor Department (Harbor Department) currently has a Capital Improvement Program with over \$560 million in construction projects planned over the anticipated three-year term of the proposed Agreements. Project scopes include wharf and backlands improvements, construction of new buildings, improvements to the Port's waterfront areas, and landscaping. Peaks in workload are expected during the lifetime of the subject Agreements, at which point the Division will need consultant services to support Construction Division staff. Staff has also reached out to other City Departments performing these types of services and has concluded that City staff is not available to handle the work during temporary peaks in workload. It is also not cost effective or good management practice to hire City employees to handle work during temporary peaks in workload. This on-call Construction Management services is being utilized for the first time in the Construction Division and will be valuable in addressing the needs of the Harbor Department as the need arises.

Scope of Services - Consultant support services may include, but not be limited to construction management, constructability review, scheduling, cost estimating, document control, coordination with other stakeholders, preparing reports, and assistance with monitoring compliance with LEED requirements and meeting LEED commissioning requirements. A detailed listing of these services is contained in Exhibit "B" of the attached Agreements.

Selection Process - The Construction Division sent Requests for Qualifications (RFQs) to over 150 firms to perform on-call construction management services. The RFQ was posted on the Port's Web site, DiversityXchange and the Los Angeles Business Assistance Virtual Network. 46 firms submitted a Statement of Qualifications (SOQ). A selection committee from the Construction Division, Engineering Division and the Department of Public Works Bureau of Engineering evaluated and ranked the SOQs based on qualifications of the prime and sub-consultants, and short listed the following firms:

- AECOM, Los Angeles, CA
- APSI Construction Management, Irvine, CA (SBE)

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- Berg & Associates, Inc., San Pedro (SBE)
- C2PM, Irvine, CA (SBE)
- CH2M Hill, Los Angeles, CA
- Harris & Associates, Irvine, CA
- HNTB Corporation, Los Angeles, CA
- Integrated Engineering Management, San Pedro, CA (SBE)
- Jacobs, Cypress, CA
- Kellogg Brown & Root Services, Inc., Newport Beach, CA
- MWH, Arcadia, CA., Owen Design & Management, Burbank, CA (SBE)
- URS, Los Angeles, CA

All 13 firms received a Request for Proposals (RFP), and 10 firms submitted Proposals. CH2M Hill, HNTB Corporation, and Kellogg Brown & Root Services, Inc., declined the invitation to submit a proposal. The evaluation committee evaluated and ranked the proposers based on their qualifications and the experience of the project manager, technical teams and subconsultants, their overall management plan, approach toward cost and schedule control, experience with marine, building, general civil, and landscape construction, and the value of services that would be provided. All 10 firms were invited to deliver an oral presentation.

MWH declined the invitation to deliver a presentation, and requested to be considered as a subconsultant to C2PM, who would be continuing in the selection process. The selection committee evaluated and ranked the nine remaining consultants based on the qualifications of the project manager, construction manager, and project team, the cohesiveness of the project team, cost control, schedule control, the value of services, the understanding of local community concerns, familiarity with local codes and regulations, their presentation and visual aids, and their responses to questions. C2PM, Jacobs Project Management Co., Harris & Associates, Inc., and Integrated Engineering Management received the highest scores and were selected (see Transmittal No. 5).

Small Business Enterprise (SBE) Program and Subconsultant Participation - Both C2PM and Integrated Engineering Management are Small Business Enterprises (SBEs) and, thereby, achieve an SBE participation level of 100 percent. C2PM has not worked for the Harbor Department in the past. Jacobs Project Management Co. and Harris & Associates, Inc. will provide an SBE participation level of 25 percent and 30 percent respectively, meeting or exceeding the Port wide 25 percent small business participation requirement. Please see Transmittal No. 6 for listing of subconsultants for each firm.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is the award of on-call construction management services. As an administrative action, the Director of Environmental Management has determined 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.

ECONOMIC BENEFITS:

Spending under this contract for construction management services will support the equivalent of 62 one-year full-time equivalent jobs (27 direct, 35 secondary) in the five-county region.

FINANCIAL IMPACT:

Funding for the current fiscal year has been budgeted in the fiscal year 2010/2011 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 is anticipated to be expended as follows:

FY 2010/2011	\$40,000
FY 2011/2012	\$330,000
FY 2012/2013	\$330,000
FY 2013/2014	\$300,000
<hr/> Total	<hr/> \$1,000,000

Although the consultants are not obligated to perform any work under the contract in any fiscal year in which no appropriation for the contract has been made, the consultants agree 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 consultants are 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 contracts, the contracts 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 prepared and approved as to form and legality the Agreements.

TRANSMITTALS:

1. Agreement between the City of Los Angeles and C2PM
2. Agreement between the City of Los Angeles and Jacobs Project Management Co.
3. Agreement between the City of Los Angeles and Harris & Associates, Inc.
4. Agreement between the City of Los Angeles and Integrated Engineering Management
5. Final Evaluation and Rankings
6. Consultant and Sub-consultant Work Description

FIS Approval: MP (initials)

CA Approval: TR (initials)

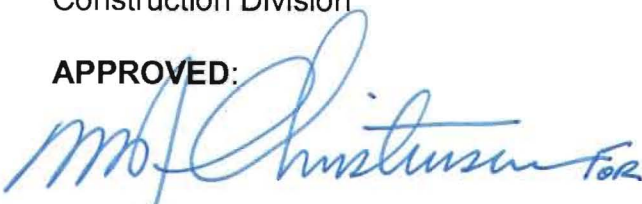


SHAUN SHAHRESTANI
Chief Harbor Engineer
Construction Division



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D
Executive Director
CA/be.Award of Contract - On Call Const Mgmt Svcs