



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: DECEMBER 23, 2014

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____
ON-CALL CONSTRUCTION MANAGEMENT SERVICES
AWARD OF CONTRACTS TO: AECOM, BERG & ASSOC.,
CH2M HILL, IEM, AND SIMPLUS**

SUMMARY:

The five 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.

Five consultants are recommended to provide these services. AECOM is located in Los Angeles, Berg & Assoc. is a small business located in San Pedro, CH2M Hill is located in Los Angeles, Integrated Engineering Management (IEM) is a small business located in San Pedro, and Simplus is a small business located in Los Alamitos. Each of the five agreements is for \$2,000,000, with a duration of five years. The total maximum appropriation applicable to the five agreements is \$10,000,000, which is the financial responsibility of the Harbor Department.

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 Agreements can be performed more feasibly by independent consultants and is necessary due to a peak in work volumes and current employees commitments to other assignments;
2. Award a five-year personal services Agreement in the amount of \$2,000,000 to each of the following: AECOM, Berg & Assoc., CH2M Hill, IEM, and Simplus; and authorize payment from the Construction Management Services account;

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3. Authorize the Executive Director to execute and the Board Secretary to attest to this Agreement for and on behalf of the Board;
4. Direct the Board Secretary to forward the Agreements to the City Council for its approval pursuant to Section 373 of the City Charter, and Section 10.5 of the Los Angeles Administrative Code; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The City of Los Angeles Harbor Department (Harbor Department) currently has a Capital Improvement Program with over \$1.0 billion in construction projects planned over the five-year term of the proposed Agreements. Project scopes include wharf and backland 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 Construction Division will need consultant services to support staff. Staff has also reached out to other City of Los Angeles (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 also is neither cost effective, nor good management practice, to hire City employees to handle work during temporary peaks in workload. These on-call construction management services agreements will be valuable in addressing the needs of the Harbor Department as they arise. The Construction Division typically spends between \$1 million to \$2 million per year utilizing services under the on-call construction management services agreements.

Scope of Services – Consultant support services may include, but are not limited to, construction management, constructability review, scheduling, cost estimating, document control, coordination with other stakeholders, preparing reports, and assistance with monitoring compliance with environmental construction requirements. A detailed listing of these services is contained in the Scope of Services exhibit in the attached Agreements (Transmittals 1-5). Each Agreement will have a duration of five years, therefore these agreements will require City Council approval.

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Selection Process – A Request for Qualifications (RFQ) to perform on-call construction management services was advertised and published. Thirty-four Statements of Qualifications (SOQs) were received. A selection committee consisting of three persons from the Construction Division and one person from the Los Angeles Department of Public Works evaluated and ranked the SOQs based on qualifications of the prime and sub-consultants. The following thirteen firms were short-listed and issued a Request for Proposals (RFP) inviting them to submit a proposal:

- AECOM
- Berg & Associates
- C2PM
- CH2M Hill
- Harris and Assoc.
- HDR
- Hill International
- IEM
- Jacobs
- Parson
- Parsons Brinckerhoff
- Simplus
- Vanir Const Mgmt

Proposals were received and all thirteen firms were invited to deliver an oral presentation and answer specific questions from the evaluation committee. The evaluation committee interviewed the thirteen firms and ranked them based on the qualifications and experience of the project manager, approach toward cost and schedule control, technical teams & subconsultants, experience with marine, building, general civil, and landscape construction, the value of services that would be provided (hourly rates), understanding of local community & tenant concerns, familiarity with local codes and regulations, their presentation and visual aids, and their responses to questions. It was a consensus of the selection committee that AECOM, Berg & Assoc., CH2M Hill, IEM, and Simplus be selected as the most qualified firms for the contracts. All firms except IEM are entering into agreements for the first time to provide on-call construction management services. Transmittal 6 shows the Final Evaluation and Rankings.

Small Business Enterprise (SBE) Program and Subconsultant Participation - Berg & Assoc., IEM, and Simplus are Small Business Enterprises (SBEs) and, thereby, achieve an SBE participation level of 100 percent. Simplus has not worked for the Harbor Department in the past as a prime consultant. AECOM and CH2M Hill have committed to meeting or exceeding the Port-wide 25 percent small business participation requirement. Please see Transmittal 7 for Consultant and Sub-consultant Work Description listings 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 the proposed Agreements will support 73 direct and 78 secondary one-year equivalent jobs for the five-county region.

FINANCIAL IMPACT:

Funding in the amount of \$1,000,000 for the current fiscal year has been budgeted in the fiscal year 2014/2015 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:

<u>Fiscal Year</u>	<u>AECOM</u>	<u>Berg</u>	<u>CH2M Hill</u>	<u>IEM</u>	<u>Simplus</u>
2014 / 2015	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
2015 / 2016	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
2016 / 2017	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
2017 / 2018	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
2018 / 2019	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
2019 / 2020	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Total	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

The maximum compensation under each Agreement is \$2,000,000.

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.

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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.

CITY ATTORNEY:

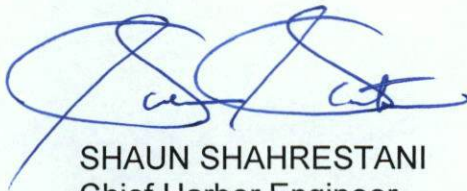
The Office of the City Attorney has prepared and approved the Agreements as to form and legality.

TRANSMITTALS:

1. Agreement between the City of Los Angeles and AECOM
2. Agreement between the City of Los Angeles and Berg & Assoc.
3. Agreement between the City of Los Angeles and CH2M Hill
4. Agreement between the City of Los Angeles and IEM
5. Agreement between the City of Los Angeles and Simplus
6. Final Evaluation and Rankings
7. Consultant and Sub-consultant Work Description

FIS Approval: sh (Initials)

CA Approval: CRB (Initials)



SHAUN SHAHRESTANI
Chief Harbor Engineer
Construction Division



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director