



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

**DATE: JULY 11, 2017**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD OF CONTRACT  
CONSULTANT: PMWEB, INC.  
WEB-BASED CONSTRUCTION PROJECT MANAGEMENT SYSTEM**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners approve the award of this agreement to PMWeb, Inc., to provide a subscription to, and implement, PMWeb, a Web-based construction project management system. The Agreement amount is not-to-exceed \$511,710, and the Agreement duration is three years. The Harbor Department is responsible for payment of expenses incurred under the proposed Agreement.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

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 Agreement can be performed more economically and feasibly by an independent consultant, and is necessary due to current employees being committed to other assignments, and expertise that is needed for the subject services;
3. Award the Agreement to PMWeb, Inc. in the amount of \$511,710; and that payment be authorized from the Construction Management Services account. The Agreement duration for the performance of the work will be three years;
4. Authorize the Executive Director to execute, and the Board Secretary to attest to, this Agreement; and
5. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background/Context – The management of capital improvement construction projects requires extensive collaboration and communication between multiple groups. The Construction Division has used two systems, which has proven to increase the efficient creation and circulation of project related documents that require review and approval by multiple parties. Although the systems currently in use by the Construction Division have partially served staff needs, they have limitations, and do not offer important features provided by other existing Web-based construction project management systems available in the industry today.

A new Web-based construction project management system is needed in order to provide Harbor Department (Department) staff with the latest technology for increasing efficiency in managing capital improvement construction projects. The selected system will replace and improve upon the functionality of current systems, as well as introduce new features that will benefit the Harbor Department in its management of capital improvement construction projects.

Benefits of using an integrated construction project management system include, but are not limited to:

- Providing cost savings to the Department by eliminating mailing paper documents to consultants and project team members (Construction Division representatives, Engineering Division representatives, contractors, subcontractors, consultants, supporting City departments, and others);
- Providing a central work space accessible from anywhere, so that all members of a project team can communicate and collaborate seamlessly;
- Decreasing the time necessary to respond to requests and documents submitted by contractors, reducing the time needed to resolve issues, resulting in projects being delivered more quickly and cost-effectively;
- Recording, tracking, and reporting the financial status of construction projects and programs;
- Providing comprehensive, customizable dashboards for executive management to monitor project schedules and cost;
- Efficiently processing construction management forms and documents through the review and approval process;
- Allowing electronic input of time and material cost requests from contractors which will expedite review by staff, and enable staff to more efficiently monitor cost; and
- Provide the ability to integrate or share data with other database systems.

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Once projects that are being managed in the existing systems are completed, the existing systems will no longer be used, and subscriptions will end. A transition period of approximately 18 months between the existing systems and PMWeb is anticipated.

Scope of Services – This project will provide a Web-based construction project management system. The scope of work consists of:

- Installation, activation and setup of the system;
- Setting up initial users, and user groups;
- Preparing a Project Charter Document describing the process necessary to implement and configure the system;
- Changing terminology to match the Department terminology throughout the system;
- Configuring, and developing forms, workflows and reports necessary to execute and log Department processes and procedures;
- Setting up programs and projects in the system;
- Creating and/or configuring custom reports;
- Configuring executive and project level dashboards; and
- Creating of mechanisms for sharing data between the system and other existing Department database systems

The agreement (Transmittal 1) also provides for hosting, maintenance, and support of the system and training sessions for system administrators and Department staff.

The Web-based construction project management system will be used by staff in multiple divisions in the Department, including, but not limited to, Construction, Engineering and Environmental, and other City Departments and consultants supporting construction projects.

Selection Process – A Request for Proposals (RFP) was advertised and published on September 24, 2015. Nine proposals were received from the following:

- Archway Systems, Inc., Huntington Beach, California (VSBE, LBE)
- Birdi & Associates, Inc., Los Angeles, California (SBE, MBE, LBE)
- CapitalSoft, Inc., Richardson, Texas (SBE)
- e2020 Technology, Inc., Santa Ana, California (VSBE, MBE, LBE)
- e-Builder, Inc., Plantation, Florida (OBE)
- Gaea Global Technologies, Santa Clara, California (SBE, MBE)
- Gafcon, Inc., Los Angeles, California (SBE)

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- Kelar Pacific LLC, Los Angeles, California (WBE, LBE)
- PMWeb, Inc., Wakefield, Massachusetts (SBE)

The proposals were evaluated, and ranked by a committee consisting of five persons from the Construction Division, one person from the Engineering Division, one person from the Information Technology Division, and one person from the City of Los Angeles Department of Public Works, Bureau of Engineering. The proposals were evaluated based on the:

- Qualifications, experience and references of the proposed resources;
- Overall functionality of the proposed system;
- Data security and backup features and procedures;
- Approach and work plan for implementing the proposed system;
- Training and additional services that would be provided;
- Pricing of the proposed system; and
- Clarity and comprehensiveness of the proposal.

Six firms were short-listed and invited to provide in-person demonstrations of their proposed system, and further discuss their approach and work plan for implementing the proposed system. The six firms are as follows:

- Archway Systems, Inc.
- e2020 Technology, Inc.
- e-Builder, Inc.
- Gaea Global Technologies
- Gafcon, Inc.
- PMWeb, Inc.

The evaluation committee interviewed and ranked the six firms based on following criteria:

- Document Management
- Change Management
- Forms, Reports, and Logs
- Other System Features and Workflows
- Training and Additional Services
- Configuration, Customization and Implementation
- Value of Services
- Overall Demonstration and Interview

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PMWeb, Inc. and Archway Systems, Inc. were short-listed, and invited to provide a hands-on trial of their proposed system, where the evaluation committee had the opportunity to use the respective systems to execute a series of scripted exercises designed to represent common tasks that are frequently executed by Department staff. After the hand-on trials, the evaluation committee evaluated and ranked the final two firms based on the following overall criteria:

- Administrator Processes
- Executive and Program Management Processes
- Inspection Processes
- Construction Management Processes
- Document Control Processes
- Mobile Use
- Training and Additional Services
- Implementation
- Web-Based Bid Management
- System Security
- Value of Services

It is the consensus of the evaluation committee that PMWeb, Inc. is the most qualified team, and that the PMWeb system will best meet the needs of the Construction Division. Please see Transmittal 2 for the consultant ranking, and Transmittal 3 for work descriptions for PMWeb, Inc. and their sub-consultant.

The required services were originally anticipated to not involve the use of subconsultants. Therefore, no Small Business Enterprise (SBE) participation mandates were imposed. However, PMWeb, Inc. is an SBE, and, therefore, will qualify for 100% SBE participation. Contrary to original expectations, PMWeb, Inc. will use the services of one subconsultant. Hill International, Inc., was originally named in the proposal from PMWeb, Inc. After the contract was negotiated, the unit within Hill International, Inc. performing the work for this agreement was sold and is now HKA Global, Inc., who is named as a subconsultant to PMWeb, Inc. Key staff performing the work will remain the same.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is award of a Contract to PMWeb, Inc. to provide implementation of, and subscription to, a Web-based construction project management system. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

As indicated below, funding for the capital portion of work will come from the Unallocated Capital Improvement Fund, Center No. 1900. Funding for the Operating Budget will come from Center No. 0320, Program No. 000, and Account No. 54110.

	Capital Budget	Operating Budget	Total for FY
FY 2017/2018	\$285,190	\$68,920	\$354,110
FY 2018/2019	\$37,600	\$72,000	\$109,600
FY 2019/2020	\$0	\$48,000	\$48,000
<b>Total</b>	<b>\$322,790</b>	<b>\$188,920</b>	<b>\$511,710</b>

Annual operating and maintenance costs, including licensing, are expected to be approximately \$50,000, which is less than the cumulative annual cost of the systems that will be replaced.

Although PMWeb, Inc. is not obligated to perform any work under the contract in any fiscal year in which no appropriation for the contract has been made, PMWeb, Inc. 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 is approved within that 60-day period.

PMWeb, Inc. 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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**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 PMWeb, Inc.
2. Final Evaluation and Rankings
3. Consultant and Sub-Consultant Work Description

FIS Approval: MB (initials)

CA Approval: [Signature] (initials)

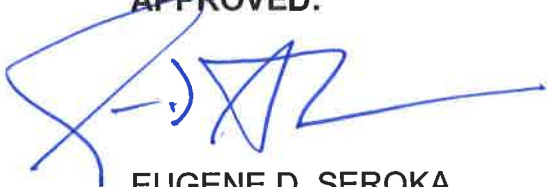


SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



ANTONIO V. GIOIELLO  
Deputy Executive Director

**APPROVED:**



EUGENE D. SEROKA  
Executive Director

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B01PMWeb, Inc.