



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

**DATE: MARCH 2, 2017**

**FROM: ENGINEERING**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF PERSONAL SERVICES AGREEMENTS WITH MOFFATT & NICHOL; AECOM TECHNICAL SERVICES, INC.; AND JACOBS ENGINEERING GROUP, INC. FOR THE ON-CALL ENGINEERING SERVICES FOR MARINE OIL TERMINAL ENGINEERING AND MAINTENANCE STANDARDS (MOTEMS) PROGRAM**

**SUMMARY:**

Staff requests the Board of Harbor Commissioners (Board) adopt a Resolution and approve the Personal Service Agreements (Agreements) with Moffatt & Nichol; AECOM Technical Services, Inc.; and Jacobs Engineering Group, Inc. to provide Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) on-call engineering services supporting the City of Los Angeles Harbor Department's MOTEMS Program. The three Agreements are for three-year terms in the amount of \$2,000,000 each for a total of \$6,000,000. The Harbor Department will be 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 Personal Service Agreements (Agreements) can be performed more feasibly by independent consultants rather than by City employees;
3. Approve the three Agreements for a term of three-years each, with a combined contract total of \$6,000,000 as follows:

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- a. Moffatt & Nichol (Long Beach, CA) for \$2,000,000;
  - b. AECOM Technical Services, Inc. (Los Angeles, CA) for \$2,000,000;
  - c. Jacobs Engineering Group, Inc. (Los Angeles, CA) for \$2,000,000;
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 – The proposed Agreements will provide support to the City of Los Angeles Harbor Department (Harbor Department) in its efforts to implement the Department's MOTEMS Program. The Harbor Department has a need for outside Engineering services to augment staff in the preparation of Plans, Specifications, and Estimates (PS&E), and design services during construction of the MOTEMS projects throughout the Port of Los Angeles (Port).

The Port has several liquid bulk facilities to handle various types of commodities for both import and export. These facilities are located at multiple berths throughout the Port and accommodate tankers, barges, and bulk carriers.

The California Building Code Chapter 31F provides regulations for Marine Oil Terminals (MOTs), which require all facilities to comply with current code standards. These standards apply to all existing and new MOTs in California, and include criteria for inspection, structural analysis and design, mooring and berthing, geotechnical considerations, fire protection, piping, and mechanical and electrical systems.

MOTEMS requires all liquid bulk facilities undergo initial and subsequent audits to determine the fit-for-purpose condition of the facilities. MOTEMS further requires that all deficiencies discovered during the audit process be corrected to the requirements stated in the code. The existing MOTs do not meet all the regulations set forth in the code; consequently, these MOTs will either have to be retrofitted or replaced with a new MOT due primarily to the advanced age of the existing wharf structures and their lack of compliance with the code's seismic criteria.

Work under these Agreements (Transmittal 1) will be initiated by project directives, which will define the scope of work, maximum cost, schedule, terms of payment, deliverables, work site, personnel or sub-consultants to be utilized, Small Business Enterprise (SBE) and Very Small Business Enterprise (VSBE) participation, and other pertinent details.

All project directives require the Executive Director's or his designee's approval. The Consultants will only be compensated for work completed; any unused funds at the end of the contract term will remain with the Harbor Department.

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These Agreements do not include any additional change order authority. Any changes in the Consultants total compensation will require Board approval.

Services to be Performed – The Consultants shall provide MOTEMS on-call engineering services to support the Department’s MOTEMS Program. These services include, performing civil, structural, electrical, mechanical, geotechnical, industrial, fire protection, corrosion, and inspection work. Additional work includes engineering services; including review of construction bid packages, Class “A” project cost estimates, project scheduling, simulation, audits, and studies.

The detailed Scope of Work – Exhibit “B” is attached as Transmittal 2.

The current MOTEMS Program CIP estimates approximately \$177,000,000 for MOTEMS work and staff is requesting \$6,000,000 in MOTEMS on-call consulting agreements in support. These services are of a limited duration, require specialized knowledge and expertise, and require flexibility to accommodate periods of inactivity.

Pre-Request for Proposals Outreach - As part of a pre-Request for Proposals outreach, the Harbor Department Human Resources Division notified Service Employees International Union (SEIU), May 3, 2016 of a RFP for on-call engineering services. SEIU represents Engineers and Associate Architects currently employed by the City.

Also, prior to issuance of the RFP, in conformance with the City’s Charter Section 1022 procedure, the Engineering Division notified eight (8) City departments and asked if those departments had personnel that could perform the above-referenced scope of services. Departments that were contacted either did not respond or responded that they lacked sufficient personnel to assist. Based on these findings, a Charter Section 1022 Determination was prepared on May 5, 2016, which found that the work proposed to be contracted can be performed more feasibly by a contractor than by City employees because there is insufficient existing City staff to perform the proposed work and additional staff cannot be trained in a timely manner to meet the Harbor Department’s needs.

Selection Process

On June 13, 2016, the Contracts and Purchasing Division issued a RFP for on-call engineering services for the MOTEMS Program. The RFP was posted on the Port website, and the Los Angeles Business Assistance Virtual Network (LABAVN).

The Harbor Department received proposals from five (5) firms. The criteria for evaluation of the proposals were derived from previous contracting forms used to evaluate similar services and were included in the RFP. Criteria used to evaluate the Consultant proposals are summarized in four (4) broad categories: qualifications, experience, and references; project organization, personnel, and staffing; project

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management; and rates and fees. These categories are more fully defined on the attached "RFP Selection Evaluation Form" (Transmittal 3).

The proposals were evaluated and rated by two (2) members of the Engineering Division and one (1) member of the Waterfront/Commercial Real Estate Division. Four of the five teams were invited to be interviewed.

The consultant interviews were conducted on October 26, 2016, and each Consultant was rated on their ability to respond to seven questions asked of all Consultants. Questions asked of all consultants are included on the attached "MOTEMS On-Call Design Contract Consultant Team Interview Questions" (Transmittal 4). The results of the written proposal and interviews were combined on the attached "On-Call Engineering Services for the MOTEMS Program – Combined Score Summary" (Transmittal 5).

The Engineering Division is recommending that the Harbor Department enter into three three-year term Agreements for On-Call Engineering Services for the MOTEMS Program with an amount not-to-exceed \$2,000,000 for each of the following Consultants:

- Moffatt & Nichol
- AECOM Technical Services, Inc.
- Jacobs Engineering Group, Inc.

Small Business Development Program – The consultant agreements will include an overall 25% SBE goal including 5% Very Small Business Enterprise participation. The SBE participation commitment level will be specified for the scope of work on each individual project directive when work is assigned. This will allow the overall SBE and VSBE goals for each consultant to be tracked. If all the funds are expended in these contracts, the Consultants will cumulatively achieve an SBE participation level of 25% (\$1,500,000), and a VSBE participation level of 5% (\$300,000). The composition of each consultant team is attached as Transmittal 6. All firms will be required to submit a monthly subconsultant report indicating their level of compliance with these goals. This compliance will be monitored monthly by staff.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of the three Agreements to provide on-call engineering services supporting the Harbor Department's MOTEMS Program. The proposed action does not include approval of any environmental analysis for specific projects that result from services provided under these Agreements. Such projects will be subject to individual environmental review in accordance with the California Environmental Quality Act (CEQA). As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from CEQA in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed three-year Agreements authorize a total not-to-exceed authority amount of \$6,000,000 and will commit \$300,000 in funding for the current fiscal year under these Agreements. It is anticipated that funds for these Agreements will be expended as follows:

Fiscal Year (FY)	Total
FY 2016/17	\$ 300,000
FY 2017/18	\$ 1,950,000
FY 2018/19	\$ 1,950,000
FY 2019/20	\$ 1,800,000
TOTAL	\$6,000,000

Funds for FY 2016/2017 in the amount \$300,000 are available in the CIP Account 54220, Center 1195, Program 000. The Harbor Department's financial commitments for the proposed Agreements beyond the current fiscal year are contingent upon approval of funds by the Board as part of the annual budget adoption process. If any subsequent fiscal year funds are not appropriated by the Board for the work required by the 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 Agreement. Maintenance obligations will be defined in the lease with each tenant and approved by the Board of Harbor Commissioners at a future date.

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**CITY ATTORNEY:**

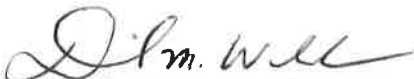
The Office of the City Attorney has prepared and approved the subject Agreements as to form and legality.

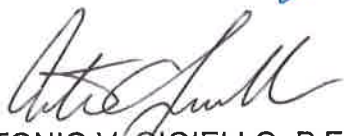
**TRANSMITTALS:**

1. Agreements
  - a. Agreement with Moffatt & Nichol
  - b. Agreement with AECOM Technical Services, Inc.
  - c. Agreement with Jacobs Engineering Group, Inc.
2. Scope of Work – Exhibit “B”
3. RFP Selection Evaluation Form
4. MOTEMS On-Call Design Contract Consultant Interview Questions
5. On-Call Engineering Services for the MOTEMS Program – Combined Score Summary
6. Team Composition

FIS Approval: MB (initials)

CA Approval: [Signature] (initials)

  
DAVID M. WALSH, P.E.  
Chief Harbor Engineer

  
ANTONIO V. GIOIELLO, P.E.  
Deputy Executive Director, Development

APPROVED:

  
EUGENE D. SEROKA  
Executive Director

ER:tm  
MGT 3-3  
MGT 3-3 MOTEMS