



**DATE: MARCH 8, 2017**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF PERSONAL SERVICES AGREEMENTS FOR AS-NEEDED AIR QUALITY SERVICES WITH STARCREST CONSULTING GROUP, LLC, TETRA TECH, INC., RAMBOLL ENVIRON US CORPORATION, ENVIRONMENTAL COMPLIANCE SOLUTIONS, INC., AND E2 MANAGETECH, INC.**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners (Board) approve the proposed Personal Service Agreements (Agreements) with Starcrest Consulting Group, LLC (Starcrest), Tetra Tech, Inc. (Tetra Tech), Ramboll Environ US Corporation (Ramboll), Environmental Compliance Solutions, Inc. (ECS), and E2 ManageTech, Inc. (E2) to provide the City of Los Angeles Harbor Department (Harbor Department) as-needed technical support for air quality programs. This action will authorize five Agreements, each for a three year term with a combined total not-to-exceed amount of \$7,000,000. The Harbor Department is financially responsible for the payment of services 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 with for a term of three-years each, with a combined total of \$7,000,000 as follows:
  - a. Starcrest Consulting Group, LLC (Albuquerque, NM) for \$2,500,000;
  - b. Tetra Tech, Inc. (Pasadena, CA) for \$2,000,000;
  - c. Ramboll Environ US Corporation (Los Angeles, CA) for \$1,000,000;
  - d. Environmental Compliance Solutions, INC. (Santa Monica, CA) \$1,000,000;
  - e. E2 ManageTech, Inc. (Long Beach, CA) for \$500,000;
4. Authorize the Executive Director and the Board Secretary to execute and attest to said Agreements for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context - The proposed Agreements (Transmittals 1a-1e) support the Harbor Department's air quality programs. This includes the development and implementation of programs to support the Clean Air Action Plan (CAAP), zero emission technology advancement initiatives, climate change initiatives, regulatory permitting and reporting support for operation of Harbor Department stationary and mobile sources, and ongoing regulatory and legislative tracking and analysis.

The Harbor Department is a world leader in air quality programs and initiatives. With the adoption of the CAAP in 2006 and the CAAP Update in 2010, the Harbor Department has developed and implemented a number of important air quality programs, including the Clean Truck Program (CTP), Vessel Speed Reduction Incentive Program, Environmental Ship Index Program, Alternative Maritime Power Program, Pacific Harbor Line Switcher Modernization Program, Zero Emission Roadmap, and Technology Advancement Program (TAP). With implementation of the CAAP, as of 2015, there have been emission reductions of 85% for diesel particulate matter, 51% for oxides of nitrogen, and 97% for oxides of sulfur compared to 2005. The Harbor Department is currently preparing a second update to the CAAP, which is expected to be completed in 2017. In addition to the CAAP-related accomplishments, the Harbor Department has been a leader in the area of climate change and greenhouse gas (GHG) inventories and strategy development. The Harbor Department has been active in several international efforts in this area involving the World Ports Climate Initiative and the Pacific Ports Clean Air Collaborative.

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The Air Quality Group within the Environmental Management Division (EMD) provides project management to oversee consultants performing specialized technical work. This approach best leverages limited staff resources to meet the demands of projects requiring environmental support. Further, the scope and complexity of Harbor Department projects increasingly require personnel with specialized skill sets and expertise in areas such as control strategy development, grant preparation assistance, air quality modeling, climate change, regulatory analysis, and health risk assessments. As a result, staff believes this level and quality of consultant services is necessary to continue to provide ongoing comprehensive and highly competent air quality assistance for the Harbor Department. In support of this continued effort, we request approval of the proposed Agreements for a term of three years.

Services to be Performed – Services to be provided under the proposed Agreements include, but are not limited to:

- Support and assist with the implementation of the strategies in the CAAP, including special studies for the five main source categories identified in the CAAP.
- Prepare annual updates to the Port-Wide Air Emissions Inventory and conduct related special studies.
- Assist in the identification, evaluation, and demonstration/piloting of new and emerging emission reduction technologies/strategies applicable to the port-related industries.
- Support the Harbor Department GHG programs, including leadership in local, national and international GHG and Climate Change initiatives.
- Provide technical expertise and review of air quality sections and health risk assessments of CEQA/National Environmental Protection Act (NEPA) documents.
- Support and track existing and proposed local, state, and federal regulations/legislation, and an analysis of the potential impact on the Harbor Department.
- Assist in grant writing and tracking for air quality-focused grant opportunities and awards.
- Provide permit compliance support for Regional Clean Air Incentives Market and other stationary and mobile sources.
- Assist in information sharing and outreach to national and international ports.
- Assist in preparing technical papers and presentations for conferences.
- Provide any additional services requested by the Director of Environmental Management.

A detailed Scope of Work is attached as Transmittal 2.

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Work Assignments - Work assigned under these Agreements will be authorized 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 a cost estimate.

The current Air Quality As-Needed Agreements are authorized for a combined not-to-exceed amount of \$7,500,000 and an anticipated spending of \$4,000,000 is projected by their expiration in April 2017. The unspent funds of approximately \$3,500,000 are due to several factors including a less than anticipated demand for special studies and technical review for environmental documents.

The proposed Agreements are requesting a combined amount of \$7,000,000 for this next three year term. This amount is expected to be used for a variety of activities including development of the CAAP 2017 Update that will involve a revised CTP, a new Clean Ship Program, and ongoing TAP projects. The proposed Agreements nevertheless reflect a \$500,000 or 7% decrease from the existing not-to-exceed amount.

Selection Process - On September 6, 2016, an As-Needed Air Quality Services Request for Proposals (RFP) was posted on the Port of Los Angeles website and on the City of Los Angeles Business Assistance Virtual Network. In its commitment to maximize opportunities for local and regional businesses, the RFP was issued under the Local Business Preference Program where eligible prime consultants can receive an eight percent (8%) preference in their selection scores for qualifying as a Local Business Enterprises (LBE).

The Harbor Department received eight proposals on September 27, 2016. Seven of the eight firms were local businesses and eligible for the eight percent (8%) preference in their selection score. The listing of all proposers and their classification is attached in Transmittal 3.

The proposals and interviews were conducted by three members of the EMD and one member from the Port of Long Beach. Proposals were reviewed using evaluation criteria published in the RFP (Transmittal 4). Six of the eight proposers, listed below, were invited to oral interviews that occurred on November 1 and 3, 2016.

- Ramboll
- ERM West, Inc.
- E2
- ECS
- Starcrest
- Tetra Tech

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Interview questions were developed from the criteria advertised in the RFP to assess the breadth and depth of the firms' expertise (Transmittal 5). The evaluation panel completed the scoring on the strength of the written proposal and interview.

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

- Starcrest \$ 2,500,000
- ECS \$ 1,000,000
- Tetra Tech \$ 2,000,000
- Ramboll \$ 1,000,000
- E2 \$ 500,000
- \$ 7,000,000**

A summary of the proposal and oral interview scoring is provided as Transmittal 6. ECS has never been awarded an As-Needed Air Quality contract, while Starcrest, Tetra Tech, Ramboll, and E2 are returning firms.

Staff assigned the not-to-exceed amounts to each Agreement based on firm experience and the types of projects and activities we anticipate undertaking over the next three years. The proposed Agreements will help the Harbor Department to meet Strategic Plan goals and environmental initiatives, achieve regulatory compliance, and complete projects on schedule.

Small Business Development Program - Each Agreement will include a 25% Small Business Enterprise (SBE) goal including a 5% Very Small Business Enterprise (VSBE) goal. These requirements can be met through the prime consultant or subconsultants. The SBE and VSBE commitment levels are specified when work is authorized under each individual PD. Starcrest and ECS are an SBE and VSBE, therefore, 100% of their services will apply towards these goals. If all funds are expended through these Agreements (\$7,000,000), the consultants will cumulatively achieve an SBE participation level of 68% or \$4,750,000, and a VSBE participation of 53% or \$3,675,000. The composition of each consultant team is described in Transmittal 7. All firms will be required to submit a monthly subconsultant report indicating the level of compliance with these goals.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of five As-Needed Agreements for air quality technical support, 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 \$7,000,000 for as-needed air quality consulting services over a three-year period. It is anticipated that funds under the Agreements will be expended as follows:

FY 2016/17	\$ 600,000
FY 2017/18	\$ 2,500,000
FY 2018/19	\$ 2,500,000
FY 2019/20	\$ 1,400,000
<b>Total</b>	<b>\$ 7,000,000</b>

Funds for FY 2016/2017 in the amount of \$600,000 are available in Account 54260, Center 0330, Program 000.

The Harbor Department's financial obligations after the current fiscal year are contingent upon the Board appropriation of funds. 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.

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**CITY ATTORNEY:**

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

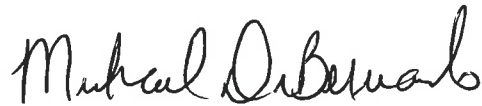
**TRANSMITTALS:**

- 1a. Agreement with Starcrest Consulting Group, LLC
- 1b. Agreement with Tetra Tech, Inc.
- 1c. Agreement with Ramboll Environ US Corporation.
- 1d. Agreement with Environmental Compliance Solutions, Inc.
- 1e. Agreement with E2 ManageTech, Inc.
2. Scope of Work
3. Proposal List
4. Evaluation Criteria
5. Oral interview questions
6. Proposal and Interview Evaluation Scoring Summary
7. Consultant Team Composition

FIS Approval: JS<sup>MA</sup> (initials)  
CA Approval: JM (initials)



CHRISTOPHER CANNON  
Director of Environmental Management



MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:



FOR  
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Executive Director

CC/yo  
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