



THE PORT
OF LOS ANGELES
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: APRIL 4, 2019

FROM: ENGINEERING DIVISION

SUBJECT: RESOLUTION NO. _____ APPROVAL OF ALAMEDA CORRIDOR MAINTENANCE CONTRACTOR SELECTION, MAINTENANCE SERVICES AGREEMENT BETWEEN ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY AND RAILWORKS TRACK SERVICES, INC., AND PROPOSED AMENDED CY19 ALAMEDA CORRIDOR MAINTENANCE OF WAY (MOW) AND OPERATIONS AND MAINTENANCE (O&M) BUDGETS

SUMMARY:

Staff requests the Board of Harbor Commissioners (Board) adopt a Resolution approving and providing Mutual Agreement for: (1) Alameda Corridor's maintenance contractor selection of RailWorks Track Services, Inc., (2) a maintenance services agreement between the Alameda Corridor Transportation Authority and RailWorks Track Services, Inc., and (3) the proposed amended 2019 Alameda Corridor MOW and O&M budgets in the amount of \$13,845,691. The source of funds for these actions will be from the two railroads operating on the Alameda Corridor and from the Alameda Corridor Transportation Authority (ACTA) Reserve Account. There is no financial responsibility on the part of the Harbor Department to fund the proposed actions.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve and provide Mutual Agreement to the Alameda Corridor maintenance contractor selection of RailWorks Track Services, Inc.;
3. Approve and provide Mutual Agreement to the terms of the maintenance services agreement between the Alameda Corridor Transportation Authority and RailWorks Track Services, Inc. for a term of five years;
4. Approve and provide Mutual Agreement for the proposed amended 2019 Alameda Corridor Maintenance of Way (MOW) and Operations and Maintenance (O&M) budgets in the amount of \$13,845,691;

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5. Approve and provide Mutual Agreement authorizing the Executive Director or designee with delegated authority to approve the allocation and use of contingency funds and to approve the transfer of amounts from one Maintenance of Way (MOW) Budget item to another as needed to accomplish work;
6. Direct the Executive Director to transmit this Resolution to ACTA for further action pursuant to the Amended and Restated Alameda Corridor Use and Operating Agreement; and
7. Adopt Resolution No. _____.

DISCUSSION:

On October 24, 2016, the Board approved the Amended and Restated Alameda Corridor Use and Operating Agreement (Amended and Restated UOA). The Amended and Restated UOA included revisions to the original Use and Operating Agreement, and also replaced the former Alameda Corridor Operating Committee comprised of one representative from the Port of Los Angeles and Port of Long Beach (Ports) and a representative from the Union Pacific Railroad (UP) and the BNSF Railroad (Railroads) with direct decision making authority by the Ports and Railroads.

The Amended and Restated UOA, dated as of December 15, 2016, requires that the Ports and Railroads through Mutual Agreement approve an Annual Maintenance and Capital Improvement Plan and Budget prior to January 1 of each year. In addition, the Amended and Restated UOA requires the Ports and Railroads through Mutual Agreement to select a maintenance contractor for the Alameda Corridor, and that the Alameda Corridor Transportation Authority (ACTA) enter into a maintenance services agreement with the selected contractor.

The ACTA issued a Request for Proposals (RFP) for Alameda Corridor maintenance services on August 15, 2018. ACTA received written proposals from four contractors on October 3, 2018. After review of the written proposals by the selection committee consisting of Ports and Railroads staff, the following proposing firms were invited to be interviewed on November 7, 2018:

- 1) RailWorks Track Services, Inc. (Santa Fe Springs, CA)
- 2) VTMI (Lombard, IL)
- 3) Herzog Contracting Group (Saint Joseph, MO)
- 4) Balfour Beatty Infrastructure, Inc. (Atlanta, GA)

The selection committee unanimously selected RailWorks Track Services, Inc. (RailWorks) as the highest ranked firm. Negotiations with RailWorks were successfully completed between January and February 2019. The commencement of the new five

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year contract with RailWorks is anticipated to be May 1, 2019 and the end date of the existing contract with Balfour Beatty is anticipated to be May 31, 2019, which includes a one month transitional overlap between the contractors.

On October 18, 2018, the Board of Harbor Commissioners (BOHC) approved the 2019 Alameda Corridor Maintenance of Way (MOW), and Operations and Maintenance (O&M) budgets in the amount of \$12,829,567. ACTA has proposed an amended 2019 MOW and O&M budget in the amount of \$13,845,691 which includes a contingency of \$300,000. This request represents an increase of \$1,016,124 or 7.9% over the BOHC approved 2019 Budget. The reason for this proposed increase includes added costs for labor due to a one month overlap between the existing and new contractors, prevailing wage requirements and current union rates, Bridge Management Plan development, increase to capital costs due to revised estimates for new trench fixed stairways and other 2018 carry over work. ACTA's March 13, 2019 First Revised Notice of Mutual Agreement (NMA 2019-1) is attached as Transmittal No. 1 for reference.

Staff is also recommending for the BOHC to authorize the Executive Director or designee with delegated authority to approve the allocation and use of contingency funds and to approve the transfer of amounts from one MOW budget item to another as needed to accomplish work.

ENVIRONMENTAL ASSESSMENT:

The proposed actions are administrative activities. Therefore, the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the City of Los Angeles CEQA Guidelines.

FINANCIAL IMPACT:

Approval of this proposed Board item is not expected to have a financial impact on the Harbor Department. The funds for the proposed Alameda Corridor O&M Budget is provided by the Railroads and the ACTA Reserve Account. The Reserve Account is funded by fees collected from the Railroads. No Harbor Department funds are required.

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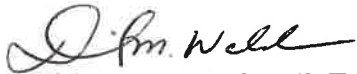
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CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board Report and has determined there are no legal issues at this time.

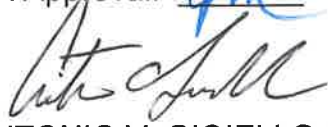
TRANSMITTALS:

1. First Revised Notice of Mutual Agreement No. 2019-1



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

FIS Approval: 

CA Approval: 


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

APPROVED:


EUGENE D. SEROKA FOR
Executive Director

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