



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 24, 2010

FROM: ENVIRONMENTAL MANAGEMENT DIVISION

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF PERSONAL SERVICES AGREEMENTS WITH AECOM TECHNICAL SERVICES, INC., CAMP DRESSER AND MCKEE, INC., ENVIRON INTERNATIONAL CORPORATION, JONES AND STOKES ASSOCIATES, INC., SCIENCE APPLICATION INTERNATIONAL CORPORATION, CASTLE ENVIRONMENTAL CONSULTING, LLC, AND STARCREST CONSULTING GROUP, LLC FOR AS-NEEDED CEQA/NEPA DOCUMENTATION AND SPECIAL ENVIRONMENTAL STUDIES

SUMMARY:

Staff recommends approval of Agreements with AECOM Technical Services, Inc. (AECOM), Camp Dresser and McKee Inc. (CDM), ENVIRON International Corporation (ENVIRON), Jones & Stokes Associates, Inc. (J&S), and Science Application International Corporation (SAIC) to provide as-needed California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA) documentation, and Castle Environmental Consulting, LLC (Castle) and Starcrest Consulting Group, LLC (Starcrest) to provide special environmental studies. The seven Agreements are for a term of three years each and for a combined total contract amount of \$18,000,000 (Transmittal 1).

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 rather than by City employees;
2. Approve the seven personal services Agreements for a term of three years each, with a combined contract total of \$18,000,000:
 - a. Agreement with AECOM (Los Angeles, CA) for \$3,200,000;
 - b. Agreement with CDM (Los Angeles, CA) for \$3,200,000;

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- c. Agreement with ENVIRON (Los Angeles, CA) for \$3,200,000;
 - d. Agreement with J&S (Irvine, CA) for \$3,200,000;
 - e. Agreement with SAIC (San Diego, CA) for \$3,200,000;
 - f. Agreement with Castle (Los Angeles, CA) for \$1,200,000; and
 - g. Agreement with Starcrest (Chino Hills, CA) for \$800,000.
3. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreements, for and on behalf of the Board; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – The proposed Agreements support the City of Los Angeles Harbor Department (Harbor Department) in its responsibilities for assessing environmental impacts in accordance with California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) for capital improvement projects, tenant projects, and other Harbor Department discretionary actions.

Since 2007, the Harbor Department's Environmental Management Division (EMD) has completed six major Environmental Impact Reports (EIRs) with assistance from consultant teams reaching as high as 20-40 individuals per EIR, with one dedicated EMD staff person functioning as the project manager. This approach best leverages limited staff resources to meet production demands of ongoing EIRs and forecasted projects requiring environmental support over the next three years. Furthermore, the scope and complexity of Harbor Department projects increasingly require personnel with specialized skill sets in areas such as health risk assessments, climate change, regional transportation, and socioeconomics. As a result, staff believes this level and quality of consultant services is necessary to continue to provide ongoing comprehensive and highly competent environmental assessments for Harbor Department development projects.

During the past four years, five consulting firms have performed environmental assessment services for the EMD. The firms are listed below with contract amounts, contract funds expended as of August 2010, and contract expiration date:

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Consultant	Contract Amount	Spent To Date	Committed	Available	Expires
Environ International Corp.	\$ 4,000,000	\$ 3,111,520	\$ 3,993,450	\$ 6,550	10.26.11
Jones & Stokes Associates	\$ 5,400,000	\$ 5,061,690	\$ 5,399,889	\$ 111	02.27.11
Camp Dresser & McKee, Inc.	\$ 4,400,000	\$ 2,556,568	\$ 4,355,831	\$ 44,169	02.27.11
Environmental Science Associates	\$ 4,000,000	\$ 604,153	\$ 1,732,323	\$ 2,267,677	02.27.11
E2 ManageTech, Inc.	\$ 2,000,000	\$ 1,029,782	\$ 1,321,299	\$ 678,701	02.28.10
TOTAL:	\$ 19,800,000	\$ 12,363,713	\$ 16,802,793	\$ 2,997,207	

Services to be Performed – Services to be provided under the proposed Agreements include (1) the preparation of CEQA/NEPA documents, specifically EIRs and Environmental Impact Statements (EISs), (2) technical analyses in the areas of health risk, cultural and historic resources, air quality, traffic and transportation, noise, biological resources, aesthetics, lighting, water quality, environmental justice and (3) other specialized environmental studies and support related to peer review, mitigation monitoring, sustainability and conformity with regulatory requirements. The Scope of Work is attached as Transmittal 2.

These consultant services will help the Harbor Department with delivery of capital improvement projects and other projects requiring discretionary action that are subject to compliance with CEQA, NEPA, and related federal, state, and local environmental laws and regulations. A list of current and forecasted projects requiring environmental assessments is attached in Transmittal 3.

Not all forecasted projects listed in Transmittal 3 are expected to require an EIR/EIS-level of assessment, nor are all of them projected to materialize during the term of these contracts. As a result, the requested funding reflects staff's best judgment as to the amount of money that will need to be expended over the next three years for these services. To the extent conditions change and more of the forecasted projects actually materialize over the next three years and require EIR/EIS-level assessments, the current requested contract authorization may need to be augmented through additional Board action.

Work Assignments – Services will be provided on an as-needed basis as projects are proposed by the Harbor Department, tenants, or other applicants. For new projects, a competitive process for assignment of work will be utilized to ensure the most cost-effective and timely delivery of services. Solicitation of proposals will be requested amongst the consultant firms within each category, and selection will be based on criteria established by the EMD such as, but not limited to, expertise covering the scope

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of work to be performed, estimated cost based on contractual labor rates, estimated schedule, and consultant project team availability.

As a service need arises on an approved project, the work is authorized through a Project Directive (PD) approved by the Executive Director. Each PD delineates the specific parameters for the tasks, including but not limited to: detailed scope of work, schedule, and cost.

Selection Process – On March 17, 2010, a Request for Proposals (RFP) was posted on the Harbor Department's website, on the Diversity Xchange Database, and on the City of Los Angeles' website. An RFP notification letter also was mailed to 286 firms. Firms were able to propose in two categories: Category 1 included full service CEQA/NEPA documentation, community outreach, and technical analyses in special environmental studies; and Category 2 included specialized technical environmental studies and peer review.

The Harbor Department received proposals from thirty (30) firms. This listing is contained in Transmittal 4. Two CEQA Environmental staff from EMD evaluated the proposals using the criteria shown on the RFP Selection Evaluation Form also contained in Transmittal 4. Based on the ranking results, fourteen (14) firms were invited to interview in the two categories as follows:

Category 1

AECOM Technical Services, Inc.
Camp Dresser and McKee, Inc.
CH2MHill
Environ International Corp.
Environmental Science Applications
Jones & Stokes Associates, Inc.
Parsons
Science Application International Corp.
Tetra Tech, Inc.
TRC Solutions, Inc.

Category 2

Castle Environmental Consulting, LLC
Jacobs Engineering Group, Inc.
Michael Brandman Associates
Starcrest Consulting Group, LLC

Interviews were conducted by an Environmental Specialist, a Marine Environmental Supervisor and an Environmental Affairs Officer in EMD and a Harbor Engineer from the Engineering Division between July 28 and August 12, 2010. The firms were evaluated under the following five criteria with a weighting factor: Firm Qualifications and Experience (30%), Project Organization and Personnel (30%), Technical Approach (20%), Fees and Budget Control (10%), and Quality and Responsiveness of Proposal

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(10%). The firms scoring the highest in their interview were recommended for contract negotiations and for award as follows:

Category 1

AECOM Technical Services, Inc.	\$3,200,000; 3-year contract
Camp Dresser and McKee, Inc.	\$3,200,000; 3-year contract
Environ International Corp.	\$3,200,000; 3-year contract
Jones & Stokes Associates, Inc.	\$3,200,000; 3-year contract
Science Application International Corp.	\$3,200,000; 3-year contract

Category 2

Castle Environmental Consulting, LLC	\$1,200,000; 3-year contract
Starcrest Consulting Group, LLC	\$ 800,000; 3-year contract

To best meet production requirements, EMD will endeavor to distribute work equally amongst recommended Category 1 consultants. Contracts of \$3,200,000 to each Category 1 firm are thus recommended to facilitate balancing consultant workload, resource utilization and available capacity.

AECOM and Castle are new to the EMD as prime consultants, but have performed services as sub-consultants. The other five firms have existing or previous contracts for environmental services with the Harbor Department. Information on business location, status of recommendations, and an overview of the selection process is contained in Transmittal 4.

Small Business Development Program – The consultant contracts will include a 25% Small Business Enterprise (SBE) requirement. The specific subconsultant participation levels will be committed through each individual Project Directive when work is assigned. Castle and Starcrest are certified SBE's; therefore, 100% of their services will apply towards the SBE goal. If all funds are expended in these contracts, the consultants will cumulatively achieve a SBE participation level of 33% or \$6 million. The composition of each consultant team is attached as Transmittal 5.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of seven personal services Agreements for a term of three years for CEQA/NEPA documentation and specialized environmental studies. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California

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Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed 3-year Agreements authorize a total amount not-to-exceed \$18,000,000. Approximately \$5,000,000 of these funds are for the completion of current projects. The demand for environmental services will be guided by the Harbor Department's determination of the number and schedule of capital development projects with which it moves forward. If all forecasted projects move forward as identified in Transmittal 3, it will be necessary to obtain Board approval to amend the affected contracts to add funds and extend the contract term. It is anticipated that funds for these Agreements will be expended as follows:

FY 10/11	\$ 2,000,000
FY 11/12	\$ 6,000,000
FY 12/13	\$ 6,000,000
FY 13/14	<u>\$ 4,000,000</u>
TOTAL	<u>\$ 18,000,000</u>

Funds for FY 2010/2011 are available in Account 54260, Center 1000 (Capital Improvement), Center 330 (Environmental Management Division), Program 000. Funding needed in future years will be requested through the annual budget adoption process.

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.

ECONOMIC BENEFITS:

Approval of these seven Agreements will support approximately 92 direct plus 128 secondary (indirect and induced) one-year equivalent job impacts in the five-county region.

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CITY ATTORNEY:

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

TRANSMITTALS:

1. Agreements
 - a. Agreement with AECOM Technical Services, Inc.
 - b. Agreement with Camp Dresser and McKee, Inc.
 - c. Agreement with Environ International Corp.
 - d. Agreement with Jones & Stokes Associates, Inc.
 - e. Agreement with Science Application International Corp.
 - f. Agreement with Castle Environmental Consulting, LLC
 - g. Agreement with Starcrest Consulting Group, LLC
2. Scope of Work
3. Projects supported by As-Needed CEQA/NEPA Consultants
4. Evaluation Criteria/Selection Process Summary
5. Sub-consultant Composition

FIS Approval: KP



CHRISTOPHER CANNON
Director of Environmental Management



FOR MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



for GERALDINE KNATZ, Ph.D.
Executive Director

AUTHOR: LISA OCHSNER
BOARD MEETING: 12/2/2010

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