



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MARCH 30, 2011

FROM: ENVIRONMENTAL MANAGEMENT DIVISION

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF PERSONAL SERVICES AGREEMENT WITH SCIENCE APPLICATIONS INTERNATIONAL CORPORATION FOR AIR QUALITY MONITORING SERVICES

SUMMARY:

The Environmental Management Division (EMD) recommends approval of an Agreement with Science Applications International Corporation (SAIC) to operate and maintain the air quality monitoring network in the Port of Los Angeles (Port). This Agreement is for a term of three years and for a total contract amount of \$2,100,000. The proposed Agreement supports the City of Los Angeles Harbor Department (Harbor Department) in operating and maintaining the Port's air quality network, consisting of four monitoring stations located throughout San Pedro and Wilmington.

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 Agreement can be performed more feasibly by an independent consultant rather than by City employees;
2. Approve the Agreement with Science Applications International Corporation for a term of three years, with a contract total of \$2,100,000.
3. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreement, for and on behalf of the Board; and
4. Adopt Resolution No. _____.

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DISCUSSION:

Background – The proposed Agreement (Transmittal 1) supports the Harbor Department in operating and maintaining the Port's air quality network, consisting of four monitoring stations located throughout San Pedro and Wilmington. Additionally, the Agreement supports the Harbor Department's commitment under the Clean Air Action Plan (CAAP) to track and make publicly available data on ambient air quality and to utilize monitoring data to improve the Port's emission and health risk reduction programs.

The Harbor Department's air monitoring program involves measuring ambient air pollution levels at the four air quality monitoring stations. The monitoring stations collect real-time air quality measurements for: ozone (O₃), sulfur dioxide (SO₂), nitrogen dioxide (NO₂), carbon monoxide (CO), two sizes of particulate matter (PM₁₀ or coarse particles and PM_{2.5} or fine particles), and ultrafine particles. In addition, 24-hour integrated samples of particulates and elemental carbon (EC – a surrogate for diesel particulate matter) are collected on filters every third day and sent to a certified laboratory for detailed chemical analyses. As part of the program, meteorological monitoring is conducted at each monitoring station to help interpret the air quality data and for use in other Port programs. Each meteorological monitoring station collects wind speed, wind direction, and temperature data. One station also collects solar radiation, relative humidity, and barometric pressure data. Current and historic real-time data and filter-based data can be found on the Harbor Department's website at: http://portoflosangeles.org/environment/air_quality.asp.

Operations at all four sites are ongoing 24 hours a day, 7 days a week, 365 days per year. On-site and program management includes monitoring air quality and meteorological conditions, analyzing findings, calibrating and maintaining the monitoring equipment, posting "real time" data on the Clean Air Action Plan website, and preparing annual data analysis reports.

SAIC has been responsible for providing these services to the Harbor Department since the program's inception in 2005. SAIC's contract for Air Quality Monitoring Services in the amount of \$2.9 million expired on February 7, 2010. SAIC's As-Needed Air Quality Services Agreement 2652 was used to continue air monitoring program support for an additional year. The two agreements with SAIC to provide air quality monitoring services from 2007 through the present are summarized as follows:

Agreement No.	Agreement Amount	Project Directives Authorized	Remaining Amount	Expiration Date
2517 (SAIC) Monitoring	\$ 2,900,000	\$ 2,900,000	\$ 0	02.07.2010
2652 (SAIC) As-needed	\$ 1,500,000	\$ 843,875	\$ 391,426	04.22.2011
TOTAL:	\$ 4,400,000	\$ 3,743,875	\$ 391,426	

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The “authorized” amounts are funds committed by Project Directives (PDs) to the consultants for specific scopes of work to be performed. The funds under Agreement 2652 are planned to be expended through current project work activities prior to the expiration of the on-call contract.

Services to be Performed – The following includes a summary of areas where consultant assistance is required to provide support and assistance:

Operations and Maintenance

- Monitoring O₃, SO₂, NO₂, CO, PM₁₀, PM_{2.5}, EC and ultrafine particles
- Monitoring meteorological conditions
- Hosting/maintaining real-time and filter-based data on the CAAP website
- Archiving data
- Developing Quality Assurance/Quality Control protocols
- Performing routine repair and maintenance of equipment
- Supporting Port staff in public presentations/meetings, as requested

Data Review and Quality Assurance

- Conducting Daily / Monthly / Bi-Monthly Reviews
- Preparing Annual Reports

Optional Tasks

Optional tasks to conduct special studies and/or analyses have been included in this proposed Agreement and will not exceed \$300,000 over the life of the Agreement. Such studies would focus on source apportionment and using monitoring data to help improve control strategies.

Consultant services are required because Harbor Department resources are not currently available to handle the required workload, the work frequently occurs during off-duty hours, and specialized technical expertise is needed to carry out the above-described time-sensitive work. Furthermore, it is not practical or cost-effective for the Harbor Department to maintain permanent staff to conduct the activities outlined in the Scope of Work (Transmittal 2).

Work Assignments - All work on special studies will be authorized through a PD process and approved by the Executive Director. Each PD includes a detailed scope of work, schedule, SBE/VSBE participation level, and cost estimate.

Pre-Request for Proposals Outreach - As part of a pre-Request for Proposals outreach, a “Meet and Confer” was held on December 7, 2010 with the Service Employees International Union (SEIU), the local union that represents Environmental Specialists and Marine Environmental Supervisors currently employed by the City, to discuss the Request for Proposal (RFP) for air quality monitoring services. At that meeting, staff agreed to tour the Harbor Department’s test laboratory with SEIU at a later date to determine if the facility has the certification and capability to analyze the monitoring

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filters, rather than sending the filters to an outside laboratory. During this meeting, SEIU informed staff that it was acceptable to the union that this work be performed by consultants and to proceed with the RFP. On March 11, 2011, staff received correspondence from SEIU reaffirming what was discussed at the meeting, stating that "the work [required in the RFP] has minimal to no impact to our bargaining units" and that "The Union has no objections on the work moving forward" (Transmittal 3).

Also, prior to issuance of the RFP, in conformance with City Charter Section 1022 procedure, the Human Resources Division found that "City employees do not have the expertise to perform the work." Based on these findings, a Charter Section 1022 Determination was prepared on September 21, 2010.

Selection Process - The selection process for Harbor Department outside services will be guided, going forward, by a memo issued by the Harbor Department's Contracts and Purchasing Division. The memo, entitled "Contracting Procedures: New Program and Policy Directives" is dated December 21, 2010, and sets forth procedures for solicitation, interviewing, and contracting of outside services. Since the EMD's process for solicitation, interviewing and contracting for Air Quality Monitoring Services began several months before this memo was issued, it was not used to organize and direct this particular effort. However, since the memo was issued, an effort has been made to comply with its requirements, and in cases where its procedures were not followed to the letter, changes to this process have been made to comply with the spirit of the memo.

On October 29, 2010, the Harbor Department issued an RFP for Air Quality Monitoring Services. The RFP was posted on the Port of Los Angeles (Port) website, and over 7,500 email notifications were sent out to recipients on the Diversity Xchange Database and the Los Angeles Business Virtual Network (LABVN). An RFP notification letter was also mailed to firms that have expressed specific interest in this RFP to the Environmental Management Division (EMD), but were not yet registered on the Diversity Xchange Database or the LABVN.

The Harbor Department received proposals from five firms. The proposals were evaluated and rated by one Marine Environmental Supervisor and one Environmental Specialist from the Harbor Department's EMD, and one Environmental Specialist from the Los Angeles World Airports EMD, based on the criteria presented in the RFP. In order to provide an objective interview process, the EMD staff person that worked most closely with the incumbent, SAIC, over the past four years was not asked to be a member of the interview panel. Additionally, the Environmental Specialist from Los Angeles World Airports EMD had never worked with any of the proposing firms. The criteria are shown on the attached RFP Selection Evaluation Form (Transmittal 4). All proposals were deemed responsive and, due to the small number of proposals, all five firms were invited to interview.

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Interviews were conducted January 19 and January 20, 2011. The interview panel consisted of the same three individuals that evaluated the proposals. Interview questions were also based on the criteria presented in the RFP, with some modifications to downplay the need for Port of Los Angeles experience. During the interviews, a special effort was made to consider whether the firms that had not been providing these services to EMD in the existing contract period had new ideas and approaches that would add value to these services going forward, such that a change was warranted or prudent. For instance, every firm was asked the same question regarding techniques and methods to identify source apportionment from raw sampling data.

The final firm selection was based solely on the interview scores (Transmittal 5). As indicated, SAIC clearly ranked the highest with an average score of 97.7% compared to the next highest ranking average score of 83.3%. SAIC was ranked the highest because their depth of technical experience and capability in air monitoring management and analysis was truly preeminent compared to the other proposers. Further, their understanding of emerging science and how to go beyond basic data gathering to inform the design and implementation of control strategies made them a much more valuable resource to staff than the other candidates. Key highlights of their capabilities are as follows:

- Long-term air monitoring project experience: SAIC had the most experience collecting and evaluating data at multiple sites in a permanent network over a several year period. This provided insight into the importance of a sustained year-over-year record, understanding of seasonality trends and ability to promptly identify anomalous readings indicating equipment malfunction. In contrast, several of the other firms' major monitoring projects were short term projects, deploying equipment and monitoring air quality for specific episodes or for one year or less.
- Application of monitoring data to programs: Of particular significance, SAIC demonstrated capabilities beyond the daily technical management of sampling equipment. They demonstrated a more holistic understanding of the integration and inter-dependence of the Department's air quality programs, specifically, how to utilize monitoring data to improve emission inventory methods, identify source testing needs, and even inform priorities in emission control and technology advancement programs.
- Staffing: SAIC is able to dedicate technicians to the Harbor Department monitoring network. This was a matter of concern during the interviews because some of the firms had a limited number of site technicians that were committed to other projects and they could not commit that they would dedicate staff to the Harbor Department going forward. Reliability and availability of on-site technical staff is essential to the integrity of the network.

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- Experience in dealing with the public: Some of the other firms had little to no experience responding to public queries and challenges regarding data and operations. Whereas SAIC provided several impressive examples of working with and speaking to the public.

Based on all of these considerations, SAIC is recommended to provide air quality monitoring services to the Harbor Department for the next three years, beginning in April 2011. A summary of the evaluation and selection process is included in Transmittal 6. The estimated contract amount is \$2,100,000. The annual cost of the services will be approximately \$600,000, with an allocation of \$300,000 to conduct special studies.

Small Business Development Program – The consultant Agreement will include an overall 25% Small Business Enterprise (SBE) requirement. The SBE participation commitment level will be specified for the scope of work on each individual PD when work is assigned. This will allow SBE and Very Small Business Enterprise (VSBE) goals to be tracked. If all funds are expended in this contract, the consultant will achieve a SBE participation level of 25% or \$570,000. This RFP was released prior to the Board adopting the VSBE policy. However, SAIC's subconsultant performing a significant portion of the field work qualifies for this designation and should exceed the minimum 5% VSBE requirement. SAIC's team composition is attached as Transmittal 7. SAIC will be required to submit a monthly subcontractor report indicating their level of compliance with these goals. This compliance will be monitored monthly by staff.

In addition, as part of its performance under this contract and because they were selected to continue providing services as an incumbent, staff has asked SAIC to mentor one or more SBE or VSBE firms with air monitoring and network management capabilities. SAIC will assist the firms in developing their ability to provide future subcontractor assistance or to potentially bid on future monitoring solicitations.

ENVIRONMENTAL ASSESSMENT:

The proposed action is for the approval of a personal services Agreement for a term of three years for air quality monitoring services. As an administrative activity, the Director of Environmental Management has determined 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.

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FINANCIAL IMPACT:

The proposed three-year Agreement authorizes a total not-to-exceed amount of \$2,100,000. It is anticipated that funds for this Agreement will be expended as follows:

FY 2010/2011	\$ 110,000
FY 2011/2012	\$ 600,000
FY 2012/2013	\$ 690,000
FY 2013/2014	<u>\$ 700,000</u>
TOTAL	<u>\$ 2,100,000</u>

Funds for fiscal year 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 and will be subject to Board approval.

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 Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred.

ECONOMIC BENEFITS:

Spending under this agreement will support the equivalent of 14 direct and 20 secondary jobs in the five-county region.

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CITY ATTORNEY:

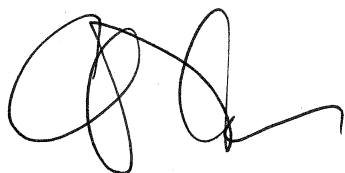
The Office of the City Attorney has reviewed and approved the proposed agreement with Science Applications International Corporation as to form and legality.

TRANSMITTALS:

1. Agreement with Science Applications International Corporation
2. Scope of Work
3. SEIU "Meet and Confer" Correspondence
4. RFP Selection Evaluation Form
5. Interview Evaluation Form
6. Evaluation Criteria/Selection Process Summary
7. Sub-consultant Composition

FIS Approval: KR

CA Approval: FR

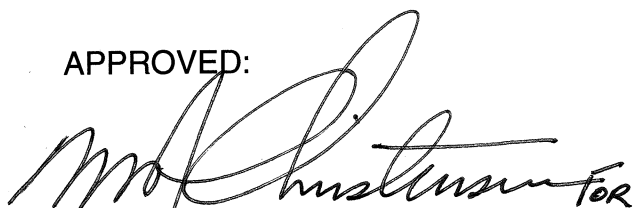


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BOARD MEETING: 4/7/2011

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