



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

Board of Harbor Commissioners

**DATE: JUNE 23, 2011**

**FROM: CONSTRUCTION DIVISION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PB AMERICAS, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE BERTH 200 RAIL YARD PROJECT**

**SUMMARY:**

The City of Los Angeles Harbor Department (Harbor Department) has committed to the timely delivery of an on-dock rail yard as part of the Berths 136-147 (TraPac) Container Terminal Project. In order for the on-dock rail yard to be built, the Pier A Rail Yard must be relocated to a new location at Berth 200. The Berth 200 Rail Yard project (Project) will provide a railroad switching and classification yard including site development, an office building, a diesel engine service facility, and oil pipeline relocations. This professional services Agreement provides for construction management services for the Berth 200 Rail Yard. PB Americas, Inc., located in Los Angeles, California, is recommended to provide the required services. The Agreement amount is \$4,978,488, and the Agreement duration is three years.

**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;
2. Award the Agreement to PB Americas, Inc., in the amount of \$4,978,488; and the payment be authorized from the Construction Management Services account. The Agreement duration for performance of the work will be three years;
3. Authorize the Executive Director to execute and the Board Secretary to attest to this Agreement for and on behalf of the Board of Harbor Commissioners; and
4. Adopt Resolution No. \_\_\_\_\_ .

**DATE: JUNE 23, 2011**

**PAGE 2 OF 7**

**SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD**

**DISCUSSION:**

Previous Board Action - On December 6, 2007, the Board of Harbor Commissioners (Board) certified the Berths 136-147 (TraPac) Container Terminal Project Environmental Impact Report (EIR). This EIR included an on-dock rail yard for TraPac, and the new Berth 200 Rail Yard project. The Berth 200 Rail Yard project will relocate the existing Pier A Rail Yard to the backlands area of Berth 200, allowing the former Pier A Rail Yard land to be used to create an on-dock rail yard for TraPac. On February 17, 2011, the Board approved Resolution Nos. 11-7081 and 11-7082 for prequalification of bidders for construction of the Berth 200 Rail Yard project. Use of prequalified contractors will help ensure the safe, timely, and cost effective completion of the Project.

The Berth 200 Rail Yard Project - The Berth 200 Rail Yard project will provide a railroad switching and classification yard for the Union Pacific Railroad, Burlington Northern Santa Fe Railroad (BNSF) Railway, and Pacific Harbor Line (PHL) Railroad at Berth 200, to replace the existing Pier A Rail Yard. The scope of work includes demolition of existing improvements, site preparation, and construction of the railroad switching and classification yard. The existing site is currently a vacant lot of approximately 28 acres of paved area surrounded by security fencing to the north, and active railroad mainline and storage yard tracks to the south. The duration of the construction contract is anticipated to be 22 months. Construction is anticipated to start in 2012 and be completed in 2014. The construction estimate for the Berth 200 Rail Yard project is approximately \$110,000,000. The Project includes the following main components, as shown on the layout drawing included in the proposed Agreement (Transmittal No. 3):

**Railroad Track**

- Berth 200 Rail Yard (including Yards 1 & 2, engine service tracks and storage tracks): capacity: 511 - 60' cars.
- Main Line Track and West Basin East Intermodal Yard Lead Tracks: approximately 20,000 Track-Feet.
- Proposed TraPac Terminal On-dock Yard Intermodal Yard Storage Tracks: capacity: 25 - 305' articulated container cars.

**Railroad Signalization**

- Centralized Train Control (CTC) signals for mainline track improvements.
- Grade crossing signal protection for 5 at-grade street crossings.

**Buildings**

- Yard Administration Building: approximately 8,100 SF.

DATE: JUNE 23, 2011

PAGE 3 OF 7

**SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD**

- Locomotive Service Facility: approximately 8,200 SF.

Site Improvements

- Demolition of existing improvements, existing substructure relocation, protection and abandonment, relocation of petroleum pipelines, grading, paving, drainage, lighting, fencing. Coordination of utility removals by others.

Harbor Department staff, particularly those with rail yard construction expertise, are not available to fully support this Project. Staff has also reached out to other City Departments performing these types of services and has been informed of the unavailability of City staff to support this Project. Consultant Services are therefore required to provide specialized rail yard construction management expertise and augment Harbor Department construction management staff.

Scope of Services - Services will include, but are not limited to constructability reviews, construction management, cost estimating, scheduling, document control, and coordination with all stakeholders. The Consultant may also provide specialty inspection services as required by permitting agencies.

Selection Process – A Request for Qualifications (RFQs) to perform construction management services for construction of the Berth 200 Rail Yard was sent to over 120 firms and was posted on the Port of Los Angeles' website. Fourteen Statements of Qualifications (SOQs) were received. A selection committee consisting of members from the Construction, Engineering, and Real Estate Divisions, and the Port of Long Beach evaluated and ranked the SOQs based on qualifications of the prime and sub-consultants. The following firms were invited to continue in the selection process:

- AECOM (Orange, CA)
- Berg & Associates, Inc. (San Pedro, CA) - SBE
- Jacobs (Cypress, CA)
- Parsons (Pasadena, CA)
- PB Americas, Inc. (Los Angeles, CA)
- TranSystems Corp. (Long Beach, CA)
- URS Corp. (Los Angeles, CA)

The Harbor Department issued a Request for Proposals (RFPs) to these seven firms on August 3, 2010. Proposals were received on August 31, 2010. The evaluation committee evaluated and ranked the proposers based on their understanding of the Project and related issues, the experience and qualifications of the proposed Project team members and sub-consultants, their project management plan, the value of

DATE: JUNE 23, 2011

PAGE 4 OF 7

**SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD PROJECT**

services provided, and other factors listed on the Proposal Evaluation Summary. The following firms were selected to continue in the selection process:

- AECOM (Orange, CA)
- Berg & Associates Inc. (San Pedro, CA) - SBE
- Jacobs (Cypress, CA)
- PB Americas, Inc. (Los Angeles, CA)
- TranSystems Corp. (Long Beach, CA)

The evaluation committee interviewed all five short-listed firms and selected PB Americas, Inc., as the most qualified firm because of its experience with construction management of transportation infrastructure, particularly rail yards, and its core team has extensive experience with rail yard projects similar in magnitude to the Berth 200 Rail Yard project. Please see Transmittal No. 1 for the consultant ranking and cost proposals and Transmittal No. 2 for the work descriptions for PB Americas Inc., and their sub-consultants.

Small Business Enterprise Program and Sub-consultant Participation – PB Americas, Inc. has committed to the Small Business Enterprise (SBE) participation level of 25 percent. Their sub-consultants are:

- Safework, Inc. (SBE)
- Signal Engineering Concepts and Applications Engineering, Inc.
- Lenax Construction Services, Inc. (SBE)

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the award of a contract to PB Americas, Inc., for construction management services related to the Berth 200 Rail Yard project. The Berth 200 Rail Yard project is an approved element of the TraPac Container Terminal Project EIR certified by the Board in December 2007. As an administrative action for which the underlying project was previously assessed, 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(i) of the Los Angeles City CEQA guidelines.

**ECONOMIC BENEFITS:**

Spending under this Agreement for construction management services will support the equivalent of 32 direct, one-year, full-time equivalent jobs in the 5-county region.

DATE: JUNE 23, 2011

PAGE 5 OF 7

SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD PROJECT

**FINANCIAL IMPACT:**

Construction of the Berth 200 Rail Yard project is anticipated to start in fiscal year 2011-2012. The current estimated construction cost is approximately \$110 million. The tenant has committed to pay for 100% of the future operating and maintenance costs for the rail yard. In addition to the Harbor Department's approximately \$35 million contribution to the Project, the following grants will be used to fund construction of the Project:

Grant Funding - Grants committed to date (\$75,814,000) are as follows (if actual construction costs are less than estimated, reimbursement will not be reduced):

- Metro (\$8,584,000) – United State Department of Transportation (USDOT) Regional Surface Transportation Program – Funds will lapse on June 30, 2012 if construction is not initiated by this date.
- USDOT TIGER II (\$16,000,000) – Funds must be obligated by September 30, 2012; (obligation application requires prior approval by Caltrans for advertising). The Goods Movement Division will be working with USDOT and the Engineering Division on a funding agreement.
- State (\$51,230,000) – State Proposition 1B Trade Corridors Improvement Fund (TCIF) – The Southern California TCIF projects have been over-programmed by about \$148,000,000, which means that some projects might not be funded (assuming this over-programming is not resolved) as funds will be allocated on a first come, first serve basis. Hence, receiving funding is not absolutely guaranteed with our previously executed "Baseline Agreement" with the State. Also, the TCIF grant will be forfeited if construction does not commence by December 31, 2013. The Harbor Department expects to seek an allocation of the TCIF prior to notice of advertisement.

Funding for construction management services has been budgeted in the fiscal year 2011/2012 budget in Account No. 54225 (Construction Management Services), Work Order No. 24885, Center No. 1172, Program No. 000. It is anticipated that funds for this Agreement will be expended as follows:

FY 2011/2012	\$820,000
FY 2012/2013	\$2,220,000
FY 2013/2014	\$1,800,000
FY 2014/2015	\$138,488
Total	\$4,978,488

**DATE: JUNE 23, 2011**

**PAGE 6 OF 7**

**SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD PROJECT**

The maximum compensation under this Agreement is \$4,978,488. Approximately \$1.3 million of the contract amount is on a fixed-fee basis, with approximately \$3.7 million of services to be compensated on an hourly basis through individual sub-task Project Directives issued under Exhibit "C" of the Agreement. In addition, the contract amount contains a sum of \$500,000 for as needed services that may arise during construction of this Project through sub-task Project Directives issues under Exhibit "C" of the Agreement.

Although the Consultant is not obligated to perform any work under the contract in any fiscal year in which no appropriation for the contract has been made, the Consultant agrees to resume performance of the work required by the contract on the same terms and conditions for a period of 60 days after the end of the fiscal year if an appropriation, therefore, is approved within that 60-day period.

The Consultant is responsible for maintaining all insurance and bonds during this 60-day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated for work required by the contract, the contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

DATE: JUNE 23, 2011

PAGE 7 OF 7

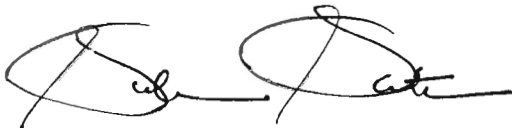
SUBJECT: CONSTRUCTION MANAGEMENT SERVICES FOR  
BERTH 200 RAIL YARD PROJECT

**CITY ATTORNEY:**

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

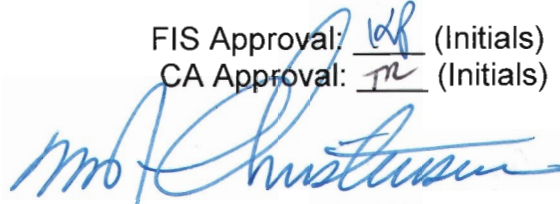
**TRANSMITTALS:**

1. Final Evaluation and Rankings
2. Consultant and Sub-Consultant Work Description
3. Agreement between the City of Los Angeles and PB Americas, Inc.



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division

FIS Approval: MS (Initials)  
CA Approval: MC (Initials)



MICHAEL R. CHRISTENSEN  
Deputy Executive Director

**APPROVED:**



GERALDINE KNATZ, Ph.D  
Executive Director