

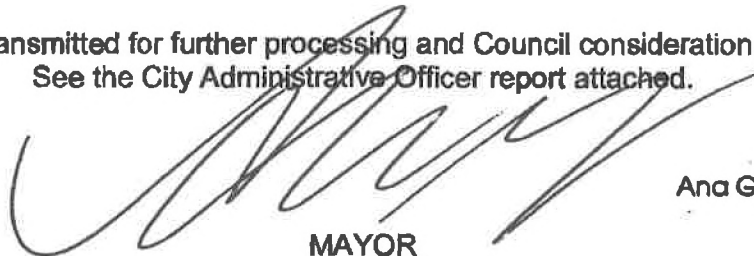
**TRANSMITTAL**

0150-11483-0000

TO Eugene D. Seroka, Executive Director Harbor Department	DATE DEC 02 2019	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT 15

**PROPOSED CONTRACTS FOR ON-CALL CONSTRUCTION MANAGEMENT SERVICES  
WITH ARCADIS, BERG & ASSOCIATES, DHS CONSULTING, HARRIS & ASSOCIATES, AND  
INTEGRATED ENGINEERING MANAGEMENT**

Transmitted for further processing and Council consideration.  
See the City Administrative Officer report attached.



Ana Guerrero

MAYOR

RHL:JCY:10200062t

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

---

Date: December 2, 2019

CAO File No. 0150-11483-0000  
Council File No.  
Council District: 15

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer 

Reference: Correspondence from the Harbor Department dated September 11, 2019

Subject: **PROPOSED CONTRACTS FOR ON-CALL CONSTRUCTION MANAGEMENT SERVICES WITH ARCADIS, BERG & ASSOCIATES, DHS CONSULTING, HARRIS & ASSOCIATES, AND INTEGRATED ENGINEERING MANAGEMENT**

---

### RECOMMENDATION

That the Mayor:

1. Approve Harbor Department (Port) Board of Harbor Commissioners Resolution No. 19-9529 to authorize five proposed Agreements for on-call construction management services with the following consultants: Arcadis U.S., Inc.; Berg & Associates, Inc.; DHS Consulting LLC, an Anser Advisory Company; Harris & Associates, Inc.; and, Integrated Engineering Management for a term of up to five years, at a maximum amount of \$2 million for each Agreement, for a total compensation not to exceed \$10 million; and,
2. Return the documents to the Port for further processing, including Council consideration.

### SUMMARY

The Harbor Department (Port) Board of Harbor Commissioners (Board) requests approval of Resolution No. 19-9529 to authorize five proposed Agreements for on-call construction management services with the following consultants: Arcadis U.S., Inc. (Arcadis); Berg & Associates, Inc. (Berg & Associates); DHS Consulting LLC, an Anser Advisory Company (DHS Consulting); Harris & Associates, Inc. (Harris & Associates); and, Integrated Engineering Management (IEM). The on-call construction management consultant services will provide professional, expert and technical services and support to the Port's Construction Division staff and its Capital Improvement Program (CIP). The proposed five Agreements will begin upon the date of execution by the Port Executive Director and remain in effect for up to a five-year term or the 2025 calendar year. In accordance with Charter Section 373, Council approval is required because the term of the proposed Agreements will exceed three years.

Compensation for each proposed Agreement is for a maximum amount of \$2 million, for a total amount of up to \$10 million. Each Agreement includes a list of approved hourly charges for the services provided. The Agreements may be terminated by the Port subject to the contractual provisions. The terms and conditions are similar among all the Agreements.

## **BACKGROUND**

The Port has ongoing construction and capital improvement needs in addition to environmental enhancement and public access projects such as the San Pedro Waterfront Project initiative. The CIP currently has more than \$1 billion dollars in construction projects planned over the next five years, including a budget of over \$144 million for construction and capital projects in 2019-20. The Port states that the on-call construction services contracts will provide the Construction Division with additional personnel and capabilities to complete construction projects when City staff or expertise is not available. The projects assigned to consultants will vary in scope and may require specialized services, to be determined by the needs of the Construction Division. These include projects for wharf and backland improvements, construction of new buildings, improvements to the Port's waterfront areas, and landscaping. The consultants will be selected to perform on one or more of the CIP projects to assist and work with Construction Division staff on tasks including: construction management operations and review; scheduling; cost estimating; document control; coordination with other stakeholders; preparing reports; and, assisting with monitoring compliance and environmental requirements. The Port Executive Director will have authority to approve work and adjust the annual budget amounts based on the scope of work, maximum costs, schedule, terms of payment, deliverables, work site, personnel or subcontractors and other miscellaneous activities. Each consultant's compensation amount is limited to \$2 million over a five-year period. The proposed Agreements will allow the contractors sufficient authority to recommend design support services during construction for the various projects.

The Port released a Request for Qualifications (RFQ) to select the consultants based on their experience, qualifications and expertise. 20 firms submitted proposals, which were reviewed and evaluated by a selection committee comprised of members from the Port's Construction and Engineering Divisions. The five proposed firms were selected after an additional round of evaluation in which 12 firms were invited to deliver oral presentations and answer questions from the selection committee. Of the five firms selected, two, Berg & Associates and IEM, have existing on-call construction management services contracts with the Port (C.F. 15-0284). The existing on-call agreements are set to expire in April 2020. The Port states that it will execute the proposed Agreements with Berg & Associates and IEM once the current agreements expire. The proposed Agreements mainly differ from the existing agreements through a revised hourly rate and price structure, and a revised Project Scope of Work to include environmental compliance monitoring and a partnering agreement to ease transition of different teams and firms into existing or ongoing projects.

## **CITY COMPLIANCE**

The proposed five Agreements have been reviewed and approved by the City Attorney as to form and are in compliance with all applicable provisions of City Ordinances and contracting requirements. The proposed five consulting firms have offices that are based within Southern California.

Pursuant to Charter Section 1022, the Port determined that City employees do have the expertise to perform the work, but could be performed more feasibly by independent contractors because of the temporary nature, lack of staffing availability, and the on-call or as needed basis of the work.

The Port Director of Environmental Management has determined that the proposed Agreements are administrative activities and therefore exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines. However, the proposed Agreements do not include approvals of environmental analysis for all of the CIP projects and, subsequently, specific projects may be subject to individual environmental review in accordance with CEQA.

## **FISCAL IMPACT STATEMENT**

The proposed five Agreements within Harbor Department Board of Harbor Commissioners Resolution No. 19-9529 for on-call construction management services include compensation amounts not to exceed \$2 million for each contract for a total amount of \$10 million over the next five years. The Harbor Department has budgeted sufficient funds for 2019-20. There is no impact on the City General Fund and funding for the Agreements will be provided from the Harbor Revenue Fund.

*RHL:JCY:10200062*