



RESOLUTION NO. 26073

BE IT RESOLVED that the Board of Airport Commissioners approved award of eight, seven (7)-year contracts to Berg & Associates, Inc.; CMTS, LLC; Lea + Elliott, Inc.; Jacobs Project Management Co.; Jacobsen | Daniels Associates, LLC, Parsons Transportation Group Inc.; Simpson & Simpson Management Consulting Inc.; and Vanir | ASL, LLC to provide program management and advisory services and project/construction management services for Los Angeles World Airports, as referenced in the Board-adopted staff report attached hereto and made part hereof; and

LAX

LA/Ontario

Van Nuys

City of Los Angeles

Eric Garcetti
Mayor

**Board of Airport
Commissioners**

Sean O. Burton
President

Valeria C. Velasco
Vice President

Jeffery J. Daar
Gabriel L. Eshaghian
Beatrice C. Hsu
Nolan V. Rollins
Dr. Cynthia A. Telles

Deborah Flint
Chief Executive Officer

BE IT FURTHER RESOLVED that the Board of Airport Commissioners authorized the Chief Executive Officer to execute the referenced contracts upon approval as to form by the City Attorney and upon approval by the Los Angeles City Council; and

BE IT FURTHER RESOLVED that the Board of Airport Commissioners found that this item, as a continuing administrative, maintenance and personnel-related activity, is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(f) of the Los Angeles City CEQA Guidelines; and

BE IT FURTHER RESOLVED that the Board of Airport Commissioners found that the work can be performed more economically or feasibly by an independent contractor than by City employees; and

BE IT FURTHER RESOLVED that pursuant to Charter Section 372, obtaining competitive proposals for this work would be reasonably practicable and compatible with the City's interest; and

BE IT FURTHER RESOLVED that actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.

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I hereby certify that this Resolution No. 26073 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Wednesday, September 21, 2016.

Sandra J. Miller – Secretary
BOARD OF AIRPORT COMMISSIONERS





Los Angeles World Airports

REPORT TO THE

BOARD OF AIRPORT COMMISSIONERS

14

Approved by: Greg Campbell, Chief Airports Engineer

Reviewed by: Cynthia Guidry, Deputy Executive Director

Timothy J.
City Attorney

Deborah Flint – Chief Executive Officer

Meeting Date:

9/21/2016

CAO Review:

☐ Completed
☒ Pending
☐ N/A

Reviewed for	Date	Approval Status	By
Capital Budget	9/16/16	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	NE
Operating Budget	9/16/16	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	RW
CEQA	9/16/16	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	NM
Procurement	9/14/2016	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	CRW
Guest Experience	9/16/16	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	AW

SUBJECT: Contract Awards for Program Management Support & Advisory Services and Project/Construction Management for Los Angeles World Airports

Award eight (8), seven-year contracts to Berg & Associates, Inc.; CMTS, LLC; Lea + Elliott, Inc.; Jacobs Project Management Co.; Jacobsen | Daniels Associates, LLC; Parsons Transportation Group Inc.; Simpson & Simpson Management Consulting Inc.; and Vanir | ASL, LLC to provide Program Management & Advisory Services and Project/Construction Management Services for Los Angeles World Airports

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

- 1) ADOPT the Staff Report.
- 2) DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
- 3) FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
- 4) FURTHER FIND that pursuant to Charter Section 372, obtaining competitive proposals for this work would be reasonably practicable and compatible with the City's interest.

- 5) APPROVE the award of (2) seven-year contracts for Program Management Services to Jacobsen | Daniels Associates, LLC and Lea + Elliott, Inc. for not-to-exceed contract amounts of \$12,000,000 and \$14,000,000, respectively, for a combined total of \$26,000,000.
- 6) FURTHER APPROVE the award of (6) seven-year contracts for Project and Construction Management Services in the not-to-exceed amounts of \$10,000,000 each to Berg & Associates, Inc. and Simpson and Simpson Management Consulting Inc.; \$4,000,000 to CMTS; \$30,000,000 to Vanir | ASL, LLC; \$35,000,000 to Parsons Transportation Group Inc.; and \$70,000,000 to Jacobs Project Management Co. for a combined total of \$159,000,000.
- 7) APPROPRIATE capital funds in the combined not-to-exceed amount of \$113,000,000 for Year 1 and 2 services.
- 8) AUTHORIZE the Chief Executive Officer to execute the referenced contracts upon approval as to form by the City Attorney and approval by the Los Angeles City Council.

DISCUSSION:

1. Purpose

Award eight (8) new contracts from a competitive solicitation process, for Program Management & Advisory Support Services and Project & Construction Management services, that supports the Capital Improvement Program at Los Angeles World Airports. These services will augment LAWA and City staff supporting both LAWA- and tenant-managed improvements at Los Angeles International Airport and Van Nuys Airport.

2. Prior Related Actions

- August 20, 2013 – Resolution No. 25196 (DA-4834 & DA-4835)
The Board of Airport Commissioners (Board) awarded two, three-year contracts in the not-to-exceed amount of \$87,500,000 each for PM/CM support services to AVB and Parsons and appropriated capital funds in the combined amount of \$60,000,000 for Year 1 services.
- December 4, 2014 – Resolution No. 25575 (DA-4834 & DA-4835)
The Board appropriated funds in the combined amount of \$75,000,000 for AVB and Parsons to continue PM/CM support services and \$22,000,000 for Hill/APSI and IPCT to continue PC services for Year 2 of the contracts.
- June 2, 2016 – Resolution No. 25985 (DA-4834A & DA-4835A)
The Board approved First Amendments to the PM/CM support services contracts for the Capital Improvement Program at LAWA and appropriated funds in the combined not-to-exceed amount of \$46,500,000.

- February 19, 2015 – Resolution No. 25631 (DA-4976)
The Board approved a three-year contract with Paslay Management Group for Executive Program Management Services for Los Angeles World Airports in the not-to-exceed amount of \$4,991,175.
- July 20, 2016 – Resolution No. 26029 (DA-4976)
The Board approved the First Amendment to the Executive Program Management Services contract for the Capital Improvement Program at LAWA to increase the contract amount to \$7,186,175.

3. Current Action

Background

The City of Los Angeles is anticipating an increase in travel into the Southern California region with the addition of entertainment facilities, a sports stadium and a potential bid for the 2024 Summer Olympics.

In anticipation of aviation growth, and with the intent on improving the guest experience, LAWA has initiated the planning and development of over \$14 billion in capital improvements at Los Angeles International Airport (LAX). In addition, several major tenants at LAX, including Delta, United, and Southwest Airlines, have proposed or executed new operating and lease agreements which includes major improvements that will be developed with LAWA's guidance and approval. Some of the major projects that will or are proposed to enter the development phase over the next 8 years include:

Landside Access Modernization Program (LAMP)

LAMP will relieve traffic congestion and provide a transportation alternative for LAX passengers. The LAMP elements include the Automated People Mover (APM), Consolidated Rental Car Facility (ConRAC), two Intermodal Transportation Facilities (ITFs), and roadway improvements. The APM, ConRAC and some enabling components are to be procured using the Design Build Finance Operate and Maintain (DBFOM) procurement methodology.

Airline/Tenant Improvement Program (Tenant)

Many of the airlines and tenants are currently undertaking their own improvement projects at LAX. LAWA's PDG staff reviews and monitors these terminal renovations to ensure compliance with LAWA's design guidelines, Area and Utilities Shutdown procedures, and code requirements, regulations, and other requirements.

Capital Improvement Program (CIP)

LAWA PDG staff manages the CIP, which identifies approved assets or the renovation of existing assets, valued over \$500,000. Assets include facilities, large equipment, roadways, and utilities. Current CIP projects include the Midfield Satellite Concourse (MSC) facility, Public Safety Building, and Airside Improvement program.

LAWA's Planning and Development Group (PDG) is designated to initiate or support these projects, along with all of the other projects in the Capital Improvement Plan (CIP), through design, construction, commissioning and/or activation. Consequently, LAWA needs to develop the capacity to deliver concurrent, high-quality, large-scale projects efficiently, affordably, and sustainably, while minimizing impacts to airport operations and the guest experience. For tenant improvements, PDG staff reviews and monitors projects and ensures compliance with applicable construction and design guidelines.

Due to the number of projects currently managed by PDG, LAWA employs consultants through as-needed service contracts to augment staff on a non-permanent basis and to provide expertise and specialty services not readily available through City resources. These as-needed service contracts provide the tools necessary to expand and retract our workforce in direct response to the number, size, and complexity of projects within a given time period. Use of consultants also provides LAWA with a mechanism to retain project teams through the term of the project and then demobilize staff as necessary. Staff augmentation services include:

Program Management and Advisory Services (Program)

Enterprise-level services required to deliver multiple projects within an overall program. These projects include both LAWA-managed CIP projects as well as tenant-managed improvements. Services include, but are not limited to:

- Program Scheduling
- Program Reporting
- Program Cost Estimating
- Safety Training
- Area and Utility Shutdowns
- Construction Logistics
- Regulatory Enforcement
- Risk Assessment
- Communications & Outreach
- Benchmarking
- Strategic Planning
- Performance Management
- Financial Capital Planning
- Project Monitoring

Project Management & Construction Management Services (PM/CM)

Broad range of project and construction support services to deliver projects from definition to construction and final closeout. Services include, but are not limited to:

- Project Management
- Document Controls
- Closeout
- Construction Impact Analysis
- Staff Training/Development
- LAWA Divisional Support
- Stakeholder Coordination
- Construction Management
- Design Management
- Environmental Reporting
- Constructability
- Change Management
- Peer Review

4. Procurement Process

To continue these support services, staff released a Request for Proposals (RFP) for successor contracts on April 20, 2016, on the Los Angeles Business Assistance Virtual Network (LABAVN).

This RFP also had a goal to promote broader inclusion of local and small business enterprises. The release of this RFP offered small, medium and large qualified firms the opportunity to provide LAWA with the necessary support to accomplish various capital projects. Firms were asked to self-identify the size of their firm based upon the following criteria:

Large - Together with affiliates, more than 1,000 employees and more than \$100 million in average annual gross receipts for the previous three tax years.

Medium - Together with affiliates, 1,000 or fewer employees and no more than \$100 million in average annual gross receipts for the previous three tax years.

Small - Independently owned, together with affiliates, fewer than 100 employees and no more than \$35 million in average annual gross receipts for the previous three tax years.

This procurement was also one of LAWA's first to include the Local Business Preference Program (LBPP) for professional services. Under the LBPP firms were eligible to receive 8% of the total available points for being certified as a Local Business Enterprise (LBE), or up to 5% of the total available points for using LBE certified subcontractors. Points would be added at the conclusion of the technical review and interview phases of the selection process.

In response to the RFP, PDG received 24 proposals on June 16, 2016. The submissions are listed below by scope and firm size.

Program Management & Advisory Services		
1	Small	Jacobsen Daniels Associates, LLC
2	Small	LexVolo, LLC
3	Small	Paslay Management Group
4	Medium	Integrated Project Controls Team (IPCT)
5	Medium	LA Aviation Professionals
6	Medium	Lea + Elliott, Inc.
7	Medium	Mark G. Anderson Consultants, Inc. (MGAC)
8	Large	The Boston Consulting Group, Inc.
9	Large*	WT Partnership
Project & Construction Management Services		
1	Small	AGD Joint Venture
2	Small	Berg & Associates, Inc.
3	Small	CMTS, LLC
4	Small	Jenkins/Gales & Martinez, Inc
5	Small	Land Air Access Partners, LLC (LAAP JV)
6	Small	PMCS Group, Inc.
7	Small	Simpson & Simpson Management Consulting, Inc.
8	Medium	LA Aviation Professionals
9	Medium	Lea + Elliott, Inc.
10	Medium	McKissack & McKissack Midwest, Inc.
11	Medium	Vanir ASL, LLC
12	Large	Arcadis U.S., Inc
13	Large	Jacobs Project Management Co.
14	Large	Parsons Transportation Group, Inc.
15	Not Listed	<i>InfraWEST</i>

*Firm self-identified as Small but with 1,350 employees globally met Large criteria.

The selection process for each scope category followed the scoring criteria detailed in the RFP:

Compliance with Administrative Requirements	Pass/Fail
Technical Proposal <ul style="list-style-type: none"> Firms' Experience (10 points) Team Identification (10 points) Understanding of Project Scope (10 points) 	30 Points
Interview <ul style="list-style-type: none"> Firms' Experience (20 points) Team Identification (20 points) Understanding of Project Scope (15 points) 	55 Points
Multiplier Cost Proposal	15 points
Grand total	100 points.
Local Business Enterprise (LBE) (added at end of scoring)	0-8 points

Evaluation Process

On June 20, 2016, PDG transmitted the administrative requirements for all firms to LAWA's Procurement Services Division to assess the pass/fail scoring of their administrative requirements and review of the proposed SBE and LBE participation levels. All but one firm were deemed responsive. AGD a Joint Venture was deemed non-responsive as Dabri, Inc. did not submit a CEC Form 55 as required by the RFP.

The technical proposals were evaluated by a rating panel consisting of:

- Chief Development Officer, LAWA
- Deputy Executive Director, Planning & Development
- Deputy Executive Director, Automated People Mover Program
- Chief Airports Engineer, Planning & Development
- Chief of Operations I, Emergency Operations
- PDG Procurement Supervisor (Non-Voting Member)

Program Management & Advisory Services

After a review and scoring of the responsive proposals, four of nine firms were invited to interview for the Program Management Support and Advisory Services scope of work. These firms were as follows:

- Integrated Project Controls Team (IPCT)
- Jacobsen|Daniels Associates, LLC
- Lea + Elliott
- Paslay Management Group, LLC

PM/CM Services

After review and scoring of the responsive proposals for PM/CM scope of work, 12 of the 14 firms were invited to interview:

- | | |
|-----------------------------|--------------------------------|
| • Arcadis U.S., Inc. | • McKissack & McKissack |
| • Berg CM | • Parsons Transportation Group |
| • CMTS | • PMCS Group Inc. |
| • Jacobs Project Management | • Simpson & Simpson |
| • Jenkins/Gales & Martinez | • Vanir ASL |
| • Land Air Access Partners | |
| • Lea + Elliott | |

Upon completion, final scores were tallied to include the LBE points assessed by the Procurement Services Division. Firms were then ranked within each size category using their total scores.

Action Requested

Based on the process detailed above and the qualifications of the firms, staff requests Board approval to award eight, 7-year contracts, as follows:

Requested Board Actions		Requested Contract Value		Requested Appropriation	
		Yrs as Basis	Amount	Yrs as Basis	Amount
PROGRAM MANAGEMENT					
S	Jacobsen Daniels Associates, LLC	2	\$ 12,000,000	2	\$ 12,000,000
M	Lea + Elliott, Inc.	2	\$ 14,000,000	2	\$ 14,000,000
Subtotal			\$ 26,000,000		\$ 26,000,000
PROJECT & CONSTRUCTION MANAGEMENT					
S	CMTS, LLC	2	\$ 4,000,000	2	\$ 4,000,000
L	Parsons Transportation Group Inc.	2	\$ 35,000,000	2	\$ 35,000,000
S	Berg & Associates, Inc.	5	\$ 10,000,000	2	\$ 4,000,000
S	Simpson & Simpson Management Consulting, Inc.	5	\$ 10,000,000	2	\$ 4,000,000
M	Vanir ASL, LLC	5	\$ 30,000,000	2	\$ 12,000,000
L	Jacobs Project Management Co.	5	\$ 70,000,000	2	\$ 28,000,000
Subtotal			\$ 159,000,000		\$ 87,000,000
Total			\$ 185,000,000		\$ 113,000,000

The combined contract values total \$185 million which was forecasted based LAWA's staffing and project needs over the next two to five years. This total is consistent with the services needs listed in the RFP.

At this time, staff recommends that the two Program Management contracts, Jacobsen Daniels Associates, LLC and Lea + Elliott, Inc., and two Project and Construction Management Services contracts, CMTS and Parsons, be awarded with an initial contract value based on a two-year forecast. These firms will focus predominantly on LAMP-related activities, such as the APM, ConRAC, and other enabling projects through the DBFOM procurement process. LAWA will then reassess the forecast staffing support needs more comprehensively for the remaining contract term. Staff will return to the Board and City Council to request additional capacity, and potentially term, to support these projects through closeout.

The remaining four contracts will primarily support the CIP and tenant improvement projects. The contract amounts requested reflect LAWA's forecasted needs for five years. Staff may return to the Board and City Council to request additional capacity and appropriations, when needed.

PDG's practice has been to request funds appropriation to support projects known to be implemented during that contract period. As such, staff also requests the Board appropriate capital funds in the combined amount of \$113,000,000 for Program and PM/CM services as detailed in the above table. Any funds remaining will carry over to subsequent years. Staff will return to the Board to request future years' appropriations based on specific projects and associated staffing levels required during that particular period.

Fiscal Impact

Costs incurred through these contracts will be capitalized and, when the projects are put in service, those costs will be allocated to associated airport cost centers. Project costs will be recovered through landing fees and terminal rates and charges, as well as through non-aeronautical revenues.

These contracts will also support LAWA's Executive Management and other non-capital initiatives including the Guest Experience. As such, funding may also come from the Los Angeles World Airports Operating Budget in various Cost Centers. Funding for these services will be requested as part of LAWA's annual budget process. These costs will also be recovered through landing fees and terminal rates and charges, as well as through non-aeronautical revenues

Depending on the size and complexity of the projects, PDG Program, PM/CM support needs vary. All of these costs are allocated to the CIP projects and reported monthly in the Program Status Report. Approval of this Board action will not impact the project budgets which already factor in costs for staff augmentation services.

5. Alternatives Considered

- ***Use City and LAWA Personnel***

LAWA is currently delivering the CIP through use of ADG staff, support from other LAWA groups, and services provided by City Departments through Memoranda of Understanding, Letters of Agreement, and Inter-Departmental Agreements. Staff augmentation through consulting firms is necessary as there are insufficient in-house resources available to perform all required work.

- ***Amend Existing Contracts***

Staff determined it was in the best interest of the Department to issue a robust RFP encompassing three scopes to encourage competition and provide opportunities for small and local firms to help deliver our CIP. Adding local and small business initiatives to our procurement documents and evaluation process required LAWA to amend existing support services contracts to ensure uninterrupted services. Upon City Council approval, staff will immediately begin transitioning services from the existing amendments to the new contracts.

- ***Award Single Contracts in Each Scope***

Staff also considered awarding a single contract for each scope within the RFP. Instead, having multiple contracts within each discipline provides LAWA with a deeper bench from which to fill support positions and a better opportunity to attract the best and brightest in the required fields. With an overall recommendation to award multiple contracts, LAWA is able to bring in several new firms and first-time prime consultants.

APPROPRIATIONS:

Staff requests funds for Year 1 and 2 Program Management & Advisory Services and Project/Construction Management Services will be allocated as required from the LAX, and VNY Airport Revenue Funds to various Board approved WBS Elements as required.

STANDARD PROVISIONS:

1. This item, as a continuing administrative, maintenance and personnel-related activity, is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. This contract is subject to approval as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Inc., Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC will comply with the provisions of the Living Wage Ordinance.
5. Procurement Services has reviewed this action (File No. 10040789) and established a mandatory 20% Small Business Enterprise for this project. Berg & Associates committed to 100% SBE participation, CMTS, LLC committed to 100% SBE participation, Lea + Elliott, Inc. committed to 20% SBE participation, Jacobs Project Management Co. committed to 30% SBE participation, Jacobsen/Daniels Associates, LLC committed to 100% SBE participation, Parsons Transportation Group committed to 42% SBE participation, Simpson & Simpson Management Consulting, Inc. committed to 30% SBE participation and Vanir/ASL, LLC committed to 23% SBE participation.
6. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC will comply with the provisions of the Affirmative Action Program.
7. Berg & Associates, Inc., has been assigned Business Tax Registration Certificate No. 0000153185-0001-8, CMTS, LLC has been assigned Business Tax Registration Certificate No. 0002552840-0001-1, Lea + Elliott, Inc. has been assigned Business Tax Registration Certificate No. 0000178833-0001-7, Jacobs Project Management Co. has been assigned Business Tax Registration Certificate No. 0002417708-0001-1, Jacobsen/Daniels Associates, LLC has been assigned Business Tax Registration Certificate No. 0002907854-0001-0, Parsons Transportation Group has been assigned Business Tax Registration Certificate No. 0000148161-0001-2, Simpson & Simpson Management Consulting, Inc. has been assigned Business Tax Registration Certificate No. 0002819612-0001-5, and Vanir/ASL, LLC has been assigned Business Tax Registration Certificate No. 0000850999-0001-1 (Vanir) and 0002900184-0001-2 (Abadjis Systems).
8. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC will comply with the provisions of the Child Support Obligations Ordinance.
9. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC must have approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports prior to issuance of a Notice to Proceed.

10. Pursuant to Charter Section 1022, staff determined the work specified on this contract can be performed more feasibly and economically by Independent Contractors than by City employees.
11. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC have submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC have been determined by Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance.
13. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
14. Berg & Associates, Inc., CMTS, LLC, Lea + Elliott, Inc., Jacobs Project Management Co., Jacobsen/Daniels Associates, LLC, Parsons Transportation Group, Simpson & Simpson Management Consulting, Inc., and Vanir/ASL, LLC have submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.