

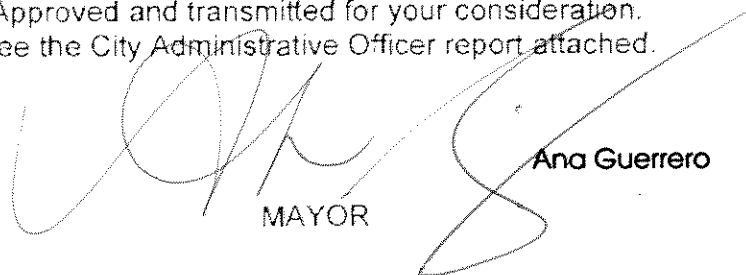
0150-08352-0004

TRANSMITTAL

TO The Council	DATE DEC 08 2015	COUNCIL FILE NO
FROM The Mayor	COUNCIL DISTRICT	

**As-Needed Consultant Services with Qualifying Firms for Implementation
Of the Bureau of Sanitation's Automation Master Plan**

Approved and transmitted for your consideration.
See the City Administrative Officer report attached.



Ana Guerrero
MAYOR

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 12-04-15	C.D. No. All	CAO File No.: 0150-08352-0004
Contracting Department/Bureau: Public Works/Sanitation		Contact: Anita Fernandez, (213) 485-2238	
Reference: Transmittal from the Board of Public Works dated November 16, 2015; referred for report on November 17, 2015.			
Purpose of Contract: To provide as-needed professionals services for development, modification, and upgrade of computer automated systems that control wastewater treatment processes and solid waste operations.			
Type of Contract: (X) New contract () Amendment		Contract Term Dates: Five years with three one-year renewal options for a total term of eight years	
Contract/Amendment Amount: \$20,000,000			
Proposed amount \$20,000,000 + Prior award(s) \$0 = Total \$20,000,000			
Source of funds: Sewer Operations and Maintenance Fund No. 760 and Solid Waste Resources Revenue Fund No. 508			
Name of Contractor: See Report.			
Address: See Report.			
	Yes	No	N/A*
1. Council has approved the purpose	X		
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City. See Report			
8. Contractor has complied with	Yes	No	N/A*
a. Equal Employment Oppy /Affirm. Action	X		
b. Good Faith Effort Outreach**	X		
c. Equal Benefits Ordinance	X		
d. Contractor Responsibility Ordinance	X		
e. Slavery Disclosure Ordinance	X		
f. Bidder Certification CEC Form 50	X		
*N/A = not applicable ** Contracts over \$100,000			

COMMENTS

In accordance with Executive Directive No. 3, the Board of Public Works (Board), on behalf of the Bureau of Sanitation (Bureau), is requesting authority to establish a pre-qualified on-call (PQOC) list of consultants to develop, modify, and upgrade computer automated systems that control wastewater treatment processes and solid waste disposal operations. The term of each contract is five years from the date of execution with three one-year renewal options for a total term of eight years. Total compensation will not exceed \$20.0 million and funding will be provided on a project by project basis and subject to the availability of project funds. The proposed PQOC list will include the following nine consulting firms:

Contractor	Address	No. Employees	Workforce Residing In City of L.A.
3Di, Inc.	3 Pointe Drive, Ste. 307, Brea, CA 92821	24	4%
CDM Smith, Inc.	50 Hampshire Street, Cambridge, MA 02139	5,117	0%
CH2M Hill Engineers, Inc.	9191 Jamaica Street, Englewood, CO 80112	27,793	0%
DCSE, Inc.	23382 Mill Creek Drive, Ste. 100, Laguna Hills, CA 92653	10	0%
Inflection Point Solutions LLC	8500 W 110 th Street, Ste. 550, Overland Park, KS 66210	20	0%
N th Generation Computing, Inc.	17055 Camino San Bernardo, San Diego, CA 92127	50	2%
Parsons Environment & Infrastructure Group, Inc.	100 West Walnut Street, Pasadena, CA 91124	11,500	2%
Tetra Tech, Inc.	3475 E. Foothill Blvd., Ste. 300, Pasadena, CA 91107	13,000	0%
Westin Engineering, Inc.	3100 Zinfandel Dr., Ste. 300, Rancho Cordova, CA 95670	70	1%

 WKP	 Assistant CAO	 City Administrative Officer
Analyst	08160074	

Background

In 1999, a Best Practices Report identified opportunities for the Bureau to improve the effectiveness and cost efficiency of its operations through the use of automated control systems. As a result of this report, the Bureau commissioned an Automation Master Plan (AMP) in December 2001. The AMP lays out a vision for automation and automation improvements with the following goals:

- Reduce attended operations and staffing;
- Extend the capability of Bureau staff to monitor and control operations;
- Improve the reliability and stability of the system;
- Allow future flexibility and expansion of the system; and
- Preserve automation investments.

An AMP Executive Committee, comprised of executives and division managers from the Bureaus of Sanitation and Engineering, continually update the AMP and its list of 200 projects as part of the Bureau's Strategic Planning Process.

The Bureau has been using PQOC consultants since 2002 and the current list expires on December 31, 2015. Under the current PQOC list, the Bureau awarded 43 Task Orders with total expenditures of \$19.35 million. The Bureau requires the use of PQOC consultants to provide highly specialized technical expertise in the following six service areas:

1. Software engineering;
2. System integration;
3. Local and wide area network and server design;
4. Automation project and/or construction management services;
5. Related services such as database development; and
6. Cloud and hosting services.

Work will be assigned on an as-needed basis and no minimum amount of work is guaranteed under these contracts. The Bureau of Engineering and other City departments, such as the Port of Los Angeles, also use PQOC consultants and the Bureau's contracts and processes are consistent with existing PQOC contracts and processes.

Contractor Selection Process

In accordance with Charter Section 1022, the Personnel Department determined that City employees do not possess the expertise to perform the work proposed to be contracted. Therefore, on July 1, 2013, the Board authorized the Bureau to advertise and distribute a Request for Qualifications (RFQ) and to negotiate and establish a PQOC list. The Bureau received 47 responses to the RFQ from 12 consulting firms for the six service areas and each response was evaluated on the following criteria:

- Technical Qualification and Experience (30 percent)
- Record of Past Performance (30 percent)
- Project Management and Delivery (20 percent)
- Cost Control (20 percent)

Two of the proposers did not meet the requirements of the Business Inclusion Program and were deemed non-responsive. In addition, one proposer did not comply with the RFQ instructions and was not awarded any service areas. The remaining nine firms have met all applicable City contracting requirements and on November 16, 2015, the Board approved the proposed consultant list.

Assignment of Work and Scope of Services

When a project manager wants to utilize the PQOC list, they are required to consult with their Division Manager to develop the scope of work and to justify the need for issuing a Task Order Solicitation (TOS) rather than using existing staff. The Task Order will include the scope of work, project schedule, deliverables, and estimated project costs. Appropriate justifications for initiating a TOS are compliance with regulatory mandates, lack of expertise, time sensitive deadlines that carry fines and penalties, or compliance with court mandates. The TOS is discussed with and reviewed by the Assistant Directors and once approved, the project is presented to the Program Review Committee (PRC) for approval and funding. Once approved by the PRC, the Bureau's Financial Management Division (FMD) identifies the appropriate funding source for the project. Next, the Board is notified and for all TOS over \$150,000, Board approval is required. Once all these approvals are obtained, the Bureau Director and Assistant Director will sign the Task Order and the TOS is advertised to the pool of consultants in the respective service area. The number of consultants available per service area is shown in the following table:

Service Area	No. of Consultants
Software Engineering – Building new systems	6
Software Integration – Integrating different systems	7
Local and Wide Area Network and Server Design – Providing technical support to communication networks and systems	4
Automation Project or Construction Management – Providing project management services for large automation projects	7
Related Services – Includes database development, help desk support, upgrading existing systems, training on software, and providing technical support for various applications	6
Cloud and Hosting Services – File storage and website hosting services	3

The Bureau reserves the right to assign projects to any PQOC consultant within a service area to best serve the needs of the City and the project. The Bureau will evaluate the proposals and award the project to the consultant that proposes the best overall value to the City. The Bureau will negotiate the terms for the project and once an agreement is reached, the Bureau will issue a Notice to Proceed to the selected consultant. The contracts make no guarantee of work to any of the consultants on the list.

Compensation for Services

Funding will be provided on a project by project basis from various funding sources and subject to the availability of funds. The contracts include a cost ceiling of \$20.0 million, which was calculated based on total expenditures to date under the current PQOC list. The PQOC contracts contain a Financial Liability Clause which limits the City's financial obligation to the amount approved by the Mayor and Council in the corresponding year's budget for such work.

Pursuant to Article 10.2, payment to consultants will be made in accordance with the Schedule of Hourly Rates and Project Cost Breakdown included in each contract. Project Task Orders will provide a detailed project description and scope of services for each AMP project. The City will not be obligated to reimburse the contractor for costs incurred in excess of the total maximum cost set forth in the Project Task Order. Invoices are submitted on a monthly basis.

RECOMMENDATION

That the Council authorize the Board of Public Works, on behalf of the Bureau of Sanitation, to execute the proposed contracts for on-call work to support the Bureau's Automation Master Plan with the following nine consulting firms:

1. 3Di, Inc.;
2. CDM Smith, Inc.;
3. CH2M Hill Engineers, Inc.;
4. DCSE, Inc.;
5. Inflection Point Solutions LLC;
6. Nth Generation Computing, Inc.
7. Parsons Environment & Infrastructure Group, Inc.;
8. Tetra Tech, Inc.; and
9. Westin Engineering, Inc.

FISCAL IMPACT STATEMENT

The execution of the proposed contracts will have no General Fund impact as funding will be provided on a project by project basis from various special funds, subject to the availability of funds. *The estimated cost for the term of these contracts is \$20.0 million over eight years and \$514,245 is available for 2015-16 in the Sewer Operations and Maintenance Fund No. 760, Account No. 50MX82.* The contracts also contain a Financial Liability Clause which limits the City's financial obligation to the amount approved by the Mayor and Council in the corresponding year's budget for such work, which is consistent with the City's Financial Policies. As such, the recommendation in this report complies with the City's Financial Policies as project funding will support project expenditures.

MAS:WKP:06160074