

MEMORANDUM

April 4, 2019

To: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Request authorization to award four contracts to (1) Arcadis/Lotus Water Joint Venture, (2) Parsons/Ryan Joyce Structural Design Joint Venture, (3) Stantec/McGovern McDonald Engineers Joint Venture, and (4) Terra Engineers, for as-needed engineering and related professional services, each contract in an amount not to exceed \$3,000,000.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution

EXECUTIVE SUMMARY

Pursuant to Port Commission authorization (Resolution 18-58), Port staff issued a Request for Qualifications ("RFQ") soliciting as-needed engineering and related professional services on November 19, 2018. Thirteen proposals were submitted by consulting firms in response to the RFQ. The Contract Monitoring Division ("CMD") determined that 12 of the 13 firms met the City's Local Business Enterprise ("LBE") Ordinance requirements. A selection panel then evaluated and scored the written proposals and held oral interviews. CMD monitored the panel evaluation process and applied the LBE rating bonus to all eligible firms.

Port staff now seeks Port Commission authorization to award professional services contracts for as-needed engineering and related professional services to the following highest-scoring firms: (1) Arcadis/Lotus Water Joint Venture (Arcadis/Lotus Water), (2) Parsons/Ryan Joyce Structural Design Joint Venture (Parsons/RJSD), (3) Stantec/McGovern McDonald Engineers Joint Venture (Stantec/MME), and (4) Terra Engineers. Staff recommends the award of each contract in the not-to-exceed amount of \$3,000,000, with a term of four years, and an option for an additional year at the Port's sole discretion. The cumulative value of the four contracts would amount to \$12,000,000 over a maximum term of five years. These proposed contracts will be funded through the Port's annual operating budget and proceeds from general obligation and revenue bonds.

This Print Covers Calendar Item No. 9A

STRATEGIC PLAN OBJECTIVE

This contracting opportunity supports the goals of the Port's Strategic Plan as follows:

Equity:

By increasing the proportion of funds spent by the Port with LBE and micro-LBE firms, and in doing so grow the number of local businesses competing for Port contracts by engaging teams that support the diversity of our City.

Stability:

By utilizing engineering services to implement infrastructure projects that maintain the Port's financial strength by addressing deferred maintenance, maximizing the value of Port property, and increasing revenue.

BACKGROUND

In Fiscal Year (FY) 2016-17 the Port Commission authorized the award of four (4) master agreements for as-needed engineering and related services, to COWI/OLMM Joint Venture, GHD/Telamon Joint Venture, Moffat & Nichol/AGS Joint Venture, and Parsons/Lotus Water Joint Venture. With that authorization, Port staff entered into all four as-needed agreements, each with a maximum dollar value of \$1,500,000 and an initial term of four years through October 2020. The Port expended nearly all of the budget for all four contracts in advance of the contract expiration date.

These existing agreements provided valuable consulting services for the following projects: the Wharf J9 Seawall and Deck Repair, the Pier 70 Technical Support Services, Derrick Barge #1 Condition Survey and Performance Upgrades, the South Beach Harbor and Pier 40 Dock Repair, and Drydock No. 2 Evaluations. Port staff expects all of the contracts to close with LBE subcontractor participation above the 20% CMD LBE goal.

On October 26, 2018, the Port Commission authorized staff to advertise a Request of Qualifications (RFQ) for as-needed engineering and related professional services (Port Commission Resolution 18-58). The RFQ incorporated a LBE subcontracting goal of 18.5% as determined by the Port's CMD Contract Compliance Officer.

Scope of Work

Due to the nature of as-needed services, it is not feasible to define a specific scope of work in advance of the proposed contracts. The specific scopes of work will vary with differing project needs. However, Port staff anticipates a need for the same types of consulting services as were utilized under the current master agreements, including but not limited to comprehensive engineering and related professional services (site engineering, mechanical, electrical, architectural, landscape, civil, structural, transportation, geotechnical, and design-related environmental engineering) to support the Port's ongoing efforts to effectively and economically develop, utilize, and maintain its varied infrastructure and facility assets.

As with the existing as-needed engineering contracts due to expire next year, the next generation of proposed contracts will allow Port Project Managers to utilize as-needed consultants through a variety of selection methods, ranging from direct solicitation of a particular team to the use of informal Requests for Proposals (RFP) issued to all of the teams. The method chosen by Port staff will depend on the scope and urgency of the project. When utilizing a RFP, the Port Project Manager will choose the team whose proposal represents the best value and qualifications for the specific project. After negotiating a reasonable fee for specified services, staff will issue a Contract Service Order (CSO) to the selected firm and a notice to proceed will be issued to commence work under the Port Project Manager's oversight.

SELECTION PROCESS

On November 19, 2018, the Port issued the RFQ, with submittals due on January 18, 2019. A pre-submittal meeting was held on December 4, 2018. Over 95 people representing 60 unique engineering and related professional service firms attended the pre-submittal meeting.

The Port received thirteen responses to the RFQ in advance of the January 18, 2019 submittal deadline. The following thirteen consultant teams responded to the RFQ:

1. AECOM
2. Arcadis/Lotus Water Joint Venture
3. Bureau Veritas
4. COWI/OLMM/Maffei Joint Venture
5. Foth
6. GHD/Telamon Joint Venture
7. Holmes Structural
8. Moffatt & Nichol/AGS Joint Venture
9. Parsons/RJSD Joint Venture
10. Stantec/MME Joint Venture
11. Terra Engineers
12. Van Deusen & Associates
13. WSP/Freyer Laureta Joint Venture

CMD staff reviewed and determined that one firm, Van Deusen & Associates, did not meet the LBE requirements specified in the RFQ. CMD determined that the twelve remaining firms complied with the RFQ's LBE requirements.

Selection Panel

A three-member evaluation panel was convened to evaluate and score proposals on February 19, 2019. The panel consisted of an architect from the Port, one senior structural engineer from San Francisco Public Works (SFPW) and one project manager from SFPW. The panel members had expertise in civil engineering, structural engineering, project management, and architecture. The Port's CMD Compliance Officer approved the panel composition and attended all selection panel meetings.

Evaluation Criteria

Written proposals were evaluated and scored by the selection panel based upon the following criteria:

- 30 points – technical approach
- 20 points – prime consultant and team experience
- 20 points – assigned project staff
- 20 points – organization
- 10 points – subconsultant resources
- 100 points total

Firms scoring 75 points or more in the written proposal phase were invited to oral interviews. As a result, 11 firms advanced to the second phase of the evaluation process for oral interviews. On March 6 and 7, 2019, the panel conducted oral interviews, evaluating and scoring each candidate firm based upon the following criteria:

- 50 points – prime consultant, subcontractor, and project staff experience
- 50 points – case study
- 100 points total

The City Administrative Code Chapter 14B, the LBE and Non-Discrimination in Contracting Ordinance, establishes rating bonuses for LBE firms and LBE joint venture partnerships. Seven responding firms were granted a 7.5 percent rating bonus and one firm received a 10 percent rating bonus as allowed under the ordinance. The complete rankings are shown in Table 1. Port staff selected the four top-ranked firms for recommended contracts. Port staff issued a Notice of Intent to Award Contracts on May 11, 2019.

Table 1: As Needed Engineering RFQ Proposal Scores

Proposer	Written Proposal Score (Avg)	Oral Interview (Avg)	LBE Rating Bonus	Final Total Score	Final Rank
Stantec/ McGovern McDonald Engineers (JV-WBE)	87.0	95.60	7.5%	196.3	1
Parsons/ Ryan Joyce Structural Design (JV-OBE)	86.0	95.60	7.5%	195.2	2
Arcadis/Lotus Water (JV-OBE)	87.0	94.00	7.5%	194.6	3
Terra Engineers (LBE-WBE)	81.0	95.30	10.0%	193.9	4
GHD/Telamon (JV-WBE)	87.0	89.00	7.5%	189.2	5
WSP & Freyer Laureta (JV-MBE)	89.0	84.30	7.5%	186.3	6
Moffatt Nichol/AGS JV (JV-MBE)	82.0	84.60	7.5%	179.1	7
COWI/OLMM/MAFFEI (JV-MBE-OBE)	81.0	77.30	7.5%	170.2	8
AECOM (Non-LBE)	86.0	82.60	0.0%	168.6	9
Holmes Structural (Non-LBE)	76.0	78.60	0.0%	154.6	10
Foth (Non-LBE)	77.0	71.00	0.0%	148.0	11

SELECTED CONSULTANTS

About Arcadis/Lotus Water, Joint Venture

Arcadis, a non-LBE firm, currently serves as a joint venture partner to Jacobs Engineering on the Port's seawall design contract. Lotus Water, a LBE-Other Business Enterprise (OBE) firm, is a joint venture partner to one of the Port's current as-needed engineering firms. Arcadis was founded in the Netherlands in 1888. They are a global leader in coastal engineering and flood resiliency planning. Lotus Water has been operating in San Francisco for 12 years. They have extensive experience working on projects with the SFPUC Sewer System Improvement Program, and the Port of San Francisco at Mission Bay Bayfront Park. The Arcadis/Lotus Water joint venture team includes 15 subconsultant firms of which ten are certified LBEs.

About Parsons/ Ryan Joyce Structural Design (RJSD), Joint Venture

Parsons has nearly 70 years of experience with projects involving design, engineering, and construction management at ports and marine facilities. Parsons' recent work on Port and maritime facilities includes the former BAE Systems ship repair site, the Elliot Bay Seawall project in Seattle, and the Pier 90-96 marine terminal improvements. The joint venture partner, RJSD is a newly certified LBE-OBE firm specializing in structural engineering. The Parsons/RJSD joint venture team includes 13 subconsultant firms of which eight are certified LBEs.

About Stantec/ McGovern McDonald Engineers (MME), Joint Venture

The proposed contract would be Stantec's and its LBE joint venture partner, McGovern McDonald Engineers' (MME) first contract with the Port of San Francisco. Stantec/ MME currently provide on-call engineering services for the San Francisco Public Utilities Commission and SFPW. MME is a micro LBE-Woman Business Enterprise (WBE) firm based in San Francisco for the past 15 years. MME specializes in heavy civil, mechanical, and electrical engineering, and construction management. Stantec is an international firm with over 22,000 employees on six continents with an office in San Francisco. The Stantec/MME team includes 27 subconsultant firms of which 21 are LBEs.

About Terra Engineers, Inc.

Terra Engineers, Inc. is a LBE-WBE firm, with headquarters in San Francisco since 2003. Terra Engineers specializes in civil engineering, geotechnical engineering, and construction management. The firm's project experience includes geotechnical support with SFPW, several projects with the East Bay Municipal Utility District, and a geological assessment of the spillway at SFPUC's O'Shaughnessy Dam. The Terra Engineers team includes 20 subconsultant firms of which seven are LBEs.

FUNDING

Funding for these proposed contract services will be allocated on an annual basis through either the Port operating budget or capital budget. Some services may be funded through the proceeds of General Obligation or Port Revenue Bonds. Funding for each CSO will be identified prior to requesting proposals from the as-needed consultant firms.

SCHEDULE

The planned contracting schedule is shown below:

<u>Activity</u>	<u>Target Date</u>
Port Commission Authorization to Award Contract	April 9, 2019
Notice To Proceed	May 15, 2019
Contract Completion	May 14, 2023

RECOMMENDATION

Port staff request authorization to award four contracts to (1) Arcadis/Lotus Water, Joint Venture, (2) Parsons/Ryan Joyce Structural Design, Joint Venture, (3) Stantec/McGovern McDonald Engineers, Joint Venture, and (4) Terra Engineers, Inc. for as-needed engineering and related professional services, each contract in an amount not to exceed \$3,000,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion. The contracts will be funded through the Port's operating and capital budgets.

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Finance and Administration Division

For: Katherine Petrucione, Deputy Director
Finance and Administration Division

and

Rod Iwashita, Chief Harbor Engineer

Attachments

- 1 - CMD Award Memo
- 2 – Subconsultants

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 19-13

- WHEREAS, Due to the variety of ongoing complex engineering and infrastructure Port projects, Port staff requires consultant engineering and related professional services, including expertise and assistance for current and future engineering design and infrastructure projects; and
- WHEREAS, the Port's current set of four as-needed engineering and related professional services contracts, awarded pursuant to Port Commission authorization in 2016, have provided timely and cost-effective vehicles for the provision of such professional services; and
- WHEREAS, the Port has expended nearly all of the contract budgets for these current four contracts in advance of the expiration of the contract terms; and
- WHEREAS, on October 23, 2018, the Port Commission authorized staff to issue a Request for Qualifications ("RFQ") to solicit qualified firms to provide as-needed engineering and related professional services to the Port (Port Commission Resolution 18-58); and
- WHEREAS, Port staff advertised the RFQ on November 19, 2018 and received thirteen proposals on January 18, 2019, of which twelve were deemed responsive to the requirements of the RFQ; and
- WHEREAS, on February 19, 2019, a three member evaluation panel evaluated and scored responsive proposals, and after applying the Local Business Enterprise prime consultant rating points, the City's Contract Monitoring Division and Port staff determined the following four firms submitted the highest-scoring proposals in response to the RFQ: (1) Arcadis/Lotus Water, Joint Venture, (2) Parsons/Ryan Joyce Structural Design, Joint Venture, (3) Stantec/McGovern McDonald Engineers, Joint Venture, and (4) Terra Engineers, Inc.; and
- WHEREAS, Based upon the final evaluation and scoring of the proposals, Port staff recommend the award of separate contracts to these four highest-scoring firms (1) Arcadis/Lotus Water, Joint Venture, (2) Parsons/Ryan Joyce Structural Design, Joint Venture, (3) Stantec/McGovern McDonald Engineers, Joint Venture, and (4) Terra Engineers, Inc., for as-needed engineering and related professional services, each contract in an amount not to exceed \$3,000,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion; now therefore, be it

RESOLVED, that the Port Commission hereby authorizes the award of four separate contracts to (1) Arcadis/Lotus Water, Joint Venture, (2) Parsons/Ryan Joyce Structural Design, Joint Venture, (3) Stantec/McGovern McDonald Engineers, Joint Venture, and (4) Terra Engineers, Inc., for as-needed engineering and related professional services, each contract in an amount not to exceed \$3,000,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion; and be it further

RESOLVED, that the Port Commission further authorizes Port staff to execute all necessary contract documents, in such form as approved by the City Attorney's office, for effectuating the purpose of the contracts as described in the staff report accompanying this item.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 9, 2019.

Secretary