

DATE: AUGUST 21, 2024

FROM: CONSTRUCTION AND MAINTENANCE

**SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO.
40045 TO A&A READY MIXED CONCRETE, INC. FOR
CONCRETE/SLURRY READY MIX**

SUMMARY:

Staff requests approval of Contract No. 40045 (Contract) with A&A Ready Mixed Concrete, Inc. (A&A) of Newport Beach, California, for the purchase of concrete/slurry ready mix. The proposed Contract would be for a one-year term with two one-year renewal options. The amount of this Contract shall not exceed \$400,000 for the initial year. If the two renewal options are exercised, \$400,000 will be authorized for the second year and \$400,000 for the third year. The total amount would not exceed \$1,200,000 over the three years. The City of Los Angeles Harbor Department (Harbor Department) will be financially responsible for the payment of costs incurred under the proposed Contract.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve Contract No. 40045 with A&A in the amount of \$400,000 for the concrete/slurry ready mix for a period of one year, with two one-year renewal options in the same amount annually for a total compensation amount not to exceed \$1,200,000 if the renewal options are exercised and authorized by the Executive Director or his/her designee;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Contract No. 40045 for and on behalf of the Board; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The Harbor Department's Construction & Maintenance Division (C&M) provides 24-hour, seven days per week support for the maintenance, repair,

DATE: AUGUST 21, 2024

PAGE 2 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40045 TO A&A READY MIXED CONCRETE, INC.

alteration and reconstruction of Harbor Department-owned facilities and infrastructure. C&M currently utilizes more than one hundred varied annual procurement contracts in order to provide safe, reliable, efficient, and quality services to its customers as well as to maintain the Harbor Department infrastructure.

Concrete/slurry ready mix is a widely used building material for many of C&M's Capital Improvement Program (CIP) projects and Maintenance Improvement Program (MIP) projects. C&M currently has several projects that require the use of concrete/slurry ready mix to carry out the CIP and MIP projects for concrete slabs, foundations and for water proofing and repairs of parking deck, public walkways, and driveways. These projects include Berth 93 Parking Deck Waterproofing Improvement, Berth 91-92 Passenger Terminal Pedestrian Deck Coating, Berth 100 Advanced Electrical Infrastructure Demonstration, Pacific Maritime Association (PMA) International Longshore and Warehouse Union (ILWU) Local 13 Dispatch Hall Surplus Parking Lot, Catalina Sea Ramp Repair, Knoll Drive Street Lighting, and Harbor Department Electrical Vehicle Charging Stations. In addition, the contract is necessary to complete terminal improvements such as utility vault repairs, expansion joint repairs and guardrail and safety bollard installations. C&M also uses the concrete/slurry ready mix for backfill of all excavations to meet the 90-95% compaction as specified in the Harbor Department's specification.

C&M has constant needs for the concrete/slurry ready mix for the CIP and MIP projects. Along with the recent trend of sharp rises in construction material costs, C&M's total expenditure for the concrete/slurry ready mix has been growing steadily since 2020. Concrete/slurry ready mix is a specialized concrete product that is prepared in a controlled environment and delivered to construction sites in a ready-to-use state, and due to its durability and strength, it has become a very popular building material. Concrete/slurry ready mix is also more environmentally friendly, time efficient and cost-effective construction method over the traditional on-site concrete mixing, and therefore it is in more demand in the construction market. The construction industry surge in the need for concrete/slurry ready mix with the labor and transportation cost increases have all contributed to the price escalations in the last few years.

Selection Process – C&M submitted a purchase requisition to the Contracts and Purchasing Division (CPD). The CPD released a Request for Bids (RFB) No. F-1198 on February 27, 2024. The RFB was advertised in the City of Los Angeles Regional Alliance Marketplace for Procurement (RAMP) and the Harbor Department website.

Per statistics on RAMP, the bid was viewed by 16 unique companies (Transmittal 1) and downloaded by 9 unique companies (Transmittal 2). Two (2) vendors submitted bids for this contract opportunity by the March 21, 2024 deadline. CPD prepared a recap of the

DATE: AUGUST 21, 2024

PAGE 3 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40045 TO A&A READY MIXED CONCRETE, INC.

bid (Transmittal 3). A&A was the lowest responsive bidder, and therefore, staff recommends approval of the award of Contract No. 40045 (Transmittal 4) to A&A.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of Contract 40045 with A&A for the purchase of concrete/slurry ready mix, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed Contract would authorize expenditures of up to \$400,000 per year, or a maximum of \$1,200,000 over three years if all options are exercised for the purchase of concrete/slurry ready mix. Fiscal Year (FY) 2024-2025 funding in the amount of \$400,000 has been included in the adopted budget within Account 55110 (Operating Materials & Supplies) in the following programs, and future spending under the proposed Contract is expected to occur as follows:

Fiscal Year	CIP Various Center Nos.	OPERATING Center 0510, Program 000	Total Amount
2024/2025	\$300,000	\$100,000	\$400,000
2025/2026	\$300,000	\$100,000	\$400,000
2026/2027	\$300,000	\$100,000	\$400,000
Total Cost	\$900,000	\$300,000	\$1,200,000

Future fiscal year funding will be requested to be budgeted as part of the annual budgeting process, subject to Board approval. While the maximum amount of the proposed Contract will be \$1,200,000 if both renewal options are exercised, actual contract expenditures may be less than the contract amount.

The Harbor Department's obligation to pay any amount hereunder for any City fiscal year after the current fiscal year is contingent upon the Harbor Department's appropriation of funds for that purpose. The Harbor Department's FY ends on June 30 of each calendar year, accordingly, anything to the contrary notwithstanding, the Harbor Department may terminate this contract and future monetary obligations hereunder as of the end of any FY.

DATE: AUGUST 21, 2024

PAGE 4 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40045 TO A&A READY MIXED CONCRETE, INC.

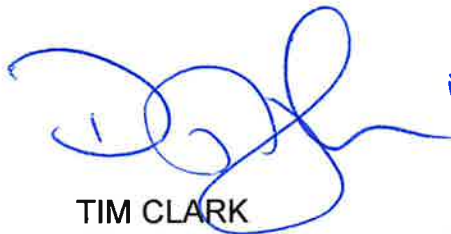
CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved Contract No. 40045 as to form and legality.

TRANSMITTALS:

1. C&M Bid No. F-1198 Views
2. C&M Bid No. F-1198 Downloaded
3. Recap of Bid No. F-1198
4. Contract No. 40045, Formal Bid No. F-1198

FIS Approval: JS
CA Approval: JC



FOR
TC

TIM CLARK
Director of Port Construction & Maintenance

Dina Aryan-Zahlan
DINA ARYAN-ZAHLAN, P.E.
Deputy Executive Director
Development

APPROVED:

Erica M. Calhoun for

EUGENE D. SEROKA
Executive Director

Author: M. Cho