



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: AUGUST 9, 2016**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ -  
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT  
CONTRACTOR: KDC, INC. DBA DYNALECTRIC  
BERTHS 91-93 ALTERNATIVE MARITIME POWER (AMP)  
UPGRADE AND RETROFIT  
SPECIFICATION NO. 2775**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners (Board) approve the award of this construction contract to KDC, Inc. dba Dynalectric (Dynalectric). The Berths 91-93 Alternative Maritime Power (AMP) Upgrade and Retrofit project (Project) will install new switchgears, transformers, and AMP boxes and plugs at the existing Berths 91 and 93 cruise terminal to provide vessels with different voltages sufficient power to plug into the AMP system. The lowest responsive and responsible bidder is Dynalectric located in Los Alamitos, California. The contract amount, plus a 10% contingency, is \$11,773,300. The contract duration is 570 calendar days. The City of Los Angeles Harbor Department (Harbor Department) is financially responsible for payment of expenses under the proposed contract.

**RECOMMENDATION:**

It is recommended that the Board:

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f), and Article III, Class 1(2), of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Find that, in accordance with City Charter Section 1022, work under the subject contract can be performed more feasibly by an independent contractor rather than by City employees;
3. Award and approve, Specification No. 2775 for Item Nos. 1 through 15 of the proposal schedule to Dynalectric, in the amount of \$10,703,000; that a 10% contingency not included in the original contract amount be applied for a total authorization of \$11,773,300; and authorize payment from the Harbor Department Construction Account. The contract time for performance of the work will be 570 calendar days from the Notice to Proceed;

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4. Authorize the Executive Director to execute and the Board Secretary to attest to this contract for and on behalf of the Board;
5. In accordance with City Charter Section 655 (g), delegate and authorize the Executive Director to adjust final bid quantities and accept the construction contract upon its completion; and
6. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background / Context – This Project is part of the overall AMP program throughout the Port of Los Angeles. California state law requires at least half of berthed ships to shut down their diesel engines and to plug into shore-side electric power. The Berths 91-93 cruise terminal currently has AMP capabilities, and this project will upgrade the existing AMP system to accommodate the voltage variances which differ from ship to ship. The scope of this Project consists of installing switchgears, transformers, AMP boxes, and under-wharf and underground conduits with high voltage cables and low voltage wires. This Project also includes construction of related cast-in-place concrete AMP vaults, concrete pads, fencing, and guard posts, and system testing and commissioning. An aerial site plan showing the location of the Project can be found in Transmittal 3.

This construction contract is temporary in nature and requires specific experience and equipment to perform the work. As such, it is not feasible for the City of Los Angeles (City) to hire employees and purchase equipment to perform the work under this contract.

Construction Award Process – City of Los Angeles Charter Section 371(a) - Competitive Bidding sets forth the procedure staff followed to award this contract. For construction contracts such as this one, the Harbor Department publishes the Notice Inviting Bids in daily newspapers and trade publications circulated in the City of Los Angeles, as well as on the Port of Los Angeles website. The Harbor Department conducts a pre-bid conference to familiarize the prospective bidders with the Project and to answer questions related to the construction contract.

Following submittal to the Harbor Department, the bids are publicly opened, and the apparent lowest bidder is declared. Bid documents, SBE and VSBE participation, and other required documents are reviewed for compliance with Harbor Department requirements. Once all information is verified, and, if the lowest bidder is deemed responsive, recommendation for award of the construction contract is made. If the apparent lowest bidder is found non-responsive, the next lowest bidder is reviewed.

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In conformance with the City Charter section for competitive bidding, as stated above, the Notice of Inviting Bids for Specification No. 2775 was advertised on April 4, 2016 on the Port of Los Angeles website, in Dodge Construction "Green Sheet", L.A. Watts Times, Los Angeles Times, Metropolitan News Company, and Rafu Shimpo to reach out to as many potential bidders as possible. A pre-bid meeting was held on April 20, 2016.

As authorized by the Executive Director on April 4, 2016, the Chief Harbor Engineer received 4 bids for the subject contract on June 14, 2016. The Analysis of Bids (Transmittal 1) lists the companies that submitted bids and their respective bid amounts. The bids received were opened, and Dynalectric was declared the apparent lowest bidder at the time of the bid opening with a bid of \$10,703,000.

Construction staff has verified Dynalectric's state license. In conformance with Section 10.8.4 of Ordinance No. 143429, verification is hereby made that Dynalectric has executed and filed an Affirmative Action Plan with their bid. A notification letter has been sent to the City Office of Contract Compliance as required in the ordinance. Dynalectric's bid has been found responsive. An approximate 10% contingency is recommended based on a qualitative review of project specific tasks, including schedule constraints and potential unforeseen conditions that may arise during construction, utility conflicts and design and scope changes to accommodate field conditions for a total project cost of \$11,773,300.

This Project will be constructed in compliance with the Harbor Department's Small Business/Very Small Business Enterprise Program (SBE/VSBE). The Harbor Department had set a minimum SBE participation level of 17%, of which 5% shall be VSBE participation. Dynalectric has provided the required documents regarding their SBE and VSBE participation and has included 17% SBE Subcontractors/Suppliers of which 5% is VSBE Subcontractors/Suppliers (Transmittal 2). This contract is consistent with State of California Prevailing Wage provisions. This Project is subject to the terms of Project Labor Agreement No. 11-2955, as approved by the Board on March 17, 2011, and the Los Angeles City Council on May 11, 2011.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a contract with Dynalectric involving the installation of AMP infrastructure at Berths 91 to 93. Award of the contract is for the installation of AMP infrastructure that involves electrical alterations and improvements to an existing facility, therefore the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the CEQA under Article II, Section 2(f), and Article III, Class 1(2), of the City of Los Angeles CEQA Guidelines.

**FINANCIAL IMPACT:**

Funds for fiscal year 16/17 in the amount of \$7,000,000 are budgeted in Capital Budget, Account No. 54510, Center No. 1186, Program No. 636. The remaining funds are expected to be expended as follows:

Fiscal Year 2016/2017	\$ 7,000,000
Fiscal Year 2017/2018	\$ 4,773,300
<b>Total</b>	<b>\$11,773,300</b>

Funds for future fiscal years will be requested to be budgeted as part of the annual budget process, upon Board approval. The total construction budget for this Project, including contingency, is \$11,773,300.

Although the contractor is not obligated to perform any work under the contract in any fiscal year in which no appropriation for the contract has been made, the contractor agrees to resume performance of the work required by the contract on the same terms and conditions for a period of 60 days after the end of the fiscal year if an appropriation is approved within that 60-day period. The contractor is responsible for maintaining all insurance and bonds during this 60-day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable. If, in any subsequent fiscal year, funds are not appropriated for work required by the contract, the contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

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**CITY ATTORNEY:**

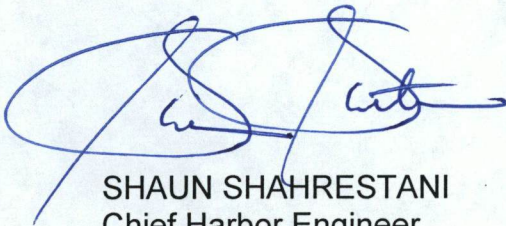
The Office of the City Attorney reviewed and approved Specification No. 2775 as to form and legality on March 9, 2016.

**TRANSMITTALS:**


1. Analysis of Bids
2. Contractor and Subcontractor List
3. Vicinity Map

FIS Approval: MB (initials)

CA Approval: CSB (initials)

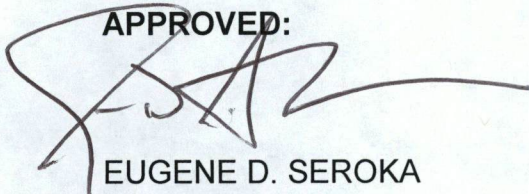


SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



ANTONIO V. GIOIELLO, P.E.  
Deputy Executive Director

**APPROVED:**



EUGENE D. SEROKA  
Executive Director

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File No. 4.7