



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: APRIL 13, 2023

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: GRIFFITH COMPANY
SAN PEDRO WATERFRONT BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811**

SUMMARY:

Staff requests approval of an award of a contract (Contract) to Griffith Company (Griffith) for the San Pedro Waterfront Berths 74-83 Promenade Phase II (Project) as part of the overall Ports O'Call redevelopment project with San Pedro Public Market LLC (also known as the West Harbor Redevelopment). The Project consists of construction of a 30-foot-wide public promenade, site remediation, and building demolition. The lowest responsive and responsible bidder is Griffith, located at 12200 Bloomfield Ave., Santa Fe Springs, California. The Contract amount of \$24,336,722, plus a 10% contingency, is \$26,770,394.20, and the Contract duration is 660 calendar days. Payment of expenses incurred under the Contract is the financial responsibility of the Harbor Department.

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 has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Find that, in accordance with the Los Angeles 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. 2811 for Item Nos. 1 through 53 of the Bid Proposal Line Items to Griffith for a total authorization of \$26,770,394.20 and a total term of 660 calendar days;

DATE: APRIL 13, 2023

PAGE 2 OF 6

SUBJECT: SAN PEDRO WATERFRONT
BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811

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

DISCUSSION:

Project Objectives – The Project will provide a new continuous pedestrian waterfront promenade along the main channel from Berths 74 to 83 as part of the Ports O’Call redevelopment with San Pedro Public Market LLC (also known as the West Harbor Redevelopment). The Project was described in the Permit between the City of Los Angeles Harbor Department and San Pedro Public Market, LLC for the Commercial Redevelopment of the Ports O’Call Site, under Resolution No. 16-7946.

Project Description – The Project consists of construction of a 30-foot-wide public promenade, site remediation, and building demolition. Work includes, but is not limited to, landscaping, hardscaping, architectural finishes, guardrails, and lighting. The scope of the Project includes items such as demolition, installation of new piles, pier and deck structures, structural improvements, utilities, grading, soil characterization and remediation, soil remediation of a Los Angeles Regional Water Quality Control Board (LARWQCB) regulated site, light non-aqueous phase liquid (LNAPL)/water mix skimming, removal and disposal, and other site improvements in accordance with Drawing Nos. 1-3410 and 1-3413. (Transmittal 1)

Competitive Bidding Process – City of Los Angeles Charter Section 371 (a) – Competitive Bidding sets forth the procedure staff follow to award the 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 and on Regional Alliance Marketplace for Procurement (RAMP). The Harbor Department also conducts a pre-bid conference to answer questions related to the construction contract.

Bidders submit bids through the Port’s Construction Division Business Opportunity Network (CDBON) System. The opportunity to submit bids closes once a predetermined time is reached. After bid closing, bid documents, Small Business Enterprise (SBE) and Very Small Business Enterprise (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

DATE: APRIL 13, 2023

PAGE 3 OF 6

**SUBJECT: SAN PEDRO WATERFRONT
BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811**

construction contract is made. If the apparent low bidder is found non-responsive, the next lowest bidder is reviewed.

In conformance with the City Charter section for competitive bidding, as stated above, on November 16, 2022, the Notice of Inviting Bids for Specification No. 2811 (Specification) was advertised on the Harbor Department website, on Regional Alliance Marketplace for Procurement (RAMP), and in the Metropolitan News Company, Chinese Daily News, La Opinion, Rafu Shimpo, Eastside Journal, Southside Journal, Los Angeles Watts Times, Daily Breeze, Metropolitan News Company and the Dodge Construction "Green Sheet" to reach out to as many potential bidders as possible. A pre-bid meeting was held on December 13, 2022.

Specification Requirements - The Harbor Department set a minimum Small Business Enterprise (SBE) participation level of 15%, of which 5% shall be Very Small Business (VSBE) participation (Specification Section 00012.08 and Section 00030.06 B). The Specification also states any bid which fails to meet the small and very small business requirements shall result in rejection of the bid. Bidders must identify and list in their bid all subcontractors and suppliers necessary to meet the SBE/VSBE participation requirements (Specification Section 00022.16.c). The Specification allows the Harbor Department to request the three lowest bidders bid listed subcontractors and suppliers SBE/VSBE certifications in RAMP in order to verify status. These certifications must be submitted within four business days after a written request is received. The Specification further requires bidders to provide a Contractor/Supplier Information Form for the bidder and the intended subcontractors and suppliers (Specification Section 00022.16.d). The form includes information on the SBE/VSBE status of each.

Sully-Miller Bid Issues - On March 16, 2023, the Chief Harbor Engineer received six bids. Sully-Miller Contracting Company (Sully-Miller) was declared the apparent lowest bidder with a bid of \$23,777,830. Griffith was the second apparent lowest bidder with a bid of \$24,336,722. The analysis of bid results is included in Transmittal 2.

At the time of the close of bid, based on the subcontractors and suppliers listed in its bid, Sully-Miller's bid included 20.17% SBE participation and 4.15% VSBE participation. Harbor Department staff verified SBE/VSBE status on the RAMP and with the State of California. Sully-Miller met the required SBE minimum of 15% participation but fell short of the required 5% VSBE minimum participation.

**SUBJECT: SAN PEDRO WATERFRONT
BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811**

When staff reviewed Sully-Miller's four-day documents and compared the subcontractors and suppliers provided in Sully-Miller's original bid to the subcontractors and suppliers provided in the four-day documents, the following discrepancies were found:

Original Bid	Four-Day Documents
LEED Electric – SBE Subcontractor	Excluded in the four-day documents
Force Demolition – VSBE Contractor – Not Included	Included after bid closing
Andersen Integrated Services, Inc. – VSBE Supplier – Not Included	Included after bid closing
Capo Project Group – VSBE Supplier – Not Included	Included after bid closing
CMB Substructures, Inc. – SBE Subcontractor – Award Total of \$144,116	Award total increased to \$519,325
Bulldog Paving, Inc. – VSBE Subcontractor – Award Total of \$293,379	Award total increased to \$450,309. Not certified in RAMP at the end of the fourth business day after bid closing.
Triumph Geo Synthetics, Inc. – VSBE Supplier – Award Total of \$20,821	Award total increased to \$51,981.66. Not certified in RAMP at the end of the fourth business day after bid closing.

Due to these deficiencies, the bid from Sully-Miller was deemed non-responsive. At the time of bid closing, Sully-Miller did not meet the SBE/VSBE participation required by the Specification. Even following the four-day document submissions, Sully-Miller's SBE/VSBE deficiencies remained.

Griffith's Bid - Griffith submitted the required documents in Section 00012.09 within the time specified in the Specification. Construction staff has verified Griffith's state license. In conformance with Section 10.8.4 of Ordinance No. 143429, certification is hereby made that Griffith 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.

Griffith has provided the required documents regarding their SBE and VSBE participation. The proposed SBE participation level is 16.99%, and the VSBE participation level by Subcontractors/Suppliers is 8.56% (Transmittal 3).

The Contract is consistent with State of California Prevailing Wage provisions. The Contract is subject to the local business preference ordinance adopted by the Board on April 5, 2012, and Project Labor Agreement Resolution Nos.17-3526 and 17-8164 as approved by the Board on September 7, 2017, and the Los Angeles City Council on December 5, 2017, respectively.

DATE: APRIL 13, 2023

PAGE 5 OF 6

**SUBJECT: SAN PEDRO WATERFRONT
BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811**

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Contract with Griffith for the Project, which is an activity for which the underlying project has been previously assessed in Addendum to the San Pedro Waterfront Project Environmental Impact Report for the San Pedro Public Market Project (SCH# 2005061041), which was considered by the Board on May 19, 2016 and the San Pedro Waterfront Project Environmental Impact Report (SCH# 2005061041) which was certified by the Board on September 29, 2009. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Contract will authorize expenditures of up to \$26,770,394.20 for construction of the Project. Funds in the amount of \$8,951,000 are budgeted for the Fiscal Year (FY) 2023-2024 in Account No. 54510 (Capital Construction Services), Center No. 1185, and Program No. 624. Funds are anticipated to be expended as follows:

FY 2023-2024	\$ 8,951,000.00
FY 2024-2025	\$14,331,306.00
FY 2025-2026	\$ 3,488,088.20
TOTAL	\$26,770,394.20

Funds for the future fiscal year will be requested and budgeted as part of the annual budget process, upon Board Approval.

Although Griffith 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 therefore 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.

DATE: APRIL 13, 2023

PAGE 6 OF 6

SUBJECT: SAN PEDRO WATERFRONT
BERTHS 74-83 PROMENADE PHASE II
SPECIFICATION NO. 2811

CITY ATTORNEY:

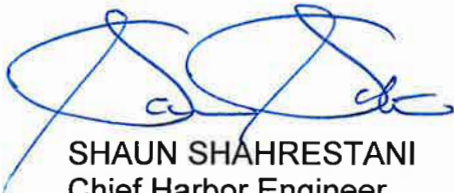
The Office of the City Attorney reviewed and approved Specification No. 2811 as to form and legality on March 30, 2022.

TRANSMITTALS:

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

FIS Approval: MB

CA Approval: SO



SHAUN SHAHRESTANI
Chief Harbor Engineer



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

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director

Author: M. Swords
S2811B01
File No. 4.7