



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

**DATE: MAY 10, 2017**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ -  
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT  
CONTRACTOR: T & M CONSTRUCTION  
ASPHALT AND CONCRETE RECYCLING PROGRAM 2017-2019  
SPECIFICATION NO. 2785**

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners (Board) approve the award of this construction contract to T&M Construction. The City of Los Angeles Harbor Department's (Harbor Department) Asphalt and Concrete Recycling Program provides for the re-use/recycling of construction debris that otherwise would be disposed of at a landfill. The program consists of crushing salvaged concrete and asphalt concrete rubble into crushed miscellaneous base (CMB) for reuse under new asphalt and concrete pavements throughout the harbor. This contract is part of the Harbor Department's sustainable design and construction policies and practices to recycle and reuse materials to protect the environment. The lowest responsive and responsible bidder is T&M Construction, located at 780 W. Channel Street, San Pedro, California 90731. The contract amount is \$3,061,910 and the contract duration is 730 calendar days. The Harbor Department is financially responsible for expenses incurred under the proposed contract.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(37) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
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;

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3. Award and approve, Specification No. 2785 for Item Nos. 1 through 10 of the proposal schedule to T&M Construction, in the amount of \$3,061,910; and authorize payment from the Harbor Department Construction Account. The contract time for performance of the work will be 730 calendar days from the Notice to Proceed;
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 – The Asphalt and Concrete Recycling Program consists of providing contract services to stockpile salvaged concrete and asphalt concrete rubble, crushing the materials into CMB for reuse under new asphalt pavement, disposing of trash, maintaining the rubble stockpile, and providing a load checker and security services. Ongoing projects provide rubble to the site where it is crushed into CMB for reuse. The program allows the Harbor Department to re-use/recycle construction debris that otherwise would need to be disposed of at a landfill, thereby reducing both disposal and construction costs. Up to approximately 280,000 cubic yards of CMB may be generated during the term of this contract that will be used on current and future construction projects. In addition, this will save the Harbor Department in hauling and disposal costs. An aerial site plan showing the location of the Project can be found in Transmittal 1.

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, 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.

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Following submittal to the Harbor Department, the bids are publicly opened, and the apparent lowest bidder is declared. Bid documents, Small Business Enterprise (SBE) 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.

In conformance with the City Charter section for competitive bidding, as stated above, the Notice Inviting Bids for Specification No. 2785 was advertised on January 12, 2016, on the Port of Los Angeles website, and in the Los Angeles Times, Chinese Daily News, Rafu Shimpo, Dodge Construction, and the Metropolitan News Enterprise to reach out to as many potential bidders as possible. A pre-bid meeting was held on January 19, 2017.

As authorized by the Executive Director on December 14, 2016, the Chief Harbor Engineer received five (5) bids for the subject contract on March 15, 2017. The Analysis of Bids (Transmittal 2) lists the companies that submitted bids and their respective bid amounts. The bids received were opened, and T&M Construction was declared the apparent lowest responsive bidder.

Staff has verified T&M Construction's state license and project references. In conformance with Section 10.8.4 of Ordinance No. 143429, certification is hereby made that T&M Construction has executed and filed an Affirmative Action Plan with their bid. A notification letter has been sent to the City Office of Contract Compliance (OCC) as required in the ordinance.

This Project will be constructed in compliance with the Harbor Department's Small Business Enterprise/Very Small Business Enterprise (SBE/VSBE) Program. The Harbor Department had set a minimum SBE participation level of 14%, of which 5% shall be VSBE for this Project. (Transmittal 3) T&M Construction has provided the required documents regarding the Small Business Development Program. Since T&M Construction is a VSBE, this contract qualifies for 100% SBE and VSBE participation levels. This contract is consistent with the State of California prevailing wage.

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**ENVIRONMENTAL ASSESSMENT:**

The proposed action is awarding a construction contract to T&M Construction for crushing and salvaging of concrete and asphalt rubble for reuse in new pavement projects throughout the Port of Los Angeles in accordance with the Asphalt and Concrete Recycling Program. As an activity involving the crushing of cement concrete and asphalt concrete resulting from demolition work where the crushing on industrial zoned land is in compliance with L.A.M.C, Sections 112.04 and 112.05, and includes dust suppression measures sufficient to meet the requirements of the South Coast Air Quality Management District, the Director of Environmental Management has determined that the proposed action is exempt from the CEQA in accordance with Article III Class 1(37) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Funds in the amount of \$600,000 have been budgeted for the fiscal year 2017/2018 in the Maintenance Improvement Program Budget Account No. 54025, Center No. 0311, and Program No. 309. Funds are expected to be expended as follows:

FY 2017/2018:	\$ 600,000
FY 2018/2019:	\$1,300,000
FY 2019/2020:	\$1,161,910
<b>Total:</b>	<b>\$3,061,910</b>

Funds for future fiscal years will be requested to be budgeted as part of the annual budget process, upon Board approval.

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.

This project allows the Harbor Department to use CMB on various ongoing construction projects throughout the Port of Los Angeles. Increased construction costs for various projects would result from the inability to use Harbor Department-furnished CMB.

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**CITY ATTORNEY:**

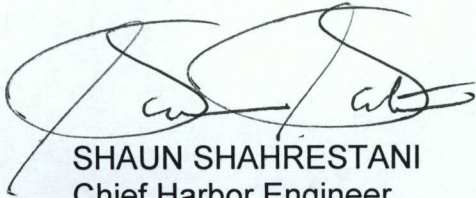
The Office of the City Attorney reviewed and approved Specification No. 2785 as to form and legality on December 6, 2016.

**TRANSMITTALS:**

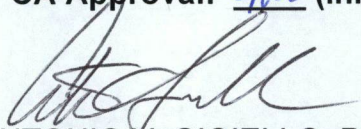
1. Aerial Site Plan and Detailed Location Map
2. Analysis of Bids
3. Contractor and Subcontractor List

FIS Approval: MB (initials)

CA Approval: AM (initials)



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



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

**APPROVED:**

*Mark Bleavin*  
FOR

EUGENE D. SEROKA  
Executive Director

Author: Chris Ackopiantz

CA:lh  
2785B01  
File No. 4.7