



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: VORTEX MARINE CONSTRUCTION, INC.  
BERTHS 196-199 WHARF REHABILITATION  
SPECIFICATION NO. 2766A**

**SUMMARY:**

Staff requests that the Board of Harbor Commissions (Board) approve the award of this construction contract to Vortex Marine Construction, Inc. (Vortex Marine). This project consists of wharf repair work at Berths 196-199, Wallenius Wilhelmsen Logistics, which is required to be performed by the Harbor Department under Permit No. 900. The lowest responsive and responsible bidder is Vortex Marine, located at 1 Maritime Way, Antioch, California 94509. The contract amount, plus a 15% contingency, is \$9,185,740. The contract duration is 490 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(4) 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;
3. Award and approve, Specification No. 2766A for Item Nos. 1 through 79 of the proposal schedule to Vortex Marine, in the amount of \$7,987,600; that a 15% contingency not included in the original contract amount be applied for a total authorization of \$9,185,740; and authorize payment from the Harbor Department Construction Account. The contract time for performance of the work will be 490 calendar days from the Notice to Proceed;



**SUBJECT: BERTHS 196-199 WHARF REHABILITATION  
SPECIFICATION NO. 2766A**

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 wharves at Berths 196-199 have deteriorated over time and lost some of their structural capacity. The project scope will repair these areas to restore the original load carrying capacity of the wharves and to upgrade the vehicle load from small trucks to the standard class of highway loading to accommodate fuel trucks and fire/emergency trucks. The concrete wharf repairs include repairing cracked concrete beams and diaphragm walls, repairing undermined rock slopes, pile encasement, placing shotcrete, and other repairs. Timber wharf repair work includes repairing stringers, bracing, pile wrappings, pile jackets, installing new sections in damaged piles and other repairs. Additional non-wharf work includes asbestos abatement and other hazardous material removals, removal of abandoned piping, replacing decking and repaving, replacing fenders, installing steel frames at ramps, slurry sealing pavement, and striping. 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.



**DATE: MAY 10, 2017**

**PAGE 3 OF 5**

**SUBJECT: BERTHS 196-199 WHARF REHABILITATION  
SPECIFICATION NO. 2766A**

Following submittal to the Harbor Department, the bids are publicly opened, and the apparent lowest bidder is declared. 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 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. 2766A was advertised on January 26, 2017, 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 February 9, 2017.

As authorized by the Executive Director on January 25, 2017, the Chief Harbor Engineer received four (4) bids for the subject contract on March 30, 2017. The Analysis of Bids (Transmittal 2) lists the companies that submitted bids and their respective bid amounts. The bids received were opened, and Vortex Marine, was declared the apparent lowest responsive bidder at the time of bid opening.

Staff has verified Vortex Marine's state contractor's license. In conformance with Section 10.8.4 of Ordinance No. 143429, verification is hereby made that Vortex Marine, 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. Vortex Marine's bid has been found responsive. An approximate 15% contingency is recommended based on a qualitative review of the specific tasks, including schedule constraints and potential unforeseen conditions that may arise during construction, and design and scope changes to accommodate field conditions, for a total project cost of \$9,185,740.

This Project will be constructed in compliance with the Harbor Department's SBE/VSBE Program. The Harbor Department had set a minimum SBE participation level of 13%, of which 4% shall be VSBE participation. Vortex Marine has provided the required documents regarding their SBE and VSBE participation. Since Vortex Marine is an SBE, the proposed SBE participation level is 100%, and the VSBE participation level by Subcontractors/Suppliers is 4.37% (Transmittal 3). 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.



SUBJECT: BERTHS 196-199 WHARF REHABILITATION  
SPECIFICATION NO. 2766A

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is award of a contract to Vortex Marine for wharf repairs at Berths 196-199. As an activity involving restoration or rehabilitation of deteriorated or damaged structures to meet current standards of safety, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article III Class 1(4) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Funds in the amount of \$113,000 for the current fiscal year have been budgeted in Account No. 54510, Center No. 1171 and Program No. 000. Funds are expected to be expended as follows:

FY 2016/2017:	\$ 113,000
FY 2017/2018:	\$4,373,000
FY 2018/2019:	\$4,699,740
<b>Total:</b>	<b>\$9,185,740</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 requested for this project, including contingency, is \$9,185,740.

Subsequent to project completion, the Harbor Department will fully bear ongoing operating and maintenance cost responsibilities.

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.



DATE: MAY 10, 2017

PAGE 5 OF 5

SUBJECT: BERTHS 196-199 WHARF REHABILITATION  
SPECIFICATION NO. 2766A

**CITY ATTORNEY:**

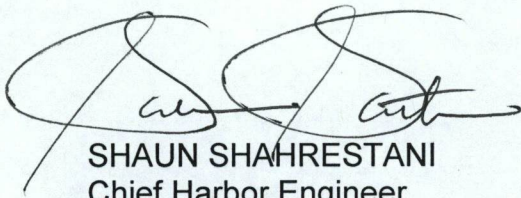
The Office of the City Attorney reviewed and approved Specification No. 2766A as to form and legality on January 10, 2017.

**TRANSMITTALS:**

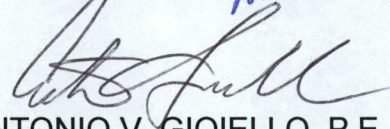
1. Aerial Site Plan and Detailed Location Map
2. Analysis of Bids
3. Contractor and Subcontractor List

FIS Approval: MB (initials)

CA Approval: AVG (initials)



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



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

**APPROVED:**

*Marb Bleavin* FOR

EUGENE D. SEROKA  
Executive Director

Author: Jill Shimamoto-Smith

JSS:lh  
2766AB01  
File No. 4.7