



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

Board of Harbor Commissioners

DATE: OCTOBER 21, 2025

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: VORTEX MARINE CONSTRUCTION, INC.
2025-2027 MARINE IMPROVEMENTS
SPECIFICATION NO. 2842**

SUMMARY:

Staff requests approval of an award of a contract (Contract) to Vortex Marine Construction, Inc. (Vortex) to construct the 2025-2027 Marine Improvements. The Contract consists of marine construction work and improvements to be performed on an on-call basis. The lowest responsive and responsible bidder is Vortex located at 1 Maritime Way, Antioch, CA 94509. The Contract amount of \$45,878,375, plus a 10% contingency, is \$50,466,213, and the work duration is 900 calendar days. The City of Los Angeles Harbor Department (Harbor Department) will be financially responsible for the payment of expenses 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. 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. 2842 for Item Nos. 1 through 81 of the Bid Proposal Line Items to Vortex for a total amount of \$50,466,213, including a 10% contingency, with Project work expected for 900 calendar days;

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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. 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:

Contract Objectives - The Contract allows the Harbor Department to execute repairs and improvements, described in the Contract Description section below, expeditiously to respond to emergencies and to meet tenants' urgent needs. The Contract will augment the Harbor Department's staff in performing necessary repairs and new construction to accommodate the needs of the Harbor Department, its customers and the community. As repair work or new construction is identified, the Construction & Maintenance Division will determine if adequate resources, expertise and equipment are available to perform the necessary work. Depending on the availability of Harbor Department staff and equipment, and the nature and urgency of the work, this contract may be utilized to complete the work. The intent of this contract is to provide the Harbor Department with a tool that will allow Harbor Department staff to focus on normal recurring tasks that can be safely and cost-effectively performed, using this contract for specialized non-recurring urgent marine work.

Contract Description - The contract consists of marine construction and improvements to be performed on an on-call basis as needed and determined by the Harbor Department. Work includes, but is not limited to, wharf demolition and removal, furnishing concrete piles, concrete pile removals, concrete pile driving, concrete wharf repair, dredging, riprap and quarry run work, cathodic protection, timber pile removals, furnishing timber piles, timber pile driving, timber wharf repair, timber pile wraps, wharf slope repair, earthwork, including geotextiles and geomembranes, excavating, characterizing and disposing of hazardous soil, trench excavation and backfill, asphalt concrete paving, and other marine improvements.

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

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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 the information is verified, and if the lowest bidder is deemed responsive, a recommendation for the 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 of Inviting Bids for Specification No. 2842 (Transmittal 1) was advertised on the Port of Los Angeles website, and in the Los Angeles Times, Rafu Shimpo, Eastside Journal, Dodge Construction "Green Sheet", Metropolitan News Company, and in the Los Angeles Business Assistance Virtual Network to reach out to as many potential bidders as possible. A pre-bid meeting was held on June 26, 2025. Bidders' questions were also addressed through CDBON.

As authorized by the Executive Director on June 4, 2025, the Chief Harbor Engineer received three bids for the Contract on July 31, 2025. Vortex was declared the apparent lowest bidder with a bid of \$45,878,375. The analysis of bid results with the companies and their respective bid amounts are included in Transmittal 2. Vortex submitted the required documents in Section 00012.09 within the time specified in the Specification. Staff has verified Vortex's state license, which was found to be in good standing.

The Harbor Department had set a minimum SBE participation level of 15%, of which 5% shall be VSBE participation. Vortex has provided the required documents regarding their SBE and VSBE participation, and staff have calculated their SBE/VSBE participation to be 17.67% and 8%, respectively (Transmittal 3).

The Contract is consistent with State of California Prevailing Wage provisions. The Contract is subject to the Project Labor Agreement Resolution No.17-8164 as approved by the Board on September 7, 2017, and the Los Angeles City Council on December 5, 2017.

Bid Protest – In a letter dated August 28, 2025, Power Engineering Construction Co. (Power), the second lowest bidder, submitted a bid protest requesting the Harbor Department find the bid from Vortex to be non-responsive due to the following: (1) Vortex submitted bidding documents after the specified deadline; (2) Vortex lacked the required qualifications to perform the excavation, stockpiling, and classification of chemically impacted soil (CIS) they have declared to self-perform; and (3) Vortex is an irresponsible bidder when considering the Experience Modification Rate (EMR) safety metric.

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In a letter dated August 28, 2025, the Harbor Department forwarded the letter to Vortex requesting a response addressing all items raised by Power. Subsequently, in a letter dated September 3, 2025, Vortex submitted a response to the Harbor Department addressing the protest claims by Power.

Department staff reviewed each issue raised by Power and have determined the following:

Power Protest Claim	Department Review
1. Vortex submitted bidding documents after the specified deadline.	1. Specification requires bidders to submit documents within four business days after bids are closed. Vortex submitted all required documents within the time required in Specification. Two documents contained errors and omissions that were immaterial to the bid. Upon request sent by staff to Vortex, corrected documents were received that fixed the errors and omissions.
2. Vortex lacks the required qualifications to perform the excavation, stockpiling, and classification of chemically impacted soil (CIS) work they have declared to self-perform.	2. Vortex has Class "A" Contractors License and Hazardous Substance Removal (HAZ) Certification required by the Specification and fully qualified to perform the excavation, stockpiling, and classification of CIS.
3. Vortex is an irresponsible bidder when considering their Experience Modification Rate (EMR) safety metric.	3. Specification does not contain requirements using the EMR metric. Therefore, EMR alone cannot be a reason to find Vortex not responsible.

In a letter dated September 15, 2025, the Harbor Department responded to Power's bid protest determining that the bid from Vortex is responsive. See Transmittal 4 for all bid protest letters.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an award of the Contract, which is an administrative activity. The action is limited to award of the Contract and any construction projects resulting from the Contract will be subject to separate environmental review, as necessary. 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:

Approval of the proposed Contract will authorize a total amount of \$50,466,213 over a 900-calendar day period for the construction of the 2025-2027 Marine Improvements. Funds are anticipated to be spent as follows:

Maintenance Improvement Budget	
Fiscal Year 2025-2026	\$347,442.00
Fiscal Year 2026-2027	\$1,152,558.00
Fiscal Year 2027-2028	\$1,000,000.00
SUBTOTAL	\$2,500,000.00

Capital Improvement Budget	
Fiscal Year 2025-2026	\$5,500,000.00
Fiscal Year 2026-2027	\$20,000,000.00
Fiscal Year 2027-2028	\$22,466,213.00
SUBTOTAL	\$47,966,213.00
TOTAL	\$50,466,213.00

Fiscal Year (FY) 2025-2026 funding in the amount of \$5,847,442 is available as follows: \$347,442 in Account 541025 (Wharves Maintenance Services), Division 30900 (Maintenance Improvement Program) and \$5,500,000 in Account 161305 (Construction in Progress), Division 00000 (Harbor Global). Future fiscal year funding will be requested and budgeted as part of the annual budget process, upon Board approval.

Although Vortex 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.

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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.

CITY ATTORNEY:

The Office of the City Attorney reviewed and approved Specification No. 2842 as to form and legality on April 30, 2025.

TRANSMITTALS:

1. Specification No. 2842
2. Analysis of Bids
3. Contractor, Subcontractor, and Supplier List
4. Bid Protest Letters

FIS Approval: JS
CA Approval: JC



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Chief Harbor Engineer

Dina Aryan-Zahlan
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APPROVED:

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