



DATE: JULY 12, 2023

FROM: CONSTRUCTION AND MAINTENANCE

SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 40003 TO DXP ENTERPRISES, INC. FOR STORMWATER AND SEWER PUMP PARTS AND REPAIR SERVICES

SUMMARY:

Staff requests approval of Contract No. 40003 (Contract) with DXP Enterprises, Inc. (DXP), a Texas corporation with a location in Anaheim, California, for stormwater and sewer pump parts and repair services. The proposed Contract will be for a one-year term with two, one-year options for an amount not to exceed \$200,000 for the initial year. If the two renewal options are exercised, then \$200,000 will be authorized annually for an overall total not-to-exceed amount of \$600,000. The City of Los Angeles Harbor Department (Harbor Department) will be financially responsible for the payment of expenditures incurred under the proposed Contract.

RECOMMENDATION:

Staff recommends that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively and categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) and Article III Class 2(3) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with Los Angeles City Charter Section 1022, work under the subject contract can be performed more feasibly by independent contractors than by City employees;
3. Approve Contract No. 40003 with DXP for the stormwater and sewer pump parts and repair services in the amount of \$200,000 for a period of one year, with two one-year renewal options in the amount of \$200,000 per year to be exercised by the Executive Director or his/her designee;
4. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 40003 for and on behalf of the Board; and
5. Adopt Resolution No. _____.

DATE: JULY 12, 2023

PAGE 2 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40003 TO DXP ENTERPRISES, INC.

DISCUSSION:

Background/Context – The Construction and Maintenance Division (C&M) operates twelve (12) sewer lift stations and three (3) stormwater lift stations throughout the Port of Los Angeles (Port). These lift stations support Port terminals, roadways as well as other critical infrastructure, and proper maintenance of the stormwater and sewage systems are vital to Port operations. The lift station system contains pumps, piping, valves, and electrical equipment necessary to move stormwater and sewage liquids from lower to higher elevations in order to be processed at treatment plants. The lift station equipment works continuously each day and must be maintained to ensure the pumping system runs efficiently, and the lifecycle of the lift stations is lengthened. Various components and performance of the sewer pump system need to be inspected, maintained, and repaired adequately to prevent unnecessary wear on the water pumps and electrical systems which can cause damage and immediate failure.

The proposed Contract supports the Port's compliance with Federal, State and local government regulations relating to the federal Clean Water Act (CWA). The CWA is a law that regulates stormwater and sewage discharges into waters of the United States. The goal of this legislation is to restore and maintain the chemical, physical, and biological integrity of the nation's waters. In California, the authority to regulate stormwater runoff under the National Pollutant Discharge Elimination System (NPDES) has been delegated to the California State Water Resources Control Board (State Water Board) which permits water treatment activities across a variety of categories. Municipalities have a separate stormwater system, Municipal Separate Storm Sewer Systems (MS4s), and the Port is required to be covered under the appropriate permit in order to stay aligned with the MS4s regulations. When stormwater and sewer water are not properly discharged or backed up and have overflows, the Port may be fined by the State and Federal governments.

Additionally, the Port is required to receive permits from the City of Los Angeles Department of Public Works, Bureau of Sanitation (LA Sanitation) Industrial Waste Management Division (IWMD) per Los Angeles Municipal Code (LAMC) 64.30. IWMD administers the City's Environmental Protection Agency-approved wastewater pre-treatment program in accordance with the City's Industrial Waste Control Ordinance. The Port is also required to adhere to LA Sanitation Watershed Protection Division's stormwater regulations under LAMC 64.70 to comply with flood control and pollution abandonment mandates.

Contract Process – C&M submitted a purchase requisition to the Contracts and Purchasing Division (CPD). The CPD released a Request for Bids (RFB) No. F-1161 on March 17, 2023. It was advertised on the City of Los Angeles Regional Alliance Market Place (RAMP) and the Harbor Department website. Three (3) bids were

DATE: JULY 12, 2023

PAGE 3 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40003 TO DXP ENTERPRISES, INC.

received by the April 21, 2023 deadline. Bids have been tabulated as detailed in Transmittal 1. The bid calls for an award to the lowest, responsive bidder.

RFB No. F-1161 was also eligible for the Local Business Preference Program (LBPP) which provides for an eight percent (8%) bid preference for qualifying businesses in the five counties closest to the Harbor Department on any contract opportunity valued in excess of \$150,000. Both non-selected bidders are headquartered in Los Angeles County and are eligible for the preference. DXP is not headquartered in and does not have a sufficient number of fulltime employees working in one of the five counties closest to the Harbor Department, and therefore was not eligible for the Local Business Enterprise (LBE) preference discount. The calculation is shown on Transmittal 1.

DXP was the lowest, responsive bidder; therefore, staff is recommending approval of the proposed Contract with DXP (Transmittal 2).

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of Award of Contract No. 40003 to DXP Enterprises, Inc. for stormwater and sewer pump parts and repair services, which is an administrative activity and the replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively and categorically exempt from the requirements of CEQA in accordance with Article II Section 2(f) and Article III Class 2(3) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed one-year contract with two, one-year renewal options will authorize expenditures of up to \$200,000 annually for stormwater and sewer pump parts and repair services. Fiscal Year 2023-2024 funds in the amount of \$200,000 have been budgeted within Accounts 55010 (Maintenance Supplies – Parts & Materials) and 54030 (Maintenance Services – Equipment), Center 0510, Program No. 000.

Funds are anticipated to be expended as follows:

Fiscal Year	Account 55010	Account 54030	Total
2024	\$145,000	\$55,000	\$200,000
2025	\$145,000	\$55,000	\$200,000
2026	\$145,000	\$55,000	\$200,000
Total	\$435,000	\$165,000	\$600,000

DATE: JULY 12, 2023

PAGE 4 OF 4

SUBJECT: AWARD OF CONTRACT NO. 40003 TO DXP ENTERPRISES, INC.

Future fiscal year funds will be requested to be budgeted as part of the annual budget process, pending Board Approval.

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 has reviewed and approved Contract No. 40003 as to form and legality.

TRANSMITTAL:

1. Recap of Bid No. F-1161
2. Contract No. 40003, Formal Bid No. F-1161

FIS Approval: MB

CA Approval: SO



TIM CLARK
Director of Port Construction & Maintenance



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

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director