



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: AUGUST 3, 2021

FROM: CONSTRUCTION

SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: NEUBAUER ELECTRIC, INC.
BERTHS 176-179 ELECTRICAL INFRASTRUCTURE IMPROVEMENTS
SPECIFICATION NO. 2802

SUMMARY:

Staff requests approval of an award of a contract (Contract) to Neubauer Electric, Inc. (Neubauer), to construct the Berths 176-179 Electrical Infrastructure Improvements (Project). The Project will replace existing 30-year old electrical switchgear, transformers, and switchboards with a new same size electrical power distribution system to enable continuous and reliable operation at the terminal. The lowest responsive and responsible bidder is Neubauer Electric, Inc., located at 11072 Via El Mercado, Los Alamitos, California 90720. The Contract amount of \$5,821,700, plus a 10% contingency, is \$6,403,870, and the Contract duration is 720 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 is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(1) and Class 1(2) 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;

DATE: AUGUST 3, 2021

PAGE 2 OF 5

**SUBJECT: BERTHS 176-179 ELECTRICAL INFRASTRUCTURE IMPROVEMENTS
SPECIFICATION NO. 2802**

3. Award and approve, Specification No. 2802 for Item Nos. 1 through 11 of the Bid Proposal Line Items to Neubauer for the amount of \$5,821,700; that a 10% contingency not included in the original Contract amount be applied for a total authorization of \$6,403,870 and authorize payment from the Harbor Department Construction Account. The Contract time for performance of the work shall be 720 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. 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 – As part of the Port of Los Angeles’ port-wide electrical infrastructure asset management and maintenance improvement program, the Contract will replace the electrical switchgear, transformers, and switchboards with a new same size electrical power distribution system which supplies power to the Berths 174-181 terminal. After inspection by Engineering and Construction and Maintenance staff, the existing infrastructure was deemed to have reached the end of its useful life after more than 30 years of service. Additionally, replacement parts necessary for any repair work are no longer available. Replacement of the existing infrastructure with a new system will enable continuous and reliable operation at the terminal. The switchgear provides power to the terminal cranes and office buildings, which is vital for terminal operations. An aerial map of the project is attached as Transmittal 1.

Project Description - The Project consists of removing asphalt concrete, fence and guardposts around existing substation, relocating water line, grading, trenching for new conduit and cable, placing new concrete equipment pad, placing new switchgear on equipment pad and energizing prior to de-energizing and removing existing switchgear, and installing new fence and guard posts around new substation.

Construction Award Process - City of Los Angeles Charter Section 371 (a) - Competitive Bidding sets forth the procedure staff followed 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

DATE: AUGUST 3, 2021

PAGE 3 OF 5

**SUBJECT: BERTHS 176-179 ELECTRICAL INFRASTRUCTURE IMPROVEMENTS
SPECIFICATION NO. 2802**

on the Port of Los Angeles website. 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 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, the Notice of Inviting Bids for Specification No. 2802 (Specification) was advertised on the Port of Los Angeles website, Chinese Daily News, LA Watts Times, Rafu Shimpo, 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. The virtual pre-bid conference was held on April 1, 2021 and bidders' questions were addressed through the CDBON.

As authorized by the Executive Director on February 17, 2021, the Chief Harbor Engineer received seven responsive bids for the Contract on June 3, 2021. Neubauer was declared the apparent lowest bidder with a bid of \$5,821,700. The analysis of bid results with the companies and their respective bid amounts are included in Transmittal 2. Neubauer submitted the required documents in Section 00012.09 within the time specified in the specifications. Staff has verified Neubauer's state license, which was found to be in good standing.

The Harbor Department had set a minimum SBE participation level of 14%, of which 5% shall be VSBE participation. Neubauer has provided the required documents regarding their SBE and VSBE participation. The proposed SBE participation level is 21%, and the VSBE participation level by Subcontractors/Suppliers is 21% (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 No.17-8164 as approved by the Board on September 7, 2017, and the Los Angeles City Council on December 5, 2017.

DATE: AUGUST 3, 2021

PAGE 4 OF 5

**SUBJECT: BERTHS 176-179 ELECTRICAL INFRASTRUCTURE IMPROVEMENTS
SPECIFICATION NO. 2802**

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of a Contract to Neubauer for replacement of an existing switchgear with a new switch gear and associated necessary modification to the existing substation to accommodate the new switchgear, which is an activity involving interior and exterior alterations involving remodeling or minor construction where there would be negligible or no expansion of use, and the operation, repair, maintenance or minor alteration of existing facilities of both investor and publicly owned utilities, electrical power, and mechanical systems serving existing facilities, including alterations to accommodate a specific use. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(1) and Class 1(2) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Funds in the amount of \$1,141,357 are budgeted for FY 2021-2022 in Account No. 54510 (Capital Construction Services), Center No. 1187, and Program No. 000. Funds are anticipated to be expended as follows:

FY 2021-2022	\$ 1,141,357.00
FY 2022-2023	\$ 4,762,513.00
FY 2023-2024	\$ 500,000.00
TOTAL	\$ 6,403,870.00

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

Although Neubauer 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: AUGUST 3, 2021

PAGE 5 OF 5

SUBJECT: BERTHS 176-179 ELECTRICAL INFRASTRUCTURE IMPROVEMENTS
SPECIFICATION NO. 2802

CITY ATTORNEY:

The Office of the City Attorney reviewed and approved Specification No. 2802 as to form and legality on February 11, 2020.

TRANSMITTALS:

1. Aerial Site Plans
2. Analysis of Bids
3. Contractor, Subcontractor, and Supplier List



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SHAUN SHAHRESTANI
Chief Harbor Engineer

FIS Approval: MB

CA Approval: JS



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S2802B01
File No. 4.7