



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

DATE: DECEMBER 1, 2020

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: GRIFFITH COMPANY
ALAMEDA CORRIDOR SOUTHERN TERMINUS GAP CLOSURE
SPECIFICATION NO. 2784**

SUMMARY:

Staff requests approval of an award of a construction contract (Contract) to Griffith Company (Contractor), to construct the Alameda Corridor Southern Terminus Gap Closure (Project). The Project consists of reconstructing the West Basin Container Terminal railroad track and constructing an extension of the TraPac railroad track located south of Harry Bridges Boulevard. The new second mainline track will significantly reduce delays for trains servicing West Basin Container Terminal (WBCT), TraPac Terminal, and Pasha Terminal. The Contractor, located at 12200 Bloomfield Avenue, Santa Fe Springs, CA 90670, is the lowest responsive and responsible bidder. The Contract amount, plus a 10% contingency, is \$13,053,375.50. Certain expenses incurred up to \$5,992,000 under the proposed Contract are eligible for reimbursement under grant funding provided by the California Transportation Commission 2018 Trade Corridor Enhancement Program and the Fixing America's Surface Transportation (FAST) Act. Payment of expenses incurred under the Contract as well as ongoing operation and maintenance costs are the financial responsibility of the Harbor Department. The Contract duration is 455 calendar days.

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 has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the Los Angeles City Charter Section 1022, work under the 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. 2784 (Specification) for Bid Proposal Line Item Nos. 1 through 52 to the Contractor, in the amount of \$11,866,705.00; that a 10% contingency not included in the original Contract amount be applied for a total authorization of \$13,053,375.50, and authorize payment from the Harbor Department Construction Account. The Contract time for performance of the work will be 455 calendar days from the Notice to Proceed;
4. Delegate and authorize the Executive Director to grant a Temporary Entry and Use Permit to the Contractor for the use and occupancy of the Contractor Laydown Area for the duration of the Contract;
5. Authorize the Executive Director to execute and the Board Secretary to attest to this Contract for and on behalf of the Board;
6. Delegate and authorize the Executive Director to adjust the final bid quantities and accept the Contract upon its completion in accordance with City Charter Section 655 (g); and
7. Adopt Resolution No. _____.

DISCUSSION:

Project Objectives – The Project will provide additional capacity for transporting containers via on-dock rail (Transmittal 1) and will accommodate waterborne containers entering and exiting the United States. The Project will increase the number of containers being loaded and unloaded onto trains in the Port of Los Angeles, thereby reducing congestion, truck-miles traveled, and emissions on State Highways and congressional-approved National Highway Freight Network (NHFN) Primary Highway Freight System (PHFS) routes. These reductions will in turn improve safety and pavement wear, as well as further the efforts of the San Pedro Bay Ports Clean Air Action Plan (CAAP) 2017 Update and the California Sustainable Freight Mobility Plan. Additionally, in providing a second mainline track, the Project eliminates a short gap in trackage between the West Basin area of the Port and the Alameda Corridor. The existing rail network requires inbound TraPac trains to use the single WBCT lead track to push trains into TraPac's stub-ended Intermodal Container Transfer Facility (ICTF). During this switching operation both inbound and outbound rail cargo have been blocked for up to 2 hours per occurrence for a TraPac 10,000-foot unit train. The new second mainline track will significantly reduce delays for trains servicing WBCT, TraPac, and Pasha Terminals as well as for other current and future customers.

Project Description - The Project consists of constructing a railroad track extension of the TraPac lead tracks to the San Pedro main line track alongside the existing main line track south of Harry Bridges Boulevard, including rail tie-ins to existing tracks, turnouts and

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crossovers; and reconstructing the West Basin Container Terminal lead tracks, track drains, and extending grade crossing modules. The Project also includes installing new fencing with K-rail, paving new asphalt concrete, restriping main gate lanes, and constructing electrical, storm drain, and underdrain systems. In addition, the Project drives concrete piles and steel pipe casings, and constructs protective concrete slabs and steel encasements at existing utilities which cross under the railroad tracks, as well as other improvements.

Contractor Laydown Area - A Contractor Laydown Area is required on all construction contracts to store material and equipment, and for Contractor personnel to be stationed in the vicinity of the project site, in order to support construction activities for the duration of the Contract. Staff recommends that the Board delegate and authorize the Executive Director to grant a Temporary Entry and Use Permit (TEUP) to the Contractor for the use and occupancy of the Contractor Laydown Area as delineated and more particularly described on Drawing No. 1-3227 PH-04 (Transmittal 2). Under the TEUP, the permitted use shall be for the storage of material and equipment and the operation of the Contractor's Field Office, the term shall be for the duration of the Contract, the Contractor shall owe no compensation for the use of the premises, and the Contractor shall indemnify the City and all of its boards, agents, officers, and employees in relation to the Contractor's use of the premises. All other terms of the TEUP, including but not limited to the appropriate insurance the Contractor shall procure and maintain in relation to the use of the premises, shall be at the sole discretion of the Executive Director. The Executive Director shall also have the sole discretion to revoke the TEUP, and issue a new TEUP, to relocate the Contractor Laydown Area to any other area within the Harbor District as necessary to meet the operational needs of the Harbor Department and Contractor.

Construction Award Process – City of Los Angeles Charter Section 371(a) - Competitive Bidding sets forth the procedure that 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 on the Port of Los Angeles website. The Harbor Department also conducts a pre-bid conference to familiarize the prospective bidders with the Project and to answer questions related to the Contract.

Bidders submit bids through the Harbor Department'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 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 Contract is made. If the apparent low bidder is found non-responsive, the next lowest bidder is reviewed.

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In conformance with the City Charter section for competitive bidding, as stated above, the Notice Inviting Bids for the Specification was advertised on June 25, 2020 on the Port of Los Angeles website, and in the Los Angeles Times, L.A. Watts Times, Rafu Shimpo, Dodge Construction, and the Metropolitan News Enterprise to reach out to as many potential bidders as possible. A virtual pre-bid meeting was held on July 9, 2020.

As authorized by the Executive Director on May 13, 2020, the Chief Harbor Engineer received six (6) bids for the Contract on September 9, 2020. The bid results with the companies and their respective bid amounts are included in Transmittal 3. The Contractor submitted the required documents in Section 00012.09 within the time specified in the Specification. Staff has verified the Contractor's state license, which was found to be in good standing (Transmittal 4).

Projects that receive federal funding are subject to federal Disadvantaged Business Enterprise (DBE) requirements. Therefore, the Small Business Enterprise and Very Small Business Enterprise program will be replaced with the Federal DBE program for this project. This Contract is also consistent with the State of California Prevailing Wage provisions and minimum wage requirements per the Davis-Bacon Act provisions for Federal-aid construction projects.

The Contract is subject to the terms of Project Labor Agreement No. 17-3526, as approved by the Board on September 7, 2017, and the Los Angeles City Council on December 5, 2017. Local hire is not allowed as a provision of the federal funding for this project; therefore, a Letter of Understanding, signed by both the Harbor Department and the Los Angeles/Orange Counties Building and Construction Trades Council, waives the local hire requirement for this Project and has been included in Appendix "D" of the Specification.

Bid Inquiry – In a letter dated October 15, 2020, Stacy and Witbeck, Inc. (SWI), the second lowest bidder, requested for the Harbor Department to review the Disadvantaged Business Enterprise (DBE) Good Faith Effort submitted by Griffith. SWI stated that Griffith did not list Tipco Engineering, Inc. (Tipco) for pile driving work as a DBE in their Good Faith Efforts documentation. On October 21, 2020, Griffith responded to SWI's inquiry and clarified that Tipco's DBE certification does not include the work code for pile driving, and thus Tipco does not qualify as a DBE for pile driving work. Harbor Department staff confirmed that Tipco was certified as a DBE for the construction management work code only, and not for the pile driving work code. California Department of Transportation (Caltrans), the agency maintaining the DBE database, along with Harbor Department staff concluded that Griffith made good faith efforts to meet the project's DBE goals. Caltrans concurred with the Harbor Department after an investigation and Staff has determined that Griffith's bid was responsive and sent a response letter to SWI on November 23, 2020 (Transmittal 5).

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ENVIRONMENTAL ASSESSMENT:

The proposed actions are the approval of the Contract award to the Contractor to construct the Project and issuance of a TEUP for construction of a laydown area, which are activities for which the underlying project has been previously assessed in the Berths 136–147 [TraPac] Container Terminal Project Environmental Impact Report/ Environmental Impact Statement (TraPac EIR/EIS) (SCH# 2003104005), which was certified by the Board on December 6, 2007. Proposed project components were also assessed in the first Addendum to the TraPac EIR, considered by the Board on June 6, 2012, the second Addendum to the TraPac EIR, considered by the Board on June 30, 2016, and the US Army Corps of Engineer’s Addendum to the EIS prepared in November 2008. Because federal grant funding was obtained for the proposed Project, NEPA Clearance was issued by CalTrans through a categorical exclusion on December 6, 2019. Therefore, the Director of Environmental Management has determined that the proposed actions have been previously evaluated pursuant to CEQA in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Funds in the amount of \$3,253,721.00 are budgeted for Fiscal Year 2020-2021 in Account No. 54510 (Capital Construction Services), Center No. 1172, and Program No. 000. Funds are expected to be expended as follows:

FY 2020-2021:	\$ 3,253,721.00
FY 2021-2022:	\$ 9,799,654.50
Total:	\$13,053,375.50

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

This Project is reimbursable up to \$5,992,000 under the California Transportation Commission 2018 Trade Corridor Enhancement Program and the Fixing America's Surface Transportation (FAST) Act, Federal I.D. No. 0018000299. 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

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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.

CITY ATTORNEY:

The Office of the City Attorney reviewed and approved the Specification as to form and legality on March 16, 2020.


TRANSMITTALS:

1. Aerial Site Plan
2. Contractor Laydown Area
3. Analysis of Bids
4. Contractor, Subcontractor, and Supplier List
5. Email from Caltrans and Letter Correspondence with Stacy and Witbeck, Inc. and Griffith Company



SHAUN SHAHRESTANI
Chief Harbor Engineer

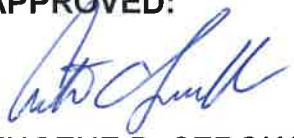
FIS Approval: 

CA Approval: 



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

APPROVED:



For EUGENE D. SEROKA
Executive Director

Author: K. Mallakis
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