



DATE: JANUARY 13, 2026

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: EL CAPITAN ENVIRONMENTAL SERVICES
2026-2028 SITE IMPROVEMENTS
SPECIFICATION NO. 2852**

SUMMARY:

Staff requests approval of an award of a contract (Contract) to El Capitan Environmental Services (El Capitan), to construct the 2026-2028 Site Improvements. The Contract consists of nonexclusive site improvements throughout the San Pedro, Wilmington, and Terminal Island districts of the Port of Los Angeles, to be performed on an on-call basis. The lowest responsive and responsible bidder is El Capitan, located at 11080 Tuxford Street, Sun Valley, CA 91352. The Contract is for a three-year term in the amount of \$23,602,280, plus a 10% contingency, is \$25,962,508. 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. 2852 for Item Nos. 1 through 111 of the Bid Proposal Line Items to El Capitan for a total amount of \$25,962,508, including a 10% contingency, with Project work expected for 900 calendar days, and the Contract is for a three-year term;

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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 – Using the Contract, the Harbor Department will 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 work.

Contract Description – The Contract consists of nonexclusive on-call site improvements throughout the San Pedro, Wilmington, and Terminal Island districts of the Port of Los Angeles, as directed by the Engineer. Work includes, but is not limited to, removal of pavement and other improvements, utilities, and substructures; earthwork; supplying paving materials; construction of fencing, parking barriers, and traffic controls; construction of pavements, retaining walls, pavement markings, and other improvements; relocation of substructures and utilities; site clearing; trenching and backfilling; and preparing soil, landscaping, planting, hardscaping, irrigation systems, site furnishings, and plant establishment. Work may also include other miscellaneous improvements to support our tenants and community.

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. 2852 (Transmittal 1) was advertised on the Port of Los Angeles website, and in the Daily Breeze, La Opinion, Chinese Daily News, 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 October 14, 2025. Bidders' questions were also addressed through CDBON.

As authorized by the Executive Director on September 24, 2025, the Chief Harbor Engineer received seven bids for the Contract on November 13, 2025. El Capitan was declared the apparent lowest bidder with a bid of \$23,602,280. The analysis of bid results with the companies and their respective bid amounts are included in Transmittal 2. El Capitan submitted the required documents in Section 00012.09 within the time specified in the Specification. Staff have verified El Capitan's state license, which was found to be in good standing.

The Harbor Department had set a minimum SBE participation level of 10%, of which 3% shall be VSBE participation. El Capitan has provided the required documents regarding their SBE and VSBE participation, and staff have calculated their SBE/VSBE participation to be 100% and 7.33%, 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.

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.

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FINANCIAL IMPACT:

Approval of the proposed Contract will authorize a total amount of \$25,962,508 over a 900-day period for the construction of 2026-2028 Site Improvements. Funds are anticipated to be spent as follows:

Maintenance Improvement Budget	
Fiscal Year 2025-2026	\$100,000
Fiscal Year 2026-2027	\$500,000
Fiscal Year 2027-2028	\$100,000
SUBTOTAL	\$700,000

Capital Improvement Budget	
Fiscal Year 2025-2026	\$400,000
Fiscal Year 2026-2027	\$14,583,299
Fiscal Year 2027-2028	\$10,279,209
SUBTOTAL	\$25,262,508
TOTAL	\$25,962,508

Fiscal Year 2025-2026 funding in the amount of \$500,000 is available as follows: \$100,000 in Account 541000 (Buildings Maintenance Services), Division 30900 (Maintenance Improvement Program) and \$400,000 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 El Capitan 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.

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CITY ATTORNEY:

The Office of the City Attorney reviewed and approved Specification No. 2852 as to form and legality on August 27, 2025.

TRANSMITTALS:

1. Specification No. 2852
2. Analysis of Bids
3. Contractor, Subcontractor, and Supplier List

FIS Approval: JS

CA Approval: SO



Shaun Shahrestani

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SHAUN SHAHRESTANI
Chief Harbor Engineer



DINA ARYAN-ZAHLAN, P.E.
Deputy Executive Director

APPROVED:

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Executive Director

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