



**THE PORT  
OF LOS ANGELES**

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: OCTOBER 29, 2013**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ -  
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT  
CONTRACTOR: GRIFFITH COMPANY  
INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735**

**SUMMARY:**

This contract will improve the traffic flow at the Interstate-110 Freeway/"C" Street Interchange (Project) by combining two closely spaced intersections into one, and constructing a new off-ramp from the northbound Interstate-110 (I-110) Freeway onto Harry Bridges Boulevard. The lowest responsive and responsible bidder is Griffith Company, located in Santa Fe Springs, California. The contract amount plus a 10% contingency is \$23,923,845. The contract duration is 960 calendar days. The Project is Federally-funded under the Surface Transportation Program – Local (STPL) in the amount of \$5,927,000; State-funded under the Trade Corridor Improvement Fund (TCIF) in the amount of \$8,300,000; and regionally funded by the Los Angeles County Metropolitan Transportation Authority (LACMTA) in the amount of \$6,647,000.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that in accordance with the City Charter Section 1022, work under the subject contract can be performed more feasibly by an independent contractor rather than by City employees;
2. Award and approve Specification No. 2735 for Item Nos. 1 through 63 of the proposal schedule to Griffith Company in the amount of \$21,748,950; that a 10% contingency, not included in the original contract amount be applied for a total authorization of \$23,923,845; and authorize payment from the City of Los Angeles Harbor Department Construction Account. The contract time for performance of the work will be 960 calendar days from the Notice to Proceed;
3. Authorize the Executive Director to execute and the Board Secretary to attest to this contract for and on behalf of the Board;

DATE: OCTOBER 29, 2013

PAGE 2 OF 6

**SUBJECT: INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735**

4. In accordance with City Charter Section 655 (g), delegate and authorize the Executive Director to adjust final bid quantities and accept the construction contract upon its completion; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context - On June 16, 2011, State Proposition 1B Trade Corridor Improvement Fund Program – California Transportation Commission "Amended Baseline Agreement" between the City of Los Angeles Harbor Department and the State of California, and "Letter of No Prejudice" request to the California Transportation Commission was approved by the Board.

On December 8, 2011, a Memorandum of Understanding (MOU) and Letter of Agreement (LOA) between the City of Los Angeles Harbor Department (Harbor Department) and the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the I-110 Freeway/"C" Street Access Ramp Improvements was approved by the Board.

On September 20, 2012, a Cooperative Agreement between the City of Los Angeles and the State of California for construction for the I-110 Freeway/"C" Street Access Ramp Improvements was approved by the Board.

On October 17, 2013, a Utility Agreement between the Harbor Department and the Department of Water and Power for construction of potable water lines was approved by the Board.

The Project consists of combining the existing intersections at "C" Street and Figueroa Street, and John S. Gibson Boulevard, Harry Bridges Boulevard and Figueroa Street into one intersection by realigning Harry Bridges Boulevard and John S. Gibson Boulevard; permanently closing "C" Street access to Figueroa Street, and provide an offset cul-de-sac at the existing intersection; replacing the existing northbound off-ramp with a direct off-ramp from northbound I-110 to eastbound Harry Bridges Boulevard; and widening the existing Union Oil Undercrossing and constructing a new structure over the re-aligned John S. Gibson Boulevard. Work also includes providing a "free" right turn from the I-110 southbound off-ramp to southbound John S. Gibson Boulevard, and other site improvements (Transmittal 3).

DATE: OCTOBER 29, 2013

PAGE 3 OF 6

**SUBJECT: INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735**

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 Davis-Bacon Act provisions for Federal-aid construction projects. This Project will be performed under a Project Labor Agreement. The duration of the Project is 960 calendar days. Construction is anticipated to start in February 2014 and be completed in fall 2016.

This is a very large construction contract requiring specific experience and equipment to perform the work. This contract is also temporary in nature. As such, it is not feasible for the City of Los Angeles (City) to hire employees and purchase equipment to perform the work under this contract.

Construction Award Process - City Section 371, Subdivision A - Competitive Bidding sets forth the procedure staff followed to award this 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 conducts a pre-bid conference and job walk to familiarize the prospective bidders with the jobsite and to answer questions related to the construction contract. Following the submittal to the Harbor Department, the bids are publicly opened and the apparent lowest bidder is declared. Bid documents, and other documents are reviewed for compliance with Harbor Department and Federal funding 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 and so forth.

The Notice of Inviting Bids for Specification No. 2735 was advertised on September 5, 2013 on the Port of Los Angeles website, and in Chinese Daily News, Daily Breeze, Eastside Journal, Metropolitan News, and Dodge Construction "Green Sheet" to reach out to as many potential bidders as possible. A pre-bid meeting was held on September 18, 2013.

As authorized by the Executive Director on August 28, 2013, the Chief Harbor Engineer received six bids for the subject contract on October 10, 2013. The Analysis of Bids (Transmittal 1) lists the companies that submitted bids and their respective bid amounts.

DATE: OCTOBER 29, 2013

PAGE 4 OF 6

SUBJECT: INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735

The bids received were opened and Griffith Company was declared the apparent lowest bidder at the time of the bid opening with a bid of \$21,748,950.

Construction staff has verified Griffith Company's state license. In conformance with Section 10.8.4 of Ordinance No. 143429, certification is hereby made that Griffith Company has executed and filed an Affirmative Action Plan with their bid. A notification letter has been sent to the City Office of Contract Compliance as required in the ordinance. Griffith Company's bid has been found to be responsive. A 10% contingency is recommended based on a qualitative review of project specific risks, including schedule constraints and potential unforeseen conditions that may arise during construction, utility conflicts, and design and scope changes to accommodate field conditions, for a total authorization of \$23,923,845.

The Harbor Department had set a DBE participation goal of 15.66%. Griffith Company has provided the required documents regarding their DBE participation (Transmittal 2). Griffith Company's bid includes 8.47% DBE participation. Staff verified that Griffith Company has made a good-faith-effort for DBE participation in accordance with the specification.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is an award of a contract for construction of the Project to Griffith Company. An Initial Study/Mitigated Negative Declaration (IS/MND) and Environmental Assessment/Finding of No Significant Impact (EA/FONSI) for the Project was approved by the Board on June 21, 2012. Therefore, as an activity for which the underlying Project has previously been evaluated for environmental significance and processed according to the requirements of the California Environmental Quality Act (CEQA), the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2 (i) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Funds in the amount of \$353,889 for the current fiscal year have been budgeted in Account No. 54510, Work Order No. 24852, Center No. 1172, Program No. 000.

**SUBJECT: INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735**

It is anticipated that the funds for this contract will be expended as follows:

Fiscal Year 2013/2014	\$ 353,889
Fiscal Year 2014/2015	\$11,500,000
Fiscal Year 2015/2016	\$10,000,000
<u>Fiscal Year 2016/2017</u>	<u>\$ 2,069,956</u>
<b>Total</b>	<b>\$23,923,845</b>

Funds for future fiscal years will be requested to be budgeted as part of the annual budget adoption process, upon Board approval. The total construction budget for this Project is \$27,300,000. Approval of this contract will not require an increase in the total project budget. The Project is partially Federally-funded under the Surface Transportation Program – Local (STPL) in the amount of \$5,927,000; State-funded under the Trade Corridor Improvement Fund (TCIF) in the amount of \$8,300,000; and regionally funded by the Los Angeles County Metropolitan Transportation Authority (LACMTA) in the amount of \$6,647,000. Since the Project is Federal and State-funded, it is exempt from the Local Business Preference Program (LBPP). State funding declares that the Project must be awarded by the Harbor Department by December 10, 2013. The Harbor Department's cost share for the proposed construction Project will be \$3,049,845. This is based on the awarded amount with 10% contingency and subtracting the total grant reimbursements of \$20,874,000. All grant funding will be on a reimbursement basis.

Subsequent to Project completion, the Harbor Department will bear the landscape operating and maintenance costs associated with this Project in the amount of \$17,000 per year.

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 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: OCTOBER 29, 2013

PAGE 6 OF 6

SUBJECT: INTERSTATE-110 FREEWAY / "C" STREET INTERCHANGE  
SPECIFICATION NO. 2735

**ECONOMIC BENEFITS:**

Spending under the proposed contract will support 192 direct and 133 secondary one-year equivalent jobs for the five-county region.

**CITY ATTORNEY:**

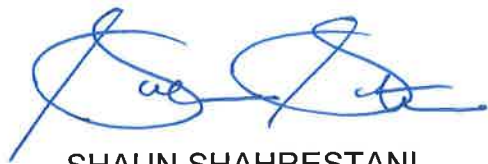
The Office of the City Attorney reviewed and approved Specification No. 2735 as to form and legality on June 27, 2013.

**TRANSMITTALS:**

1. Analysis of Bids
2. Contractor and Subcontractor List
3. Location Key Map

FIS Approval:  (initials)

CA Approval:  (initials)



SHAUN SHAHRESTANI  
Chief Harbor Engineer  
Construction Division



MICHAEL R. CHRISTENSEN  
Deputy Executive Director

**APPROVED:**



GERALDINE KNATZ, Ph.D.  
Executive Director

Author: CT:lh/lm  
2735B01