



DATE: MAY 6, 2020

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ –
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: MANSON CONSTRUCTION CO.
2020-2022 MARINE IMPROVEMENTS
SPECIFICATION NO. 2808**

SUMMARY:

Staff requests approval of an award of a construction contract (Contract) to Manson Construction Co. (Manson) to construct the 2020-2022 Marine Improvements. The Contract consists of marine construction work and improvements to be performed on an on-call basis. The lowest responsive and responsible bidder is Manson, located in Long Beach, California. The Contract amount of \$14,619,700, plus a 10% contingency, is \$16,081,670, and the Contract duration is 730 calendar days. Payment of expenses incurred under the Contract is the financial responsibility of the City of Los Angeles Harbor Department (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 administratively and categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) and Article III, Class 1(14) 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. 2808 for Item Nos. 1 through 70 of the proposal schedule to Manson for \$14,619,700; that a 10% contingency, not included in the original Contract amount, be applied for a total authorization of \$16,081,670; and authorize payment from the Harbor Department Construction Account. The Contract time for performance of the work shall be 730 calendar days from the Notice to Proceed;

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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 - The Contract allows the Harbor Department to execute repairs and improvements 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 whether adequate resources, along with necessary 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 marine construction work and improvements to be performed on an as-needed basis and determined by the Harbor Department, including wharf demolition and removal work; furnishing and driving concrete piles, concrete pile removals, and concrete wharf repair; dredging; riprap and quarry run work; shotcrete application; furnishing and driving sheet steel piles; timber pile removals, furnishing and driving timber piles, timber wharf repair, and timber pile wraps; polyurethane pressure grouting, wharf slope repair, and other marine improvements.

Construction Award Process - City of Los Angeles Charter Section 371 (a) - Competitive Bidding sets forth the procedure staff followed to award the Contract. In conformance with the City Charter section for competitive bidding, the Harbor Department published the Notice Inviting Bids for Specification No. 2808 in daily newspapers and trade publications circulated in the City of Los Angeles – Los Angeles Times, Los Angeles Opinion, Rafu Shimpo, Dodge Construction "Green Sheet" and the Metropolitan News Company – as well as on the Port of Los Angeles (Port) website and the Los Angeles Business Assistance Virtual Network (LABAVN) to reach out to as many potential bidders as possible. The Harbor Department also conducted a pre-bid conference on January 21, 2020 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 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.

As authorized by the Executive Director on January 9, 2020, the Chief Harbor Engineer received two bids for the subject Contract on February 20, 2020. Manson was declared the apparent lowest bidder with a bid of \$14,619,700. The Analysis of Bid results with the companies and their respective bid amounts are included in Transmittal 1. Manson submitted the required documents in Section 00012.09 within the time specified in the specifications. Staff has verified Manson's state license, which was found to be in good standing.

The Harbor Department had set a minimum SBE participation level of 13%, of which 3% shall be VSBE participation. Manson has provided the required documents regarding their SBE and VSBE participation and the staff has calculated their SBE/VSBE participation to be 13.68% and 6.16% respectively (Transmittal 2).

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. This 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 the award of this construction contract to Manson for on-call marine work and improvements, which is an activity involving continued administrative activities and issuance of any permit to use an existing facility involving negligible or no expansion of use. This action is limited to award of a contract and any construction projects resulting from the contract will be subject to separate environmental review. 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 1(14) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Funds are budgeted in the Maintenance Improvement Budget Account No. 54040 (Maintenance Services-Wharves), Center No. 0311, and Program No. 308; and Capital Improvement Budget Account No. 54510 (Capital Construction Services), Center No. 1900, and Program No. 000. It is anticipated that the funds for this contract will be expended as follows:

Maintenance Improvement Budget

Fiscal Year 2020-2021	\$ 2,600,000
Fiscal Year 2021-2022	\$ 2,000,000
Fiscal Year 2022-2023	\$ 2,461,970
SUBTOTAL	\$ 7,061,970

Capital Improvement Budget

Fiscal Year 2020-2021	\$ 2,500,000
Fiscal Year 2021-2022	\$ 3,000,000
Fiscal Year 2022-2023	\$ 3,519,700
SUBTOTAL	\$ 9,019,700
TOTAL	\$16,081,670

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

Although Manson 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:

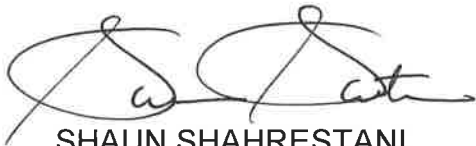
The Office of the City Attorney reviewed and approved Specification No. 2808 as to form and legality on December 11, 2019.

TRANSMITTALS:

1. Analysis of Bids
2. Contractor and Subcontractor List

FIS Approval: MB

CA Approval: SO



SHAUN SHAHRESTANI
Chief Harbor Engineer
Director of Construction



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

APPROVED:



FDR

EUGENE D. SEROKA
Executive Director

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