



**THE PORT  
OF LOS ANGELES**

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: APRIL 10, 2025**

**FROM: CONSTRUCTION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - AWARD AND APPROVAL OF  
CONSTRUCTION CONTRACT - CONTRACTOR: MANSON  
CONSTRUCTION CO. – BERTHS 238-239 MARINE OIL TERMINAL  
IMPROVEMENT SPECIFICATION NO. 2792A**

**SUMMARY:**

Staff requests for the approval of an award of a contract (Contract) to Manson Construction Co. (Manson), to construct the Berths 238-239 Marine Oil Terminal Improvements (Project). The Project consists of the construction of a new loading/unloading platform, access ramp, two berthing dolphins, four landside mooring dolphins, catwalks, and installation of a new fender system at Berth 238 conforming to the requirements of the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS). The Project also includes maintenance dredging at Berths 167-169. The lowest responsive and responsible bidder is Manson Construction Co. located at 340 Golden Shore, Suite 310, Long Beach, California. The Contract amount of \$27,414,900 plus a 10% contingency, is \$30,156,390, and the Contract duration is 600 calendar days. The City of Los Angeles Harbor Department (Harbor Department) will be financially responsible for payment of \$7,500,000 for the work at Berths 238-239. The remainder of the cost for the work at Berths 238-239 will be reimbursed to the Harbor Department by PBF Energy Western Region LLC (PBF), the tenant at Berths 238-239. The Harbor Department will be financially responsible for payment of expenses for the work at Berths 167-169 and for payment of \$7,500,000 for the work at Berths 238-239. This project has no grant funding.

**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) and is categorically exempt from the requirements of CEQA under Article III Class 4(15) 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;

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3. Award and approve, Specification No. 2792A for Item Nos. 1 through 45 of the Bid Proposal Line Items to Manson for a total amount of \$30,156,390 including a 10% contingency, and a total term of 600 calendar days;
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 - The purpose of the Project is to satisfy the requirements of the MOTEMS, which are building standards (California Building Code, Chapter 31F – Marine Oil Terminals), that apply to all marine terminals in California to ensure public health and safety and ensure that the environment is protected. MOTEMS requires marine oil terminals to undergo an audit to determine "Fitness for Purpose" of the marine structures, embankment, piping, electrical, mechanical and fire suppression equipment under the jurisdiction of the California State Lands Commissions. The existing wharf at Berths 238-239 is classified as "not fit for service" pursuant to MOTEMS building code. Therefore, to fully comply with the MOTEMS regulations, staff assessed that the existing wharf must be replaced. The Project also includes maintenance dredging at Berths 167-169.

An aerial map showing the location of Berths 238-239 and Berths 167-169 is attached (Transmittal 1).

Project Description - The Project consists of the construction of a new loading/unloading platform, access ramp, two berthing dolphins, four landside mooring dolphins, catwalks, and installation of a new fender system at Berth 238 conforming to MOTEMS in accordance with Drawing No. 1-3341A. Additional work includes the demolition and removal of the existing concrete loading/unloading platforms, catwalks, access ramps, mooring and berthing dolphins at Berth 238. Maintenance dredging at Berths 167-169 will be completed in accordance with Drawing No. 1-3494.

In November 2011, the Harbor Department completed its MOTEMS Implementation Strategy (MIS), which included a uniform negotiation strategy for all MOTEMS projects and the Harbor Department's capital investment limitation of \$7,500,000 per berth. The MIS proposed negotiating long-term permits to allow both the Harbor Department and tenants to amortize large investments in new MOTEMS compliant facilities. PBF will

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construct project elements not included in the Project, including piping, related foundation supports and top-side equipment replacement, at its sole cost.

The Harbor Department will be financially responsible for payment of \$7,500,000 for the work at Berths 238-239. The remainder of the cost for the work at Berths 238-239 will be reimbursed to the Harbor Department by PBF, the tenant at Berths 238-239. The Harbor Department will be financially responsible for payment of expenses for the work at Berths 167-169.

Construction Award Process - City of Los Angeles Charter Section 371 (a) - Competitive Bidding sets forth the procedure staff should follow to award a 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 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 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 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. 2792A was advertised on the Port of Los Angeles website, Los Angeles Times, LA Watt's Times, Rafu Shimpo, Dodge Construction "Green Sheet", and Metropolitan News Company to reach out to as many potential bidders as possible. A pre-bid meeting was held on November 6, 2024.

As authorized by the Executive Director on October 3, 2024, the Chief Harbor Engineer received five bids for Specification No. 2792A on March 13, 2025. Manson Construction Co. was declared the apparent lowest bidder with a bid of \$27,414,900. The analysis of bid results with the companies and their respective bid amounts are included in Transmittal 2.

Manson submitted the required documents 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 7%, of which 3% shall be VSBE participation. Manson has provided the required documents regarding their SBE and VSBE participation, and staff have calculated their SBE/VSBE participation to be 9.15% and 3.02%, respectively (Transmittal 3).

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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.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of the Contract with Manson to construct the Berths 238-239 Marine Oil Terminal Improvements Project and perform maintenance dredging at Berths 167-169, which is an activity for which the underlying project has been previously assessed in the Final Initial Study/Mitigated Negative Declaration for the Berths 238-239 (PBF Energy) Marine Oil Terminal Wharf Improvements Project (SCH#2018031006 which was certified by the Board on June 12, 2018 and an activity involving maintenance dredging where the spoil is deposited in a spoil area authorized by all applicable State and federal regulatory agencies. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) and is categorically exempt from the requirements of CEQA under Article III Class 4(15) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Contract will authorize a total amount of \$30,156,390 over a 600-day period for the construction of the Project. The Harbor Department will be financially responsible for payment of \$7,500,000 for the work at Berths 238-239. The remainder of the cost for the work at Berths 238-239 will be reimbursed to the Harbor Department by PBF. The Harbor Department will also be financially responsible for payment of expenses for the work at Berths 167-169. Funds are anticipated to be spent as follows:

FY 2025-2026	\$18,000,000.00
FY 2026-2027	\$10,000,000.00
FY 2027-2028	\$ 2,156,390.00
<b>TOTAL</b>	<b>\$30,156,390.00</b>

Fiscal Year (FY) 2025-2026 funding in the amount of \$18,000,000 is available within Account No. 161305 (Capital Construction Services), Division No. 00000 (Harbor Global). Future fiscal year funding will be requested and budgeted as part of the annual budget process, upon Board approval.

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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 an 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 Specification No. 2792A as to form and legality on September 18, 2024.

**TRANSMITTALS:**

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

FIS Approval: JS

CA Approval: SO



SHAUN SHAHRESTANI  
Chief Harbor Engineer

*Dina Aryan-Zahlan*  
DINA ARYAN-ZAHLAN, P.E.  
Deputy Executive Director

**APPROVED:**

*Erica M. Calhoun* for

EUGENE D. SEROKA  
Executive Director