File #: HD-19-008, Version: 1

DATE: 1/14/2019

TO: Board of Harbor Commissioners

FROM: Thomas Z. Baldwin, P.E., Director of Program Management

SUBJECT: Fireboat Station No. 15
Declare a Bid Non-responsive
Conditional Award of Construction Contract
Approve Current Budget and Authorize Spending
Specification HD-S2409, CWO HA1312

Executive Summary
The proposed Fireboat Station No. 15 Project (Project) will construct a fire station on Pier F at Berth F202 and a dock and boat bay enclosure to house Fireboat 15, ‘Vigilance’. The Project was advertised for bids on August 30, 2018, and three bids were received on November 13, 2018. Staff has reviewed the bids and is recommending the Board of Harbor Commissioners (Board) declare one bid non-responsive, approve a conditional award of a construction contract, and approve a Current Project Budget and spending authorization.

Key Points
- The Project will enhance the Port of Long Beach’s (Port) firefighting and threat detection capabilities, and help meet the Port’s strategic goal of maintaining continuity of cargo operations.
- Six prequalified prime contractors were eligible to bid on this project.
- Tobo Construction, Inc. submitted the lowest bid in the amount of $30,177,923, however, failed to meet the VSBE portion of the mandatory 20/5% SBE/VSBE goal, therefore, their bid is deemed non-responsive.
- Pinner Construction Co., Inc. of Anaheim, California submitted the lowest responsive and responsible bid in the amount of $30,899,000.
- Pinner Construction Co., Inc. submitted a commitment plan of 22.47% with 16.87% SBE and 5.60% VSBE, which exceeds the mandatory SBE/VSBE goal established for this contract.
- If approved, construction of this project is scheduled to start in March 2019 and be substantially complete by first quarter of Fiscal Year 2021.
- The Project is included in the Port-wide Project Labor Agreement.

Recommendation
It is recommended that the Board of Commissioners (Board):
- Declare the bid submitted by Tobo Construction, Inc. as non-responsive.
- Approve the conditional award and authorize the Executive Director to execute a construction contract with Pinner Construction Co., Inc. of Anaheim, California, in the amount of $30,899,000.
- Approve a Current Project Budget of $52,000,000.
Authorize spending in the amount of $42,251,354.

**Financial Impact**
The Engineer’s Estimate of Probable Construction Cost is $28,500,000. The lowest responsive bid from Pinner Construction is eight percent above the Engineer’s Estimate of Probable Construction Cost. Upon investigation, the higher costs are likely due to the robust construction market and higher demand for construction materials. Staff considers the lowest responsive bid from Pinner Construction to be fair and reasonable. A Current Budget of $52,000,000 is being requested to incorporate the higher than anticipated bid amount, which is an increase of $1,900,000 over the Baseline Budget of $50,100,000. Spending in the amount of $42,251,354 is requested to fund the construction contract, construction support, and contingency. If approved, the total Board authorized spending will be $52,000,000. Funding for the Project is included in the Fiscal Year 2019 Capital Program Budget.

**Background**
As a result of the consolidation of shipping lines and a dramatic increase in vessel sizes, as well as corresponding improvements to the Port’s infrastructure to accommodate these changes, the upgrades to the fire safety facilities are necessary to ensure business continuity and adequate emergency response capabilities. Implementation of this project also satisfies a required mitigation measure of the Middle Harbor Environmental Impact Report.

**Detailed Discussion of Current Issues**
The Project was advertised for bids on August 30, 2018. A total of one hundred and sixty eight companies and/or vendors viewed or downloaded bid documents through PlanetBids during the ten-week bid period.

As shown below and on the attached Analysis of Bids, three bids were received on November 13, 2018, ranging from a low bid of $30,177,923 from Tobo Construction, Inc. to a high bid of $31,348,000 from Bernards Bros, Inc. The Engineer’s Estimate of Probable Construction Cost for this work is $28,500,000.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobo Construction, Inc.</td>
<td>$30,177,923</td>
<td>Non-responsive</td>
</tr>
<tr>
<td>Pinner Construction Co., Inc.</td>
<td>$30,899,000</td>
<td>Lowest Responsive/Responsible</td>
</tr>
<tr>
<td>Bernard Bros, Inc.</td>
<td>$31,348,000</td>
<td>2nd Lowest Responsive/Responsible</td>
</tr>
</tbody>
</table>

After review of Tobo’s SBE/VSBE commitment plan, it was determined that Tobo’s bid failed to meet the 5% VSBE portion of the mandatory 20/5% SBE/VSBE participation on the project. Therefore, staff recommends that the bid submitted by Tobo Construction, Inc. be declared non-responsive.

Pinner Construction Co., Inc. submitted the lowest responsive and responsible bid in the amount of $30,899,000. Pinner Construction Co., Inc. submitted a SBE/VSBE commitment plan of 22.47% with 16.87% SBE and 5.6% VSBE, exceeding the Port’s mandatory goal for the Project. Therefore, staff is requesting the Board approve conditional award of a construction contract for the Project to Pinner Construction Co., Inc. If approved, construction of the Project is anticipated to begin in March 2019, and finish the first quarter of Fiscal Year 2021.
Contract Compliance has reviewed the proposed action for conditional award of construction contract and any questions or concerns have been addressed to their satisfaction.

Attachments:
- Analysis of Bids
- Project Vicinity Map