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BPW-2026-0505
BOE + BCA
CD 4

CONTRACT AWARD – NORTH OUTFALL SEWER REHABILITATION UNIT 33
MAGNOLIA BOULEVARD AND WOODMAN AVENUE (RE-BID)

Recommending the Board:

1. DECLARE Spiniello Infrastructure West, Inc., the first low bidder, to be the lowest responsive, responsible bidder, and AWARD Spiniello a contract for the North Outfall Sewer Rehabilitation Unit 33 - Magnolia Boulevard and Woodman Avenue (Re-Bid) for \$31,314,495; and
2. AUTHORIZE the President or two members Of the Board to execute the contract after approval as to form has been obtained from the City Attorney.

(W.O.: SZC14011)

Department of Public Works

Bureau of Engineering
Bureau of Contract Administration
Joint Report No. 1

September 28, 2026
CD No. 4

CONTRACT AWARD TO SPINIELLO INFRASTRUCTURE WEST INC. FOR THE NORTH OUTFALL SEWER REHABILITATION UNIT 33 - MAGNOLIA BOULEVARD AND WOODMAN AVENUE (RE-BID) (WORK ORDER No. SZC14011)**RECOMMENDING THE BOARD OF PUBLIC WORKS (BOARD):**

1. DECLARE Spiniello Infrastructure West, Inc. (Spiniello), the first low bidder, to be the lowest responsive, responsible bidder, and AWARD Spiniello a contract for the North Outfall Sewer Rehabilitation Unit 33 - Magnolia Boulevard and Woodman Avenue (Re-Bid) (Project) for \$31,314,495.00.
2. AUTHORIZE the President or two members of the Board to execute the contract after approval as to form has been obtained from the City Attorney.

TRANSMITTAL

Summary of bids received on May 6, 2026.

DISCUSSION***Background***

This Project will rehabilitate approximately 2,232 feet of 51-inch and 3,663 feet of 39-inch clay tile-lined reinforced concrete semi-elliptical pipe with reinforced polymer mortar pipe by sliplining. The Project involves constructing seven access pits along the alignment to aid in cleaning and lining the North Outfall Sewer, installing one new maintenance hole, removal and replacement of four new maintenance holes including a new special transition structure, retrofitting and rehabilitating one existing maintenance hole, and reconnecting eight existing lateral sewers. This Project also includes the work to install 2,784 feet of five 8-inch Vitrified Clay Pipe local sewers, the reconnection of 42 house connections along the Project alignment to the new local sewers and constructing trap house connections. Furthermore, sewer bypassing along with traffic and odor control will be required as well as cleaning the pipe by removing the fallen tiles, debris and other obstructions and rehabilitation (Figure). The contract duration is 911calendar days.



Figure: Project Map

The Project is located within Council District No. 4. The Council Office has been briefed on the Project in the design phase and has granted their concurrence.

The Project has been reviewed for environmental considerations. It was determined to be categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA) of 1970 under Article III, Section 1, Class 1, Category 3 of the City of Los Angeles' (City)'s CEQA Guidelines, as well as Article 19 Sections 15301(b), 15302(c), and 15303(d) of the State CEQA Guidelines.

Bid Review

The first lowest of the two bids received (Transmittal) compared with the City Engineer's estimate of \$24,923,450.00 is:

Business Codes:

MBE = Minority Business Enterprise
WBE = Women Business Enterprise
SBE = Small Business Enterprise
LBE = Local Business Enterprise
CBE = City Business Enterprise

EBE = Emerging Business Enterprise
DVBE = Disabled Veteran Business Enterprise
OBE = Other Business Enterprise
LGBTBE = Lesbian, Gay, Bisexual, Transgender Business Enterprise

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Bid No.	Contractor Name	Bid Amount	% High/Low	% Pledged			
				MBE	WBE	SBE	LGBTBE
Low Bid	Spiniello (LBE)	\$31,314,495.00	25.64% High	4.54%	0.21%	3.16%	0.00%
				EBE	DVBE	OBE	
				0.21%	0.17%	0.00%	

Local Business Preference (LBP) Program

This Project is subject to the provisions of the City's LBP Program. Los Angeles Administrative Code (L.A.A.C.), Division 10, Chapter 1, Article 4, Section 10.25 adopted the LBP Program which was designed to increase local employment and expenditures in the local private sector. All bidders are eligible to participate in the LBP Program. The City shall grant a six percent (6%) bid reduction of their bid amount solely for bid evaluation purposes to those bidders who are certified as a LBE firm. If the LBE is also a Local Small Business (LSB) and/or a Local Transitional Employer (LTE), they may be granted an additional two percent (2%) reduction for each of those certifications, up to a total of ten percent (10%). The City shall grant a ten percent (10%) bid reduction of their bid amount solely for bid evaluation purposes to those bidders who are certified as a CBE firm. If the CBE is also a LSB and/or a LTE, they may be granted an additional two percent (2%) reduction for each of those certifications, up to a maximum of twelve percent (12%). Additionally, all non-LBE/CBE bidders may be granted a one percent (1%) bid reduction of their bid amount solely for bid evaluation purposes, up to a maximum of five percent (5%), for every ten percent (10%) of their bid that is to be performed by a LBE, CBE, LSB and/or LTE subcontractor.

For this Project, the Bureau of Contract Administration (BCA) verified that the first low bidder, Spiniello, is a certified LBE. However, this did not affect the order of bids and it did not affect the recommendation for award.

Business Inclusion Program (BIP)

On January 12, 2011, the Mayor issued Executive Directive No. 14 which created the BIP. This program provides MBE, WBE, SBE, EBE, DVBE, and OBE firms an equal opportunity to compete for and participate in City contracts. Additionally, the BIP requires bidders to perform and document BIP Outreach via the internet utilizing the Los Angeles Regional Alliance Marketplace for Procurement (RAMP) service.

This Project was advertised with anticipated participation levels of 4.00 percent MBE, 2.00 percent WBE, 25.00 percent SBE, 8.00 percent EBE, and 3.00 percent DVBE, and with mandatory BIP documentation requirements. Currently, the LGBTBE certification is not required as part of the BIP Outreach but is tracked for statistical purposes. The Office

of Contract Compliance, based on a review of the documents submitted by Spiniello, reported that the contractor pledged participation levels of 4.54 percent MBE, 0.21 percent WBE, 3.16 percent SBE, 0.21 percent EBE, 0.17 percent DVBE, 0.00 percent LGBTBE, and 25.34 percent OBE, and complied with the BIP outreach requirements of the bid. The Mandatory Subcontracting Minimum requirement for this Project is 25.00 percent and the contractor has complied by pledging a subcontractor participation level of 32.94 percent. This percentage was calculated after subtracting the fixed cost items of \$1,324,000.00 from the total bid amount.

Spiniello pledged the following subcontractor utilization:

Gender/Ethnicity Codes:

AA = African American
 APA = Asian Pacific American
 NA = Native American
 M = Male

HA = Hispanic American
 SAA = Subcontinent Asian American
 C = Caucasian
 F = Female

Subcontractors	MBE/WBE/ SBE/EBE/ DVBE/OBE/ LGBTBE	Gender/ Ethnicity	% of Bid	Dollar Amount
Ted W. Page Enterprises, Inc. dba Concrete Coring Company	SBE, DVBE	-	0.17%	\$ 53,495.00
DC Traffic Control	MBE	M/HA	3.05%	\$ 953,821.60
LNA Concrete Structures, Inc.	MBE, SBE	F/HA	1.50%	\$ 468,300.00
Aro Industries, Incorporated dba Summit Environmental Contractors	SBE	-	1.28%	\$ 402,200.00
T&M Projects, Inc. dba T&M Construction ¹	WBE, SBE, EBE	F/C	0.21%	\$ 65,479.00
Barney's Hole Digging Service, Inc.	OBE		0.71%	\$ 223,500.00
Channeline International Fiberglass Manufacturing LLC	OBE		7.01%	\$2,194,018.00
Cell-Crete Corporation	OBE		0.63%	\$ 196,257.60
Hardy & Harper, Inc.	OBE		0.21%	\$ 66,969.00
Pipe Tec	OBE		0.56%	\$ 176,850.00
Ramona, Inc. ²	OBE		15.41%	\$4,826,200.00
Redzone Robotics, Inc.	OBE		0.81%	\$ 252,510.00

Note: Subcontractors may be certified in multiple certification categories; therefore, per the requirements of Executive Directive No. 14, their dollar amounts were credited toward multiple pledged participation categories.

¹Certified CBE

²Certified LBE

The first low bidder, Spiniello, passed their BIP Outreach evaluation, which was conducted utilizing the RAMP service.

Compliance with the City's Non-Discrimination Policies

Spiniello shall comply with the Affirmative Action, Non-Discrimination, and Equal Employment Practices Provisions, Equal Benefits Ordinance, Contractor's Use of

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Criminal History for Consideration of Employment Applications Ordinance, Living Wage Ordinance, Worker Retention Ordinance, First Source Hiring Ordinance, Slavery Disclosure Ordinance, and Disclosure of Border Wall Contracting Ordinance requirements of the bid.

Previous Work Record

Spiniello has worked on numerous contracts issued by the Board. No significant or unresolved problems in inspection, contract compliance, or bidder responsibility have been experienced by the BCA.

The following table summarizes the previous MBE, WBE, SBE, EBE, DVBE, and OBE participation levels pledged by Spiniello in the past five years under the BIP:

MBE/WBE/SBE/EBE/DVBE/OBE Pledged Utilization Table					
No. of Contracts: 4		Total \$ Amount of Contracts: \$86,288,467.00			
Pledged MBE \$ Amount	Pledged WBE \$ Amount	Pledged SBE \$ Amount	Pledged EBE \$ Amount	Pledged DVBE \$ Amount	Pledged OBE \$ Amount
\$4,173,980.00	\$294,941.00	\$6,904,889.00	\$1,182,676.00	\$0.00	\$10,736,577.49
Total MBE %	Total WBE %	Total SBE %	Total EBE %	Total DVBE %	Total OBE %
4.84%	0.34%	8.00%	1.37%	0.00%	12.44%

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10, of the City Administrative Code (L.A.A.C.), the Project Manager and the City Inspector for this construction contract shall submit Contractor Performance Evaluation Reports to the BCA (Department of Public Works) upon completion of this contract.

Peak Hour Construction and Right-of-Way Obstruction Regulations

All contractors must comply with the requirements specified in the Los Angeles Municipal Code Section 62.61 related to peak hour traffic restrictions unless an exemption from the Peak Traffic Hours Prohibition is approved.

Contractor Responsibility Ordinance

All contractors participating in this program are subject to compliance with the requirements specified in the City Contractor Responsibility Ordinance No. 173677 (Article 14, Chapter 1, Division 10, L.A.A.C.). Failure to comply with all the requirements specified in the ordinance may render this bidder's contract subject to termination pursuant to the conditions expressed therein.

Project Labor Agreement (PLA)

The Project incorporates a PLA. The PLA will facilitate an orderly settlement of labor disputes and grievances without strikes, work stoppages, or lockouts to assure the timely and economical completion of the Project. The PLA will also promote employment opportunities for local residents and will provide apprenticeship training for the duration of the construction. The contractor will be bound on all the provisions of the PLA.

Bid Bond Extension

Spiniello was requested to extend their Bid Bond which expired on September 4, 2026. The contractor has agreed to extend their Bid Bond until October 2, 2026.

Conclusion

In view of the above findings, staff recommends that the Board declare Spiniello, first low bidder, to be the lowest responsive, responsible bidder, and award Spiniello the contract for this Project.

Program Review Committee (PRC) Approval

The PRC approved a total budget of \$33,381,000.00, including contingency, for this Project on June 24, 2026.

STATUS OF FUNDING

Funding in the amount of \$3,413,920.00 from Fund No. 70W, Department No. 50, Appropriation Unit No. 50EA8U has been verified and approved by the Director of the Office of Accounting subject to terms and conditions and cash availability described below.

Funds and appropriations for future fiscal years are not yet identified, and existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LA Sanitation and Environment.

Fund No.	Appropriation Unit No.	Budget Fiscal Year	Contract	Contingencies	Total
70W	50EA8U	2026/27	\$ 3,251,352.00	\$ 162,568.00	\$ 3,413,920.00
TBD*	TBD*	Future	\$28,063,143.00	\$1,403,157.00	\$29,466,300.00
Total			\$31,314,495.00	\$1,565,725.00	\$32,880,220.00

* To Be Determined

The contract contains a "Financial Liability Clause" which states that "the City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract."

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(EAA AV ALR AM)

Report reviewed by:

BOE (ADM and WCE) and BOS

Report prepared by:

Project Award and Control Division

Arsen Voskerchyan, PE
Division Engineer
Phone No. (213) 923-4963

Compliance review performed
and approved by:


Lynda McGlinchey (Sep 10, 2026 10:10:57 PDT)

Lynda McGlinchey, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration

Statement as to funds approved by:

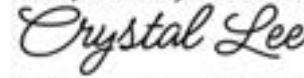


Miguel De La Peña, Director
Office of Accounting
Fund Ref. 70W/50/50EA8U/\$3,413,920.00
Date: 9/11/2026

AV/AR/08-2026-0124_PAC.pnc

Questions regarding this
report may be referred to:
Alyssa Reyes, Project Manager
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Email: alyssa.reyes@lacity.org

Respectfully submitted,



box SIGN 4L7900BJK-15KZLP6X

Crystal Lee, PE, MSCE, ENV-SP, SHRM
City Engineer
Bureau of Engineering



John L. Reamer, Jr.
Inspector of Public Works
Bureau of Contract Administration

Bid Results

City of Los Angeles - Department of Public Works - Bureau of Engineering

North Outfall Sewer (NOS) Rehabilitation Unit 33 – Magnolia Boulevard and Woodman Avenue (Re-Bid)

W.O. SZC14011

Bid Date: May 6, 2026

Council District: 4

Bids Received: 2



SUMMARY

<u>COMPANY</u>	<u>BID AMOUNT</u>	<u>PERCENTAGE</u>	<u>HIGH/LOW</u>
CITY ENGINEER'S ESTIMATE	\$ 24,923,450.00		
1 SPINIELLO INFRASTRUCTURE WEST, INC.	\$ 31,314,495.00	25.64%	HIGH
2 J.R. PIPELINE CO., INC.	\$ 33,820,275.00 *	35.70%	HIGH
* Corrected Bid Amount			
AVERAGE (MEAN)	\$ 32,567,385.00	30.67%	HIGH
MEDIAN	\$ 32,567,385.00		