Department of Public Works
Bureau of Engineering
Bureau of Contract Administration
Joint Report No.

CD Nos. 8 and 11

REQUEST TO AWARD A CONTRACT FOR THE GLIDER AVENUE AND WILEY POST AVENUE SUBSIDENCE, BOEING AVENUE AND 78TH STREET INTERSECTION RECONSTRUCTION, AND 35TH STREET (1913 PLACE ½) BETWEEN GRAMERCY PLACE AND CIMARRON STREET SUBSIDENCE WORK ORDER Nos. E1908377, E1908300, AND E1908310

RECOMMENDATIONS

1. Declare Los Angeles Engineering, Inc. (LA Engineering), first low bidder to be the lowest responsive, responsible bidder, and award LA Engineering a contract for this project for $871,000.00.

2. Authorize the President or two members of the Board of Public Works (Board) to execute the contract after approval as-to-form has been obtained from the City Attorney.

TRANSMITTAL

Summary of bids received on May 1, 2019.

DISCUSSION

Background
This project will reconstruct and regrade a portion of the street intersection to eliminate flooding at both the Glider Avenue and Wiley Post Avenue and Boeing Avenue and 78th Street intersections located in Council District No. 11. At 35th Street between Gramercy Place and Cimarron Street, located in Council District No. 8, a 120-foot long section of the street along with the curb-and-gutter and adjacent sidewalk has subsided and will be reconstructed to contain runoff within 35th Street. The contract duration is 270 calendar days. Please see the key map below showing the following three locations:

- 35th Street (1918 Place ½) between Gramercy Place and Cimarron Street.
- Glider Avenue and Wiley Post Avenue.
- Boeing Avenue and 78th Street.
Figure No. 1: 35th Street (1918 Place ½) Between Gramercy Place and Cimarron Street Subsidence Project.

Figure No. 2: Glider Avenue and Wiley Post Avenue Subsidence Project.
The projects have been reviewed for environmental considerations. It was determined that the three projects are categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA) of 1970 under Article III, Section 1 Class 1 Categories 3 and 4 of the City of Los Angeles’ (City) CEQA Guidelines.

**Bid Review**
The lowest of the two bids received (Transmittal) compared with the City Engineer's estimate of $715,324 is:

**Business Codes:**
- MBE = Minority Business Enterprise
- WBE = Women Business Enterprise
- SBE = Small Business Enterprise
- LBE = Local Business Enterprise
- EBE = Emerging Business Enterprise
- DVBE = Disabled Veteran Business Enterprise
- OBE = Other Business Enterprise
Based on the range of bids submitted for this project, staff believes this bid is reasonable. The contract may be awarded to LA Engineering, first low bidder, subject to verification of all other bidding requirements.

For this project, the Bureau of Contract Administration (BCA) verified that the first low bidder, LA Engineering, is a certified LBE.

**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 a BIP Outreach via the internet, utilizing the Los Angeles Business Assistance Virtual Network 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, 3.00 percent DVBE, and with mandatory BIP documentation requirements. The Office of Contract Compliance, based on a review of the documents submitted by LA Engineering, reported that the contractor pledged participation levels of 0.00 percent MBE, 0.00 percent WBE, 0.00 percent SBE, 0.00 percent EBE, 0.00 percent DVBE, and 18.37 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 25.24 percent. This percentage was calculated after subtracting the fixed cost items of $237,182 from the total bid amount.

LA Engineering pledged the following OBE subcontractor utilization:

<table>
<thead>
<tr>
<th>Subcontractors</th>
<th>(%) of Bid</th>
<th>($) Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardy and Harper</td>
<td>18.37%</td>
<td>$160,000</td>
</tr>
</tbody>
</table>
Compliance with the City’s Non-Discrimination Policies

LA Engineering shall comply with the Affirmative Action, Non-Discrimination, and Equal Employment Practices Provisions, Equal Benefits Ordinance, Contractor’s Use of Criminal History for Consideration of Employment, Living Wage Ordinance, Worker Retention Ordinance, First Source Hiring, Slavery Disclosure Ordinance, Disclosure of Border Wall Contracting Ordinance, and Disclosure of Contracts and Sponsorship of the National Rifle Association Ordinance requirements of the bid.

Previous Work Record

LA Engineering has not been awarded any contracts by the Board within the last five years. LA Engineering has compiled the following record of violation while performing construction contracts for the City:

<table>
<thead>
<tr>
<th>Infraction</th>
<th>Fine Amount</th>
<th>Date</th>
<th>Contract No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project: Temescal Canyon Park Stormwater Best Management Practices Phase I (Work Order No. EW40017F)</td>
<td>$3,000</td>
<td>January 30, 2017</td>
<td>C-119253</td>
</tr>
<tr>
<td>Unauthorized Subcontractor Substitution</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other than the aforementioned, no significant or unresolved problems in inspection or contract compliance have been experienced by the BCA.

Contractor Performance Evaluation

In accordance with Article 13, Chapter 1, Division 10, of the City of Los Angeles 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.
Joint Report No. 1

Page 6

**Contractor Responsibility Ordinance**

All contractors participating in this program are subject to compliance with the requirements specified in the City’s 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.

**Conclusion**

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

**STATUS OF FINANCING**

There is no impact to the General Fund. This project is fully funded through Measure M.

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.”

The following funding has been verified and approved by the Director of the Office of Accounting subject to the conditions described above:

<table>
<thead>
<tr>
<th>Fund No.</th>
<th>AUN*</th>
<th>Funding Source/ Budget Fiscal Year (FY)</th>
<th>Contract</th>
<th>Contingencies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>59C</td>
<td>94PV10</td>
<td>Capital Improvement Expenditure Program (CIEP), FY 2017-18, Measure M</td>
<td>$392,864</td>
<td>$19,643 (5%)</td>
<td>$412,507</td>
</tr>
<tr>
<td>59C</td>
<td>94PV11</td>
<td>CIEP, FY 2017-18, Measure M</td>
<td>$244,920</td>
<td>$22,043 (9%)</td>
<td>$266,963</td>
</tr>
<tr>
<td>59C</td>
<td>94PV12</td>
<td>CIEP, FY 2017-18, Measure M</td>
<td>$233,216</td>
<td>$23,322 (10%)</td>
<td>$256,538</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$871,000</strong></td>
<td><strong>$65,008</strong></td>
<td><strong>$936,008</strong></td>
</tr>
</tbody>
</table>

*AUN = Appropriation Unit No.*
Department of Public Works
Bureau of Engineering
Bureau of Contract Administration
Joint Report No. 1

June 28, 2019
Page 7

(SJC EO RMK ALM CLS)

Report reviewed by:
BOE (ADM and SSD)

Report prepared by:
Project Award and Control Division
Edick Ohanian, PE
Division Engineer
Phone No. (213) 847-0577

Compliance Review performed and approved by:

Hannah Choi, Assistant Director
Bureau of Contract Administration

Statement as to Funds approved by:

Monique F. Earl
Assistant General Manager
Administration & Field Services
Department of Transportation
Fund Ref. 59C/94PV10/$412,507
59C/94PV11/$266,963
59C/94PV12/$256,538
Date: 06/20/19
EO/MH/06-2019-0104.PAC.mel

Questions regarding this report may be referred to:
Michael Haddadin, Project Manager
Phone No. (213) 485-4642
E-mail: Michael.Haddadin@lacity.org

Respectfully submitted,

Gary Lee Moore, PE, ENV SP
City Engineer
Bureau of Engineering

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