CONTRACT AWARD TO BAKER ELECTRIC, INC. FOR THE LOS ANGELES POLICE DEPARTMENT MOTOR TRANSPORT DIVISION SOLAR ARRAY PROJECT (260 SOUTH MAIN STREET, LOS ANGELES, CA 90012) (WORK ORDER NO. E1908264)

RECOMMENDING THE BOARD OF PUBLIC WORKS (BOARD):

1. FIND CSI Electrical Contractors, Inc. (CSI), first low bidder, to be non-responsive, as discussed in this report.

2. DECLARE Baker Electric, Inc. (Baker) to be the lowest responsive, responsible bidder, and AWARD Baker a contract for the Los Angeles Police Department (LAPD) Motor Transportation Division (MTD) Solar Array Project for $3,252,644.00.

3. AUTHORIZE the President or two members of the Board to execute the contract after approval as-to-form have been obtained from the City Attorney.

TRANSMITTALS

1. Summary of bids received on July 17, 2019.
2. Copy of the email dated September 10, 2019, from the Bureau of Engineering (BOE) to CSI.
3. Copy of the email dated September 10, 2019, BOE to Baker.
4. Copy of email dated September 16, 2019, from Baker to the BOE.

DISCUSSION

Background
The project will design-build a 600 kilowatt solar photovoltaic (PV) system on the roof of the existing LAPD/MTD parking facility, located at 260 S. Main Street, Los Angeles, CA 90012. The project will include a solar array, carport structures, lighting, fire protection, and plumbing systems. The project will be connected to the Los Angeles Department of Water and Power (LADWP) utility grid, to offset a significant portion of the onsite electric load, while also providing shade coverage for as many parking spaces as possible on the roof. The contract duration is 335 working days.

The Mayor's Office is supporting the implementation of this solar installation at the existing LAPD/MTD parking facility to offset electrical power demand and its associated
greenhouse gases (GHG), as called for in the Los Angeles Sustainable City plan under the local solar targets.

In addition to this project, there are other planned future solar PV projects in various municipal facilities. To support these future projects, the BOE will be creating a pre-qualified list of solar PV design-build contractors. The Request for Qualifications is anticipated to be released no earlier than March 2020 on the Los Angeles Business Assistance Virtual Network (LABAVN) website.

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 of the City of Los Angeles (City) CEQA Guidelines.

**Bid Review**

The two bids received (Transmittal No. 1), as compared with the City Engineer's estimate of $3,390,768 are:
Business Codes:

MBE = Minority Business Enterprise   EBE = Emerging Business Enterprise
WBE = Women Business Enterprise      DVBE = Disabled Veteran Business Enterprise
SBE = Small Business Enterprise      OBE = Other Business Enterprise
LBE = Local Business Enterprise

<table>
<thead>
<tr>
<th>Bid No.</th>
<th>Contractor Name</th>
<th>Bid Amount</th>
<th>(%) High/Low</th>
<th>(% Pledged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Bid</td>
<td>CSI (OBE)</td>
<td>$3,081,939.00</td>
<td>9.11% Low</td>
<td>MBE 0.00%</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>WBE 0.00%</td>
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<td></td>
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<td></td>
<td>SBE 2.23%</td>
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<td></td>
<td></td>
<td>EBE 2.23%</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>DVBE 44.16%</td>
</tr>
<tr>
<td>2nd Bid</td>
<td>Baker (OBE)</td>
<td>$3,252,644.00</td>
<td>4.07% Low</td>
<td>MBE 0.00%</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td>WBE 0.00%</td>
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<td>SBE 0.00%</td>
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<td>EBE 0.00%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>DVBE 42.56%</td>
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</table>

The first low bidder, CSI, did not provide demonstrated experience, as required by the General Contractor Qualification Requirements (GCQR) Nos. 3-5, and did not submit a signed copy of the GCQR with their bid, as required in GCQR No. 6 during bid submittal. The second low bidder, Baker, did not provide sufficient details to demonstrate experience, as required in GCQR Nos. 4 and 5 during bid submittal.

In an email dated, September 10, 2019 (Transmittal No. 2), the BOE notified CSI that they failed to submit the required “GCQR” documentation included in Addendum No. 1. Per Addendum No. 1, “Failure by the Bidder to Complete and Submit the attached GCQR specified herein may result in the Board declaring the bid non-responsive”. Therefore, CSI’s bid may be deemed non-responsive for failing to meet the GCQR requirement. CSI did not respond to the BOE’s notification.

In an email dated September 10, 2019 (Transmittal No.3), the BOE notified Baker that based on the documentation submitted, Bakers demonstrated experience for GCQR Nos. 4 and 5 could not be verified, and requested further clarification.

Based on the initial bids submitted for this project, and the clarification that was received, staff believes that Baker provided sufficient evidence to meet all of the GCQRs.
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Items’ requirements Staff recommends awarding to Baker, the second low bidder, subject to verification of all other bidding requirements.

The Assistant City Attorney, Mr. Edward Jordan, has concurred with the recommendations contained in this report.

**Communications Received and Staff Response**

In an email dated September 16, 2019 (Transmittal No. 4), Baker responded to the BOE’s notification and clarified its experience “with LADWP’s rebate and interconnection program” as well as “20-Year production output estimates report”. Therefore, the BOE determined that Baker met the GCQR Nos. 4 and 5 requirements.

**Local Business Preference (LBP) Program**

City Ordinance No. 181910 adopted the LBP program. This program is designed to increase local employment and expenditures in the local private sector. Bidders that qualify as a Local Business Enterprise (LBE) may be granted an 8.00 percent reduction of their bid amount, solely for bid evaluation purposes. Additionally, all non-LBE bidders may be granted a 1.00 percent reduction, up to a maximum of 5.00 percent, of their bid amount for bid evaluation purposes, for every 10.00 percent of their bid that is to be performed by an LBE subcontractor.

For this project, the Bureau of Contract Administration (BCA) verified that neither of the two bidders 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 BIP Outreach via the internet utilizing the LABAVN 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 Baker, 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, 42.56 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 44.91 percent. This percentage was calculated after subtracting the fixed cost items of $170,000.00 from the total bid amount.
Baker pledged the following OBE subcontractor utilization:

<table>
<thead>
<tr>
<th>Subcontractors</th>
<th>(%) of Bid</th>
<th>Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBI Solar, Inc.</td>
<td>36.82%</td>
<td>$1,197,546.00</td>
</tr>
<tr>
<td>Cosco Fire Protection, Inc.</td>
<td>5.74%</td>
<td>$ 186,790.00</td>
</tr>
</tbody>
</table>

**Compliance with the City’s Non-Discrimination Policies**

Baker 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**

Baker Electric, Inc. has no record of having worked on any previous contracts awarded by the Board within the last five years. The Office of Contract Compliance has checked with various State agencies and none of these agencies reported any labor compliance problems on file concerning the contractor.

The Inspector of Public Works has conducted a First Time Bidder investigation of references provided by the contractor and did not find any evidence of violations of statutes, regulations, ordinances, or wrong doing by the contractor. The report investigation was prepared on November 5, 2019.

**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.
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**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.

**Bid Bond Extension**

CSI and Baker were both requested to extend their Bid Bonds, which expired on October 17, 2019. Both contractors have agreed to extend their Bid Bonds until January 10, 2020.

**Conclusion**

In view of the above findings, staff recommends that the Board find CSI, first low bidder, to be non-responsive; declare Baker, second low bidder, to be the lowest responsive, responsible bidder; and award Baker the contract for this project.

**STATUS OF FUNDING**

Total funding for this contract, including the contingency of $500,000, is not-to-exceed $3,752,644. Funding in the amount of $3,752,644 is available in Fund No. 298, titled “MICLA* Lease Rev Com Paper Notes”, Department No. 50, Appropriation Unit No. 50PQEE, titled “LAPD MTD Solar Array.”

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>Appropriation Unit No.</th>
<th>Budget Fiscal Year</th>
<th>Contract</th>
<th>Contingencies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>298</td>
<td>50PQEE</td>
<td>$4,800,000</td>
<td>$3,252,644.00</td>
<td>$500,000.00</td>
<td>$3,752,644.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$3,252,644.00</strong></td>
<td><strong>$500,000.00</strong></td>
<td><strong>$3,752,644.00</strong></td>
</tr>
</tbody>
</table>

*MICLA = Municipal Improvement Corporation of Los Angeles*
Report reviewed by: BOE (ADM and ARC)

Report prepared by: Project Award and Control Division

Edick Ohanian, PE Division Engineer
Phone No. (213) 847-0577

Compliance review performed and approved by: Lynda McGlinchey, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration

Statement as to funds approved by: Victoria A. Santiago, Director
Office of Accounting
Fund Ref. 298/50PQEE/$3,752,644.00
Date: 12/04/19

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

Questions regarding this report may be referred to:
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