Department of Public Works

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

June 19, 2020
CD No. 11

CONTRACT AWARD TO PERIMETER SECURITY GROUP, LLC FOR THE VENICE BEACH OCEAN FRONT WALK CRASH RAMPS AND BOLLARDS PROJECT (WORK ORDER NO. E1908476)

RECOMMENDING THE BOARD OF PUBLIC WORKS (BOARD):

1. WAIVE the date irregularity on the “Signature Sheet and Affidavit” page 1-4 of the bid submitted by Perimeter Security Group, LLC (Perimeter), and accept Perimeter’s Bid Proposal (Transmittal No. 1).

2. DECLARE Perimeter, first low bidder, to be the lowest responsive, responsible bidder, and AWARD Perimeter a contract for the Venice Beach Ocean Front Crash Ramps and Bollard project (Project) for $2,904,966.

3. 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.

TRANSMITTALS

1. Signature Sheet and Affidavit, submitted by Perimeter.

2. Summary of bids received on February 19, 2020.

DISCUSSION

Background
On August 3, 2013, a vehicle was deliberately driven onto Ocean Front Walk (Venice Boardwalk) when it was filled with visitors, vendors, and performers. The vehicle struck several people causing one fatality. A Council Motion (Council File No. 13-0981) was adopted on August 6, 2013, directing various City of Los Angeles (City) departments to identify ways to restrict vehicular access to the boardwalk at intersections from Venice Boulevard to the City of Santa Monica border.

This Project will implement safety measures and protect the public from unauthorized vehicle entry whether intentional or non-intentional on the boardwalk.

This project will install different types of crash-rated security bollards (Figure No. 1) at streets and alleys intersecting Ocean Front Walk on the Venice Beach Boardwalk.
The following security bollard types will be utilized: automated retractable bollards, manually retractable bollards, removable bollards, and fixed bollards.

The project scope includes coordinating and securing the power supply for all automated and key-locked retractable bollards. The contractor will be responsible for design, securing design approvals, construction, testing approvals, and monthly maintenance of the retractable bollard system for one year. The system installation will include all programming, integration, and testing of the bollard system. The contract duration is 395 calendar days.

Figure No. 1: An example of security bollards.

The project has been reviewed for environmental considerations. It was determined that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines Article 19, Section 15301, Class 1 (c and d) and Section 15302, Class 2(c) and Section 15303, Class 3(d). Additionally, the project is exempt pursuant to the Los Angeles CEQA Guidelines Article III, Section 1, Class 1 (3 and 4) and Class 3(4).
Bid Review

Perimeter, the first low bidder, submitted “Signature Sheet and Affidavit” page 1-4 (Transmittal No. 1) signed and dated by their Managing Member. However, the date of the Managing Member’s signature on page 1-4 did not correspond to the date of the bid. On the non-numbered Certificate of Acknowledgment following page 1-4, the notary declared that the Managing Member was present on February 19, 2020, for her signature. However, the date of the Managing Member’s signature on page 1-4 was February 17, 2020. Since the bid date was February 19, 2020, a clerical error was made by the Managing Member in listing the signature date as February 17, 2020. Perimeter has since provided a revised Signature Sheet and Affidavit dated February 19, 2020.

The Bureau of Engineering (BOE) staff recommends that this clerical error be deemed a waivable defect that should not affect the award eligibility. Therefore, the BOE recommends that the Board waive this irregularity and deem Perimeter’s bid to be valid.

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

The lowest of the two bids received (Transmittal No. 2) compared with the City Engineer’s estimate of $3,166,600 is:

| 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 | LGBTBE = Lesbian, Gay, Bisexual, Transgender Business Enterprise |

<table>
<thead>
<tr>
<th>Bid No.</th>
<th>Contractor Name (OBE)</th>
<th>Bid Amount</th>
<th>(%) High/Low</th>
<th>(%) Pledged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Bid</td>
<td>Perimeter</td>
<td>$2,904,966.00</td>
<td>8.26% Low</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>MBE 0.00%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>WBE 0.00%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SBE 2.00%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>LGBTBE 0.00%</td>
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<td></td>
<td></td>
<td>EBE 0.00%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>DVBE 0.00%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>OBE 30.36%</td>
</tr>
</tbody>
</table>

Axiom Group (Axiom), second low bidder, listed their total bid amount incorrectly. The BOE staff corrected Axiom’s total bid amount in accordance with the procedures set
forth in the General Instructions and Information for Bidders. Axiom was contacted and notified of the corrections. The corrections did not change the order of the bids. Based on the range of bids submitted for this project, staff believes this bid is reasonable. The contract may be awarded to Perimeter, first low bidder, subject to verification of all other bidding 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 an LBE may be granted an 8 percent reduction of their bid amount solely for bid evaluation purposes. Additionally, all non-LBE bidders may be granted a 1 percent reduction, up to a maximum of 5 percent, of their bid amount for bid evaluation purposes, for every 10 percent of their bid that is to be performed by an LBE subcontractor.

For this project, the Bureau of Contract Administration (BCA) verified that the first low bidder, Perimeter, is not 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. On January 8, 2020, as a matter of policy, the Board directed the BCA to include the tracking of LGBTBE participation in contracts. Additionally, the BIP requires bidders to perform and document the BIP Outreach via the internet utilizing the Los Angeles Business Assistance Virtual Network service.

This project was advertised with anticipated participation levels of 4 percent MBE, 2 percent WBE, 25 percent SBE, 8 percent EBE, and 3 percent DVBE, and with mandatory BIP documentation requirements. The Office of Contract Compliance, based on a review of the documents submitted by Perimeter, reported that the contractor pledged participation levels of 0 percent MBE, 0 percent WBE, 2 percent SBE, 0 percent EBE, 0 percent DVBE, and 30.36 percent OBE, and complied with the BIP outreach requirements of the bid. The Mandatory Subcontracting Minimum requirement for this project is 25 percent and the contractor has complied by pledging a subcontractor participation level of 37.45 percent. This percentage was calculated after subtracting the fixed cost items of $395,000 from the total bid amount.

Perimeter 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
This project includes an Additive Bid Alternate (Bid Item 18) which was not factored in determining the low bidder and is not included in the contract award amount. The BOE staff confirmed that no subcontractors were listed to perform work on this Additive Bid Alternate and that Perimeter would have self-performed the work for the entire Bid Item 18, if it was included in the contract.

**Compliance with the City’s Non-Discrimination Policies**
Perimeter 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, and Disclosure of Border Wall Contracting Ordinance requirements of the bid.

**Previous Work Record**
Perimeter 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 wrongdoing by the contractor. The report was submitted to the Board on April 22, 2020.

**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.

<table>
<thead>
<tr>
<th>Subcontractors</th>
<th>MBE/WBE/SBE/EBE/DVBE/OBE/LGBTBE</th>
<th>Gender/Ethnicity</th>
<th>(%) of Bid</th>
<th>Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Culver Group, Inc.</td>
<td>SBE</td>
<td>2.00%</td>
<td>$ 58,000.00</td>
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<tr>
<td>Delta Scientific Corporation</td>
<td>OBE</td>
<td>28.23%</td>
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<tr>
<td>Drake Traffic Control Services</td>
<td>OBE</td>
<td>0.41%</td>
<td>$ 12,000.00</td>
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<tr>
<td>CalPortland Construction</td>
<td>OBE</td>
<td>1.72%</td>
<td>$ 50,000.00</td>
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</tbody>
</table>
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*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.

*Bid Bond Extension*
Perimeter was requested to extend their Bid Bond, which expired on May 19, 2020. The contractor has agreed to extend their Bid Bond until June 19, 2020.

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

*Status of Funding*
The funding for the project comes from the Measure M Local Return Fund, Fund No. 59C, Department No. 94, and Appropriation Unit No. 94SV54.

There is no impact to the General Fund. Funding for this project is available from the Measure M Local Return Fund.

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 Executive Officer of the Los Angeles Department of Transportation 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>
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<tbody>
<tr>
<td>59C</td>
<td>94SV54</td>
<td>2019-20</td>
<td>$2,904,966.00</td>
<td>$261,634.00</td>
<td>$3,166,600.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$2,904,966.00</td>
<td>$261,634.00</td>
<td>$3,166,600.00</td>
</tr>
</tbody>
</table>
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( SJC GV RMK AM CLS )

Report reviewed by:
BOE (ADM and SSD)

Report prepared by:
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Lynda McGlinchey, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration

Respectfully submitted,

Gary Lee Moore, PE,
City Engineer
Bureau of Engineering

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

Los Angeles Department of Transportation
Fund Ref. 59C/94/94SV54/$3,166,600
Date: __________

GV/VT/05-2020-0049.PAC.gva

Questions regarding this report may be referred to:
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