HOUSING AUTHORITY
of the County of Los Angeles
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Carlos Jackson
Executive Director

February 6, 2007

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors and Commissioners:

CONSTRUCTION CONTRACT FOR REPLACEMENT OF TOT LOT AT THE NUEVA MARAVILLA HOUSING DEVELOPMENT (1)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES:

1. Find that replacement of the vandalized Tot Lot at the Nueva Maravilla housing development, located at 4919 East Cesar E. Chavez Avenue in unincorporated East Los Angeles, is exempt from the California Environmental Quality Act (CEQA), because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

2. Approve the use of Community Development Block Grant (CDBG) funds allocated to the First Supervisorial District in the total amount of $25,000, consisting of $5,461 for unforeseen project costs, and $19,539 for project management-related costs and fees, to replace the Tot Lot described above; and authorize the transfer of the CDBG funds from the Community Development Commission to the Housing Authority.

IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES:

1. Approve and authorize the Executive Director to execute a Construction Contract with ZK Construction, in the amount of $61,969, to replace the vandalized Tot Lot at the Nueva Maravilla housing development, located at 4919 East Cesar E. Chavez Avenue, in unincorporated East Los Angeles, to be effective upon issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.

2. Authorize the Executive Director to accept and incorporate into the approved Fiscal Year 2006-2007 budget of the Housing Authority a total of $72,000 in insurance reimbursement funds from McLarens Young International, and $25,000 in CDBG funds allocated to the First Supervisorial District, for the project described above.

3. Authorize the Executive Director to execute administrative amendments to the Construction Contract in an amount not to exceed $15,492 for unforeseen project costs, as necessary to complete the project described above, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Construction Contract to replace a Tot Lot that was damaged beyond repair by vandals at the Nueva Maravilla housing development.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The total construction cost is $81,508, of which $ 61,969 is for the construction contract to replace the vandalized Tot Lot, and $19,539 is for project management-related costs and fees. The insurance company, McLarens Young International, will provide $72,000 for reconstruction costs and $10,031 towards the unforeseen contract costs. The First Supervisorial District has allocated CDBG funds in the amount of $25,000, of which $5,461 is for the balance of the unforeseen contract costs and $19,539 is for project management-related costs and fees. The staff estimate to complete the project is $97,754.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On September 7, 2004, your Board approved a $74,500 construction contract for the original Tot Lot at Nueva Maravilla. In February 2006, the Tot Lot was severely damaged by vandals, necessitating replacement of the main play structure and rubberized surface.

The Housing Authority wishes to award the attached Construction Contract to ZK Construction to replace the Tot Lot at Nueva Maravilla. The Contract includes: replacement of the main play structure and rubberized surfacing, repair of the entry gate, and painting. It is anticipated that the entire project will be completed within 30 calendar days following the issuance of the Notice to Proceed.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, ZK Construction will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Construction Contract has been approved as to form by County Counsel and executed by ZK Construction. On January 24, 2007, the Housing Commission recommended approval of the contract award.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (a)(3)(ii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

The environmental review record for this project is available for viewing by the public during regular business hours at the Housing Authority's main office located at 2 Coral Circle, Monterey Park.

CONTRACTING PROCESS:

On October 5, 2006, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 465 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in nine newspapers and on the County Website. Six bid packages were requested and distributed.

On October 24, 2006, five bids were received and formally opened. The lowest bid, submitted by ZK Construction, was determined to be responsive and is being recommended for the contract award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The contract award will provide for replacement of a Tot Lot at Nueva Maravilla and improve the quality of life for the residents.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Construction Contract for rehabilitation of Tot Lot
at Nueva Maravilla Housing Development

On October 5, 2006, the following outreach was initiated to identify a contractor to replace the Tot Lot at the Nueva Maravilla housing development.

A. Newspaper Advertising

Announcements appeared the following nine local newspapers:

Dodge Construction News
Eastern Group Publications
International Daily News
LA Opinion
Los Angeles Sentinel
Los Angeles Times
The Daily News
WAVE Community Newspapers
Long Beach Press Telegram

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packets

The Housing Authority's vendor list was used to mail out Invitations for Bids to 465 contractors, of which 391 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, six packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On October 10, 2006, a pre-bid conference and site walk was conducted. Three firms were in attendance.

D. Bid Results

On October 24, 2006, a total of five bids were received and publicly opened. The bid results were as follows:

Company	Bid Amount
ZK Construction	$61,969.00
AZ Homes, Inc.	$71,874.00
H.J. Hunsaker Construction Inc.	$72,592.01
C.A.S. General Contractor	$92,300.00
Malibu Pacific Tennis Courts Inc.	$109,000.00

E. Minority/Female Participation –Contractor and Subcontractor

Name	Ownership	Employees
ZK Construction	Non-Minority	Total: 1 1 minorities 0 women 50% minorities 0% women
Little Tikes Commercial (Sub) (Playground Equipment)	Non-Minority	Total: 329 7 minorities 76 women 2% minorities 23% women
Safeguard (Sub) (Playground Surfacing)	Non-Minority	Total: 25 21 minorities 3 women 84% minorities 12% women
Kleen Play (Sub) (Little Tikes Installer)	Minority	Total: 13 9 minorities 2 women 69% minorities 15% women

F. Minority/Female Participation – Firms Not Selected

Name	Ownership	Employees
AZ Homes	Non-Minority	Total: 9 2 minorities 2 women 22% minorities 22% women
H.J. Hunsaker Construction Inc.	Non-Minority	Total: 6 4 minorities 1 women 67% minorities 17% women
C.A.S. General Contractor	Minority	Total: 4 4 minorities 0 women 100% minorities 0% women
Malibu Pacific Tennis Courts Inc.	Non-Minority	Total: 18 10 minorities 2 women 56% minorities 11% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Attachment B

Contract Summary

Project Name:	Maravilla "Tot Lot" Replacement
Location:	Nueva Maravilla Family Housing Development
Bid Number:	CM-06-094
Bid Date:	October 24, 2006
Contractor:	ZK Construction
Services:	The scope of work includes: replacement of the main play structure and rubberized surfacing, and repair of the entry gate and painting.

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statement of Bidder; Drawings dated October 5, 2006 and all addenda.

Time of Commencement and Completion: The work to be performed under this Construction Contract shall be commenced within ten (10) calendar days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within 30 calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars ($400)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Housing Authority.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **SIXTY-ONE THOUSAND NINE HUNDRED AND SIXTY-NINE DOLLARS ($61,969)**. The Contract Sum is not subject to escalation, and includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: $15,492