



MARK PESTRELLA, Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS**

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

October 31, 2017

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

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

32 October 31, 2017

LORI GLASGOW
EXECUTIVE OFFICER

**AWARD CONSTRUCTION CONTRACT
TRANSPORTATION CORE SERVICE AREA
DEL MAR AVENUE BRIDGE REPLACEMENT OVER ALHAMBRA WASH
IN THE CITY OF SAN GABRIEL
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to award a construction contract to Shimmick Construction Company, Inc., for the Del Mar Avenue Bridge Replacement over Alhambra Wash project and authorize the Director of Public Works or his designee to execute a construction contract for work in the City of San Gabriel.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the scope of the project has not materially changed since the Board previously found the project categorically exempt from the provisions of the California Environmental Quality Act.
2. Award and authorize the Director of Public Works or his designee to execute a construction contract with Shimmick Construction Company, Inc., in the amount of \$5,000,591.90 and establish the effective date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for Project ID No. RDC0012721, Del Mar Avenue Bridge Replacement over Alhambra Wash.
3. Delegate to the Director of Public Works or his designee the following authority in connection with the contract: (1) approve and execute change orders within the same monetary limits delegated to the Director of Public Works under Section 2.18.050 of the Los Angeles County Code relative to the construction of County buildings; (2) accept the project upon its final completion; and (3) release

retention money withheld consistent with the requirements of State Public Contract Code Sections 7107 and 9203.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will award the construction contract to Shimmick Construction Company, Inc.; authorize the Director of Public Works or his designee to execute the construction contract; and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for the project.

Project ID No. RDC0012721, Del Mar Avenue Bridge Replacement over Alhambra Wash, consists of the removal of an existing bridge; construction of a precast, pre-stressed bridge and asphalt concrete pavement on base material; installation of traffic signals, street lighting, and striping and pavement markings; and the performance of other incidental and appurtenant work.

The 80-year-old Del Mar Bridge over Alhambra Wash is classified as functionally obsolete and structurally deficient due to narrow bridge width and poor condition of bridge deck. The project will eliminate existing bridge deficiencies and provide roadway improvements in the immediate vicinity of the bridge.

The project is entirely within the City of San Gabriel. Work is located along Del Mar Avenue, 900 feet south of Valley Boulevard, at the crossing of the Alhambra Wash channel. Temporary work to support traffic control will also be placed along Bencamp Street and Abbot Avenue.

On June 20, 2017, the Board approved the project, adopted the plans and specifications, and instructed the Executive Officer of the Board of Supervisors to advertise the project.

On July 18, 2017, seven bids were received (see Enclosure A). Shimmick Construction Company, Inc. was the apparent lowest responsive and responsible bidder with a bid price of \$5,000,591.90. On June 20, 2017, the Board approved the project with an estimated construction contract cost in the range of \$3,400,000 and \$4,500,000 and an estimated total project cost of \$6,500,000. The lowest bid is 32 percent higher than the construction cost estimate. This is in part due to escalating costs associated with accelerated growth within the construction industry. After re-analyzing the estimate taking this increased growth into account, we believe that the bids received are reasonable, and we do not believe re-advertising the project will result in lower bids. Accordingly, Shimmick Construction Company, Inc. is recommended to receive the contract. The revised estimated total project cost is \$8,900,000.

The contract specifications require the work to be completed in 310 working days. It is anticipated that the work will start in January 2018 and be completed in January 2020.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provision of Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, and Objective III.3.2, Manage and Maximize County Assets. The recommended action supports ongoing efforts to manage and improve public infrastructure assets.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The revised estimated project cost is \$8,900,000. In addition to the construction contract cost, the total project cost includes preparation of plans and specifications, consultant services, survey, environmental clearance and regulatory permits, right-of-way and utility clearances, materials testing, inspection, contract administration, change order contingency, and other County services.

The project is entirely within the City of San Gabriel. County-City of San Gabriel Cooperative Agreement 77916, executed on February 12, 2013, provides for the County to perform the preliminary engineering and administer the construction of the project under the Federal Highway Bridge Program covered by Agreement No. 76078 with the State of California. Under this program, Federal-aid funds will be used to finance a portion of the project cost. The non-Federally reimbursable portion of the project cost will be financed by the City (see Enclosure B).

Funding for the project is included in the Fifth Supervisorial District's Transportation Improvement Program in the Road Fund Fiscal Year 2017-18 Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and will be in full compliance with applicable Federal, State, and County regulations. The contractor is in compliance with the Chief Executive Officer's and the Board's requirements.

The Board-adopted Local and Targeted Worker Hire Policy allows exceptions, on a case-by-case basis, for projects with Federal or State funding prohibitions on geographic or other preferences. This project contains \$6,800,000 of Federal-aid funding. Federal-aid policies prohibit preferences such as those contained within the Local and Targeted Worker Hire Policy. In order to preserve the Federal funding, a Local and Targeted Worker Hire clause is not included for this project.

A standard construction contract will be used that contains terms and conditions supporting the Board's ordinances and policies, including but not limited to, the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs, Contract Language to Assist in Placement of Displaced County Workers, and Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service's Notice 1015).

Data regarding the bidder's Community Business Enterprise and Local Small Business Enterprise participation is found in Enclosure A.

The project plans and specifications include the contractual provisions, methods, and material requirements necessary for the project and are on file with the Department of Public Works.

ENVIRONMENTAL DOCUMENTATION

On February 12, 2013, the Board found that the project is categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on Public Works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

The County Local Small Business preference could not be applied to the determination of the lowest responsive and responsible bidder. To be eligible for Federal funds financing the majority of this project, Title 49, Code of Federal Regulations requires award to the lowest bidder.

While the Local and Targeted Worker Hire clause is not included, language, as used in other Federal-aid projects, will be included within the contract documents requiring the contractor to offer to meet with job placement organizations within the local community. This effort should serve to enhance the contractor's efforts to implement the affirmative actions specified in the construction contract to meet the Federal hiring goals for minority and female employment on the project.

To increase contractor awareness of Public Works' program to contract work out to the private sector, the project was listed on both the County's "Doing Business with the County" and Public Works' "Business Opportunities" websites for upcoming bids:

<http://www.lacounty.gov/business/doing-business-with-the-county>

<http://dpw.lacounty.gov/general/contracts/opportunities>

Also, Public Works leveraged its social media platform by advertising the solicitation through Twitter.

Public Works received and publicly opened seven bids on the solicitation for the advertised project (Enclosure A). No bidders were Local Small Business Enterprise certified or Community Business Enterprise certified.

The bidders listed in Enclosure A were deemed the apparent lowest responsive and responsible bidders meeting the criteria adopted by the Board with respect to the project identified herein.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, the lowest bidder is required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by Shimmick Construction Company, Inc., was considered before making this recommendation to award.

The contractor will be in compliance with the Chief Executive Officer's and the Board's requirements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved infrastructure in the City of San Gabriel.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA

Director

MP:SRB:dw

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office
Internal Services Department (Countywide
Contract Compliance)

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	Bidder	Bid Amount	LSBE Certified	CBE Certified
1	Shimmick Construction Company, Inc.	\$5,000,591.90	No	No
2	Beador Construction Company, Inc.	\$5,532,820.00	No	No
3	Powell Constructors, Inc.	\$5,595,150.10	No	No
4	KEC Engineering	\$5,791,984.06	No	No
5	Griffith Company	\$6,159,296.26	No	No

USS CAL Builders, Inc., submitted a bid in the amount of \$4,780,685.15; however, the comparable projects listed in the Responsibility Questionnaire do not satisfy the requirement of three roadway or freeway bridge projects. Therefore, its bid was considered nonresponsive and rejected as provided in the "Instructions to Bidders."

Flatiron West, Inc., submitted a bid in the amount of \$4,993,787.23; however, its bid proposal was incomplete failing to have all the required documents including the bid bond and noncollusion affidavit. Therefore, its bid was considered nonresponsive and rejected as provided in the "Instructions to Bidders."

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DEL MAR AVENUE OVER ALHAMBRA WASH BRIDGE REPLACEMENT PROJECT
RDC0012721

Project Funding				
Jurisdiction	Supervisory District	Project Cost	Federal Share	Local Share
San Gabriel	5	\$8,900,000	\$6,800,000	\$2,100,000