



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

November 21, 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

30 November 21, 2017

LORI GLASGOW
EXECUTIVE OFFICER

**AWARD CONSTRUCTION CONTRACT
TRANSPORTATION CORE SERVICE AREA
ALTADENA MONUMENT SIGNS
INSTALLATION OF SIGNS
IN THE UNINCORPORATED COMMUNITY OF ALTADENA
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to award a construction contract to PK Construction for the Altadena Monument Signs project and authorize the Director of Public Works or his designee to execute a construction contract for work in the unincorporated community of Altadena.

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 PK Construction in the amount of \$195,125.50 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. RDC0016115 – Altadena Monument Signs – Installation of Signs.
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 this construction contract to PK Construction, 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 this project.

Project ID No. RDC0016115, – Altadena Monument Signs project, will include the installation of monument and pole signs; construct river rock paving, curb, and gutter; electrical service connections; and the performance of other appurtenant work, in the unincorporated community of Altadena.

On August 1, 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 August 29, 2017, eight bids were received (see enclosure). PK Construction was the apparent lowest responsive and responsible bidder with a bid price of \$195,125.50. On August 1, 2017, the Board approved the project with an estimated construction cost in the range of \$225,000 to \$265,000. PK Construction's bid is 22 percent lower than the construction cost estimate. Accordingly, PK Construction is recommended to receive the contract.

The contract specifications require the work to be completed in 30 working days. It is anticipated that the work will start in March 2018 and be completed in May 2018.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, 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

Funding for this project is included in the Fifth Supervisorial District's Transportation Improvement Program in the Road Fund Fiscal Year 2017-18 Budget. The Road Fund will be reimbursed with Fifth Supervisorial District General Funds in the Public Works General Fund Fiscal Year 2017-18 Budget.

The annual cost of graffiti removal is estimated to be \$19,400. Commencing in Fiscal Year 2018-19, sufficient appropriation will be included in the Fifth Supervisorial District's annual Transportation Improvement Program in the Road Fund Budget to finance this ongoing maintenance cost.

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 is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and the Board's requirements.

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 Notice 1015).

Data regarding the bidders' Community Business Enterprise and Local Small Business Enterprise participation may be found in the enclosure.

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

ENVIRONMENTAL DOCUMENTATION

On August 1, 2017, the Board found this project to be 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.

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy adopted on September 6, 2016, the project will include a best efforts goal that at least 30 percent of the total California craft worker hours for construction of the project be performed by Local Residents. The Targeted Worker component will not be included as part of the project.

To increase contractor awareness of Public Works' program to contract work out to the private sector, this 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 eight bids on the solicitation for the advertised project. Six bidders were Local Small Business Enterprise certified and six bidders were Community Business Enterprise certified.

The bidder listed in the enclosure was deemed the apparent lowest responsive and responsible bidder 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 Contractors State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by PK Construction 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 unincorporated community of Altadena.

CONCLUSION

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

Respectfully submitted,



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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TRANSPORTATION CORE SERVICE AREA
ALTADENA MONUMENT SIGNS
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Bid Opening Date: August 29, 2017

Bid Summary:

	<u>Bidder</u>	<u>Bid Amount</u>	<u>LSBE Certified</u>	<u>CBE Certified</u>
1.	PK Construction	\$195,125.50	Yes	Yes
2.	Metrocell Construction Inc	\$233,919.00	No	Yes
3.	Access Pacific, Inc.	\$237,317.43	No	Yes
4.	Contractors, Inc.	\$295,015.00	Yes	Yes
5.	Rio Jordan Construction, Inc.	\$299,970.00	Yes	Yes
6.	Calpromax Engineering Inc	\$320,283.00	Yes	No
7.	C P O Enterprises, Inc.	\$321,473.00	Yes	Yes
8.	Axiom Group	\$322,209.86	Yes	No