



MARK PESTRELLA, Director

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

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

29 April 3, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

April 03, 2018

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:

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
DEPARTMENT OF PUBLIC WORKS
FIRE CAMP 19 LIFE SAFETY IMPROVEMENTS PROJECT
REJECT BID
AWARD CONSTRUCTION CONTRACT
SPECS. 7166; CAPITAL PROJECT NO. 87161
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

Approval of the recommended actions will reject the bid of the apparent lowest bidder and authorize the Department of Public Works to award and execute a construction contract for the Fire Camp 19 Life Safety Improvements project with the next lowest responsive and responsible bidder, provided that the bidder has satisfied the conditions of contract award.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

1. Find that the recommended actions are within the scope of the previously approved exemptions to the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.

2. Approve and adopt the recommendation of the hearing officer, which finds that Environmental Construction, Inc., the apparent lowest bidder for the Fire Camp 19 Life Safety Improvements project, does not meet all of the minimum mandatory qualification requirements established for the project as set forth in the bid documents, and, reject the bid from Environmental Construction, Inc., on that basis.

3. Find that Integrated Water Services, Inc., the second lowest bidder, is the apparent lowest responsive and responsible bidder for construction of Fire Camp 19, and award a construction contract for the Fire Camp 19 Life Safety Improvements project for \$3,985,000 to Integrated Water Services, Inc., subject to Integrated Water Services, Inc., timely submission to the County a satisfactory baseline construction schedule, acceptable Faithful Performance and Payment for Labor and Material Bonds, and evidence of required contractor insurance.

4. Authorize the Director of Public Works or his designee to execute a consultant services agreement with the apparent lowest responsive and responsible bidder, Integrated Water Services, Inc., to prepare a baseline construction schedule for a \$4,400 not-to-exceed amount funded by the project funds.

5. Delegate to the Director of Public Works or his designee the authority to determine, in accordance with the applicable contract and bid specifications, whether Integrated Water Services, Inc., has satisfied the above conditions for contract award, and authorize the Director of Public Works or his designee to execute the construction contract, in the form previously approved as to form by County Counsel, with Integrated Water Services, Inc., and to establish the effective date of the construction contract, if the Director of Public Works or his designee determines that the above conditions have been satisfied.

6. Authorize the Director of Public Works or his designee to carry out the project, manage, and deliver the construction of Fire Camp 19 on behalf of the Consolidated Fire Protection District; award and execute consultant agreements, amendments, and supplements related to this project within the same authority and limits delegated to the Director of Public Works or his designee by your Board for County Capital projects; to accept the project; and to release retention upon acceptance.

7. Delegate authority to the Director of Public Works or his designee to execute any easements, permits, and utility connection agreements necessary for the completion of the project, provided that the costs related to the easements, permits and agreements do not cause the project to exceed the approved project budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will approve and adopt the enclosed recommendation of the hearing officer, which finds that the apparent lowest bidder for construction of Fire Camp 19 Life Safety Improvements project does not meet all of the minimum mandatory qualification requirements established for the project as set forth in the bid documents, and reject its bid on that basis, and authorize the Director of Public Works or his designee to award and execute a construction contract with the next lowest responsive and responsible bidder, provided that the bidder has satisfied the conditions of contract award.

Fire Camp 19 is located at 22550 East Fork Road in the City of Azusa and houses low security State inmates and is jointly operated by the Consolidated Fire Protection District of Los Angeles County and the California Department of Corrections and Rehabilitation. The scope of the proposed improvements consists of replacing the existing on-site wastewater treatment system; rehabilitating the existing wastewater leach fields; installing new wastewater collection lines; replacing the existing two 25,000-gallon potable water storage tanks; refurbishing the existing potable water well; installing a potable water treatment system; upgrading the existing electrical panels and site security system; and installing a new potable water well, new site security lighting, and smoke detectors in dorms.

On July 11, 2017, the Board adopted plans and specifications for the Fire Camp 19 Life Safety Improvements project and instructed the Executive Officer of the Board to advertise for bids.

On August 23, 2017, five bids were received and Environmental Construction, Inc. (ECI), was identified as the apparent lowest bidder. On September 7, 2017, the Department of Public Works notified ECI that documents submitted did not meet qualification requirements for installation of wastewater treatment systems and potable water well. ECI was given until September 12, 2017, to turn in additional evidence to prove that they meet these requirements. On September 20, 2017, Public Works informed ECI that the additional information submitted met the requirements for installation of potable water well, but did not meet the requirements for installation of wastewater treatment systems. On the advice of County Counsel, a hearing was scheduled for October 16, 2017, so that ECI could present their case to a hearing officer. On November 2, 2017, the hearing officer issued a letter ruling that ECI did not meet the requirements for installation of the wastewater treatment system and determined that their bid should be rejected because they did not meet the requirements required in Section 000400, Attestation of Contractors Qualifications, of the Fire Camp 19 Life Safety Improvements project specifications. In so far as ECI failed to meet these requirements, which were mandatory and material requirements of the bid documents, ECI's bid should be rejected. Subsequently, Integrated Water Services, Inc. (IWS), was identified as the next apparent responsive and responsible bidder.

For the reason detailed, Public Works recommends that the Board approve and adopt the enclosed recommendation of the hearing officer, which finds that the apparent lowest bidder, ECI does not meet all of the minimum mandatory qualification requirements established for the project, as set forth in the bid documents, and reject its bid on that basis. Public Works further recommends that the Board authorize the Director of Public Works or his designee to award and execute a construction contract with the next apparent lowest responsive and responsible bidder, IWS subject to IWS timely preparing and submitting a satisfactory baseline construction schedule, providing acceptable Faithful Performance and Payment for Labor and Material Bonds, and evidence of required contractor insurance.

It is anticipated that construction of the project will begin in July 2018 and be substantially completed in April 2019.

Green Building/Sustainable Design Program

The project supports the Board's Green Building/Sustainable Design Policy by implementing new potable water and septic systems at the fire camp, which will provide clean and safe potable water for consumption and protect groundwater from potential contamination. Building and site improvements will incorporate energy efficient light fixtures and mechanical equipment, as well as water efficient plumbing fixtures. There will be cost savings due to a reduction in energy and potable water consumption.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provisions of Strategy II.3 - Make Environmental Sustainability our Daily Reality, Objective II.3.1 - Improve Water Quality, Reduce Water Consumption, and Increase Water Supplies. The recommended actions will allow the installation of an efficient water treatment system that will ensure an uninterrupted supply of potable water to the camp. It also allows the installation of a new on site wastewater treatment system that will help protect the groundwater from potential contamination.

FISCAL IMPACT/FINANCING

The total Board-approved project budget is \$6,100,000, which includes a construction cost of \$3,985,000. The project is fully funded with net County cost. Sufficient funding is available in the Fiscal Year 2017-18 Capital Projects/Refurbishment Budget, Capital Project No. 87161. This action does not impact the overall project budget.

Operational Budget Impact

A one-year Operation and Maintenance Agreement for the potable water treatment and on-site wastewater treatment systems will be included as part of the construction contract. The Fire District will be responsible for the operation and maintenance of the new potable water and on-site wastewater treatment systems once the one-year agreement expires, which is estimated at \$15,000 per year. The Fire District will request ongoing funds to cover these costs as part of its Fiscal Year 2019-20 budget request. There will be no impact to the current operating budget

FACTS AND PROVISIONS/LEGAL 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).

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works' Business Relations and Contracts Division.

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy adopted on September 6, 2016, the project will require that at least 30 percent of the total California craft worker hours for construction of the project be performed by Local Residents and at least 10 percent be performed by Targeted Workers facing employment barriers.

In accordance with the Board's Civic Art Policy amended on August 11, 2015, this project is exempt from the Civic Art fee as it consists of improvements related to underground infrastructure.

ENVIRONMENTAL DOCUMENTATION

On January 7, 2014, the Board approved the project and found the project categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301(a) and Section 15302(c) of the State CEQA guidelines and Class 2(e) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. There have been no substantial changes to the project or the circumstances under which it will be implemented since the project was approved that would require additional findings under CEQA.

CONTRACTING PROCESS

On July 11, 2017, the Board adopted plans and specifications for the Fire Camp 19 Life Safety Improvements project and instructed the Executive Officer of the Board to advertise for bids. On August 23, 2017, five bids were received. However, for the reasons outlined above, ECI's bid is non-responsible, and accordingly, IWS should be found to be the apparent lowest responsive and responsible bidder.

The low bid was determined by adding the base bid plus Additive Alternates 1, 2, 3, and 4, the contractors' daily overhead rate multiplied by 30 days, and a small business preference. Additive Alternates 1 is for wastewater collection pipes, Additive Alternate 2 is for site security lighting, Additive Alternate 3 is for a 7,650-gallon tank, and Additive Alternate 4 is for an emergency standby generator.

Participation by Community Business Enterprises (CBE) in the project is encouraged through Public Works' CBE Outreach Program and by monitoring the good faith efforts of bidders to utilize CBE.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have no impact on current County services or projects. The Fire Camp 19 facility will remain operational during construction of the project.

CONCLUSION

Please return one adopted copy of this letter to the Chief Executive Office, Capital Programs Division, and Department of Public Works, Project Management Division I.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" written in a larger, more prominent script than the last name "Pestrella".

MARK PESTRELLA
Director

MP:AKM:cg

Enclosures

c: Arts Commission
Chief Executive Office (Capital Programs
Division)
County Counsel
Executive Office
Fire Department
Department of Public Social Services
(GAIN/GROW Program)



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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ADDRESS ALL CORRESPONDENCE TO
P O BOX 1460
ALHAMBRA CALIFORNIA 91802-1460

November 2, 2017

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C-1

Ms. Talin Halabi
Senior Deputy County Counsel
Kenneth Hahn Hall of Administration
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 W Temple Street
Los Angeles, CA 90012

Ms. Rori Rubio
Contract Administrator
Business Relations and Contracts Division
Los Angeles County Department of Public Works
900 South Fremont
Alhambra CA, 91803

Mr. Farid Soroudi
Environmental Construction, Inc.
21550 Oxnard Street, Suite 1050
Woodland Hills, CA 91367

**DECISION OF THE COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC
WORKS NOTICE OF QUALIFICATION HEARING ON ENVIRONMENTAL
CONSTRUCTION, INC.'S BID SUBMITTED ON FIRE CAMP 19 LIFE SAFETY
IMPROVEMENTS PROJECT, SPECIFICATION NO. 7166
AMENDED**

Dear Parties:

Please find the hearing officer decision as follows:

1.0 BACKGROUND

- On July 11, 2017, the Department of Public works issued an invitation for bids for Fire Camp 19 Life Safety Improvements Project, Specification. No. 7166, with bids to be received on August 23, 2017.
- The invitation for bids requires the general contractor or its subcontractors to have:

1. Completed within the last 5 years at least two projects with a similar scope of work, and
2. A minimum construction cost of \$3.5 million for each project.

Scope of work to include the following:

- a. Installation of an approximately 25,000 gallons steel potable water tank.
 - b. Installation of a potable water treatment system.
 - c. Installation of a potable water well.
 - d. Installation of an on-site wastewater treatment system with an approximate capacity of 15,000 gallons per day.
 - e. Electrical upgrades which include the installation of approximately 150 KW emergency standby generator.
- On August 11, 2017, Environmental Construction, Inc. (ECI) received a proposal from Cascade Drilling LP (CD) for well and pump installation in the amount of \$180,435.58. On August 23, 2017, ECI received proposal from Yellow Jacket Drilling (YJD) for well and pump installation in the amount of \$121,500.
 - On August 23, 2017, ECI submitted its bid and listed Cascade Drilling LP as subcontractor in the amount of \$180,438.58.
 - ECI listed, in response to the special qualifications and requirements, seven projects in its bid.
 - On August 25, 2017, ECI sent letter to Public Works requesting a substitution of subcontractors claiming that due to clerical mistake, it listed CD as the subcontractor for well drilling and installation, while it intended to list YJD as the subcontractor.
 - On September 7, 2017, Public Works sent letter to ECI informing them that its bid did not meet the special qualifications and requirements set forth in the bid documents. Public Works staff reviewed the bid submitted by ECI and determined that ECI's bid satisfied 3 of the 5 special requirements. Public Works determined that ECI's response to the special requirements of

(1) Installation of a potable water well and (2) Installation of a wastewater treatment system were not met by ECI or its subcontractors.

- Public Works requested ECI to provide Public Works with any further evidence of how it met the special qualifications by September 12, 2017.
- On September 11, 2017, ECI provided Public Works with additional evidence as to how they met the two qualifications that were found lacking in the bid proposal. ECI listed four projects one of which was West Coast Barrier. Public Works was satisfied that ECI and Yellow jacket met the requirements for installation of a potable water well on West Coast Barrier project. Further, ECI's letter indicated that the question of whether ECI's qualifications are adequate goes toward responsibility and not responsiveness and requested an administrative hearing prior to a rejection of a bid.
- On September 19, 2017, Public Works informed Cascade Drilling of ECI's request to substitute them for YJD, and the right of Cascade to object to the substitution within the provided period
- On September 20, 2017, Public Works replied to ECI's letter indicating that ECI provided four additional projects to satisfy the special projects requirements and the West Coast Basin Barrier submitted by ECI and Yellow Jacket Drilling, ECI's subcontractor, satisfied the requirement for (1) installation of a potable water well.
- Public Works concluded that the special requirement for (2) installation of a wastewater treatment system was not met.
- Public Works scheduled a hearing for October 3, 2017, to provide an opportunity to ECI who requested a hearing to present evidence and supporting information and demonstrate that it meets the requirement for (2) installation of a wastewater treatment system.
- On October 3, 2017, a letter was sent to ECI, giving them notice of the continuance of the hearing to October 12, 2017.
- On October 10, 2017, ECI requested that the hearing be continued and it was rescheduled to October 16, 2017.

- On October 16, 2017, the hearing was conducted before a Hearing Officer, Public Works contracts administration staff, ECI President and staff, and attorneys from County Counsel.

2.0 THE HEARING

2.1 Participants

The hearing was held on October 16, 2017. The following were present:

- Mr. Imad Abboud, the Hearing Officer from Public Works - Construction Division;
- Ms. Rori Rubio from Public Works - Business Relations and Contracts Division (BRCD);
- Mr. Alioune Dioum from Public Works - Project Management Division I ;
- Mr. Ron Bleier from the County of Los Angeles Fire Department;
- Mr. Farid Soroudi, Mr. Johnny Leon, and Mr. Eric Gamonal represented ECI and provided oral arguments and written documentations.
- Ms. Talin Halabi, Senior Deputy County Counsel, Office of the County Counsel, County of Los Angeles, as counsel for Public Works;
- Ms. Gina Eachus, Deputy County Counsel, Office of the County, County of Los Angeles as counsel for the hearing officer. .
- Other Public Works staff was present observing the hearing.
- Ms. Rubio, Mr. Dioum, and Mr. Soroudi were sworn by County Counsel to provide testimony under the penalty of perjury.

2.2 Exhibits

2.2.1 ECI's Exhibits

- ECI provided eight documents.
- Exhibit 1 included sheets 21 thru 23 of the Camp Fire 19 plans which show the Wastewater Treatment System Process & Instrumentation Diagrams 1, 2, 3, and 4.
- Exhibit 2 included five sheets of aerial photos of Robert B. Diemer Water Treatment Plant Rehabilitation Project that is being constructed by ECI.
- Exhibit 3 included construction photos of the Trunk Line Odor Control Improvement project that was constructed by ECI, and two information sheets for Malibu Water Pollutions Control Plant Information, which a capacity of 51,000 gallons per day of domestic wastewater.
- Exhibit 4 shows the City of Malibu Onsite Wastewater Treatment System Registered Installers. The list shows ECI as one of the registered installers.
- Exhibit 5 shows completed and current projects by ECI. The list shows the project name, contract value, type of work, year completed, and agency/owner contact information.
- Exhibit 6 shows list of authorized Commercial Advantex Installers for Biosolutions, Inc., which include ECI as one of the authorized installers.
- Exhibit 7 is a resume of Johnny Leon, Project Manager for ECI, listing his experience, positions, and projects managed while at ECI and other companies.
- Exhibit 8 is a resume of Paul Graham, Superintendent for ECI, listing his experience, positions, and projects managed while at ECI and other companies.

2.2.2 Public Work Exhibits

- Public Works provided one package of documents, entitled Exhibit 1, including four parts: A, B, C, and D. Exhibit 1.A included all projects submitted by ECI for requirement number four, Installation of an on-site wastewater treatment system with an approximate capacity of 15,000 gallons per day, along with the corresponding emails and references.
- Exhibit 1.B included a letter sent to ECI from Public Works regarding the qualifications which hence not met.
- Exhibit 1.C included letter sent to Public Works from ECI in response to Public Work's letter dated September 7, 2017.
- Exhibit 1.D included letter sent to ECI from Public Works regarding qualifications still not met and scheduled hearing.

3.0 PRESENTATION OF EVIDENCE

3.1 Public Works

- Ms. Rubio, Public Works, BRCD provided documentation and oral arguments to support Public Work's position. It was stated that when ECI submitted its bid, it did not meet all requirements listed in Section 00 04 00, Attestation of Contractor Qualifications, included in the Invitation for Bids. Only two of the five requirements were met. However, ECI, upon notice from Public Works, submitted additional documentation that was reviewed by Public Works. After review, ECI's evidence satisfied two additional requirements.

- Public Works acknowledged that four of the five special requirements were met by ECI:
 - 1) Installation of an approximately 25,000 gallons steel potable water tank.
 - 2) Installation of a potable water treatment system.
 - 3) Installation of a potable water well.
 - 4) Electrical upgrades which include the installation of an approximately 150 KW emergency standby generator.
- Public Works argued that ECI, based on references submitted, did not meet the requirement for the installation of an on-site wastewater treatment system with an approximate capacity of 15,000 gallons per day.
- Mr. Dioum of Public Works, PMDI indicated that the project is located in a remote area and requires the water to be brought in, treated and disposed of properly. Treatment must comply with state requirements. The wastewater treatment system is a critical item and has technical aspects that require an experienced contractor familiar with this type of work and that is able to comply with the State requirements. The State requirements include sampling and reporting. The installation of the wastewater treatment system is a major item of work and reportedly consists of 70 percent of the estimated contract cost. The wastewater system is a micro-septic system and Public Works wants a contractor who performed this work previously. Mr. Dioum indicated that the list of projects submitted by ECI did not meet this type of work.
- Ms. Rubio indicated that one of the four projects that were listed by ECI, at time of bid, was Robert B. Diemer project, valued at \$900,000, which did not meet the minimum value of \$3.5 million. The second listed project, Santa Ynez Reservoir Improvements project did not have the same scope of work. Although, the project did include an installation of potable water treatment system, it did not include a wastewater treatment system. The County Sanitation District confirmed the above information when contacted by Public Works (Exhibit 1(A)). The third listed project, Los Coyotes WRP Sodium Hypochlorite & Sodium Bisulfite, was completed by the subcontractor, Leed Electric. However, the Los Angeles Sanitation District confirmed that Leed Electric did not install the wastewater treatment system. Leed Electric performed the electrical work only.

- On September 11, 2017, ECI submitted four additional projects showing that they met the potable water well requirement. The Robert B. Diemer project was also included in the list with revised name as Robert B. Diemer Water Treatment Plant East Basin Rehabilitation with a revised cost of \$21 million. Also, the requirement for installation of emergency standby generator was met on another project. However, none of the projects met the installation of the wastewater system requirements.

3.2 ECI

- Mr. Soroudi of ECI provided documentation and oral arguments to support ECI's position.
- ECI feels that there was some confusion to how Public Works looked at or reviewed the information and references submitted by ECI. ECI completed and submitted their references along with their subcontractors' references, and argued there is no question about ECI's work on previous and current projects.
- It stated that there is no question about electrical subcontractor performing electrical work, and acknowledged that the electrical subcontractor obviously would not install water treatment piping system ECI suggested that the way in which the special requirements were written was unclear and the intent of the requirements was misleading. As an example, ECI argued that one of the requirements was to have/had a project with a value of \$3.5 million. ECI explained that it appears that the requirements make every single component of the project to have prior contracts valued minimally at \$3.5 million. Whereas, ECI said one component of a project is an installation of water well, which can cost only \$120,000 .
- ECI argued that it previously completed, for Public Works, a project consisted of construction of an injection and observation wells, however, it was accepted as one of the requirements of this project. Although, injection and observation wells were not specified as one of the requirements.

- Mr. Soroudi indicated that ECI performed other projects comparable to this project with much greater and significant scale. Two years ago, ECI completed a project called Fire Station 69 in Topanga Canyon and maintained it for one year. ECI performed the testing, sampling, and reporting on that project with no issues or problems. In 2001, ECI, completely renovated the Malibu Water Treatment Plant, which has 3 - 4 times the capacity of this project and ECI had to install all components of the system. For this project, ECI would need to purchase several prefabricated tanks and pipes and put them together.
- ECI presented aerial photos of the Robert B. Diemer Water Treatment Plant and construction photos of the Trunk Line Odor Control Improvements project. Mr. Soroudi described the scope of work on these two projects and indicated that these projects had a much greater capacity than Fire Camp 19 and were more sophisticated. The Trunk Line Odor Control project consisted of a prefabricated collection tank, a stabilization tank, and a lift station. There was also a trash trap, seven treatment tanks, and pumps. All these items were pre-fabricated and connected with Polyvinyl Chloride pipes. Another photo, (ECI's, Exhibit 3, Image 4 of 6) shows a small scrubber for cleaning the air generated by the tanks.
- Mr. Soroudi explained the work on the Diemer project and the process for the treatment of the wastewater (ECI's, Exhibit 2, Image 4 of 6). Wastewater enters the plant, trash is removed, then wastewater is treated in two different ways. First, by injecting air into the wastewater to remove the bacteria (ECI's, Exhibit 2, Image 4 of 6) and, second, by using wheels that rotate which function as injecting air into the wastewater. Water is then sent to the clarifier to clean it.
- (ECI's, Exhibit 2, Image 2 of 6). After that treatment process, water is sent to a distribution tanks and then sent to filter through channels (ECI's, Exhibit 2, Image 1 of 6). ECI removed all existing equipment and cleaned all 40 concrete channels. These channels have a length of 80 feet and are within 16th of an inch of each other. All equipment was replaced with new equipment and the work was done by an in-house expert.

- ECI is one of the City of Malibu onsite Wastewater Treatment System registered and certified installers (ECI's Exhibit 4 shows the complete list). Also, ECI is one of the BioSolutions Authorized Commercial Advantex Installers (ECI's, Exhibit 6 shows the complete list).

4.0 CLOSING STATEMENT

4.1 Public Works

- Mr. Dioum indicated that ECI presented the Robert B. Diemer Potable Water Treatment Plant to meet the requirements of this project, but it is very different from Public Work's project. The Diemer project has clarifiers and chemical injections. Fire Camp 19 has no chemicals injections. The Diemer project is also under different State agency. The wastewater treatment system is under the Water Quality Control Board, and the Potable water system is under Water Resources Control Board, Division of Drinking Water. Operating a Potable Water System is not the same as operating a Water Treatment System. Each system has different requirements, sampling, testing, and reporting.
- Ms. Rubio indicated that ECI's, Exhibit 5 (list of ECI's Completed and Current Projects), lists 44 projects but none were listed in form 00 04 00 Attestations of Qualifications and that is what was required. Ms. Rori also argued that ECI was giving the opportunity multiple times to submit the required information and bidders need to use the correct forms to submit its reference information.
- Public Works is not required to contact each agency for projects listed in the form to verify if the work was completed or if it meets the requirements and scope of work. The contractor is responsible for providing all of the information necessary to meet the requirements in the documents provided as part of the bid package. Other bidders submitted all required information and met all requirements at time of bid. The project requirements were very clear and specific. Public Works feels that the specific requirements of project completed within the last 5 years with a minimum construction cost of \$3.5 million for the wastewater treatment system with capacity of 15,000 gallons per day have not been met.

4.2 ECI

- ECI argued that it presented two projects, The Trunk Odor Line and The Robert Diemer Plant to meet equivalent requirements of this bid. However, ECI acknowledges that the Robert Diemer Plant was done under different agency requirements that were more stringent than sewer water and subject to much higher qualifications, but that should not disqualify it to meet the requirements of this project. The Robert Diemer Plant has all the components of the project in question both in the intent of the qualifications and the letter of the qualifications, ECI should therefore meet the requirements. ECI said that it submitted some additional reference information based on Public Work's request, while other references were submitted in the original forms for the bid. The additional references were submitted in an excel format for Public Works to consider. ECI said that all of the projects listed in the excel spreadsheet are references. ECI knows that the list is extensive to call everyone, but ECI provided it based on Public Work's e-mails allowing ECI to further establish how it met the special requirements. Mr. Soroudi believes that ECI is qualified to do this work and never failed on any project since 1986. ECI did many similar jobs and guarantee to complete this project.

5.0 THE HEARING OFFICER'S FINDINGS AND DECISION

- The Hearing Officer reviewed and considered all information, documents and oral arguments presented by Public Works and ECI. The Hearing Officer evaluated whether ECI met the specified requirements for this project.
- The Hearing Officer finds that ECI did not submit enough information in its bid to satisfy all requirements. ECI's bid satisfied only four of the five requirements:
 - 1) Installation of an approximately 25,000 gallons steel potable water tank.
 - 2) Installation of a potable water treatment system.
 - 3) Installation of a potable water well.
 - 4) Electrical upgrades which include the installation of an approximately 150 KW emergency standby generator.

- The requirement that was not satisfied by ECI was the (5) installation of an on-site wastewater treatment system with an approximate capacity of 15,000 gallons per day. This is a major item of work and consists of 70 percent of the estimated contract cost. This type of wastewater treatment system is under the Water Quality Control Board, and it has special requirements, sampling, testing, and reporting. Therefore, Public Works requires contractor who previously performed this type of work. Also, ECI did not provide any supporting documentation showing it has previously constructed an on-site wastewater treatment system with an approximate capacity of 15,000 gallons per day, nor it proved it has any experience in micro-septic system. ECI was giving the opportunity multiple times to submit the required information.
- Furthermore, it is not Public Works responsibility to contact each agency for projects listed in the bid documents as reference to verify if the completed work meets the requirements and scope of work. Bidders are responsible for providing all information necessary to meet the requirements in the bid documents. Other bidders submitted all required information and met all requirements at time of bid.
- The Bid solicitation requires bidders meet all five requirements. ECI did not meet all five requirements. It is the Hearing Officer's opinion that waving bid requirements would give ECI an unfair advantage over the other bidders who met all five requirements.

6.0 CONCLUSION

In conclusion, the Hearing Officer recommends that Public Works reject ECI's bid and find that ECI has not met the special requirements outlined in the Attestation of Contractor Qualifications in the Invitation for Bids for Fire Camp 19 Life Safety Improvements Project, Specification No. 7166.

Signed by:



IMAD ABBOUD
Civil Engineer
Construction Division

Nov. 15, 2017
Date

IA:sm

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