



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 19, 2019

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 November 19, 2019

CELIA ZAVALA
EXECUTIVE OFFICER

Dear Supervisors:

**CONSTRUCTION CONTRACT
PUBLIC BUILDING CORE SERVICES AREA
ADVERTISE AND AWARD BEST VALUE JOB ORDER CONTRACTS
FOR REPAIR, REMODELING, OR OTHER REPETITIVE WORK OF
VARIOUS COUNTY FACILITIES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to procure three separate Best Value Job Order Contracts 1920BV, 1921BV, and 1922BV to the responsive and responsible contractor determined to have submitted the best value bid for each Job Order Contract and authorize Public Works to issue work orders for various County facilities.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the award of the Best Value Job Order Contracts 1920BV-1922BV or Job Order Contracts 1920-1922, and the related actions recommended herein, are not projects under the California Environmental Quality Act for the reasons stated in this Board letter and in the records pertaining to the Job Order Contracts.
2. Find that the use of the Best Value Construction Contracting for Job Order Contracts 1920BV-1922BV will result in reduced costs and expedited completion of projects performed under these contracts in accordance with the Policy for Best Value Construction Contracting adopted by the Board on August 14, 2018.
3. Approve the following six prequalified contractors for the Best Value Job Order Contracts: Access

BIDS: January 16, 2020 @ 9:30 a.m.

Pacific, Inc.; Angeles Contractor, Inc.; Bitech Construction Co., Inc.; Brown & Root Industrial Services, LLC; MTM Construction, Inc.; and New Creation Builders.

4. Instruct the Executive Officer of the Board to advertise the Best Value Job Order Contracts 1920BV-1922BV for bids to the six prequalified contractors to be received and opened on January 16, 2020, in accordance with the Instruction Sheet for Publishing Legal Advertisement, and Instruct the Executive Officer of the Board to separately advertise Job Order Contracts 1920-1922 for conventional low bids to be received and opened on January 16, 2020, in accordance with the Instruction Sheet for Publishing Legal Advertisement, only in the event that a statutorily insufficient number of best value bids are received.
5. Delegate authority to the Director of Public Works or his designee to make a determination that a statutorily insufficient number of best value bids were received, necessitating the opening and use of the alternate low bids; that a bid is nonresponsive and to reject a bid on that basis; to waive inconsequential and nonmaterial deficiencies in bids submitted; to evaluate and score bids in accordance with the requirements and evaluation criteria stated in the bid documents; and to determine whether the best value bidder or the lowest responsive responsible bidder for each of the Job Order Contracts has satisfied all conditions for contract award.
6. Delegate authority to the Director of Public Works or his designee to award and execute the Best Value Job Order Contracts 1920BV-1922BV in the form previously approved by County Counsel to the responsive and responsible contractor determined to have submitted the best value bid for each Job Order Contract, for a fee not to exceed \$3.1 million for the first year, and to establish the effective date of each Job Order Contract following receipt of acceptable performance and payment bonds and evidence of required contractor insurance.
7. Delegate authority to the Director of Public Works or his designee to execute supplemental agreements with each contractor to extend the Best Value Job Order Contracts 1920BV-1922BV for two subsequent 1-year terms, and to increase the not-to-exceed amount of each Job Order Contract by up to \$3.1 million for each year (adjusted annually to reflect the percentage change in the California Consumer Price Index), with the option to carry-over unspent money from the first to second option term.
8. Delegate authority to the Director of Public Works or his designee to publicly announce the award of the Best Value Job Order Contracts 1920BV-1922BV, along with a written decision supporting the award of the Best Value Job Order Contracts.
9. If the solicitation for the Best Value Job Order Contracts 1920BV-1922BV results in the submission of fewer than three responsive bids to the County for evaluation, delegate authority to the Director of Public Works or his designee to award and execute Job Order Contracts 1920-1922 on the basis of lowest bid price in accordance with the Instruction Sheet for Publishing Legal Advertisement. In such instance, delegate authority to the Director of Public Works or his designee to make a determination that a bid is nonresponsive and to reject a bid on that basis; to award to the next lowest responsive and responsible bidder; to waive inconsequential and nonmaterial deficiencies in bids submitted; and to determine, in accordance with the applicable contract and bid documents, whether the apparent lowest responsive and responsible bidder has satisfied all conditions for contract award. Upon such determination, award and authorize the Director of Public Works or his designee to execute proposed Job Order Contracts 1920-1922 to the lowest responsive and responsible bidder(s), each contract for a not-to-exceed amount of \$5.1 million and in the form previously approved by County Counsel and to establish the effective date of the contracts upon receipt by Public Works of acceptable performance and payment bonds and evidence of required contractor insurance.

10. With respect to the Best Value Job Order Contracts 1920BV-1922BV or Job Order Contracts 1920-1922, delegate authority to the Director of Public Works or his designee to issue work orders for projects that are not subject to the State Public Contract Code, including maintenance work, as applicable, in an amount not to exceed the maximum contract amount of the Job Order Contract, subject to the limitation that the aggregate amount of all work orders issued under a particular Job Order Contract does not exceed the maximum contract amount upon receipt of funding authorization from the Chief Executive Office or the appropriate funding source and subject to compliance with the California Environmental Quality Act.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will approve the six prequalified contractors for the Best Value Job Order Contracts (JOCs); find that Best Value Construction for each of JOCs 1920BV-1922BV will result in reduced costs and expedited completion of work performed under these contracts; delegate authority to Public Works to make a determination that a bid is nonresponsive and to reject a bid on that basis; to award and execute the Best Value JOCs 1920BV-1922BV in the form previously approved by County Counsel; to execute supplemental agreements with each contractor to extend each of the Best Value JOCs 1920BV-1922BV; issue work orders in an amount not to exceed the maximum contract amount of the JOC; award and execute low-bid JOCs 1920-1922 on the basis of lowest bid price, if the solicitation for the Best Value JOCs results in the submission of fewer than three responsive bids to the County for evaluation; and to find that the recommended actions in this Board letter are not projects pursuant to the California Environmental Quality Act.

The State Legislature passed Senate Bill 793, which amended Public Contract Code (PCC) Section 20155 et seq, authorizing counties to pilot the use of best value construction contracting method to award the Best Value JOCs. Los Angeles is one of eight counties participating in the pilot program. Pursuant to PCC Section 20155 et. seq., the Best Value JOC provides the County the ability to procure individual annual contracts, which shall not exceed \$3.1 million, adjusted to reflect the percentage change in the California Consumer Price Index from 2018, for repair, remodeling, or other repetitive work to be done according to unit prices. These contracts may be extended for two subsequent annual terms for an annual sum not to exceed \$3.1 million, for each term, which will be adjusted annually to reflect the percentage change in the California Price Index, for an aggregate maximum contract term of three years. Unspent funds from year two may be carried over to year three.

The use of Best Value JOCs will allow projects to be completed in a more expeditious and cost-effective manner. The Best Value JOCs will require contractors to use a skilled and trained labor force, which the use of experienced skilled workers will allow work to be performed more efficiently and with a higher degree of quality than using an unskilled and untrained labor force. In addition, the executed Best Value JOCs will have the ability be extended for two additional years at \$3.1 million each year (plus Consumer Price Index adjustment). Also, the Best Value JOC contractors will be selected based on their qualifications and experience in performing work under similar JOC contracts.

Public Works is recommending procurement of three Best Value JOCs to ensure that adequate Best Value JOC capacity is available on a continuous basis to support delivery of projects at various locations throughout the County.

The JOC Unit Price Book and Specifications adopted by the Board on June 18, 2019, will be utilized

to deliver projects under the Best Value JOCs 1920BV-1922BV or JOCs 1920-1922.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Strategy II.1, Drive Economic and Workforce Development in the County and Objective II.1.2, Support Small Business and Social Enterprises; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability and Objective III.3.2, Manage and Maximize County Assets. The recommended actions improve the economic and social well-being of our communities while maximizing and leveraging resources.

FISCAL IMPACT/FINANCING

Projects anticipated to be performed under the Best Value JOCs or JOCs, including repair, remodeling, and other repetitive work will be funded by the appropriate Capital Projects budgets. No work will be assigned to the Best Value JOCs or JOCs without the appropriate funding.

Expenditures for the subject services incurred by Public Works' Internal Service Fund-Capital Project Management Program will be reimbursed through approved individual project budgets.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Bid documents will contain terms and conditions in compliance with the Board's ordinances, policies, and programs.

Contractors will be selected upon final analysis and consideration without regard to race, creed, color, or gender.

The Best Value JOCs and JOCs are subject to the Board Policy 5.270, Countywide Local and Targeted Worker Hiring.

ENVIRONMENTAL DOCUMENTATION

The approval of the Best Value JOCs 1920BV-1922BV or JOCs 1920-1922 and the other recommended actions is not a project under the California Environmental Quality Act (CEQA) because they are excluded from the definition of a project under Section 21065 of the California Public Resources Code and Section 15378(b)(5) of the State CEQA Guidelines because the actions are administrative actions of governments that will not result in direct or indirect physical changes to the environment. Public Works anticipates that some of the proposed work under the JOCs will meet the requirements for exemption from CEQA because the work is anticipated to consist of general refurbishment, replacement/upgrade of amenities, and deferred maintenance at existing facilities. However, as each project under the JOCs is proposed, in the event that the proposed work is not determined to be exempt under CEQA or is not consistent with the authority delegated through this action, Public Works will ensure that project approval recommendations, as well as any necessary CEQA documentation and findings are recommended to the Board prior to issuance of the work orders.

CONTRACTING PROCESS

In accordance with the Board best value policy, on February 19, 2019, Public Works issued a Request for Statement of Qualifications (RFSQ) for contractors to submit a Statement of Qualifications (SOQ) demonstrating their experience, licensing, payment and performance capacity, liability insurance, safety record, and commitment to use a skilled and trained workforce in order to be placed on a list of contractors qualified to submit bids for future Best Value JOCs. The RFSQ was listed on the County's "Doing Business with Us" website; Public Works "Do Business With Public Works" website; and Twitter. Also, Public Works informed over 1,300 Local Small Business Enterprises about this business opportunity. Eighteen firms registered on the Public Works website for the RFSQ.

A total of seven SOQs were received on March 5, 2019. The evaluation committee found that six general contractors met the established prequalification criteria. The official list was posted publicly and no protest was received from the one nonqualifying contractor.

The following prequalified contractors are recommended to be invited to submit Best Value JOCs bid proposals: Access Pacific, Inc.; Angeles Contractor, Inc.; Bitech Construction Co., Inc.; Brown & Root Industrial Services, LLC; MTM Construction, Inc.; and New Creation Builders.

As set forth in the policy, the solicitation for the Best Value JOCs shall be advertised per the Instruction Sheet for Publishing Legal Advertisement (Enclosure A) in accordance with PCC, Section 20125, and only the prequalified contractors may submit bid proposals to the County for evaluation.

The Best Value JOC bid will be evaluated in accordance with the advertised selection criteria published in the Request for Bids (RFB). Bidders will be required to submit cost adjustment factors that will be applied to the unit prices as published in the January 2019 JOC Unit Price Book and Specifications. This book and specifications will be made available to bidders and is on file in the Business Relations and Contracts Division of Public Works.

The request for Best Value JOCs bids contains the required criteria to ensure the selections are conducted in a fair and impartial manner as required by PCC, Section 20155 et seq. The County has formed a committee to evaluate the bid proposals submitted and scoring shall be given for meeting the specificities in the published RFB.

Pursuant to the PCC, the County is required to publicly announce its award identifying the best value contractor to which the award is made, the particular JOC contract, the JOC contract amount, and the selected and nonselected best value contractor's score based on the evaluation criteria listed in the RFB.

Upon notice of intent to award specifying the best value bidder for each the Best Value JOCs, the construction contracts will be awarded, in the form previously reviewed and approved by County Counsel.

It is recommended for the Board to authorize Public Works to award and execute construction contracts upon determination of the best value bidder for each JOC.

It is further recommended that the Board authorize Public Works to publicly announce the award of the Best Value JOCs 1920BV-1922BV, along with a written decision supporting the award of the JOCs.

PCC, Section 20155.5, states that the County shall not award a best value contract if the solicitation for bids results in the submission of fewer than three responsive bids to the County for evaluation. Accordingly, it is recommended that the Board authorize Public Works to award JOCs 1920-1922 on the basis of lowest bid if the solicitation for the Best Value JOCs yields fewer than three responsive bids.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of the Best Value JOCs will expedite the completion of repair, remodeling, or other repetitive work at various facilities throughout the County. Minor impacts to tenants may occur while repair, remodeling, or other repetitive work is underway.

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Business Relations and Contracts Division.

Respectfully submitted,



MARK PESTRELLA

Director

MP:JQ:ss

Enclosures

c: Chief Executive Office
County Counsel
Executive Office

November 19, 2019

**CONSTRUCTION CONTRACT
PUBLIC BUILDING CORE SERVICES AREA
AWARD AND ADVERTISE BEST VALUE JOB ORDER CONTRACTS
FOR REPAIR, REMODELING, OR OTHER REPETITIVE WORK OF
VARIOUS COUNTY FACILITES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

PUBLISHING LEGAL ADVERTISEMENTS: In accordance with the State of California Public Contract Code Section 20125, you may publish once a week for two weeks in a weekly newspaper or ten times in a daily newspaper. Forward three reprints of this advertisement to Business Relations and Contracts Division, Public Works, 900 South Fremont Avenue, 8th Floor, Alhambra, CA 91803-1331.

**OFFICIAL NOTICE
INVITING BIDS**

Notice is hereby given that the Director of Public Works will receive sealed bids for materials, labor, and equipment required to complete construction for the following project:

<u>SD</u>	<u>SPECS</u>	<u>PROJECT</u>	<u>DATE OF BID OPENING</u>
All	N/A	Best Value JOC 1920BV Best Value JOC 1921BV Best Value JOC 1922BV JOC 1920 JOC 1921 JOC 1922	January 16, 2020

Copies of bid documents may be downloaded for free from the Public Works website <http://pw.lacounty.gov/go/constructioncontracts>. For bid information, please call Mr. Matt Jerge of Business Relations and Contracts Division at (626) 458-2593. Each bid shall be submitted on the required form, sealed, and filed at the Cashier's office no later than 9:30 a.m. on January 16, 2020. Bids will be publicly opened, examined, and declared by Public Works at 10 a.m. on this date in Business Relations and Contracts Division, Conference Room A, 8th Floor, at 900 South Fremont Avenue, Alhambra, California 91803.

Bids must conform to the drawings and project manual and all bidding requirements. This project requires the prime contractor to possess a valid California General contractor's license and all licenses needed to complete the work (this may be possessed by a subcontractor to the general) at the time of bid submittal. The contractor should verify to his/her satisfaction that he/she holds the correct license for the project. The contractor and all of its subcontractors of any tier shall be required to pay prevailing

wages to all workers employed in the execution of the work of improvement in accordance with the Labor Code Section 1770 et seq. Copies of prevailing rate of per diem wages are on file at the Public Works' Business Relations and Contracts Division, which shall be made available to any interested party upon request.

PRE-BID CONFERENCE

Public Works will hold a mandatory prebid conference on Tuesday, December 17, 2019, at 10 a.m., at Public Works Headquarters Building, Conference Room B, 900 South Fremont Avenue, Alhambra, California 91803, to provide information on the project, bidding process, and answer any questions that the potential bidders may have.

For further directions, please contact Mr. Jerge with the Public Works, Business Relations and Contracts Division, at (626) 458-2593 or mjerge@pw.lacounty.gov.

The County supports and encourages equal opportunity contracting. The contractor shall make good faith efforts, as defined in Section 2000 of the Public Contract Code, to contract with Community Business Enterprises.

The Board of Supervisors reserves the right to reject any or all bids or to waive technical or inconsequential errors and discrepancies in bids submitted in the public's interest.

Americans with Disabilities Act (ADA) Information



Individuals requiring reasonable accessibility accommodations may request written materials in alternate formats, physical accessibility accommodations, sign language interpreters, or other reasonable accommodations by contacting our departmental Americans with Disabilities Act Coordinator at (626) 458-4081, from 7:30 a.m. to 5 p.m., Monday through Thursday (excluding holidays). Persons who are deaf or hard of hearing may make contact by first dialing the California Relay Service at 7-1-1. Requests should be made at least one week in advance to ensure availability. When making a reasonable accommodation request, please reference BRC-2.

Información sobre la Ley de Estadounidenses con Discapacidades (ADA)



Individuos que requieran acomodamiento razonable pueden solicitar materiales escritos en formatos alternativos, acomodamiento físico, intérpretes en lenguaje de señas Americano ú otros acomodamientos razonables comunicándose con nuestro Coordinador Departamental de la Ley de Estadounidenses con Discapacidades al (626) 458-4081, de 7:30 a.m. a 5 p.m., lunes a jueves (excluyendo días festivos). Personas con problemas auditivos pueden comunicarse primer marcando al Servicio de Difusión de California al 7-1-1. Solicitudes pueden hacerse por lo menos una semana antes para asegurar disponibilidad. Cuándo se haga una petición razonable para acomodo, por favor mencione BRC-2.

By order of the Board of Supervisors of the County of Los Angeles, State of California, dated November 19, 2019.

CELIA ZAVALA, EXECUTIVE OFFICER
OF THE BOARD OF SUPERVISORS OF
THE COUNTY OF LOS ANGELES