



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

December 11, 2007

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

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: AWARD OF PUBLIC WORKS
CONSTRUCTION CONTRACT
MARINA DEL REY REHABILITATION OF SANITARY SEWERS
UNINCORPORATED COMMUNITY OF MARINA DEL REY
(SUPERVISORIAL DISTRICT 4)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Director of Public Works or his designee to prepare the construction contract in the form previously approved by County Counsel, execute the contract, and establish the effective date following receipt of approved Faithful Performance and Labor and Material bonds filed by the contractor for the following:

- Project ID No. SMDMDR0009 - Marina Del Rey Rehabilitation of Sanitary Sewers, cleaning, lining, and video inspection of existing sanitary sewers, unincorporated community of Marina del Rey (4), to RePipe-California, Inc., in amount of \$1,064,010.00.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to obtain your Board's approval to award this construction contract and authorize the Director of Public Works or his designee to execute the contract and establish the effective contract date following receipt of approved bonds and insurance filed by the contractor for this project.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The attachment includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also attached including addenda to the contract specifications for this project.

The recommended construction contract is necessary to execute Board-directed and approved Department of Public Works projects in support of operational missions. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1) and Community Services (Goal 6). Awarding this contract will provide improved infrastructure to better serve the public and will enhance the quality of life in the affected community.

FISCAL IMPACT/FINANCING

The recommended contract amount of \$1,064,010.00 will have no impact to the County General Fund.

The attachment includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received.

This project is included in the Accumulative Outlay Fund of the Fiscal Year 2007-08 Consolidated Sewer Maintenance District Budget. The attachment includes more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Recommended contract awards are to the lowest responsible bidders in accordance with the California Public Contract Code and your Board's directives.

On October 27, 1981, your Board adopted a program for the use of small Minority and Women-owned Businesses (MWBES) on Federal- and State-funded highway construction contracts. Companies meeting these requirements are certified by the State as Disadvantaged Business Enterprises (DBEs). Contracts are recommended for award to the lowest responsible bidder who meets the goal or documents a good faith effort to do so in conformance with the program.

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The Department of Public Works has also developed an outreach program to encourage all qualified contractors to participate in the bidding and contracting process on their projects. Under this program, notices of upcoming bids are placed in local and minority newspapers throughout the County. These notices indicate that copies of plans and specifications are available at specified libraries and the Department of Public Works. This allows interested contractors to view the plans and specifications at convenient locations. They also provide telephone numbers (including one for Spanish-speaking contractors) to obtain further information on bidding and subcontracting opportunities.

To further increase contractor awareness of contracting opportunities with the Department of Public Works, each of these projects was listed on the County website for upcoming bids.

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.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

The contract will be in the form previously approved by County Counsel. The Department of Public Works will also review and approve the faithful performance and payment bonds filed by the contractor.

ENVIRONMENTAL DOCUMENTATION

This project was found to be categorically exempt from the provisions of the California Environmental Quality Act at the time your Board called for bids. The specifics of these findings are included in the attachment.

CONTRACTING PROCESS

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

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

The Department of Public Works has confirmed that the respective contractor is in compliance with the County's Child Support Compliance Program and the requirements of the Contractor Employee Jury Service Program. In addition, the contracts will include language requiring compliance with the Newborn Abandonment Law (Safely Surrendered Baby Law).

The project specifications also contain a provision that, should the contractor require additional or replacement personnel to fill employment openings, consideration shall be given to hiring qualified participants in the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs.

To ensure that the contract is awarded to a responsible contractor with a satisfactory performance history, bidders are required to report False Claims Act violations, labor law/payroll violations, debarments, their civil litigation history, and information regarding prior criminal convictions. The information reported by the contractor was considered before making this recommendation to approve execution of the contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the community where the work is scheduled.

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CONCLUSION

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

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DLW
JTS:ss

Attachment

c: County Counsel
Office of Affirmative Action Compliance

AWARD OF CONTRACT
December 11, 2007

PROJECT ID NO. SMDMDR0009 - MARINA DEL REY REHABILITATION OF SANITARY SEWERS (in the unincorporated community of Marina del Rey),
Supervisorial District 4

TYPE OF WORK: Cleaning, lining, and video inspection of existing 8-, 10-, 12-, 15-, and 18-inch sanitary sewers.

CALL FOR BIDS: September 11, 2007 (Agenda Item 30)

BID OPENING: October 23, 2007

BID SUMMARY:

Low	RePipe-California, Inc., a corporation 5525 East Gibraltar Street Ontario, California 91764 (909) 291-4050	\$1,064,010.00
2	Southwest Pipeline and Trenchless Corp.	\$1,075,038.00
3	Wesco Infrastructure Technologies, L. P.	\$1,305,712.00

FINANCIAL INFORMATION:

Amount of estimate	\$ 793,946.00
Amount of recommended contract	\$1,064,010.00
Amount of recommended contract above estimate	\$ 270,064.00

The amount of the recommended contract is 34 percent above the estimate, which was based on recent average contract prices for similar items of work. A review of the estimate reveals it did not account for an increase in costs to seal the sewer laterals. While the bid price is higher than the estimate, the bids are competitive, and we do not believe re-advertising the project will result in lower bids. Therefore, we recommend award of the contract to the low bidder.

Sufficient funds to cover the cost of this project are included in the Accumulative Outlay Fund of the Fiscal Year 2007-08 Consolidated Sewer Maintenance District Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

RePipe-California, Inc., has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

On May 8, 2007, Agenda Item 47, your Board found this project categorically exempt.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 70 working days. It is estimated the work will start in February and be completed in May 2008.

JAP:ss