



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

GAIL FARBER, Director

September 04, 2012

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

38 **September 4, 2012**

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**AWARD OF CONTRACT FOR
WATER TREATMENT MAINTENANCE SERVICES FOR THE COOLING TOWERS AND
HEATING, VENTILATION, AND AIR CONDITIONING SYSTEMS
AT PUBLIC WORKS HEADQUARTERS COMPLEX
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to award a contract for Water Treatment Maintenance Services for the Cooling Towers and Heating, Ventilation, and Air Conditioning Systems at Public Works Headquarters Complex in the City of Alhambra.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act.
2. Award the contract for Water Treatment Maintenance Services for the Cooling Towers and Heating, Ventilation, and Air Conditioning Systems at Public Works Headquarters Complex to WETCO, Inc., for the initial annual contract amount of \$31,549 consisting of maintenance and a one-time purchase and installation of pretreatment equipment; and an annual contract amount of \$23,000 for subsequent option years, if any, for maintenance services with four 1-year renewal options and a month-to-month extension for up to six months for a maximum potential term of 66 months and a potential maximum contract sum of \$135,049, commencing on September 20, 2012, or execution by both parties, whichever occurs last.
3. Authorize the Director of Public Works or her designee to annually increase the contract amount

up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required.

4. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option and extension period if, in the opinion of the Director of Public Works or her designee, WETCO, Inc., has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to award a contract for the Water Treatment Maintenance Services for the Cooling Towers and Heating, Ventilation, and Air Conditioning (HVAC) Systems at Public Works Headquarters Complex. The work to be performed will consist of a one-time purchase and installation of pretreatment equipment for the Annex building and monthly maintenance, repairs, monitoring, and adjustments for the Headquarters and Annex buildings' HVAC and water treatment systems and as-needed repair services.

The Department of Public Works (Public Works) has contracted for these services since 1999.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1), Fiscal Sustainability (Goal 2), and Integrated Services Delivery (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The contract initial term is for an annual contract amount of \$31,549 plus 10 percent for unforeseen, additional work within the scope of the contract. This amount consists of a one-time purchase and installation of pretreatment equipment at the Annex building's cooling tower at a cost of \$8,549 and \$23,000 for annual maintenance services. The subsequent renewal option years will be for an annual contract amount of \$23,000 plus 10 percent for unforeseen, additional work within the scope of the contract. This amount is based on unit rates quoted by the contractor.

Public Works successfully negotiated with the contractor to reduce their monthly maintenance unit rate from \$1,900 to \$1,500 for an estimated annual savings of \$4,800 without adding extension years or reducing service.

Funding for these services are included in the Fiscal Year 2012-13 Internal Service Fund Budget, which will be reimbursed by the Flood Control District Fund Budget. Funds to finance the contract's optional years and 10 percent additional funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractor is WETCO, Inc., located in Mission Viejo, California. This contract will commence on September 20, 2012, or execution by both parties, whichever occurs last, for a period of one year. With your Board's delegated authority, the Director of Public Works (Director) or her designee may renew the contract for four 1-year renewal options and a month-to-month extension for up to six months for a maximum potential contract period of 66 months.

The contract will be in the form substantially similar to the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract with WETCO, Inc., 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 requirements of the Chief Executive Officer and your Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposer's minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for this contracted service was submitted on May 16, 2012, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on an as-needed and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

This contract does not allow for a cost-of-living adjustment for the optional years.

ENVIRONMENTAL DOCUMENTATION

These services are categorically exempt from the provisions of the California Environmental Quality Act (CEQA). These services are within a class of projects that has been determined not to have a

significant effect on the environment in that they meet the criteria set forth in Section 15301 of CEQA.

CONTRACTING PROCESS

On May 16, 2012, Public Works solicited proposals from 127 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's "Doing Business with Us" website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On May 29, 2012, one proposal was received. The proposal was first reviewed to ensure it met the minimum requirements in the RFP. The proposal having met these requirements was then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, work plan, and references utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the apparent responsive and responsible proposer, WETCO, Inc. Public Works determined the contractor's price to be reasonable for the work requested.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this contract will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

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

Respectfully submitted,



GAIL FARBER
Director

GF:GZ:cg

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office

SAMPLE AGREEMENT FORWATER TREATMENT MAINTENANCE SERVICES FOR THE COOLING TOWERS
AND HEATING, VENTILATION, AND AIR CONDITIONING SYSTEMS AT
PUBLIC WORKS HEADQUARTERS COMPLEX (2012-AN010)

THIS AGREEMENT, made and entered into this ____ day of _____, 2012, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and WETCO, INC., a California Corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on June 11, 2012, hereby agrees to provide services as described in this Contract for Water Treatment Maintenance Services for the Cooling Towers and Heating, Ventilation, and Air Conditioning Systems at Public Works Headquarters Complex (2012-AN010).

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Defaulted Property Tax Reduction Program; Exhibit F, Equipment Plan; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2.1, an amount not to exceed the total annual sum of \$31,549 for the initial contract term, consisting of maintenance and one-time purchase and installation of pretreatment equipment and annual contract amount of \$23,000 for subsequent option years, if any, for maintenance services, or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of one year commencing on September 20, 2012, or upon execution by both parties, whichever occurs last, for a term of one year with four 1-year renewal options for a maximum potential contract term of five years. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, for a maximum potential contract of five years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of extending the Contract for the full one year, this Contract may be extended on a month-to-month basis, upon written notice to the CONTRACTOR at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not

provide a written notice of nonrenewal. In addition, upon notice of at least ten days, the Director may extend the final contract term on a month-to-month basis, not to exceed a total of six months, for the convenience of the COUNTY.

FIFTH: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the unit rates quoted in Form PW-2.1, Schedule of Prices.

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works
Attention Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

SEVENTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

EIGHTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: No cost-of-living adjustments shall be granted for the optional renewal periods.

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IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By _____
Deputy

WETCO, INC.

By _____
Its President

Type or Print Name

By _____
Its Secretary

Type or Print Name

Award information has not been added at this time.

Bid Information

Bid Number : PW-ASD859

Bid Title : WATER TREATMENT MAINTENANCE SERVICES FOR THE COOLING TOWERS, HEATING, VENTILATION, AND AIR CONDITIONING SYSTEMS AT PUBLIC WORKS HEADQUARTERS COMPLEX

Bid Type : Service

Department : Public Works

Commodity : COOLING TOWER WATER TREATMENT: NON-CHEMICAL OZONE, CENTRIFUGAL SEPARATORS, MAGNETIC DESCALING EQUIP. (SEE CLASS 885 FOR CHEMICAL TYPES)

Open Date : 5/16/2012

Closing Date : 5/29/2012 2:00 PM

Notice of Intent to Award : [View Detail](#)

Bid Amount : \$ 75,000

Bid Download : Not Available

Bid Description : PLEASE TAKE NOTICE that Public Works requests proposals for the contract for Water Treatment Maintenance Services for the Cooling Towers, Heating, Ventilation, and Air Conditioning (HVAC) Systems at Public Works Headquarters Complex (2012-AN010). The total annual contract amount of this service is estimated to be \$75,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Mr. Scott Pham at (626) 458 4069 or spham@dpw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://dpw.lacounty.gov/asd/contracts>.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document at the time of proposal submission including, but not limited to:

1. Proposer must have three years of experience performing and providing work similar to the services requested in the Scope of Work, Exhibit A.
2. The use of subcontractors is prohibited for this service.

A Proposers' Conference will be held on Tuesday, May 29, 2012, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room D. A walk-through will be conducted after the conference. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE AND WALK THROUGH IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference and walk through cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within three business days from the date of the conference. After the seventh day, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Monday, June 11, 2012, at 5:30 p.m. Please direct your questions to Mr. Scott Pham at the number listed below.

Contact Name : Scott Pham

Contact Phone# : (626) 458-4069

Contact Email : spham@dpw.lacounty.gov

Last Changed On : 5/17/2012 7:32:16 AM

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