



GAIL FARBER, 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

<http://dpw.lacounty.gov>

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

July 08, 2014

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

20 July 8, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**REJECT BIDS AND ADOPT, ADVERTISE, AND AWARD
PAVEMENT PRESERVATION (SEAL COATS), SOUTH LOS ANGELES COUNTY
JOB ORDER CONTRACT NO. 1302
FOR SEAL COATING OF STREETS AND HIGHWAYS
IN VARIOUS UNINCORPORATED COMMUNITIES
ALL SUPERVISORIAL DISTRICTS
(3 VOTES)**

SUBJECT

This action is to reject all bids received on June 3, 2014, for Pavement Preservation (Seal Coats), South Los Angeles County, Job Order Contract No. 1302, for seal coating of streets and highways in various unincorporated communities; adopt the revised specifications; and authorize the Director of Public Works or her designee to award and execute a job order contract with the apparent responsible contractor with the lowest responsive bid.

IT IS RECOMMENDED THAT THE BOARD:

1. Reject all bids received on June 3, 2014, for Pavement Preservation (Seal Coats), South Los Angeles County, Job Order Contract No. 1302, in various unincorporated communities.
2. Adopt the revised specifications for Pavement Preservation (Seal Coats), South Los Angeles County, in various unincorporated communities, for work involving maintenance, repair, and refurbishment of Department of Public Works' infrastructure for an amount not to exceed \$4,300,000.
3. Instruct the Executive Officer of the Board of Supervisors to advertise for bids to be received before 11 a.m. on July 29, 2014, in accordance with the Instruction Sheet for Publishing Legal Advertisement and with the Notice Inviting Bids.

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OF JUL 8 2014

BIDS: July 29, 2014 at 11:00 a.m.

4. Authorize the Director of Public Works or her designee to determine whether the bid of the apparent responsible contractor with the lowest apparent responsive bid is, in fact, responsive and, if not responsive, to determine which apparent responsible contractor submitted the lowest responsive bid.
5. Authorize the Director of Public Works or her designee to award the Job Order Contract for work involving maintenance, repair, and refurbishment of Department of Public Works' infrastructure for an amount not to exceed \$4,300,000 to the apparent responsible contractor with the lowest responsive bid.
6. Authorize the Director of Public Works or her designee to award and execute the Job Order Contract in the form previously approved by County Counsel and to establish the effective date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor.
7. Authorize the Director of Public Works or her designee to issue work orders to the selected contractor for an amount not to exceed \$4,300,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to reject all bids received on June 3, 2014, and readvertise and award this Job Order Contract (JOC) for providing contract forces to augment the Department of Public Works' ability to perform roadway seal coating.

The JOC is a flexible, cost-effective unit price contracting method to accomplish maintenance, repair, and refurbishment of County facilities and infrastructure without extensive plans and specifications. The State Public Contract Code allows JOCs to be valid for one year. Public Works will implement the Board-approved Local Worker JOC Program. The proposed JOC will be used for repair, refurbishment, or other repetitive work of existing highways. Pursuant to Section 20128.5 of the State Public Contract Code, the use of JOCs for new highways is precluded.

This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs while meeting State and County procurement requirements. This JOC will be publicly advertised for bids and awarded to the apparent responsible contractor with the lowest responsive bid in accordance with the State Public Contract Code.

We recommend that the Board authorize the Director of Public Works or her designee to award the JOC and issue work orders for a total cumulative amount not to exceed \$4,300,000, following bid review and determination of the apparent responsible contractor with the lowest responsive bid.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by increasing our ability to manage fluctuations in workload in a responsive manner and provide responsive, efficient, and high-quality public service.

FISCAL IMPACT/FINANCING

Maintenance, repair, and refurbishment work may be ordered for and subsequently funded by

various Public Works administered funds. The largest expenditures are anticipated to be derived from the Road Fund. Expenditures from the General Fund, if any, will be included in the General Fund Budget for that fiscal year. Sufficient funds for each JOC work order will be made available in the appropriate fund prior to authorizing the work.

Public Works will work with the Chief Executive Office (CEO) to quantify any administrative costs attributable to the Local Worker JOC Program.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The readvertisement of this contract will be in the form previously reviewed and approved by County Counsel. The recommended contract, JOC No. 1302, will be solicited on an open-competitive basis and in accordance with applicable State and County requirements. The contractor will be in compliance with the requirements of the CEO and the Board.

On April 9, 2013, the Board adopted JOC Nos. 1301 through 1311 and authorized the Director or her designee to advertise for bids to be received.

On May 6, 2014, Public Works advertised JOC No. 1302 for the Pavement Preservation (Seal Coats), South Los Angeles County. Two bids were received on June 3, 2014. The apparent low bidder was All American Asphalt (AAA), and the second bidder was Pavement Coatings Company (PCC).

On June 4, 2014, PCC submitted a formal bid protest contending that AAA is unable to meet the bidder qualifications as stipulated in the project specifications, which require bidders to own specialized construction equipment and self perform at least 90 percent of the work. AAA acknowledged that it does not own the required equipment and will have to rely on subcontractors to perform some of the work. AAA also indicated that the self-performance requirement is too restrictive, and the two major items of work are rarely performed by the same contractor.

Further review of the project specifications revealed that the bidder qualifications are restrictive and revisions could be applied to make them more inclusive and inviting to potential bidders. Revising the bidder self-performance requirements and readvertising this JOC will likely result in the receipt of more competitive bids and is in the County's best interest. The Instructions to Bidders included in the bid documents provide for the rejection of all bids by the Board if such action is in the best interest of the County.

The award of this contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The project specifications contain provisions requiring the contractor to comply with terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County 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; the Los Angeles County's 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.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by demonstrating the attributes of trustworthiness, quality, fitness, capacity, experience to satisfactorily perform the work required under the bid solicitation.

To ensure that each contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by the contractor will be considered before making a recommendation to award.

The Unit Price Book and Specifications include the contractual provisions, methods, and material requirements necessary for this JOC and are on file with Public Works.

Local Worker Hiring JOC Program

Monitoring of the Local Worker JOC Program will be provided by Public Works' contract administration staff based on review of the JOC worksite and individual labor hours in the local area to determine a percentage of hours worked by each of the specific work orders. The contractor will provide certified payroll records for labor forces. These records will be monitored by work order, hours worked, and zip code of the workers to establish the percentage of total work performed by local forces. Public Works will report the results of the Local Worker JOC Program to the Board each year as part of its annual resolicitation for JOC contractors.

ENVIRONMENTAL DOCUMENTATION

On April 30, 2013, the Board found the project categorically exempt from the California Environmental Quality Act (CEQA) because the project consists of maintenance, repair, and refurbishment of roadways that will not have a significant impact on the environment. There have been no changes to the project since the Board found it to be exempt.

The implementation of each work order under this JOC will be subject to prior determination and documentation by Public Works that the work is exempt from CEQA. The type of work to be performed under this JOC is generally anticipated to be exempt under Section 15301, Class 1, of the California CEQA Guidelines as well as Class 1 of the County Environmental Document Reporting Procedures, since it involves maintenance, repair, and refurbishment of roadways. In the event the work under the work orders is not exempt, the Board will be requested to approve the appropriate environmental finding and documentation prior to implementation of work.

CONTRACTING PROCESS

This contract will be contracted on an open-competitive bid basis. A recommendation for award of this JOC by the Director or her designee will be made upon review of the bids meeting the criteria

established by the Board and the State Public Contract Code.

To increase contractor awareness of Public Works' program to contract work out to the private sector, this contract will be listed on the County website for upcoming bids.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of this contract will expedite the completion of maintenance, repair, and refurbishment of County roads. Minor impacts to adjacent residents, businesses, and motorists may occur while maintenance, repair, and refurbishment work on County roads is underway.

CONCLUSION

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

Respectfully submitted,



GAIL FARBER

Director

GF:JTS:vr

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office
Internal Services Department (Countywide
Contract Compliance)