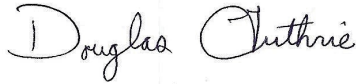


Report of the President & CEO

September 24, 2020

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE
A CONTRACT WITH BEST CONTRACTING SERVICES, INC. FOR THE RE-ROOFING OF
SEVEN (7) BUILDINGS AT THE PUEBLO DEL RIO PUBLIC HOUSING DEVELOPMENT
PURSUANT TO INVITATION FOR BID NO. HA-2020-117 FOR A
TOTAL AMOUNT NOT-TO-EXCEED \$521,200**



Douglas Guthrie
President and Chief Executive Officer



Marisela Ocampo
Director of Housing Management

Purpose: To perform the re-roofing of seven (7) buildings located at the Pueblo Del Rio public housing development due to the poor condition of the existing roofs.

Issues: The Housing Authority of the City of Los Angeles (“Housing Authority”) has determined that the roofs on seven (7) buildings located at the Pueblo Del Rio public housing development require complete removal and replacement due to age and current dilapidated condition. Routine maintenance consisting of patch repairs are no longer a viable solution, as there are numerous areas of the roofs that require more than temporary fixes. The contractor recommended for award (“Contractor”) will perform demolition and related abatement work before installing the new roof system. The Housing Authority will provide the Contractor with the bulk of the project materials, which the Housing Authority will purchase from The Garland Company under a separate contract as a cost-saving measure.

Procurement:

On August 20, 2020, the Housing Authority issued an Invitation for Bid (“IFB”) No. HA-2020-117, to solicit bids for the removal and replacement of the roofs of seven (7) buildings located at the Pueblo Del Rio public housing development. The anticipated time for completion of the project is thirty (30) days from receipt of the Housing Authority’s Notice to Proceed.

The IFB was advertised on the City of Los Angeles’ Business Assistance Virtual Network (“LA-BAVN”) website, starting on August 20, 2020 and ending September 8, 2020 (the advertisement deadline for submission), for a total of twenty (20) days. A total of ninety-three (93) vendors viewed the IFB on the LA-BAVN website. Additionally, the IFB notice was emailed to twenty-one (21) vendors from a list provided by Housing Services and from the Housing Authority’s vendor database. Bidders were asked to substantiate having a minimum of five (5) years’ experience performing on projects of similar scope and character. A detailed summary and background information of the procurement is found in Attachment 2 (see Summary of Outreach Activities).

On September 8, 2020, the Housing Authority received and opened a total of four (4) bids. It was determined that Best Contracting Services, Inc. (“Best”) met all the solicitation requirements and submitted the lowest, responsive and responsible bid (see Attachment 2 Summary of Outreach Activities).

Since the differential between Best's lowest bid of \$470,000 and the second lowest bid of \$667,247 is greater than twenty percent (20%), General Services performed a Price Reasonableness Determination and compared Best's lowest bid to the Independent Cost Estimate ("ICE") to ensure Best's price was reasonable (i.e., not unreasonably low). Staff determined that Best's bid price is within 1% of the ICE and therefore price reasonable. The ICE was developed by Housing Services based upon price factors taken from previous roofing projects.

A contract with a maximum term of one-year and a total contract amount not-to-exceed \$521,200 is being recommended. The total contracting amount is comprised of (i) \$470,000 fixed price for the labor and materials, (ii) \$4,200 for permits; and (iii) \$47,000 for contingency, to cover adverse and/or unexpected conditions, including replacement of damaged roof deck and fascia boards, and any necessary minor changes, replacements and repairs.

Vision Plan: PLACE Strategy #1: Stabilize the physical and financial viability of the conventional public housing portfolio

The public housing portfolio has been undergoing modernization and redevelopment efforts in order to sustain and add to the existing housing stock. Most of the fourteen public housing sites were built in the 1940's and 1950's and require numerous capital improvements. The existing roofs at the seven (7) buildings located at Pueblo Del Rio are in need of complete removal and replacement due to age and poor conditions.

PLACE Strategy #9: Manage capital resources and reserves to sustain useful life of existing and new units in the Housing Authority's portfolio

The Housing Authority has to maintain an aging public housing portfolio with limited funding. While the amount of physical needs has grown significantly over the years, the amounts received for improvement and maintenance efforts, other than within the last year, has steadily declined. Managing the limited funds with the goal of keeping the public housing stock at their highest level of usefulness and efficiency is an imperative.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: Capital Funds are the primary funding sources for public housing capital improvement projects.

Budget and Program Impact: This capital expenditure is included in the Housing Authority's 2020 Capital Budget.

Environmental Review:

The action required in the attached resolution to issue a contract to Best for the re-roofing of seven (7) buildings located at Pueblo Del Rio have been reviewed by the Housing Community Investment Department (HCID) and are exempt from CEQA and NEPA requirements.

Section 3 – Economic Opportunities Program:

Best submitted an Economic Opportunity Plan (EOP) in conformity with the requirements of the Housing Authority's Section 3 – Economic Opportunity Program ("Section 3") Guide and Compliance Plan. Under its EOP, Best committed to hire over ten (10) Section 3 residents as roofers and laborers on this project. Moreover, Best will enroll the new hires with Local 36.

ATTACHMENTS:

1. Resolution
2. Summary of Outreach

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A CONTRACT WITH BEST CONTRACTING SERVICES, INC. FOR THE RE-ROOFING OF SEVEN (7) BUILDINGS AT THE PUEBLO DEL RIO PUBLIC HOUSING DEVELOPMENT PURSUANT TO INVITATION FOR BID NO. HA-2020-117 FOR A TOTAL AMOUNT NOT-TO-EXCEED \$521,200

WHEREAS, the Housing Authority of the City of Los Angeles (“Authority”) requires the removal and replacement of seven (7) roofs located at the Pueblo Del Rio public housing development (Pueblo Del Rio);

WHEREAS, the Authority has determined the most effective and feasible manner of obtaining qualified roof removal and replacement services for the Pueblo Del Rio is by contracting for such services;

WHEREAS, on August 20, 2020, the Authority issued an Invitation for Bid (“IFB”) No. HA-2020-117, seeking firm fixed-price bids for the re-roofing of seven (7) buildings located at Pueblo Del Rio;

WHEREAS, following review of all bids received in response to the IFB, as detailed in the Report of the President and CEO of the same date herewith, Best Contracting Services, Inc., submitted the lowest, responsive and responsible bid; and

WHEREAS, the Authority desires to award and enter into a one-year contract, with Best Contracting Services, Inc. to remove and replace the roof of seven (7) buildings located at Pueblo Del Rio.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO, or designee, to execute a contract with Best Contracting Services, Inc., for a maximum term of one-year and a total contract amount not-to-exceed \$521,200, which includes 1) \$470,000 fixed price for the labor and materials, 2) \$4,200 for permits; and 3) \$47,000 for contingency, to cover adverse and/or unexpected conditions, including replacement of damaged roof deck and fascia boards, and any necessary minor changes, replacements and repairs.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:
JAMES JOHNSON

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

BY: _____
GENERAL COUNSEL

BY: _____
CHAIRPERSON BEN BESLEY

DATE ADOPTED: _____

Summary of Outreach

IFB No. HA-2020-117 RE-ROOFING OF SEVEN (7) BUILDINGS AT PUEBLO DEL RIO

A. Funding Source

Federal Non-Federal Mixed Funding

B. Advertisement; Minority/Women Outreach

General Services advertised the Invitation For Bid (“IFB”) on the City of Los Angeles’ Business Assistance Virtual Network (LA-BAVN) website starting on August 20, 2020, until the submission deadline on September 8, 2020, for a total of 20 days. A total of ninety-three (93) vendors viewed the IFB on the LA-BAVN website. Additionally, the IFB notice was emailed to twenty-one (21) vendors from a list provided by Housing Services and from our vendor database.

In support of HACLA’s policy to contract with Minority Business Enterprises (MBEs), Women’s Business Enterprises (WBEs) and Labor Surplus Area (LSAs) businesses for the delivery of goods and services to the extent possible, on August 21, 2020, notice of this IFB was also provided to the List of Recognized Minority- and Women-owned Business Organizations maintained by the Authority, and to the local office of the U.S. Small Business Administration (SBA).

C. Pre-Bid Conference (COVID-19 Measures)

A pre-bid conference was not held due to COVID-19 restrictions. However, HACLA conducted job-walk sessions to enable bidders the opportunity to visit the site at their discretion.

D. Pre-Bid Site Visits

On August 25, 2020, a pre-bid site visit was held. A total of twenty-two (22) firms attended the site visit.

E. Job-Walk (COVID-19 Mitigation Measures)

Based on the responses of interested firms who sought to attend an optional job-walk, three sessions were scheduled on August 25, 2020. To comply with COVID-19 restrictions, each session allowed for a maximum of 10 participants.

- Session 1 was at 9:00 a.m. to 10:00 a.m. and had 9 participants
- Session 2 was at 11:00 a.m. to 12:00 p.m. and had 7 participants
- Session 3 was held at 1:00 p.m. to 2:00 p.m. and had 6 participants

F. Addenda

On August 31, 2020, Addenda No. 1 was posted on LA-BAVN.

G. Receipt of Bids

Bids were due by 2:00 p.m. on September 8, 2020. The following four (4) bids were received by the deadline:

Company Name	Total Bid Price
1. Best Contracting Services, Inc.	\$470,000
2. Danny Letner, Inc.	\$667,247
3. Commercial Roofing Systems, Inc.	\$667,412
4. Chapman Coast Roof Co., Inc.	\$772,195

A fifth bid was submitted prior to the submittal deadline, via FedEx, by Western States Roofing (“Western”). Per Western, their bid amount was \$501,412.80. The Housing Authority, however, was unable to locate the submitted bid. After thoroughly investigating the matter, it was confirmed that the FedEx tracker, along with the security cameras footage displaying the FedEx employee delivering a package to the Housing Authority headquarters, corroborates with the information provided and affirms that Western submitted a bid for the subject IFB prior to submittal deadline. Therefore, on September 14, 2020, the Housing Authority granted Western the opportunity to re-submit their bid no later than noon, September 15, 2020. However, perhaps because they were not the lowest bidder, Western declined the opportunity to resubmit their bid and therefore could not be included among those identified above.

H. Review of Bids for Responsiveness and Contractor Responsibility

The Contract Administrator determined that of the four bids received by the submittal deadline two were responsive and all four contractors were responsible.

I. Recommendation for Award

Housing Services recommends Best Contracting Services, Inc. for contract award.

J. Workforce Profile

Best Contracting Services, Inc. submitted a Workforce Profile that revealed the following workforce composition:

Company	Employees
Best Contracting Services, Inc.	Total: 632 549 minorities = 87% 45 women = 7%

**HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
MBE/WBE ORGANIZATIONS MAILING LIST**

1	Asian American Architects and Engineers Association
2	Asian Business Association of Los Angeles
3	Asian Business League of Southern California
4	Asian Pacific Islander Small Business Program
5	Korean American Chamber of Commerce
6	Pacific Asian Consortium in Employment (PACE) Business Center
7	Black Business Association
8	Greater L.A. African American Chamber of Commerce (GLAAACC)
9	Regional Black Chamber of Commerce of San Fernando Valley
10	US Black Chambers
11	Southern California Black Chamber of Commerce
12	National Black Contractors Association
13	Young Black Contractors Association
14	California Hispanic Chamber of Commerce
15	LA Metropolitan Hispanic Chamber of Commerce
16	Latin Business Association (LBA)
17	Los Angeles Latino Chamber of Commerce
18	National Latina Business Women Association (NLBWA-LA)
19	Regional Hispanic Chamber of Commerce
20	American Indian Chamber of Commerce
21	Build Plus Community Marketplace
22	Greater San Fernando Valley Chamber of Commerce
23	Los Angeles Area Chamber of Commerce
24	Los Angeles Minority Business Enterprise Center USC (MBDA)
25	National Association of Minority Contractors
26	National Association of Women Business Owners Los Angeles
27	Pacific Coast Regional Small Business Development Corp (SBDC)
28	Small Business Majority
29	Southern California Minority Supplier Development Council
30	The New Ninth Business Resource Center
31	US Small Business Administration
32	US Veteran Business Alliance
33	Valley Economic Development Center/Women's Business Center
34	Vermont Slauson Economic Development Corporation
35	Vernon Networking Committee
36	City of LA Bonding Program: Merriwether & Williams Insurance Services, Inc