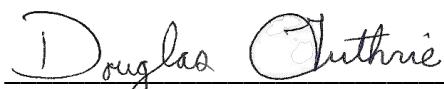


Report of the President & CEO

March 31, 2022

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A ONE-YEAR CONTRACT WITH ENERGY OPTIONS, INC. FOR A TOTAL CONTRACT AMOUNT OF \$348,545, FOR THE REPLACEMENT OF THE 350 TON COOLING TOWER AT 2600 WILSHIRE BLVD., LOS ANGELES, PURSUANT TO AWARD UNDER IFB HA-2022-5-NF



 Douglas Guthrie
 President & Chief Executive Officer



 Tina Smith-Booth
 Director of Asset Management

Purpose: To furnish all labor and equipment necessary for the replacement and installation of a 350-ton new cooling tower at the 2600 Wilshire Blvd., Los Angeles administrative office.

Issues: The Housing Authority of the City of Los Angeles (“HACLA”) has determined that the cooling tower at the 2600 Wilshire administrative office requires replacement in order to maximize water conservation. The cooling tower works in conjunction with chillers to exchange and remove heat from the building in order to provide air conditioning. HACLA’s current cooling tower was originally manufactured in 1999, and has undergone multiple refurbishments reaching the end of its useful life. The average life expectancy of a cooling tower is 15-20 years. The existing tower exhibits extreme wear and tear, with many structural elements showing advanced corrosion and deterioration. The unit is unable to retain water inside the tower as intended, resulting in airflow irregularities and significant waste of water. Replacement of this equipment is necessary for operational dependability and improved cooling capacity.

Procurement: On January 11, 2022, HACLA advertised Invitation for Bid No. HA-2022-5-NF (“IFB”) to solicit bids for the replacement and installation of a 350-ton cooling tower at the 2600 Wilshire Blvd., Los Angeles administrative office. Bidders were asked to substantiate having a minimum of five (5) years’ experience performing projects of similar scope and work. On February 11, 2022, HACLA received and opened two (2) sealed bids. The following base bid amounts were recorded:

Company Name	Base Bid Totals
EcoGreenVision LLC (“EGV”) (Apparent Lowest Bid*)	\$244,181.25
Energy Options Inc.	\$348,545.00

After reviewing and evaluating the two (2) bid packages received, it was determined that Energy Options Inc. met all the solicitation requirements and was the lowest responsive

and responsible bidder. While EGV's bid was the lowest priced bid, their bid was determined to be non-responsive due to EGV not meeting the minimum requirement of five (5) years' experience having only been in business for two (2) years. Moreover, had their bid been responsive, further analysis would have been required as the bid was unreasonably low when compared to the Independent Cost Estimate ("ICE") prepared prior to the solicitation. Energy Options Inc.'s bid is reasonable when compared to the ICE. A detailed summary and background information of the procurement process is provided in Attachment 2 (Summary of Procurement and Outreach).

The Asset Management Department recommends award of the contract to Energy Options Inc. for a total amount not-to-exceed \$348,545.

Vision Plan: PATHWAYS Strategy #7: Identify opportunities to reduce operating and administrative costs so that scarce resources are maximized

This contract will reduce costs of repairs and refurbishments required of aging equipment and will help conserve water.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: The costs for these services will be paid by unrestricted Facilities' reserves.

Budget and Program Impact: These expenditures are included in HACLA'S FY2022 Operating budget.

Environmental

Review: The proposed project is categorically exempt from CEQA requirements pursuant to CEQA Guidelines Section 15302, Class 2: Replacement or Reconstruction. The project consists of replacement of the rooftop cooling tower and related reconstruction. All activities will take place within the same area occupied by the original structure. The siting of the replacement cooling tower will not result in land alterations and does not present any unusual circumstances that would result in a potentially significant environmental impact. (14 Cal. Code Regs., § 15302)

Section 3: The contract is funded with non-federal funds and is not subject to HUD Section 3 requirements under 24 CFR Part 75. Notwithstanding, HACLA imposed Section 3 requirements pursuant to its Section 3 Policy and Compliance Plan. Energy Options, Inc. committed to hiring two (2) field technicians as a result of this contact award.

Attachments:

1. Resolution
2. Summary of Procurement and Outreach

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A ONE YEAR CONTRACT WITH ENERGY OPTIONS, INC. FOR A TOTAL CONTRACT AMOUNT OF \$348,545, FOR THE REPLACEMENT OF THE 350 TON COOLING TOWER AT 2600 WILSHIRE BLVD., LOS ANGELES, PURSUANT TO AWARD UNDER IFB HA-2022-5-NF.

WHEREAS, the Housing Authority of the City of Los Angeles (“HACLA”) requires the replacement of the one 350 ton cooling tower located at the 2600 Wilshire Blvd., Los Angeles Administrative office (“Wilshire”);

WHEREAS, HACLA has determined the most effective and feasible manner of obtaining a replacement for the cooling tower at its Wilshire office is by contracting for such services;

WHEREAS, on January 11, 2022, HACLA issued Invitation for Bid HA-2022-5-NF (“IFB”) for the replacement of its cooling tower at Wilshire; and

WHEREAS, following review of the bids received in response to the IFB, Energy Options Inc. was determined the lowest responsive and responsible bidder.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or designee, to execute a one year contract with Energy Options, Inc. for an amount not-to-exceed \$348,545, for the replacement of the 350 ton cooling tower at Wilshire, pursuant to award under the IFB.

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

APPROVED AS TO FORM

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
James Johnson, General Counsel

By: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____

Summary of Procurement and Outreach

IFB No. HA-2022-5-NF Cooling Tower Replacement

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 (“BAVN”) website starting on January 11, 2022, until the bid submission deadline on February 11, 2022, for a total of thirty-one (31) days. A total of one hundred and sixty-five (165) vendors viewed the IFB on the BAVN website.

In support of HACLA’s policy to contract with Minority-Owned Business Enterprises (“MBEs”), Women-Owned Business Enterprises (“WBEs”), and Labor Surplus Area (“LSAs”) businesses for the delivery of goods and services to the extent possible, notice of this IFB was provided to the businesses identified on HACLA’s list of recognized MBE’s/WBE’s and to the local office of the U.S. Small Business Administration (“SBA”) for their further dissemination.

C. Job-Walk in Lieu of Pre-Bid Conference

A pre-bid conference was not held due to COVID-19 restrictions, however an optional job-walk session was provided on January 19, 2022. A total of ten (10) vendors participated in the job-walk.

D. Addenda

On January 26, 2022, Addendum No. 1 was posted on the BAVN website to extend the bid submission deadline to provide sufficient time to respond to questions raised regarding the scope of work and to give contractors sufficient time to review the information provided. Addendum No. 2 was posted on February 1, 2022, to respond to all the questions regarding scope of work.

E. Sealed Bids Received and Opened

The sealed bids were due by 11:00 a.m., on February 11, 2022. Due to COVID-19 restrictions, HACLA conducted a virtual real-time bid opening (via GoToMeeting) where a total of two (2) sealed bids were received and opened. The following base bid amounts were recorded:

Company Name	Base Bid Totals
EcoGreenVision LLC (“EGV”) (Apparent Lowest Bid*)	\$244,181.25
Energy Options Inc.	\$348,545.00

Bid abstract results were posted at: <http://www.hacla.org/contractingprocess>.

F. Review of Bids for Responsiveness and Bidder Responsibility

The Contract Administrator, with the assistance of the Section 3 Compliance Administrator, determined that the bid from Energy Options Inc. met all the solicitation requirements and was the only responsive and responsible bidder. EGV’s bid was determined non-responsive because EGV did not meet the five (5) years’ of work experience requirement. Moreover, had their bid been responsive, further analysis would have been required as the bid was unreasonably low when compared to the Independent Cost Estimate (“ICE”) prepared prior to the solicitation.

Energy Options Inc.’s bid is reasonable when compared to the Department’s ICE, which was prepared prior to the solicitation.

G. Workforce Profile

Energy Options Inc., submitted a Workforce Profile that revealed the following workforce composition:

<u>Company</u>	<u>Employees</u>
Energy Options Inc.	Total: 17 17 minorities = 100% 0 women = 0%

H. Recommendation for Award

Asset Management Department recommends Energy Options Inc., for contract award.

MBE/WBE ORGANIZATIONS MAILING LIST

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