

REPORT OF GENERAL MANAGER

NO. 14-077

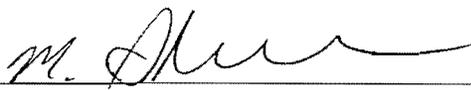
DATE: March 19, 2014

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SOUTHEAST VALLEY ROLLER AND SKATEBOARD RINK – PHASE I (SKATEBOARD RINK/SKATEPARK) REBID (W.O. #E170125F) PROJECT - SUBCONTRACTOR SUBSTITUTION PROTEST HEARING RELATIVE TO CMV ELECTRIC, INC.

R. Adams	_____	V. Israel	_____
*R. Barajas	_____	K. Regan	_____
H. Fujita	_____	N. Williams	_____

  
\_\_\_\_\_

General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

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RECOMMENDATIONS:

That the Board:

Hold a substitution hearing, pursuant to Los Angeles Administrative Code Section 10.14.3, inasmuch as a letter of objection was received; and,

Approve the request for a substitution.

SUMMARY:

The Department is in receipt of a request (Attachment 1) from California Landscape & Design, Inc. dba California Skateparks (California Skateparks), prime contractor for the Southeast Valley Roller & Skateboard Rink - Phase I (Skateboard Rink/Skatepark) Rebid (W.O. #E170125F) project to substitute the subcontractor CMV Electric, Inc. with Vargas Electric. CMV Electric, Inc. was bid-listed for electrical and lighting work for this project. The substitution request is being made because it is alleged that CMV Electric, Inc. was unresponsive to California Skatepark's "Letter of Intent to Award" (Attachment 2).

Pursuant to Section 10.14.3 of the Los Angeles Administrative Code, CMV Electric, Inc. has been notified of the substitution request (Attachment 3). CMV Electric, Inc. objects to the proposed substitution because they were not given a contract by California Skateparks.

Approved  
 MAR 19 2014  
 Disapproved  
 MAR 19 2014

REPORT OF GENERAL MANAGER

PG. 2

NO. 14-077

CMV Electric, Inc. claims that California Skateparks failed to offer them a contract. The Department received a timely written objection to the substitution request (Attachment 4) via certified mail on October 30, 2013. Pursuant to Section 10.14.3, "the determination of the awarding authority shall be final."

In its objection letter dated November 22, 2013 (Attachment 5), CMV Electric, Inc. maintains that California Skateparks failed to give CMV Electric, Inc. a contract, and CMV Electric, Inc. made numerous inquiries to California Skateparks concerning a contract for the Southeast Valley Roller & Skateboard Rink project with no resolve. The subcontractor contests this substitution.

FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget.

This report was prepared by Cathie Santo Domingo, Superintendent, Department of Recreation and Parks, Planning, Construction and Maintenance Branch.



October 1, 2013

Attn: Bureau of Contract Administration

On behalf of California Skateparks, I would like to respectfully request a subcontractor substitution.

CMV Electric Inc., is the originally contracted subcontractor for the Electrical and Lighting scope of work. California Skateparks Inc. (CSP) has made multiple attempts over the last months to contact CMV Electric Inc., but has been unsuccessful in receiving a response even after a "Letter of Intent to Award" was issued on August 9, 2013.

We ask that CMV Electric Inc., be substituted for Vargas Electric due to the above mentioned reason.

Thank you for your time and I welcome any questions or concerns you may have.

Thank you,

A handwritten signature in black ink, appearing to be 'Barbara Perez', written over a circular stamp or seal.

Barbara Perez



**Letter of Intent to Award Work**

**Date:** August 9, 2013

**Owner:** City of Los Angeles  
**Developer:** California Skateparks  
**Site Information:** SE Valley Skatepark  
12511 Sheldon St  
Sun Valley, CA  
**Start Date:** TBD  
**Project Completion Date:** December 2013  
**County:** Los Angeles

To whom this may concern,

This letter is to affirm, California Skateparks intent to award CMV. The scope of work quoted on 4/1/2013. CMV commits to provide a detailed breakdown of the quoted amount. See attached quote for additional information.

Best Regards,

Robert Luna

CITY OF LOS ANGELES  
CALIFORNIA



ERIC GARCETTI  
MAYOR

BOARD OF PUBLIC WORKS  
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JOHN L. REAMER, JR.  
Inspector of Public Works  
and  
Director  
BUREAU OF  
CONTRACT ADMINISTRATION  
1149 S. BROADWAY, SUITE 300  
LOS ANGELES, CA 90015  
(213) 847-1922  
<http://bce.aacally.org>

**CERTIFIED MAIL**

October 23, 2013

CMV Electric, Inc.  
Attention: Bo Fuentes  
1638 Huntington Drive  
Upland, CA 91786-4228

Dear Mr. Fuentes:

**SOUTHEAST VALLEY ROLLER & SKATEBOARD RINK - PHASE I W.O. E170125F**

In a letter received by this office on October 7, 2013, California Skateparks Landscape & Design, Inc. dba California Skateparks (California Skateparks), the prime contractor on the above referenced project, requested approval to substitute your company as the lighting and electrical subcontractor for this project. According to California Skateparks your company has been non-responsive to their attempts to contact you and this substitution is necessary to prevent further delays.

You have five (5) working days to file a written objection to this substitution with this office. If no such objection is filed, the substitution will be recommended for approval to the Board of Public Works.

If you have any questions please contact Mr. Marc Wright at (213) 847-2408.

Sincerely,

JOHN L. REAMER, JR.  
Inspector of Public Works  
By

WALTER BRADLEY, Assistant Director  
Bureau of Contract Administration

Parks, MS 625/15

LOYMENT OPPORTUNITY EMPLOYER



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<b>U.S. Postal Service</b>	
<b>CERTIFIED MAIL RECEIPT</b>	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage \$	Postmark Here  10/23  NP
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent to <b>CMV Electric Inc.</b>	
ATTN: BO FUENTES	
Street, Apt. No. or PO Box No. <b>1638 Huntington Dr.</b>	
City, State, ZIP+4 <b>Upland CA 91786-4228</b>	
PS Form 3820, August 2009 See Reverse for Instructions	



**CMV Electric, Inc.**

1638 Huntington Dr. Unit A

Upland, California 91786

Phone (909) 931-5700 Fax (909) 931-5701

October 28, 2013

**Subject: Southeast Valley Roller & Skateboard Rink-Phase I W.O E170125F  
: Response to Correspondence Received Via Mail 10-25-2013**

**To: John L. Reamer**

CMV Electric Inc. objects to California Landscape and Design request to substitute CMV Electric Inc. with another Electrical Subcontractor due to being non-response. CMV Electric Inc. has made numerous inquiries to their upland office concerning the above stated project with no resolve. As of the above stated date CMV Electric Inc. has not received a contract validating CMV Electric Inc. is the listed Sub-contractor on the project.

CMV Electric Inc. is willing to complete the scope of this work once a subcontract is signed by both parties. Please be advised additional cost may be assessed due to the delay on quoted materials. Please advise for time is of the essence.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carlos Villegas', is written over a light blue horizontal line.

Carlos Villegas  
President, CMV Electric Inc.

# CMV ELECTRIC INC.

1638 Huntington Drive  
Upland California 91786  
Office 909-931-5700  
Fax 909-931-5701

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Date: 11-22-2013

Project: Southeast Valley Roller & Skateboard Rink -Phase I

RE: SE Valley Roller & Skateboard Rink-Phase I W.O.E170125F  
: Response to Correspondence Received Via Email

Subject: Objection to Sub Contractor Substitution

To: Arturo Gomez (Subcontractor Approval Group)

CMV Electric Inc. has been in the public works industry for over 20 years completing projects throughout Southern California. Our company has all always strived to establish a strong foundation built through integrity and good workman ship.

CMV Electric Inc. has been a subcontractor to California Skate Park numerous times throughout the years and has completed every project without dispute. This is the first occasion we have ever experienced a request to be substituted.

CMV Electric Inc. during this last year has provided several quotations to California Skate Park and was told we were listed. We made numerous attempts to contact them but to no resolve. After several months had passed we were contacted by Robert Luna (CSP) and told we are the listed subcontractor on the

SE Valley Skate Park – Sun Valley CA; he further stated a contract would be forth coming but nothing was ever received.

Sometime passed; in March CMV Electric Inc. was contacted by Robert Luna (CSP) and informed again we are the listed subcontractor. He explained he did not contact us because they are working out details with the Owner. CMV made him aware additional cost could be assessed because the material and labor cost have increased. He requested we review our original quotation and re-submit with current pricing.

CMV provided a new cost to CSP and asked if they could send us a letter of intent in order to request submittals from our vendors. CMV made a request to CSP for additional information concerning the poles and other materials. My vendor (Walters Whole Sale Electric) needed more information before submittals could be made. CSP did not respond to our request and the submittals could not be made; this delayed the process.

Again, sometime passed, CMV was contacted August 1st via email to provide a schedule of values (break down) for payment purposes. Due to their lack of communication, CMV at this point requested CSP to send us a contract for our review before moving forward. Robert Luna (CSP) stated it would be coming soon.

On August 16<sup>th</sup> CMV Electric Inc. was contacted and given a schedule on when to start. CMV Electric Inc. contacted Robert Luna (CSP) via telephone and email informing him a contract still has not been received; no response was given. CMV has already absorbed administrative cost and was not prepared to move forward without an executed contract.

On October 25, 2013 CMV Electric Inc. received correspondence from the City of Los Angeles stating CSP is requesting to have CMV Electric Inc. substituted with another electrical subcontractor in order not to delay the project any further. In response, CMV sent a letter of objection to John L. Reamer, JR (Inspector of Public Works) on October 28, 2013.

On November 05, we were contacted via email and telephone by Robert Luna (CSP) to provide a revised quotation for the installation of the poles only. Robert further stated all the work associated with our scope of work was completed by another contractor except for the standing of the poles. CMV requested to know who the Electrical contractor was that completed our work because we need to know if it is reputable contractor or we will be unable to warranty the work and materials; CSP did not respond.

CMV Electric Inc. after further research found CSP completed all the underground conduit installation themselves; they do not currently have a C10 license. It was also learned they have completed approximately 85% of all our contract item work without our knowledge. CMV Electric Inc. advised CSP this is an illegal substitution, California Public Contract Code Section 4107 and will contact the Owner (City of Los Angeles, John L. Reamer, JR- Inspector of public works).

Sincerely,

A handwritten signature in cursive script that reads "Carlos Villegas".

Carlos Villegas  
President and Owner

SUBSTITUTE MOTION  
BOARD OF RECREATION AND PARK COMMISSIONERS  
MARCH 19, 2014

14-077

SOUTHEAST VALLEY ROLLER AND SKATEBOARD RINK –  
PHASE I (SKATEBOARD RINK/SKATEPARK) REBID (W.O.  
#E170125F) PROJECT – SUBCONTRACTOR SUBSTITUTION  
PROTEST HEARING RELATIVE TO CMV ELECTRIC, INC.

Cathie Santo Domingo, Superintendent, Planning, Construction, and Maintenance Branch, Neil Drucker, Project Manager III, Public Works, Bureau of Engineering and Marc Wright, Principal Construction Inspector, Public Works Contract Administration presented details on the substitution request made by California Landscape & Design, Inc., dba California Skateparks and the objection to the substitution request submitted by CMV Electric, Inc. relative to the Southeast Valley Roller and Skateboard Rink – Phase I (Skateboard Rink/Skatepark) Rebid (W.O. #E170125F) Project.

Representatives of California Landscape & Design, Inc. dba California Skateparks (California Skateparks) and CMV Electric, Inc. addressed the Board concerning their issues with the substitution request.

The Board further discussed the information presented in the hearing in detail. Public comment was invited on the item; however no request for public comment was received.

Commissioner Blumenfield moved that the request for substitution of CMV Electric, Inc. made by California Skateparks be denied. The motion was seconded by Commissioner Patsaouras. There being no objections, the Substitute Motion was unanimously approved.