

APPROVED
APR 01 2015
BOARD OF RECREATION
1 PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 15-065

DATE April 01, 2015

C.D. ALL

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AS-NEEDED HEATING, VENTILATION AND AIR CONDITIONING (HVAC) CONSTRUCTION, RETROFIT, MAINTENANCE AND/OR REPAIR – AWARD OF CONTRACTS

R. Adams	_____	V. Israel	_____
R. Barajas	_____	K. Regan	_____
H. Fujita	_____	*N. Williams	<u>NDW</u>



General Manager

Approved As amended _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Find, as the contracting authority, in accordance with Charter Section 371(e)(2) and Los Angeles Administrative Code Section 10.15(a)(2), that these contracts are for the performance of professional, scientific, expert, technical, or other special services of a temporary and occasional character and competitive bidding is not practicable or advantageous because it is necessary for the Department of Recreation and Parks (Department) to be able to call on contractors to perform Heating, Ventilation and Air Conditioning (HVAC) Construction, Retrofit, Maintenance and/or Repair Services as-needed and on an occasional, but frequent, basis without engaging in a new competitive process for each individual project to be performed;
2. Find, as the contract awarding authority, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or impossible or otherwise excused by common law because, unlike the purchase of a specified product, there is no single criterion such as price comparison, that will determine which proposer can best provide the HVAC Construction, Retrofit, Maintenance and/or Repair Services required by the Department;
3. Find, in accordance with Charter Section 372 and Los Angeles Administrative Code Section 10.17, that obtaining competitive proposals or bids for each individual project for which work may be performed pursuant to this agreement is not reasonably practicable or

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compatible with the Department's interests of having available as-needed contractors who are assigned various projects on the basis of availability , price, and expertise, and that it is therefore necessary to have several as-needed contractors for these types of services available when called upon by the Department to perform service;

4. Find, as the contract awarding authority in accordance with Charter Section 1022, that the Department does not have, available in its employ, personnel with sufficient time or necessary expertise to undertake HVAC Construction, Retrofit, Maintenance and/or Repair projects in a timely manner, therefore it is more economical and in the Department's best interest, to secure these services by contract with several contractors to perform this work as-needed and on an occasional, but frequent basis, without engaging in a new competitive bidding process for each individual project to be performed;
5. Approve the selection process for the selection of qualified contractors;
6. Approve a proposed Personal Services Contract (Contract), substantially in the form on file in the Board Office, between the City and two (2) firms for As-Needed HVAC Construction, Retrofit, Maintenance and/or Repairs Services for a three (3) year contract, specifying the terms and conditions, subject to approval of the Mayor and the City Attorney as to form;

Contractors:

- 1) AP Construction Group, Inc.
15537 Cabrito Road
Van Nuys, California 91406
 - 2) South Coast Mechanical, Inc.
2283 East Via Burton
Anaheim, California 92806
7. Direct the Board Secretary to transmit the Contracts to the Mayor in accordance with Executive Directive No. 3 and concurrently, to the City Attorney for review and approval as to form; and,
 8. Authorize the Board President and Secretary to execute the Contracts upon receipt of the necessary approvals.

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SUMMARY:

The Department is in need of HVAC Construction, Retrofit, Maintenance and/or Repair Services contracts in order to perform current and future construction projects, which current staffing can only provide on a limited basis. Therefore, one (1) or more HVAC Construction Contracts are required. With over four hundred twenty (420) park locations under the jurisdiction of the Department, HVAC Construction Services Contracts are critical to maintaining and expanding our current park facility infrastructures.

This contract will provide the Department with an additional resource to perform HVAC Construction Services to help supplement current City forces. In addition, these Contracts will provide the Department's Planning, Construction and Maintenance Branch a tool to meet current and future HVAC construction projects.

On January 22, 2014, the Board approved a Request for Qualifications (RFQ) for HVAC Construction, Retrofit, Maintenance and/or Repairs (Report No. 14-007), which was released February 11, 2014. On April 22, 2014, the Department received five (5) proposals in response to the RFQ. The responders were:

- 1) Acco Engineering Systems, Inc.
- 2) AP Construction Group, Inc.
- 3) Applied Air Conditioning, Inc.
- 4) South Coast Mechanical, Inc.
- 5) FM Thomas Air Conditioning, Inc.

The various HVAC Construction, Retrofit, Maintenance and/or Repair Services will include, but are not limited to the design, engineer, permitting, installation of HVAC equipment, sheet metal ductwork, registers, platforms, electrical and plumbing with weather tight penetrations of roofs and walls. All work under this Contract will also install complete, fully functional control and energy management systems and startup commissioning with fully completed documentation of all manufacturers' startup sheets and inclusive of Operation and Maintenance (O & M) manuals. Install new or retrofit and/or repair boilers and cooling towers. Incidental related work to HVAC maintenance and installations may include roofing, framing, carpentry, electrical, drywall and painting.

The responders were required to provide evidence of their qualifications by meeting the following requirements:

** Responders must have provided a minimum of twenty (20) new HVAC installations performed by their company within the County of Los Angeles within the last ten (10) years. All projects*

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must have been performed from May 2004 to present. All projects submitted must have been permitted within the County of Los Angeles. Responders must provide the following types/size of HVAC systems:

<u>Quantity</u>	<u>System Type</u>	<u>Tons</u>	<u>Installation Design/Type</u>
<u>Required</u>			
3	Package Unit/ Gas/Electric	5-20	2-downshot and/or 3 side discharge
2	Package Unit/ Heat Pump	5-20	2-downshot and/or 3 side discharge
3	Package Unit/ Gas/ Electric	10-50	2-downshot and/or 3 side discharge
2	Package Unit/ Heat Pump	10-50	2-downshot and/or 3 side discharge
3	Split Systems (Remote Condenser)/ Mini Split	1-5	For Small Server Room or Office Space
4	Split Systems (Remote Condenser)	5-20	Office Space
3	Split Systems (Remote Condenser)	20-50	For Auditoriums, Gymnasiums and Pools

Responders MUST have included a minimum five (5) energy management systems and/or built up controls system in larger split systems.

Only two (2) of the five (5) responders submitted a responsive submittal to this RFQ. Three (3) responders failed to submit a complete submittal and/or failed to qualify, and thus were disqualified from any further review process. The following responders were disqualified because they submitted an incomplete RFQ package submittal response, specific details for the disqualifications can be found in Exhibit A.

- 1) Acco Engineered Systems, Inc.
6265 San Fernando Road
Glendale, California 91201
- 2) Applied Air Conditioning, Inc.
4250 Artesia Ave, Suite B
Fullerton, California 92833
- 3) FM Thomas Air Conditioning, Inc.
231 Gemini Avenue
Brea, California 92821

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The following responders met the minimum requirements for the RFQ for HVAC Construction, Retrofit, Maintenance and/or Repair Services as specified above:

- 1) AP Construction Group, Inc.
15537 Cabrito Road
Van Nuys, California 91406

- 2) South Coast Mechanical, Inc.
2283 East Via Burton
Anaheim, California 92806

RFQ responses were evaluated solely for the minimum qualifications (as stated in RFQ Document). The minimum qualifications as set forth determined the responder's knowledge and experience to perform the terms and specifications of this Contract. It was found through review and verification by Department staff that the above-listed responder met and/or exceeded the minimum qualifications as set forth in the RFQ.

Once it was determined that the responders had met all of the minimum qualifications, the staff verified with the references provided by the respondents. Questions were posed regarding respondent's ability to produce a quality product that met all necessary standards, in a timely manner. They were also asked whether the respondent was timely and effective in their correspondence with governing agencies. All of the references for the respondents who met our minimum qualifications responded favorably to these questions and highly recommended the respective respondent. It was then determined that the above listed respondents should be selected as a pre-qualified HVAC Construction, Retrofit, Maintenance and/or Repair Services contractor and eligible to bid on future Department projects.

The responders who submitted and qualified, performed and passed the City's Business Inclusion Program (BIP) outreach.

A Charter Section 1022 determination report (attached hereto as Exhibit B) was performed by the City's Personnel Department and based on this report and the outreach performed by Department Staff, it was concluded that no other City Department can provide staff to perform HVAC Construction, Retrofit, Maintenance and/or Repair Services.

The Department is seeking authorization for the Board President and Secretary to execute a contract with the two (2) qualified responders, subject to City Attorney and Mayor's approval. The selected pre-qualified contractors are recommended to the Board for up to a three (3) year contracts, in an amount not-to-exceed an annual expenditure of Seven Million Dollars (\$7,000,000) per contract, per contractor. The contract amount is an estimate, and the Department does not guarantee that the

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contract maximum amount will be reached. The Construction, Retrofit, Maintenance and/or Repair Services that the Department is requesting shall be on an as-needed basis; the Department, in entering into an agreement, guarantees no minimum amount of business or compensation. Contracts awarded through this RFQ shall be subject to funding availability and early termination by Department, as provided in the Standard Provisions for City Contracts. (Ref. 03/09)

Funding for projects will be provided from various funding sources including to but not limited to Proposition K, Quimby, and Proposition 40.

FISCAL IMPACT STATEMENT:

Executing these as-needed contracts has no impact to the Department's General Fund.

This report was prepared by Jim Newsom, Management Analyst II, Contracts Section, Finance Division.

EXHIBIT A

REQUEST FOR QUALIFICATION

HVAC CONSTRUCTION, RETROFIT, MAINTENANCE AND/OR REPAIRS

"NON RESPONSIVE" RESPONDERS	REASONS FOR 'NON-RESPONSIVENESS'
Acco Engineering Systems	<ol style="list-style-type: none">1) Responder did not answer Question #9 of the Contractor Responsibility Ordinance (CRO), Page 67 of RFQ document,2) Responder did not answer Question # 14 of CRO, Page 68.
Applied Air Conditioning, Inc.	<ol style="list-style-type: none">1) Responder did not sign the CRO on page 70 of RFQ document.
FM Thomas	<ol style="list-style-type: none">1) Responder did not sign the Child Care Declaration Statement on Page 83 of RFQ document.

PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Recreation and Parks

2. Contacts:

Department: Jimmy Newsom Phone No. 818-679-1453 Fax No. 213-202-2612

CAO: Jay Shin Phone No. 213-473-7559 Fax No. 213-473-7514

3. Work to be performed:

Recreation and Parks is seeking one or more contractors to perform heating/ventilation/air conditioning (HVAC) construction, retrofitting, maintenance and/or repairs on various park buildings, on an as-needed basis. The work includes design, engineering, permitting and installation of HVAC equipment, sheet metal ductwork, registers, platforms, electrical and plumbing with weather-tight penetrations of roofs and walls. The work will include installation of complete, fully functional control and energy management systems and startup commissioning, with fully completed documentation of all manufacturers' startup sheets and operation and maintenance manuals. Incidental related work may include roofing, framing, carpentry, electrical, drywall, and painting.

Is this a contract renewal? Yes No

4. Proposed length of contract: 3 years Start Date: Unknown (as soon as possible)

6. Proposed cost of contract (if known): Up to \$7 million (annual ceiling per contractor, per contract)

7. Name of proposed contractor: To be determined

8. Unique or special qualifications required to perform the work:

The contractors must possess a California Contractor's License "C-20" (Warm Air Heating, Ventilating and Air Conditioning). The contractors must have been in good standing with the California Contractor's License Board under this license for the last 10 years, performing installation service and maintenance of complete, fully functional, light commercial and commercial HVAC systems. The contractors must submit information on a minimum of 20 new HVAC installations performed by the company within Los Angeles County within the last 10 years, including specific types and sizes as set forth in the Request for Qualifications. Their experience must include a minimum of 5 energy management systems and/or built-up controls systems in larger split systems. All projects must have been performed from May 2004 to the present.

9. Are there City employees that can perform the work being proposed for contracting?

Yes No

Classification	Department(s)	List Expires
Air Conditioning Mechanic, 3774	Airports, DWP, GSD, Harbor, PW-San, Rec & Parks, Zoo	2/25/15
Air Conditioning Mechanic Supervisor, 3781	Airports, DWP, GSD, PW-San, Rec & Parks	6/3/15
Roofer, 3476	DWP, GSD, Harbor, Rec & Parks	No list
Roofer Supervisor, 3478	GSD, Harbor	No list
Carpenter, 3344	Airports, Conv Ctr, DWP, Fire, GSD, Harbor, Police, PW-San, PW-St Svs, Rec & Parks, Zoo	6/5/15
Sheet Metal Worker, 3775	DWP, Fire, GSD, Harbor, PW-San, Rec & Parks, Zoo	6/30/15

Equipment Operator, 3525	Airports, DWP, GSD, Harbor, PW-San, PW-St Svs, Rec & Parks, DOT, Zoo	6/19/15
Painter, 3423	Airports, Conv Ctr, DWP, GSD, Harbor, Police, PW-San, Rec & Parks, DOT, Zoo	Indefinite
Electrician, 3863	Airports, Conv Ctr, DWP, GSD, Harbor, Police, PW-San, PW-St Svs, Rec & Parks, Zoo	No list
Maintenance & Construction Helper, 3115	Various	3/19/15

If yes,

- Which class(es) and Department(s): See above.
- Is there sufficient Department staff available to perform the work? Yes No
- Is there a current eligible list for the class(es)? Yes No Expiration Date See above.
- Estimated time to fill position(s) through CSC process? Unknown due to hiring freeze.
- Can the requesting department continue to employ staff hired for the project after project completion?
Yes No
- Are there City employees currently performing the work? Yes No

10. Findings

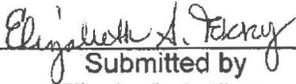
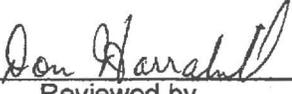
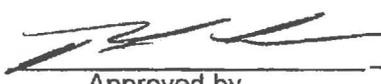
- City employees DO NOT have the expertise to perform the work
 City employees DO have the expertise to perform work. (Please see summary below.)

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
 Time constraints require immediate staffing of project
 Work assignment exceeds staffing availability

SUMMARY:

Recreation and Parks seeks one or more contractors to perform HVAC construction, retrofitting, maintenance and/or repairs to Department facilities. The projects that may be performed under the proposed contract(s) will be short-term in duration (3-9 months). There are City classifications that can perform this work as noted above. Employees in these classifications are not required to possess the HVAC Contractor's license that will be required of the contractors. The Department indicated that it has a small crew that performs HVAC repairs and maintenance, but cannot keep up with the large demand due to limited staff and equipment.

			
Submitted by Elizabeth A. Terry Sr. Personnel Analyst I	Reviewed by Don Harrahill Sr. Personnel Analyst II	Approved by Raul Lemus Chief Personnel Analyst	Date

EXCERPT FROM THE MINUTES OF THE REGULAR MEETING
BOARD OF RECREATION AND PARK COMMISSIONERS
April 1, 2015

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AS-NEEDED HEATING, VENTILATION AND AIR
CONDITIONING (HVAC) CONSTRUCTION, RETROFIT,
MAINTENANCE AND/OR REPAIR – AWARD OF CONTRACTS

Jimmy Newsom, Management Analyst II, amended the fourth recital on page 2 of the contract with South Coast Mechanical, Inc. to correct the Charter Section from 371(3)(2) to Charter Section 372 and Los Angeles Administrative Code Section 10.17.