

Department of Public Works

Bureau of Engineering
Bureau of Contract Administration
Joint Report No. 2

May 21, 2025
CD Nos. 1, 5, 9, and 13

CONTRACT AWARD TO RAMONA, INC. FOR THE SECONDARY SEWER RENEWAL PROGRAM D CON 05 (H10 & N10) (WORK ORDER No. SZC14158)

RECOMMENDING THE BOARD OF PUBLIC WORKS (BOARD):

1. DECLARE Ramona, Inc. (Ramona), first low bidder, to be the lowest responsive, responsible bidder, and AWARD Ramona a contract for the Secondary Sewer Renewal Program (SSRP) D CON 05 (H10 & N10) (Project) for \$3,526,072.00.
2. AUTHORIZE the President or two members of the Board to execute the contract after approval as-to-form has been obtained from the City Attorney.

TRANSMITTAL

Summary of bids received on February 26, 2025.

DISCUSSION

Background

The Project will rehabilitate approximately 10,524 reach-feet (1.99 reach-mile) of existing circular 6-, 8-, 10-, and 12-inch sewer pipes in poor structural condition by using spot repairs, remove and replace, and structural lining methods. It will rehabilitate approximately 135 reach-feet of 6-inch, 8,692 reach-feet of 8-inch, 656 reach-feet of 10-inch, 1,041 reach-feet of 12-inch pipe. The proposed work also includes installing new 27-inch frame and cover maintenance holes, removing and replacing drop maintenance holes, removing flush tanks, removing lamp holes, removing and replacing existing maintenance holes, remodeling maintenance hole bases, potholing and adjusting maintenance holes to grade, sewer bypass, odor control, clean and closed-circuit television (CCTV) for sewer assessment, pre and post CCTV. The sewer repairs will be in two general areas throughout the City of Los Angeles (City), in the Fairfax/Hancock Park/Hollywood neighborhoods and Pico-Union neighborhood. See Figure No. 1 below for the Project Location Map. The contract duration is 634 calendar days.

The Project is located within Council District Nos. 1, 5, 9, and 13, which were briefed of the Project and its construction impacts to the community. All Council Districts supported the Project and concurred to Peak Hour Exemptions, where applicable.

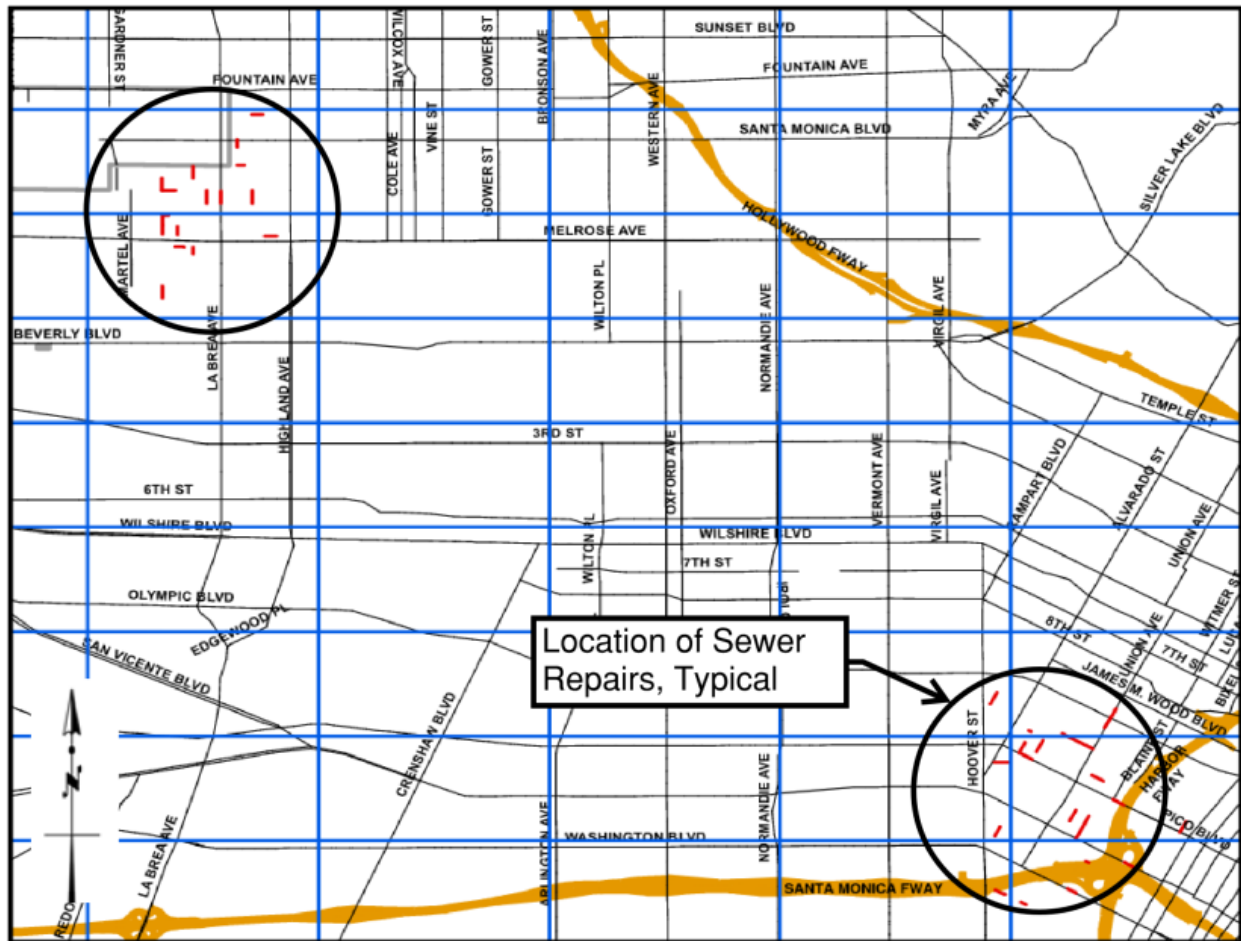


Figure No. 1 – Project Location Map: Not to Scale

The project has been reviewed for environmental considerations. It was determined to be categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA) of 1970 under Article III of the City's CEQA Guidelines.

Bid Review

The lowest of the four bids received (Transmittal) compared with the City Engineer's estimate of \$3,201,608.00 is:

Business Codes:

MBE = Minority Business Enterprise	EBE = Emerging Business Enterprise
WBE = Women Business Enterprise	DVBE = Disabled Veteran Business Enterprise
SBE = Small Business Enterprise	OBE = Other Business Enterprise
LBE = Local Business Enterprise	LGBTBE = Lesbian, Gay, Bisexual, Transgender Business Enterprise

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Bid No.	Contractor Name	Bid Amount	% High/Low	% Pledged			
				MBE	WBE	SBE	LGBTBE
Low Bid	Ramona (OBE, LBE)	\$3,526,072.00	10.13% High	1.96%	0.00%	1.96%	0.00%
				EBE	DVBE	OBE	
				1.96%	0.00%	28.32%	

MNR Construction, Inc. (MNR), second low bidder, listed their Total Bid Amount incorrectly. Staff corrected MNR's Total Bid Amount in accordance with the procedures set forth in the General Instructions and Information for Bidders. MNR was contacted and notified of corrections. The corrections did not change the order of the bids.

Based on the range of bids submitted for this project, staff believes this bid is reasonable. The contract may be awarded to Ramona, first low bidder, subject to verification of all other bidding requirements.

Local Business Preference (LBP) Program

Los Angeles Administrative Code Division 10, Chapter 1, Article 4, Section 10.25 adopted the LBP Program which was designed to increase local employment and expenditures in the local private sector. All bidders are eligible to participate in the LBP Program. The City shall grant a 6.00 percent bid reduction of their bid amount solely for bid evaluation purposes to those bidders who are certified as a LBE firm. If the LBE is also a Local Small Business (LSB) and/or a Local Transitional Employer (LTE), they may be granted an additional 2.00 percent reduction for each of those certifications, up to a total of 10.00 percent. The City shall grant a 10.00 percent bid reduction of their bid amount solely for bid evaluation purposes to those bidders who are certified as a City Business Enterprise (CBE) firm. If the CBE is also a LSB and/or a LTE, they may be granted an additional 2.00 percent reduction for each of those certifications, up to a maximum of 12.00 percent. Additionally, all non-LBE/CBE bidders may be granted a 1.00 percent bid reduction of their bid amount solely for bid evaluation purposes, up to a maximum of 5.00 percent, for every 10.00 percent of their bid that is to be performed by a LBE, CBE, LSB and/or LTE subcontractor.

For this project, the Bureau of Contract Administration (BCA) verified that the first low bidder, Ramona, is a certified LBE. However, this did not change the order of bids, and it did not affect the recommendation for award.

Business Inclusion Program (BIP)

On January 12, 2011, the Mayor issued Executive Directive No. 14 which created the BIP. This program provides MBE, WBE, SBE, EBE, DVBE, and OBE firms an equal

opportunity to compete for and participate in City contracts. Additionally, the BIP requires bidders to perform and document BIP Outreach via the internet utilizing the Los Angeles Regional Alliance Marketplace for Procurement service.

This project was advertised with anticipated participation levels of 4.00 percent MBE, 2.00 percent WBE, 25.00 percent SBE, 8.00 percent EBE, and 3.00 percent DVBE, and with mandatory BIP documentation requirements. Currently, the LGBTBE certification is not required as part of the BIP Outreach but is tracked for statistical purposes. The Office of Contract Compliance, based on a review of the documents submitted by Ramona, reported that the contractor pledged participation levels of 1.96 percent MBE, 0.00 percent WBE, 1.96 percent SBE, 1.96 percent EBE, 0.00 percent DVBE, 0.00 percent LGBTBE, and 28.32 percent OBE, and complied with the BIP Outreach requirements of the bid. The Mandatory Subcontracting Minimum requirement for this project is 20.00 percent and the contractor has complied by pledging a subcontractor participation level of 32.97 percent. This percentage was calculated after subtracting the fixed cost items of \$287,886.00 from the total bid amount.

Ramona pledged the following subcontractor utilization:

Gender/Ethnicity Codes:

AA = African American	HA = Hispanic American
APA = Asian Pacific American	SAA = Subcontinent Asian American
NA = Native American	C = Caucasian
M = Male	F = Female

Subcontractor	MBE/WBE/ SBE/EBE/ DVBE/OBE/ LGBTBE	Gender/ Ethnicity	% of Bid	Dollar Amount
Pre-Con Products	MBE, SBE, EBE	M/HA	1.47%	\$ 51,875.00
Flex Connection, Inc. dba Joints*	MBE, SBE, EBE	M/HA	0.49%	\$ 17,207.38
Southwest Pipeline and Trenchless Corporation	OBE		23.98%	\$845,629.00
Mission Clay	OBE		2.79%	\$ 98,525.60
Hardy & Harper, Inc.	OBE		1.54%	\$ 54,324.00

Note: Subcontractors may be certified in multiple certification categories; therefore, per the requirements of Executive Directive No. 14, their dollar amounts were credited toward multiple pledged participation categories.

*Certified LBE

Compliance with the City's Non-Discrimination Policies

Ramona shall comply with the Affirmative Action, Non-Discrimination, and Equal Employment Practices Provisions, Equal Benefits Ordinance, Contractor's Use of Criminal History for Consideration of Employment Applications Ordinance, Living Wage Ordinance, Worker Retention Ordinance, First Source Hiring Ordinance, Slavery Disclosure Ordinance, and Disclosure of Border Wall Contracting Ordinance requirements of the bid.

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Previous Work Record

Ramona has worked on numerous contracts issued by the Board. No significant or unresolved problems in inspection, contract compliance, or bidder responsibility have been experienced by the BCA.

The following table summarizes the previous MBE/WBE/SBE/EBE/DVBE participation levels pledged by Ramona in the past five years under the BIP:

MBE/WBE/SBE/EBE/DVBE/OBE Pledged Utilization Table					
No. of Contracts		5	Total \$ Amount of Contracts		\$11,062,018.00
Pledged MBE \$ Amount	Pledged WBE \$ Amount	Pledged SBE \$ Amount	Pledged EBE \$ Amount	Pledged DVBE \$ Amount	Pledged OBE \$ Amount
\$472,624.96	\$0.00	\$283,840.91	\$151,860.46	\$0.00	\$2,220,941.99
Total MBE %	Total WBE %	Total SBE %	Total EBE %	Total DVBE %	Total OBE %
4.27%	0.00%	2.57%	1.37%	0.00%	20.08%

Contractor Performance Evaluation Ordinance

In accordance with Article 13, Chapter 1, Division 10, of the Los Angeles Administrative Code (L.A.A.C.), the Project Manager and the City Inspector for this construction contract shall submit Contractor Performance Evaluation Reports to the BCA (Department of Public Works) upon completion of this contract.

Peak Hour Construction and Right-of-Way Obstruction Regulations

All contractors must comply with the requirements specified in the Los Angeles Municipal Code Section 62.61 related to peak hour traffic restrictions unless an exemption from the Peak Traffic Hours Prohibition is approved.

Contractor Responsibility Ordinance

All contractors participating in this program are subject to compliance with the requirements specified in the City Contractor Responsibility Ordinance No. 173677 (Article 14, Chapter 1, Division 10, L.A.A.C.). Failure to comply with all the requirements specified in the ordinance may render this bidder's contract subject to termination pursuant to the conditions expressed therein.

Project Labor Agreement (PLA)

The project incorporates a PLA. The PLA will facilitate an orderly settlement of labor disputes and grievances without strikes, work stoppages, or lockouts to assure the timely and economical completion of the project. The PLA will also promote employment opportunities for local residents and will provide apprenticeship training for the duration of the construction. The contractor will be bound on all the provisions of the PLA.

Conclusion

In view of the above findings, staff recommends that the Board declare Ramona, first low bidder, to be the lowest responsive, responsible bidder, and award Ramona the contract for this project.

Program Review Committee (PRC) Approval

The PRC approved a total budget of \$4,100,839, including contingency, for this project on March 12, 2025.

STATUS OF FUNDING

There is no impact to the General Fund. The total funding for this project is not-to-exceed \$3,878,679.00. No funding is required in the current fiscal year. Funding will be budgeted within the Sewer Construction and Maintenance Fund, as indicated below.

Fund No.	Department No.	Appropriation Unit No.	Contract	Contingencies	Total
TBD*	WCIP** BUDGET SZC14158	Future	\$3,526,072.00	\$352,607.00	\$3,878,679.00
Total			\$3,526,072.00	\$352,607.00	\$3,878,679.00

*To be determined

**Wastewater Capital Improvement Program

Funds and appropriations for future fiscal years are not yet identified and existing appropriations may change based on available cash balances. Therefore, funds and appropriations will be determined by the Director and General Manager of LA Sanitation and Environment.

The contract contains a “Financial Liability Clause” which states that “the City’s liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City’s liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.”

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(AV EAA VCA AM)

Report reviewed by:

BOE (ADM and WCE) and BOS

Report prepared by:

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Compliance review performed
and approved by:



Lynda McGlinchey (Apr 24, 2025 15:44 PDT)


Lynda McGlinchey, Program Manager II
Office of Contract Compliance
Bureau of Contract Administration

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Questions regarding this
report may be referred to:
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Respectfully submitted,


For Ted Allen, PE
City Engineer
Bureau of Engineering


John L. Reamer, Jr.
Inspector of Public Works
Bureau of Contract Administration

Bid Results

City of Los Angeles - Department of Public Works - Bureau of Engineering

SECONDARY SEWER RENEWAL PROGRAM (SSRP) D CON 05 (H10 & N10)

W.O. Number SZC14158

Bid Date: February 26, 2025

Council District: 1, 5, 9, & 13

Bids Received: 4



SUMMARY				
COMPANY	BID AMOUNT	PERCENTAGE	HIGH/LOW	
CITY ENGINEER'S ESTIMATE	\$ 3,201,608.00			
1 RAMONA, INC.	\$ 3,526,072.00	10.13%	HIGH	
2 MNR CONSTRUCTION, INC.	\$ 4,203,564.00 *	31.30%	HIGH	
3 GRBCON, INC.	\$ 4,210,766.00	31.52%	HIGH	
4 CEM CONSTRUCTION CORPORATION	\$ 4,872,421.00	52.19%	HIGH	
* Corrected Bid Amount				
AVERAGE (MEAN)	\$ 4,203,205.75	31.28%	HIGH	
MEDIAN	\$ 4,207,165.00			

TRANSMITTAL