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BPW-2024-0535

CONTRACT ACCEPTANCE – SECONDARY SEWER RENEWAL PROGRAM – P06 EL
SERENO AVENUE AND EDISON

Recommending the Board:

1. ACCEPT this contract; and
2. INSTRUCT the Director of the Office of Accounting, to disencumber the disputed funds amount of \$37,434.46 and return the funds to the Contractor.

(W.O. SZC12922)

DEPARTMENT OF PUBLIC WORKS

BUREAU OF CONTRACT ADMINISTRATION
BUREAU OF ENGINEERING
JOINT REPORT NO. 2
September 25, 2024

C.D. No. 14

SECONDARY SEWER RENEWAL PROGRAM (SSRP) P06 EL SERENO AVENUE AND
EDISON SZC12922

RECOMMENDATIONS

1. Accept this contract.
2. Instruct the Director, Office of Accounting, to disencumber the disputed funds amount of \$37,434.46 and return the funds to the Contractor.

DISCUSSION

This contract was executed by the Board on August 4, 2017, in the amount of \$6,216,102.00. The construction, under Contract No. C-129919, Bond No. 802002, was completed on December 31, 2020 by Colich & Sons, L.P.

This project consisted of the removal and replacement and/or rehabilitation of approximately 5.6 miles of sewer pipe in the East Los Angeles area as part of the Wastewater Collection System SSRP to upgrade the structural capability and to correct various deficiencies in the sewer collection system. The P06 El Sereno Avenue and Edison project is bounded by the Pasadena Freeway (110) to the north, Stockbridge Avenue to the east, Alhambra Avenue to the south, and Mission Road to the west.

This project was awarded for \$6,216,102.00 with a contingency of \$310,805.00, giving a total authorized budget of \$6,526,907.00. Nineteen (19) change orders were issued increasing the contract amount by \$260,988.46, bringing the total cost of this project to \$6,477,090.46. The project was completed at 4.20 percent above the awarded amount and 0.76 percent below its authorized budget.

Final corrections were completed on December 31, 2020. A request to release \$78,955.56 in retention funds, less disputed funds was processed on February 26, 2021, via Progress Payment No. 29. A final release of \$184,423.30 in disputed funds was processed on December 1, 2021, via Progress Payment No. 32 (final), after BCA received all required information from the Contractor. Progress Payments were submitted from BCA to the Office of Accounting.

Disputed funds in the amount of \$37,434.46 were withheld pending action by the Board.

Funds were provided in the Wastewater Capital Improvement Program Budget.

The contractor has complied with the Equal Employment opportunity and labor compliance requirements of the contract. 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. The contract was awarded with bidder's pledge of 0.00 percent MBE, 0.00 percent WBE, 0.00 percent SBE, 0.00 percent EBE, 0.00 percent DVBE, and 29.67 percent OBE. The actual participation levels achieved were percent 0.00 MBE, 0.00 percent WBE, 0.00 percent SBE, 0.00 percent EBE, 0.00 percent DVBE, and 28.32 percent OBE. The Mandatory Subcontracting Minimum (MSM) requirement for this project was 20.00 percent. The contract was awarded with the bidder's pledge of 31.03 percent and the actual participation level achieved was 28.99 percent, after deducting \$150,056.12 of fixed cost items paid to the Contractor from the total cost of the project.

Colich & Sons, L.P. achieved the following subcontractor participation levels: Gender/Ethnicity Codes:

AA = African American
 APA = Asian Pacific American
 NA = Native American
 M = Male

HA = Hispanic American
 SAA = Subcontinent Asian
 C = Caucasian
 F = Female

Subcontractor	MBE/ WBE/ SBE/ EBE/ DVBE/ OBE	Gender/ Ethnicity	Pledged Dollar (\$) Amount	Achieved Dollar (\$) Amount	Difference (\$)	Achieved Percentage (%)
Underground Builders, Inc. dba Underground Manholes ¹	OBE	-	\$266,743.00	\$256,633.00	(\$10,110.00)	3.96%
Southwest Pipeline & Trenchless Corp.	OBE	-	\$1,577,490.00	\$1,577,490.00	\$0.00	24.35%
Total MBE			\$0.00	\$0.00	\$0.00	0.00%
Total WBE			\$0.00	\$0.00	\$0.00	0.00%
Total SBE			\$0.00	\$0.00	\$0.00	0.00%
Total EBE			\$0.00	\$0.00	\$0.00	0.00%
Total DVBE			\$0.00	\$0.00	\$0.00	0.00%
Total OBE			\$1,844,233.00	\$1,834,123.00	(\$10,110.00)	28.32%
Total MSM²			\$1,844,233.00	\$1,834,123.00	(\$10,110.00)	28.99%
Final Contract Amount						\$6,477,090.46
Actual Fixed Cost Items Amount						\$150,056.12
Adjusted Final Contract Amount (Final Contract Amount - Actual Fixed Cost Items Amount)						\$6,327,034.34

¹ This firm's subcontract amount was reduced by City-issued change order(s).

² Calculated using the Adjusted Final Contract Amount.

The following summarizes the contractor's performance on the targeted hiring component of the *Department of Public Works Project Labor Agreement (PLA)* and the *Public Works Infrastructure Stabilization Policy (Policy)*:

LOCAL HIRE	Tier 1 Residents	Tier 2 Residents	Non-Local Residents	Total Project	Local Hire Percentage (Mandate ± 30%)
Hours	9,652.38	1,986.29	26,253.91	37,892.58	31%

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LOCAL APPRENTICE	Local Apprentices	Non-Local Apprentices	Total Apprentice	Local Apprentice Percentage (Mandate \pm 50%)
Hours	6,044.25	1,876.00	7,920.25	76%

TRANSITIONAL	Transitional Workers	Non-Target Residents	Project Total	Disadvantaged Worker Percentage (Mandate \pm 10%)
Hours	5,554.75	32,337.83	37,892.58	15%

The project has met all three PLA and Policy targeted hiring mandates.

The following is a review of PLA project targeted hiring requirements status of each formal PLA Progress Meeting conducted by the Office of Contract Compliance (OCC) with the prime contractor, Colich & Sons, L.P. and the Jobs Coordinator, TransCal Services, LLC. The PLA Progress Meetings addressed the following project criteria: Local Hire (30%); Local Apprentice (50%); and Transitional (10%).

Pre-Construction and Progress Meetings:

September 14, 2017 -DPW-PLA Pre-Construction Meeting

Colich & Sons, L.P. discussed and acknowledged PLA requirements.

June 11, 2018 -10% DPW-PLA Progress Meeting

Local Hire @ 26%; Local Apprentice @ 67%; Transitional @ 13%

November 16, 2018 -30% DPW-PLA Progress Meeting

Local Hire @ 26%; Local Apprentice @ 69%; Transitional @ 5%

March 6, 2019 -50% DPW-PLA Progress Meeting

Local Hire @ 28%; Local Apprentice @ 74%; Transitional @ 14%

September 19, 2019 -70% DPW-PLA Progress Meeting

Local Hire @ 31%; Local Apprentice @ 76%; Transitional @ 14%

November 26, 2019 -90% DPW-PLA Progress Meeting

Local Hire @ 28%; Local Apprentice @ 76%; Transitional @ 12%.

This project was initially considered out of PLA targeted hiring compliance for Local Hire, with the project completing 10,781.67 local resident work hours, or 29%, of the project's total work hours. However, additional certified payrolls were received from project subcontractors, which included additional local resident workers, increased the local resident work hours to 11,638.67, or 31% of the project's total work hours. Thus, the project is determined to be in full PLA targeted hiring compliance.

The Office of Contract Compliance, Labor Compliance Section has reviewed its files and confirms that no other labor compliance issues relating to this project are pending.

There are no unresolved property owners' complaints in connection with this project.

The Contractor Performance Evaluation Reports (CPERs) have been submitted to the Bureau of Contract Administration as required for compliance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code.

When monies may be held for stop work notices, the Board of Public Works, Executive Officer will notify the stop notice sub-contractors of this contract acceptance.

Except as noted, the Inspector of Public Works, John L. Reamer, Jr., in accordance with generally accepted quality assurance/control procedures and construction inspection methods and practices, including such special inspections that were deemed necessary and prudent, hereby attests that this project has been constructed in accordance with the plans, specifications, change orders, and contract provisions.

(RM – AM)

Report Prepared by:

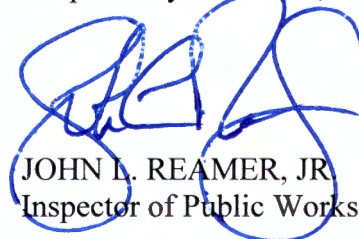
A. Martinez

Angela Martinez, Chief Construction Inspector
General Services Division
213-798-5543

Wai Yip, Project Manager
213-485-5441 / Mail Stop 538

AM:lg
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SSRP P06 El Sereno and Edison SZC12922-rev092024

Respectfully submitted,


JOHN L. REAMER, JR.
Inspector of Public Works


ENGINEERING
Electronically Signed by Ted Allen
on 10/06/2024 3:17:26 PM
CITY OF LOS ANGELES
TED ALLEN, PE
City Engineer