



AGENDA REPORT

Meeting Date: April 1, 2014

Item Number: D-6

To: Honorable Mayor & City Council

From: Charles Ackerman, Project Administrator

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS REJECTING THE APPARENT LOW BIDDER AS NON-RESPONSIVE, AWARDING A CONTRACT TO STL LANDSCAPE, INC. FOR THE BEVERLY HILLS RESERVOIR IRRIGATION PROJECT AND APPROVING PLANS AND SPECIFICATIONS THEREFOR
AND APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$150,000 FOR THE CONTRACT WORK

Attachments:

1. Resolution
2. Form of Contract
3. STL Landscape, Inc. protest letter of January 10, 2014

RECOMMENDATION

It is recommended that the City Council reject the lowest bidder JB & Son Construction's bid as non-responsive, adopt the resolution awarding a contract to STL Landscape, Inc. for the Beverly Hills Reservoir Irrigation Project, approve a construction contingency of not to exceed \$10,000 and delegate the authority to approve change orders to the Director of the Capital Assets Department, approve the plans and specifications for the project, dated November 21, 2013, which are adopted and approved with respect to design criteria; and approve a purchase order in the amount of not to exceed \$150,000.

INTRODUCTION

The proposed contract addresses the removal of nonfunctioning irrigation and the installation of new landscape and irrigation systems at three City reservoir sites at the following locations:

- Reservoir 5 at 495 Trousdale Place
- Reservoir 6 at 1820 Loma Vista Drive
- Reservoir 7 at 405 Walker Drive

DISCUSSION

Following the completion of the reservoir upgrade project, the landscape architectural firm, Community Works Design Group, was engaged to design the project and prepare construction plans and specifications, which includes the following scope of work:

- Demolition of existing nonfunctioning irrigation, new landscape plantings and new irrigation systems connected to the Citywide irrigation software and water conservation system.

The project was advertised in the local Beverly Hills newspapers and the construction trade plan room, McGraw-Hill Construction Information Group (Dodge Report). Twelve firms attended the mandatory job walk and obtained bid documents for this project.

On January 8, 2014, seven bids were received. The bids results are as follows:

<u>Bidder</u>	<u>Total Bid Amount</u>
JB & Son Construction	\$124,700.00
STL Landscape,	\$140,000.00
American Landscape	\$157,757.00
Pierre Sprinkler	\$164,155.00
Aramexx Construction	\$173,982.88
Clean Cut Landscape	\$225,625.00
Ventura Construction, Inc.	\$319,000.00

The second low bidder, STL Landscape, Inc., submitted a bid protest against the bid of JB & Son Construction. Attached for your reference is the bid protest from STL Landscape, Inc. Staff has determined that the protest related to JB & Son Construction's bid is valid and it is recommended that their bid be rejected. The issue raised by STL Landscape, Inc. in connection with JB & Son Constructions bid is as follows.

"In accordance with Section 4.d and 4.e of the General Specifications of the Contract Bid Documents, the work on this project must be done per the Greenbook Standards and that all subcontractors will be utilized in accordance with Section 2.3 of the Greenbook"

The Greenbook includes the following language:

"2-3.2 SELF PERFORMANCE. The Contractor shall perform, with its own organization, Contract work amounting to at least 50 percent of the Contract Price except that any designated "Specialty Items" may be performed by subcontract and the amount of any such "Specialty Items" so performed will be deducted from the Contract Price before computing the amount required to be performed by the Contractor with its own organization. "Specialty Items" will be identified by the Agency in the Bid or in the Special Provisions. Where an entire item is subcontracted, the value of work subcontracted will be based on the Contract Unit Price. When a portion of an item is subcontracted, the value of the work subcontracted will be based on the estimated percentage of the Contract Unit Price. This will be determined from the information submitted by the Contractor, and subject to approval by the Engineer."

The apparent low bidder, JB & Son Construction, submitted a schedule of values showing that subcontractors would be performing 68% of the Contract Price. Thus, staff, in consultation with the City Attorney's office, recommends that the City Council find that JB & Son Construction's bid is non-responsive and be rejected as it does not meet the requirement to self-perform at least 50% of the work on the project.

The bid of the second lowest bidder, STL Landscape, Inc., was reviewed by staff and found to be responsive to the bid requirements, and to the qualifications and experience requirements. As reported by the California State Contractors License Board, their license is current and in good standing.

The bid documents specify a 60 calendar day completion period for the work, resulting in completion of the project in July 2014.

FISCAL IMPACT

Funding for this contract work has been allocated from the fiscal year 2013-2014 Capital Improvement Program (CIP) budget for the Irrigation Upgrades Project #0602 and is available to cover the cost of this work.

Don Rhoads 
Finance Approval

David E. Lightner 
Approved By

Attachment 1

RESOLUTION 14-R-

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS REJECTING THE APPARENT LOW
BIDDER AS NON-RESPONSIVE, AWARDING A CONTRACT
TO STL LANDSCAPE, INC. FOR THE BEVERLY HILLS
RESERVOIR IRRIGATION PROJECT AND APPROVING
PLANS AND SPECIFICATIONS THEREFOR

The Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. The plans and specifications for the Beverly Hills Reservoir Irrigation Project, dated November 21, 2013 ("Project"), copies of which are on file in the Capital Assets Department, are hereby adopted and approved with respect to design criteria.

Section 2. The City invited bids for the Project and seven bids were received. The lowest bid submitted by JB & Son Construction, Inc. is non-responsive because it failed to meet the minimum requirement that a bidder must self-perform at least 50% of the work on a project based on its subcontractors list. (Bid Package No. 14-15, section 4d. which references the Standard Specifications for Public Works Construction ("Greenbook"), and Greenbook section 2-3.2) JB & Son Construction, Inc. will not be self-performing at least 50% of the work on the project and its bid is non-responsive. Therefore, the City Council finds that the lowest responsive bid was submitted by STL Landscape, Inc.

Section 3. In accordance with Beverly Hills Municipal Code Section 3-3.104 (d) (7), the City Council shall award the bid to the lowest responsible bidder.

Section 4. Upon reviewing the bids submitted for the work to be performed pursuant to contract and said plans and specifications, the City Council hereby rejects the JB & Son Construction, Inc. bid as non-responsive and finds that STL Landscape, Inc., hereinafter

"said Contractor", is the lowest responsible bidder for such work. The bid of said Contractor is hereby accepted in the total amount of \$140,000, which includes the Lump Sum Base Bid, and a contract for the performance of such work dated _____, and identified as Contract No. _____, a copy of which is on file in the Office of the City Clerk, is hereby approved and awarded to said Contractor.

Section 5. A construction contingency in the amount of \$10,000 is hereby approved for change orders to the contract as approved by the City Manager or his designee.

Section 6. The Mayor is authorized and directed to execute said Agreement on behalf of the City and the City Clerk is directed to attest thereto.

Section 7. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

Section 8. The City Clerk shall furnish a copy of said Agreement after it has been approved and fully executed by the City, along with a copy of this resolution, to: STL Landscape, Inc., 8122 Compton Avenue, Los Angeles, CA 90001.

Section 9. The City Clerk shall certify to the adoption of this Resolution and shall cause this Resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

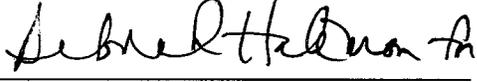
Adopted:

LILI BOSSE
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

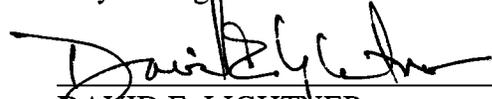
APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



DAVID E. LIGHTNER
Director of Capital Assets



ALAN SCHNEIDER
Director of Project Administration

Attachment 2

APPENDIX A

FORM OF CONTRACT

This contract ("Contract") is entered into by and between the City of Beverly Hills ("City"), a California municipal corporation, and STL Landscape, Inc. a Corporation, whose address is 8122 Compton Ave. Los Angeles, CA.90001.

In consideration of the agreements herein contained, the parties agree as follows:

1. **WORK TO BE PERFORMED.** Contractor shall furnish at Contractor's own expense all labor, materials, supplies, equipment, tools, transportation and other items of expense necessary to complete in a workmanlike manner all Work in accordance with the terms and conditions of the Contract, except for the labor, materials, supplies, equipment, tools, transportation and other items of expense as may be required to be furnished by the City. The Work is defined in detail in the Contract Documents, which govern the interpretation and performance of this Contract, but may be generally described as follows:

BEVERLY HILLS RESERVOIR IRRIGATION PROJECT

Item Description: Installation of irrigation equipment and landscaping as listed at Three (3) reservoir sites, located at various locations in Beverly Hills, California 90210.

2. **CONTRACT DOCUMENTS.** This contract consists of this Form of Contract and the following Contract Documents, including all exhibits, appendices, addenda, drawings, specifications and documents therein and attachments thereto, all of which are by this reference incorporated herein and made a part of this Contract:

- SECTION 1: NOTICE INVITING BIDS**
- SECTION 2: INSTRUCTIONS TO BIDDERS**
- SECTION 3: SPECIAL CITY REQUIREMENTS**
- SECTION 4: GENERAL SPECIFICATIONS**
- SECTION 7: ADDITIONAL FORMS**
- APPENDIX B: SCOPE OF WORK**
- APPENDIX C: PAYMENT PROCEDURES**
- APPENDIX D: BID FORM**
- APPENDIX E: TECHNICAL SPECIFICATIONS**

as contained in City's Bid Document for Bid No. 14-15, dated November 21, 2013 and

- SECTION 5: BIDDER'S BID**
- SECTION 6: SIGNATURE PAGE AND LEGAL STATUS**

of Contractor's Bid in response thereto, all of which are incorporated herein by reference, and all of which shall comprise the Contract Documents for this Contract. If any item of the Scope of Work, Payment Schedule, or any other item of the Bid Package is modified by either of the parties or arrived at by negotiation between the parties, that item as finally agreed upon by the parties shall also become a Contract Document, it shall supersede the corresponding item of the Bid Package, if any, and it shall be subject to all terms and conditions of the Contract.

3. **PERFORMANCE PERIOD.** Contractor shall commence Work after execution of the Contract, and shall complete all Work in 60 calendar days from the date of Notice To Proceed as set forth in the Contract Documents.

4. PAYMENT. City shall pay Contractor as full consideration for the satisfactory performance by Contractor of all Work required under this Contract the sum of One Hundred Forty Thousand Dollars (\$140,000), payable as provided in the Contract Documents.

5. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed as of the date stated below.

DATED: _____

CITY OF BEVERLY HILLS
"City"

LILI BOSSE
Mayor

ATTEST:

BYRON POPE
City Clerk

APPROVED TO FORM:

LAURENCE S. WIENER
City Attorney

DATED: _____

STL Landscape, Inc.
"Contractor"

By: _____
Sergio Lopez
Vice President

By: _____
Dan Patterson
Secretary

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager

DAVID E. LIGHTNER
Director of Capital Assets

ALAN SCHNEIDER
Director of Project Administration

KARL KIRKMAN
Risk Manager

Attachment 3

January 10, 2014

Mr. Charles Ackerman
City of Beverly Hills
455 No. Roxford Drive
Beverly Hills, California 90210

Re: Protest of JB & Sons Being Low Apparent Bidder on Bid No. 14-15, Reservoir Irrigation

Dear Mr. Ackerman:

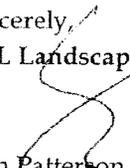
This letter is to protest JB & Sons being recognized as Low Apparent Bidder of Reservoir Irrigation Project Bid No. 14-15. In accordance with Section 4.d and 4.e of the General Specifications of the Contract Bid Documents, the work on this project must be done per Greenbook Standards and that all subcontractors will be utilized in accordance with Section 2.3 of the Greenbook.

JB & Sons listed a C27, Landscape Subcontractor and a D-41, Tree Service Subcontractor. These subcontractors comprise 100% of the contract. Section 2.3.2 of the Greenbook states that Prime Contractor must perform 50% of the work with its own forces, therefore, JB & Sons' bid is nonresponsive because JB & Sons will not be performing at least 50% of the work. Furthermore, JB & Sons has a B License with its two trades as C-33 Painting and C-39 Roofing, therefore, JB & Sons' bid is nonresponsive because they do not have a C27 License as one of their trades.

STL respectfully requests that the City of Beverly Hills recognize STL Landscape, Inc. as the Low Apparent Bidder on the Reservoir Irrigation Project, Bid No. 14-15.

Please call me with any questions.

Sincerely,
STL Landscape, Inc.


Dan Patterson
Secretary

Cc: file