



RESOLUTION NO. \_\_\_\_\_

BOARD LETTER APPROVAL

JOHN A. SMITH  
JOHN A SMITH (Oct 8, 2024 12:23 PDT)

**JOHN A. SMITH**  
Chief Administrative Officer

**JANISSE QUIÑONES**  
Chief Executive Officer and Chief Engineer

**DATE:** July 26, 2024

**SUBJECT:** Contract No. 462 for Ready-Mixed Concrete and Trench Backfill Slurry

**SUMMARY**

The proposed Contract No. 462 (Contract) is to furnish and deliver ready-mixed concrete and trench backfill slurry, for a period of one year with two one-year optional renewal periods. The total maximum expenditure will not exceed \$57,457,775 (budgeted). The Contract is a result of a competitive bid process.

The contract will provide ready-mixed concrete and trench backfill slurry which are essential materials for the Los Angeles Department of Water and Power's (LADWP) power and water systems. Construction standards require the use of ready-mixed concrete and slurry mixtures to maintain water and power infrastructure.

City Council approval is not required.

**RECOMMENDATION**

It is recommended that the Board of Water and Power Commissioners adopt the attached Resolution authorizing award of the Contract to Associated Ready Mixed Concrete, Inc (Associated) the lowest bidder under Groups I, IV, V and VI, and lowest responsive bidder under Groups II and III.

**ALTERNATIVES CONSIDERED**

There is no viable alternative to this contract. Ready-mixed concrete and trench backfill slurry are routinely used and must be readily available for emergency repairs and the maintenance of infrastructures.

## **FINANCIAL INFORMATION**

The Contract is for a term of one year with two one-year optional renewal periods and is budgeted.

	<u>Minimum Expenditure</u>	<u>Estimated Expenditure</u>	<u>Maximum Expenditure</u>
Original Contractual Period	\$ 3,663,667	\$ 14,654,669	\$ 18,318,336
First Optional Period	0	\$ 15,318,794	\$ 19,148,493
Second Optional Period	0	\$ 15,992,757	\$ 19,990,946
Contract Total	\$ 3,663,667	\$ 45,966,220	\$ 57,457,775

LADWP agrees to a minimum expenditure of 25 percent and a maximum expenditure of 125 percent of the estimated expenditure. The cumulative maximum expenditure will not exceed \$57,457,775.

The total quotation of \$45,996,220 is less than one percent higher than LADWP's estimated cost of \$45,592,862.

## **BACKGROUND**

The Contract will provide LADWP crews with continuous access to ready-mixed concrete and trench backfill slurry used for the construction and maintenance of LADWP properties and other various projects throughout the City of Los Angeles (City). This contract will also support infrastructure upgrades within the City limits as well as outlying areas at LADWP-owned properties in the County of Los Angeles.

Invitation for Bid (IFB) No. 462 was divided into six groups that could be awarded separately. The items were grouped based on the following district areas to increase bidder participation:

1. Central Los Angeles District
2. West Los Angeles District
3. Southwest Los Angeles District
4. Harbor District
5. East San Fernando Valley District
6. West San Fernando Valley District

Associated has performed satisfactorily on previous contracts.

## **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guideline 15060(c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378 (b)(4) states that government fiscal activities which do not involve any commitment to any specific project

which may result in a potentially significant physical impact on the environment do not meet that definition. Therefore, the award of a contract to furnish and deliver ready-mixed concrete and trench backfill slurry is not subject to CEQA.”

### **CITY ATTORNEY**

The Office of the City Attorney reviewed and approved the Agreement and Resolution as to form and legality.

### **ATTACHMENTS**

- Procurement Summary
- Resolution

## PROCUREMENT SUMMARY

1.	Recommended Vendor(s): Associated Ready Mix Concrete, Inc. (Associated)
2.	Procurement Type: Invitation for Bid (IFB)
3.	Procurement Details: A. Contract Status: Replacement B. Bid Advertisement Date: March 26, 2024 C. Pre-Bid Conference Date: Not applicable D. Bid/Proposal Due Date: May 8, 2024 E. Number of Downloads of Solicitation: 11* (7 Primes, 4 Subcontractors) F. Number of Bids/Proposals Received: 3 G. Protest Received: No
4.	Buyer Assigned: Jamie Vasquez
5.	Contract Administrator: Norma Cosio-Garcia
6.	LADWP System/Division: Joint / Supply Chain Services
7.	Contact Person for Item: Ellen Mannatt

\*Note: eRSP requires vendors to express interest either as a prime contractor or subcontractor only in order to download solicitation documents. Downloads do not necessarily accurately reflect unique vendor interests as multiple individuals in an organization can download solicitations

### A. Summary of Bids Received

All Groups (I – VI)			
Term	Associated	Builders Ready Mix	National Ready Mix
Original Period	\$ 14,654,669	\$ 17,364,930	\$ 15,041,936
1 <sup>st</sup> Optional Period	\$ 15,318,794	\$ 17,364,930	\$ 15,493,194
2 <sup>nd</sup> Optional Period	\$ 15,992,757	\$ 17,364,930	\$ 15,957,990
Total of Bid Amount	\$ 45,966,220	\$ 52,094,790	\$ 46,493,120
Less Cash Term Discount	-	\$ (130,237)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 45,966,220	\$ 51,964,553	\$ 46,493,120 *Non-responsive

\* Submitted incomplete bid

Group I (Less Supplemental line items)			
Term	Associated	Builders Ready Mix	National Ready Mix
Original Period	\$ 3,172,461	\$ 4,076,595	\$ 4,648,560
1 <sup>st</sup> Optional Period	\$ 3,356,711	\$ 4,076,595	\$ 4,757,913
2 <sup>nd</sup> Optional Period	\$ 3,540,961	\$ 4,076,595	\$ 4,931,551
Total of Bid Amount	\$ 10,070,133	\$ 12,229,785	\$ 46,493,120
Less Cash Term Discount	-	\$ (30,574)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 10,070,133	\$ 12,199,211	\$ 14,338,024 *Non-responsive

\* Submitted incomplete bid for Group I

<b>Group II (Less Supplemental line items)</b>			
<b>Term</b>	<b>Associated</b>	<b>Builders Ready Mix</b>	<b>National Ready Mix</b>
Original Period	\$ 3,199,443	\$ 3,872,062	\$ 70,000
1 <sup>st</sup> Optional Period	\$ 3,349,243	\$ 3,872,062	\$ 72,100
2 <sup>nd</sup> Optional Period	\$ 3,499,043	\$ 3,872,062	\$ 74,263
Total of Bid Amount	\$ 10,047,729	\$ 11,616,186	\$ 216,363
Less Cash Term Discount	-	\$ (29,040)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 10,047,729	\$ 11,587,146	\$ 216,363 <b>*Non-responsive</b>

\* Submitted incomplete bid for Group II

<b>Group III (Less Supplemental line items)</b>			
<b>Term</b>	<b>Associated</b>	<b>Builders Ready Mix</b>	<b>National Ready Mix</b>
Original Period	\$ 1,136,745	\$ 1,361,472	\$ 70,000
1 <sup>st</sup> Optional Period	\$ 1,194,645	\$ 1,361,472	\$ 72,100
2 <sup>nd</sup> Optional Period	\$ 1,252,545	\$ 1,361,472	\$ 74,263
Total of Bid Amount	\$ 3,583,935	\$ 4,084,416	\$ 216,363
Less Cash Term Discount	-	\$ (10,211)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 3,583,935	\$ 4,074,206	\$ 216,363 <b>*Non-responsive</b>

\* Submitted incomplete bid for Group III

<b>Group IV (Less Supplemental line items)</b>			
<b>Term</b>	<b>Associated</b>	<b>Builders Ready Mix</b>	<b>National Ready Mix</b>
Original Period	\$ 706,551	\$ 914,935	\$ 900,979
1 <sup>st</sup> Optional Period	\$ 739,401	\$ 914,935	\$ 928,008
2 <sup>nd</sup> Optional Period	\$ 782,139	\$ 914,935	\$ 955,848
Total of Bid Amount	\$ 2,228,090	\$ 2,744,805	\$ 2,784,835
Less Cash Term Discount	-	\$ (6,862)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 2,228,090	\$ 2,737,943	\$ 2,784,835 <b>*Non-responsive</b>

\* Submitted incomplete bid for Group IV

<b>Group V (Less Supplemental line items)</b>			
<b>Term</b>	<b>Associated</b>	<b>Builders Ready Mix</b>	<b>National Ready Mix</b>
Original Period	\$ 1,953,325	\$ 2,149,637	\$ 3,041,188
1 <sup>st</sup> Optional Period	\$ 2,068,825	\$ 2,149,637	\$ 3,132,423
2 <sup>nd</sup> Optional Period	\$ 2,184,325	\$ 2,149,637	\$ 3,226,396
Total of Bid Amount	\$ 6,206,475	\$ 6,448,911	\$ 9,400,007
Less Cash Term Discount	-	\$ (16,122)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 6,206,475	\$ 6,432,789	\$ 9,400,007 <b>*Non-responsive</b>

\* Submitted incomplete bid for Group V

Group VI (Less Supplemental line items)			
Term	Associated	Builders Ready Mix	National Ready Mix
Original Period	\$ 2,177,010	\$ 2,443,011	\$ 3,209,561
1 <sup>st</sup> Optional Period	\$ 2,298,610	\$ 2,443,011	\$ 3,305,847
2 <sup>nd</sup> Optional Period	\$ 2,420,210	\$ 2,443,011	\$ 3,405,023
Total of Bid Amount	\$ 6,895,830	\$ 7,329,033	\$ 9,920,431
Less Cash Term Discount	-	\$ (18,323)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 6,895,830	\$ 7,310,710	\$ 9,920,431 *Non-responsive

\* Submitted incomplete bid for Group VI

Supplemental Line Items (Applicable to All Groups)			
Term	Associated	Builders Ready Mix	National Ready Mix
Original Period	\$ 2,309,136	\$ 2,547,220	\$ 3,101,750
1 <sup>st</sup> Optional Period	\$ 2,311,361	\$ 2,547,220	\$ 3,194,803
2 <sup>nd</sup> Optional Period	\$ 2,313,536	\$ 2,547,220	\$ 3,290,647
Total of Bid Amount	\$ 45,966,220	\$ 7,641,660	\$ 9,587,200
Less Cash Term Discount	-	\$ (19,104)	-
Less LBPP	-	-	-
Total Evaluated Amount	\$ 6,934,033	\$ 7,622,556	\$ 9,587,200 *Non-responsive

\* Submitted incomplete bid

## B. Evaluation of Bid

LADWP received three bids in response to IFB No. 462. Associated submitted the lowest bid under Groups I, IV, V and VI, and is lowest responsive bidder under Groups II and III.

Prices submitted under IFB No. 462 have been determined to be fair and reasonable based upon a competitive bid process.

## C. Procurement History

Service/Item History – Number of Times Item or Service has been Procured					
Contract/ PO No.	Contractor	Term of Contract	Start Date	Ending Date	Contract Amount
00121	Associated Ready Mixed	One Year with Two Optional One Year Periods	12/07/2020	12/06/2023	\$57,942,676
02055 0	Associated Ready Mixed	One-year Interim contract	06/09/2020	06/08/2021	\$5,000,000
01589	Cemex	One Year with Two Optional One Year Periods	10/29/2018	10/28/2021	\$373,830

02943	Logan's Marketing	One Year with Two Optional One Year Periods	12/1/2017	11/30/2020	\$450,000
843	Hi-Grade Materials	3 Years	11/13/2017	11/12/2020	\$2, 7619,208
799	Associated Ready Mixed	One Year with Two Optional One Year Periods	05/30/2017	05/29/2020	\$59,715,642
537	Associated Ready Mixed	One Year with Two Optional One Year Periods	04/03/2014	04/02/2017	\$35,684,562
211	Associated Ready Mixed	One Year with Two Optional One Year Periods	03/29/2011	03/28/2014	\$31,635,597

Vendor Experience – Number of Contracts Vendor had with LADWP During the Past 5 Years					
Contract/ PO No.	Contract Description	Term of Contract	Start Date	Ending Date	Contract Amount
00121	Ready-Mixed Concrete and Trench Backfill Slurry	One Year with Two Optional One Year Periods	12/07/2020	12/06/2023	\$57,942,676
02055 0	Ready-Mixed Concrete and Trench Backfill Slurry	One-year Interim contract	06/09/2020	06/08/2021	\$5,000,000

#### **D. Local Business Preference Program (LBPP)**

The LBPP was included in this Bid. However, LBPP was not a determining factor in the evaluation and recommendation of award for this Contract.

#### **E. Additional Outreach Efforts Taken**

In addition to the original bid list, the following outreach efforts were taken:

- The IFB was posted on the City of Los Angeles Regional Alliance Marketplace for Procurement (RAMP) website.
- The IFB was electronically advertised in eRSP for direct download.

#### **F. Small Business Enterprises (SBE)/Disabled Veterans Business Enterprises (DVBE)/Minority Business Enterprises (MBE)/Women Business Enterprises (WBE)/Other Business Enterprises (OBE) Participation**

Not applicable as this is a contract for materials.