



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 30, 2017

IN REPLY PLEASE

REFER TO FILE: **BRC-1**

REQUEST FOR PROPOSALS – ADDENDUM 1 AS-NEEDED HAUL TRUCK SERVICES (2017-AN012)

Thank you for attending our mandatory Proposers' Conference for As-Needed Haul Truck Services Program (2017-AN012) held on Wednesday, March 8, 2017.

Please note that the deadline for Proposal submission has been extended to **Thursday, April 6, 2017, by 5:30 p.m.**

The following revisions have been made to the Request for Proposals (RFP). Added words are shown in **bold** and deleted languages are ~~struck-out~~. Questions presented in this Clarification section of this Addendum represent the questions asked by Proposers in the form and context as submitted.

Addendum:

1. Part II, Sample Agreement (page 3), Paragraph Fifteenth, has been modified as shown below:

A ~~faithful performance bond~~ **Payment Bond** is required in a sum not less than \$100,000 payable to the COUNTY OF LOS ANGELES, executed by a corporate surety admitted to transact business as a surety insurer in the State of California (or by the surety's agent with a notarized copy of power of attorney). The admitted surety and its agent shall have sufficient bonding limitations to provide bonds in the amount required by this Contract. The bond shall be conditioned upon faithful performance of the terms and conditions of this Contract by CONTRACTOR in a manner that is satisfactory and acceptable to the COUNTY. If necessary, the bond shall be renewed in a timely manner to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. Subject to COUNTY conditions and approval, a Certificate of Deposit or an irrevocable Letter of Credit payable to the COUNTY upon demand and in a sum not less than \$100,000 may be acceptable. Failure by the CONTRACTOR to maintain the required security shall constitute a material breach of contract upon which the COUNTY may immediately terminate or suspend this Contract.

The CONTRACTOR shall pay all security premiums, costs, and incidentals required to maintain the security during the entire Contract term, including renewals.

Clarifications

The following answers are in response to the request for information and clarification submitted by attendees of the Proposers' meeting:

1. **Question:** Does the proposer must list 20 trucks and drivers of a specific type or can the proposer list a mix of different trucks as long as they are of the types listed on Form PW-2?

Response: Yes, proposer must list 10 each of Ten Yard and 10 each Super tens.

2. **Question:** Does the Department of Industrial Relations (DIR) requirement applies to the proposer only or to all its drivers?

Response: The DIR requirement applies to the proposer and its subcontractor/drivers.

3. **Question:** Does the based price for fuel begins on the month that the contract starts?

Response: Yes, it begins on the month that the contract starts.

4. **Question:** Please provide the total dollar amount paid to all the contractors in the last 5 years.

Response: Please see Enclosure A.

5. **Question:** Why does the County require a Payment Bond?

Response: The Payment Bond is required as a security measure, in the event that the contractor fails to meet its obligations with its subcontractors, suppliers, and laborers.

6. **Question:** The preceding 3 contracts budget versus actual expenditure (in aggregate).

Response: The budgeted annual aggregate contract amount was \$10 million and the actual expenditure for the preceding 3 years is listed on Enclosure A.

7. **Question:** The preceding contract broker breakdown of actual expenditure (year over year) versus budget.

Response: Please see Enclosure A.

8. **Question:** The preceding contract award schedule (i.e list of 10 brokers) and how many withdrawals occurred during the contract. (i.e this contract had 10 brokers and is closing out with 6.)

Response: Nine contracts were awarded at the beginning of the contract period and currently, there are six contracts in place.

9. **Question:** The current contract budget versus actual expenditures (in aggregate).

Response: Please see Enclosure A.

10. **Question:** Has the county conducted a disparity study on the economic benefits and losses some brokers may experience throughout the life of contract?

Response: No study has been conducted.

11. **Question:** We understand this is on an "s-needed" basis, however the bond is fixed across the board and we believe all the contractors should benefit from being "needed." Can the county consider setting an economic cap on revenue for certain brokers until others in the rotation have caught up? (i.e. "X" company does 1 million and company "Y" and "Z" have done \$200,000. "X" company has obviously won the "luck of the draw" and thus should be skipped until other companies have caught up.)

Response: We appreciate the proposed "economic cap" concept but at this time, we feel the existing contract language best meets our objectives in the course of providing these critical services. Future consideration may be given to similar concepts to improve our ongoing efforts of transparency.

12. **Question:** Can we put a hold on this new contract bid/proposal until a reasonable study is conducted and or the contract is revised to better suit all of the brokers best interests?

Response: No, delaying this contract will jeopardize our ability to provide said services, effectively respond to emergencies, and negatively impact our field operations.

13. **Question:** Do we need to have the \$100,000 and \$2,000 bond before we submit the proposal. Or do we need to get that only if we are awarded the contract?

Response: Proposers must submit a Bid Guarantee in the amount of \$2,000 with their proposal at the time of proposal submission. The \$100,000 Payment Bond will be required only if a proposer is awarded a contract. Please note Paragraph Fifteenth of the Sample Agreement for Payment Bond information.

If you have questions concerning the above information, please contact Mr. Jairo Flores at (626) 458-4069, Monday through Thursday, 7 a.m. to 5 p.m.

Follow us on Twitter:

We encourage you to follow us on Twitter [@LACoPublicWorks](https://twitter.com/LACoPublicWorks) for information on Public Works and instant updates on contracting opportunities and solicitations.

Very truly yours,

MARK PESTRELLA
Director of Public Works



for: JOSE M. QUEVEDO
Assistant Deputy Director
Business Relations and Contracts Division

JF

P:\aepub\Service Contracts\CONTRACT\Jairo\HAUL TRUCKS\2016\RFP\01 RFP\ADDENDA\A1.doc

Enc.

Contractor	3/1/16 TO 2/28/17	3/1/15 TO 2/29/16	3/1/14 TO 2/28/15	3/1/13 TO 2/28/14	3/1/12 TO 2/28/13	Total
L. CURTI TRUCK	\$62,742.61	\$127,402.25	\$136,753.68	\$40,111.51	\$36,692.40	\$403,702.45
APRIL'S DISPATCH	\$1,038,997.75	\$483,315.00	\$374,625.52	\$20,242.74	\$154,430.60	\$2,071,611.61
KEEP IT MOVING	\$1,361,591.16	\$651,323.79	\$693,077.87	\$697,756.23	\$260,367.88	\$3,664,116.93
THREE WAY/MIRAN	\$262,130.68	\$154,328.73	\$442,849.90	\$78,214.63	\$38,502.36	\$976,026.30
ALBERT BLACKSHE	\$150,251.36	\$423,780.93	\$548,219.06	\$247,056.91	\$33,264.35	\$1,402,572.61
L.A.C. MOTOR ENTE	\$790,846.75	\$82,598.07	\$564,325.89	\$54,320.40	\$101,115.69	\$1,593,206.80
Haul N It	\$0.00	\$0.00	\$508,060.15	\$7,963.23	\$11,101.60	\$516,023.38
Shenkel	\$0.00	\$0.00	\$0.00	\$0.00	\$42,704.08	\$42,704.08
Jasper	\$0.00	\$0.00	\$0.00	\$0.00	\$25,627.16	\$25,627.16
	\$3,666,560.31	\$1,922,748.77	\$3,267,912.07	\$1,145,665.65	\$703,806.12	\$10,695,591.32