

City Council Meeting
December 20, 2011

SUPPLEMENTAL MATERIAL

Honorable Mayor and Members
of the Torrance City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Supplemental Material to City Council Agenda Item 12D

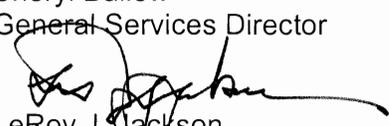
Attached is an email from Superior Property Services, Inc. regarding staff recommendation of contract award for Graffiti Removal Services and Bus Stop Maintenance for the City of Torrance (RFP B2011-45).

Respectfully submitted,

Sheryl Ballew
General Services Director

By 
Jonathan Landis
Facility Services Manager

NOTED:


Sheryl Ballew
General Services Director

LeRoy J. Jackson
City Manager

Attachment: Email from Superior Property Services, Inc.

Landis, Jon

From: Herbers, Sue
Sent: Monday, December 19, 2011 2:20 PM
To: Landis, Jon
Subject: FW: Graffiti Abatement RFP

FOR THE RECORD.
 Sue Herbers

From: Rhilinger, Susan
Sent: Monday, December 19, 2011 2:15 PM
To: Herbers, Sue
Subject: FW: Graffiti Abatement RFP

This should probably become part of the public record.

From: Ron Bruneck <ron@4superior.com>
Sent: Monday, December 19, 2011 1:07 PM
To: Scotto, Frank <FScotto@TorranceCA.gov>; Barnett, Gene <GBARNETT@TorranceCA.gov>; tbrewar@torranceca.gov <tbrewar@torranceca.gov>; Furey, Pat <PFurey@TorranceCA.gov>; Numark, Cliff <CNumark@TorranceCA.gov>; Rhilinger, Susan <SRhilinger@TorranceCA.gov>; bsutherland@torrance.gov <bsutherland@torrance.gov>
Subject: Graffiti Abatement RFP

Dear Honorable Mayor and Council Members
 Frank Scotto
 Gene Barnett
 Tom Brewar
 Pat Furey
 Cliff Numark
 Susan Rhilinger
 Bill Sutherland

RE: Graffiti Abatement & Staff Recommendations

Where are the Ethics in local government?

Recently we responded to a Request for Proposal (RFP) for graffiti abatement services put out by the City of Torrance. We originally submitted our proposal last April and anticipated the City was interested in obtaining bids from reputable contractors and had the intent to act in Good Faith with all responsible contractors and responsible bidders. How wrong we were.

Our first indication this was not the case was at the Mandatory Bidders Conference. At that time City of Torrance officials made it clear they did not intend to change contractors, regardless of the bids received. This was confirmed by several of the attending contractors who informed us they had gone through this process and were not incline to bid again. Given today's economic climate it is not unusual to have up to 30 or 50 contractors attending a bidders conference and as many as 10 or 15 of them submit qualified bids. Torrance had just four contractors attend the first bidder's conference and received only three bids. As a result of all bids being rejected the city held another bidders conference with only GPC and Superior attending and as a result only received two bids, one of which they unfairly evaluated. How can anyone believe there is not a problem here? Please feel free to contact some of our competitors who have submitted bids in the past to the City of Torrance and were subjected to the Cities games.

Barry Woods, owner	Juan Reinoso, owner
Graffiti Control Systems	Urban Graffiti Enterprises
(818) 503-8240	(626) 815-4900

The City of Torrance has systematically discouraged all but Superior from attending the last Bidders Conference and submitting competing bids. The first time we submitted a bid the City went to great lengths to declare our proposal non responsive and ultimately recommended all bids be rejected. We even received a call from your City Attorney, politely suggesting we either withdraw our bid or have it declared non responsive in open council and made public ultimately embarrassing our company. Their argument for declaring our bid nonresponsive would be pictures of color mismatches found on painted walls in an Orange County flood channel, observed by a City of Torrance official and GPC representative while inspecting together one of our listed references. The County of Orange, by the way gave us a very positive reference. As it turned out the information obtained by Torrance and GPC was incorrect, totally misleading and refuted by the County of Orange maintenance director. In fact, it was GPC who the County of Orange had issues with, resulting in not renewing their contract. Interestingly, in this new RFP the City of Torrance excluded bidders from using flood channels as a reference (it may not have looked good for GPC). I point this out so you can put the latest review of our proposal in perspective.

We could go through each of the negative comments made about our proposal and point out the biases and assumptions reached. We could also point out the obvious flaws in the GPC proposal. However, I suspect neither of these approaches will be productive or beneficial. I would like to point out we have submitted hundreds of proposals and none of them were evaluated as negatively as this one. The most egregious and misleading approach was when City of Torrance representatives based part of their evaluation on photos they assumed represented the workmanship of Superior. I wonder if GPC happened to assist Torrance in supposedly finding samples of our work, again. Since we have not seen these photos before it is impossible for us to even render an opinion as to their content. I suppose that's what was intended.

What you should know about these proposals is for the 3rd time GPC has not been the lowest responsible Bidder. In fact for the 2nd time Superior has provided the City with the lowest proposal. This time Superiors' proposal would substantially reduce the cost of graffiti abatement to the City of Torrance. Our price for graffiti removal was \$490 per day (\$117,600 annually) compared to GPC's \$744 per day (\$178,560 annually). Granted our proposal makes the assertion we can provide full graffiti abatement per the specifications using two crews. However, it is clear by the RFP we would be held responsible for meeting the stringent standards required by the City, even if we had to use additional equipment. We based our pricing and recommendations on months of monitoring the graffiti in the City of Torrance. We have also stated we would agree to pay damages in the form of a penalty for each instance of non performance.

We would suggest to the council and the public works department, if they are so intent on keeping GPC as their contractor, they have GPC match our price of either providing full graffiti abatement service per the specification outlined in the proposal for \$490 per day. We would agree this lower price schedule coupled with their bid to provide Bus Stop cleaning for \$47,320 would in fact save the City considerable money. GPC's proposal on its face is a transparent attempt to hide the fact they are using graffiti abatement crews to provide the additional service on Bus Stop cleaning. **Bottom line the city should not have to pay more than \$58,800 (not including paint) for the six month period plus \$23,660 for the bus stop cleaning. Saving the City over \$60,000 dollars per year just on graffiti abatement.**

We would also like the council to consider looking into the process for obtaining competitive proposals and their evaluations. You may want to talk to some of the contractors who have participated in the past and determine if there is, as we suspect, a trend to influence the process either by the way the RFP is originally written, how contractors are dealt with or through the evaluation process. We are confident; at least with respect to the graffiti abatement, we are not the only contractor that has had the unfortunate experience of dealing with your public works department. There is a reason so few contractors will even consider submitting a proposal for work in the City of Torrance.

Just a couple more quick thoughts.

The Fourth district court of Appeals have made it clear “public contracting laws are designed to increase price competition among bidders and protect the process from favoritism and fraud, so corporations don’t enrich themselves at the public’s expenses.” We are not taking the position anyone with the City of Torrance have been enriched from this relatively small contract. However, when government starts finding ways to influence the bid process they have moved closer to that proverbial “slippery slope”.

Ron Carlee, County Manager for Arlington County wrote, Ethics in Local Government; It’s more than not doing bad things. “When we talk about ethics in local government we tend to talk about codes of conduct and not doing bad things; stealing, lying, cheating, or favoritism. There are also a host of gray areas where local government must avoid even the appearance of impropriety.” Unfortunately, we feel the City of Torrance slipped on this slope. The council can look the other way when they have people under their management engaged in unethical behavior. But eventually this behavior becomes the way things are done, and eventually you have another City of Bell type scandal. In our opinion the City of Torrance did not use Good Faith in requesting contractors to submit proposals and showed a real lack of ethics in their dealing with us as the lowest responsible bidder.

On behalf of our family and friends who live in the City of Torrance we wish the City good luck with their fight against graffiti.

Sincerely,

Ron Bruneck
Vice President
Superior Property Services, Inc.
(562) 801-9200 office
(714) 719-4419 cell