Council Meeting
September 15, 2009

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

Members of the Council:

SUBJECT: General Services- Award a contract for the Airport Hangar Reconstruction and appropriate from the Airport Enterprise Fund. Expenditure: $63,562

RECOMMENDATION

Recommendation of the General Services Director that the City Council:
1) Reject the bid received from Moalej Builders Inc. as non-responsive and the bidder as not-responsible per the Torrance Municipal Code (TMC).
2) Award a contract to DLG Electric and Construction for $ 42,000 with a 5% contingency of $2,100 for the Airport Hangar Reconstruction (B2009-25).
3) Award a contract to R & S Overhead Doors of South Bay Inc. for $10,662.47 with a 5% contingency of $533 and $3,000 in engineering services.
4) Approve a 10% project management fee of $5,266.
5) Appropriate $63,562 from the Airport Enterprise Fund for the Airport Hangar Reconstruction Project.

Funding
Funding is available in the Airport Enterprise Fund.

BACKGROUND

In November 2008, a vehicle was intentionally driven into the west facing hangars in row 2797 of the East T hangars of the Torrance Airport causing major damage to two hangars and relatively minor damage to a third hangar.

Staff boarded up the hangars, and assessed the damage as well as notified the tenants and relocated the airplanes to others areas of the Airport. Due to damage to the structural columns and walls, a structural engineer was hired to provide drawings for replacement of the six (6) structural columns, three walls and installation of seismic ties. Additionally drywall and electrical repair, installation of three (3) new hangar doors and paint is also needed.

ANAYLSIS

Staff formally bid the project (B2009-25), held a mandatory job on June 30, 2009 and bids were opened July 30, 2009 and outlined below.

Moalej Builders	$ 26,928*
DLG Electric and Construction	$ 42,000
Paul White General Contracting	$ 42,527
Action Contractors	$ 46,354
M. Industrial Mechanical	$ 54,960
Universal Engineering	$105,510
Y & M Construction, Inc.	$160,120

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*Moalej Builders Inc. was found to be both non-responsible and non-responsive per the Torrance Municipal Code (TMC) Sections 22.1.4 and 22.3.9. Below are definitions of a responsible bidder per the Torrance Municipal Code and how Moalej Builders Inc. did not meet the requirements.

d) The character, integrity, trustworthiness and reputation of the bidder;
f) The previous and existing compliance by the bidder with laws and ordinances relating to the type of work to be performed under the contract;

1. Two of the three principals (Mohammad Moalej and Poula Moalej) listed on license #933331 for Moalej Builders Inc. per the California State License Board (CSLB) website were found to be past and/or current owners of two of the four references listed (Airport Smog and Test Only and Airport Shell Gas Station) in the bid proposal forms submitted by Moalej Builders (Attachment A- Moalej Builders' license #933331-personnel list, Attachment B- City of Oxnard Business License Information, Attachment C-Bureau of Automotive Repair- proof of ownership Pouya Moalej, Attachment D- Moalej Builders Inc. References).

2. According to information on the CSLB website, license (#933331) was issued to the Moalej Builders Inc. on June 3, 2009, however the project references listed as being performed by Moalej Builders, Inc. were completed within years of 2005 to 2007 before the license was valid. (Attachment D-Moalej Builders Inc. References, Attachment E-CSLB information on license #933331)

b) The ability, capacity, facilities and skill of the bidder to perform the contract;
e) The competence, reputation and record of performance and experience of the bidder for the successful recent completion of similar work of comparable magnitude;

1. According to information on the CSLB website, license (#933331) was issued to the Moalej Builders Inc. on June 3, 2009, however the project references listed as being performed by Moalej Builders, Inc. were completed within years of 2005 to 2007 before the license was valid. (Attachment D-Moalej Builders Inc. References, Attachment E-CSLB information on license #933331)

2. In addition Moalej Builders Inc. does not meet bid specification requirement that the, "bidder must have at least five years experience in projects of a similar size and scope." (Attachment F- Bid Specifications- Notice Inviting Bids pg. 4)

Per Torrance Municipal Code, the City may reject a bid "if the apparent lowest bidder is non-responsive due to defects, technicalities or informalities in their bid proposal..."

1. In their bid proposal, Moalej Builders Inc. did not list Mohammed Moalej, the responsible managing officer (RMO) on the bid documents section "List all Principals in a Company". An RMO is the title of an officer who serves as the qualifying individual on a corporate license. ((Attachment G: Moalej Bid proposal pg. 40, Attachment A- Moalej Builders license #933331- Personnel list).

2. In the listed references, the project located at 1465 W. Fifth Street, Oxnard, CA 93030 which was completed in 2006, was incorrectly listed as the Airport Shell Gas Station and owner listed "Moe" was also incorrectly listed. According the Department of Consumer Affairs, Bureau of Automotive Affairs (Attachment H) and the City of Oxnard Business License (Attachment B), in 2006 the name of the business was Oxnard Car Wash & Lube and the owner was Boris Davidov.

3. In the Moalej Builders' bid proposal pg 40 (Attachment G), the year the license was first obtained, the bidder incorrectly put 2000, when it should have been 2009.

Staff reviewed the bid of DLG Electric and Construction, Inc., their license, the subcontractors' licenses, their references, and experience and is satisfied with the results.

Staff informally bid the replacement of the damaged hangar doors separately. It was more cost effective (no prime contractors' profit and overhead), with companies who specialized in repair and installation of these types of doors and all three were familiar with the Torrance Airport.

The bids are outlined below.

R & S Overhead Doors of South Bay Inc.	$10,662.47
Vortex Doors	$10,905.00
Specialty Doors	$11,620.41

The General Services Director recommends City Council award a contract to DLG Electric and Construction for $ 42,000 with a 5 % contingency and a contract to R & S Overhead Doors of South Bay Inc. for $10,662.47 with a 5% contingency for the Airport Hangar Reconstruction project. In conjunction with the awarded contracts, staff also recommends Council reject the bid from Moalej Builders Inc. as a non-responsible bidder and non-responsive bid and appropriate $63,562 from the Airport Enterprise Fund.

Respectfully submitted,

SHERYL BALLEW
General Services Director

Diane Megerdichian

By Diane Megerdichian
Business Manager

CONCUR:

Sheryl Ballew

Sheryl Ballew
General Services Director

LeRoy J. Jackson
City Manager

Attachment A: Moalej Builders Inc. license #933331 personnel list
Attachment B (5 pgs): City of Oxnard Business License information
Attachment C: Bureau of Automotive Repair- Proof of Ownership-Pouya Moalej
Attachment D: Moalej Builders References pg. 38
Attachment E (2 pgs): CSLB information on license #933331 license- issue date
Attachment F: Bid Documents- Notice Inviting Bids pg. 4- Experience
Attachment G: Moalej Bid Document pg. 40-Principal list and license information
Attachment H: Bureau of Automotive Repair-Proof of Ownership- Boris Davidov
Attachment I: DLG Electric and Construction Contract
Attachment J: R & S Overhead Doors of South Bay Inc. Contract