

REPORT OF THE PRESIDENT AND CEO

May 31, 2023

RESOLUTION AUTHORIZING THE EXECUTION OF CONTRACTS WITH SOUTHWEST MATERIAL HANDLING AND GEFORCE AUTO FOR AS-NEEDED UTILITY VEHICLES REPAIRS PURSUANT TO AWARDS UNDER RFP NO. HA-2023-11 FOR A COMBINED TOTAL AMOUNT NOT-TO-EXCEED \$700,000



 Douglas Guthrie
 President and CEO



 Marisela Ocampo
 Housing Services Director

Purpose: The Housing Authority of the City of Los Angeles (“HACLA”) is engaged in on-going efforts to maintain and repair its public housing portfolio (“Sites”). Having as-needed repair services (the “Services”) for our Columbia Summit Utility Vehicles (“Utility Vehicles”) will support the functionality, maintenance, and repair of those vehicles in support of maintaining the Sites and is crucial to preserving our low-income housing. The two (2) proposed contracts (“Contracts”) will allow HACLA to receive the Services without interruption.

Regarding: The proposed Contracts will allow HACLA to maintain the Utility Vehicles for use by maintenance staff to transport equipment, supplies, and tools, in order to make repairs and perform work duties such as the completion of work orders. The Utility Vehicles are the primary mode of transportation for maintenance staff to service housing units and common areas. They are electric, low speed, street legal vehicles with a top speed of up to 25 miles per hour. They are built with high-strength metal alloy frame and can transport two (2) staff and up to 1,500 pounds. The average operating range on a single charge is 40 to 60 miles. Their dimensions are similar to golf carts making them easier to maneuver between buildings to service housing units and require less parking space than full size vehicles in the maintenance yards which have limited space.

Since 2010, HACLA began purchasing electric, low speed, street legal vehicles from Columbia Vehicles, which primarily manufactures Utility Vehicles for heavy duty industrial applications compared to most of their competitors who build vehicles for light recreational rather than industrial uses. Various U.S. government departments have purchased vehicles through Columbia Vehicles including the U.S. Army, Department of Homeland Security, U.S. Marine Corp., NASA, U.S. Department of Transportation, and the Department of Interior.

HACLA’s fleet of 97 Utility Vehicles have been in service for at least five (5) years and are out of the manufacturer’s warranty period. Due to daily and heavy use, they now require repairs such as the replacement of batteries, tires, brakes, leaf springs, and spindles. The average repair cost for each Utility Vehicle is expected to be

approximately \$2,200. When a Utility Vehicle is deemed no longer feasible to maintain and the repair costs become considerably higher than its value, the vehicle will be replaced. The replacement cost for a new Utility Vehicle is approximately \$21,000. The estimated cost to repair and maintain the Utility Vehicles over the next five years is \$700,000 (\$140,000 annually).

Procurement: On February 27, 2023, HACLA issued Request for Proposals HA-2023-11 (“RFP”) seeking proposals from qualified repair shops with demonstrated experience servicing and repairing Utility Vehicles.

The RFP was advertised on the City’s Los Angeles Regional Alliance Marketplace for Procurement (“RAMP”) website from February 27, 2023, to March 28, 2023, for a total advertisement period of twenty-nine (29) days. Two (2) proposals were received and independently reviewed, evaluated, and scored by a three-member panel (“Panel”) using the criteria stated in the RFP. Both proposers were provided an opportunity to submit Best and Final Offers (“BAFOs”), which led each to offer pricing concessions.

Following the BAFOs, a consensus was reached that the two (2) participating firms: 1) Geforce Auto dba Midas Auto Service Experts (“Midas Service Experts”); and 2) Southwest Material Handling dba Southwest Toyotalift (“Southwest Toyotalift”), represent a best value to HACLA and are subsequently both being recommended for contract awards. Midas Service Experts is a current HACLA service provider.

The Panel is also recommending that the Board of Commissioners (“Board”) authorize the President and CEO, or designee, to allocate the contract award amounts between the contract awardees based upon workflow and labor force capacity of each vendor; and in the event of any non-performance issues, to reallocate the total amount of the contract awards between each awardee.

Additional information regarding the proposals and their evaluations is included in the attached Summary of Procurement and Outreach.

Vision Plan: PLACE Strategy #1: Stabilize the physical and financial viability of the conventional public housing portfolio

The public housing portfolio has been undergoing modernization and redevelopment efforts in order to sustain and add to the existing housing stock. Most of HACLA’s public housing sites were built in the 1940’s and 1950’s and require numerous capital repairs and improvements.

PLACE Strategy #9: Manage capital resources and reserves to sustain useful life of existing and new units in HACLA’s portfolio

HACLA maintains an aging public housing portfolio with limited funding. While the amount of physical needs has grown significantly over the years, the amounts received for improvement and maintenance efforts does not fully address capital backlogs. Managing these limited funds with the goal of keeping the public housing stock at their highest level of usefulness and efficiency is imperative.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: Public Housing Operating Funds is the primary funding source for public housing maintenance projects.

Budget and Program Impact: HACLA anticipates the annual expenditure of \$140,000 for Utility Vehicle repair services based on estimated as-needed repair needs at its public housing sites. These expenditures are included in HACLA’s 2023 Operating Fund Budget and will be budgeted in subsequent years as required.

Environmental Review:

Approval of the contracts with Midas Service Experts and Southwest Toyotalift is exempt from CEQA and NEPA.

Section 3: Section 3 requirements have been imposed on both awardees, consistent with HACLA’s Section 3 Policy and HUD Section 3 requirements. Both vendors have made commitments to meet the labor hour benchmark goals and hiring requirements, as applicable. Geographic locations and the as-needed nature of the contracts creates challenges when hiring workers. Nevertheless, the vendors will make best efforts to hire Section 3 Workers when opportunities arise.

Attachment:

1. Summary of Procurement & Outreach Activities
2. Resolution

Summary of Procurement and Outreach Activities

**RFP No. HA-2023-11
Repair of Columbia Summit Utility Vehicles**

A. Funding Source

Federal Non-Federal Mixed Funding

B. Advertisement; Minority/Women Outreach

The General Services Department advertised the RFP No. HA-2023-11 (“RFP”) on the Regional Alliance Marketplace for Procurement (“RAMP”), formerly LABAVN, a free service provided by the City of Los Angeles and the Los Angeles Business Council at: www.rampla.org, starting on February 27, 2023, until the submission deadline of March 28, 2023, for a total of twenty-nine (29) days. A total of forty-two (42) vendors viewed the RFP on the RAMP website.

In support of the Housing Authority of the City of Los Angeles’ (“HACLA”) policy to contract with Minority-Owned Business Enterprises (“MBEs”), Women-Owned Business Enterprises (“WBEs”) and Labor Surplus Area (“LSA”) businesses, to the extent possible, on February 27, 2023, a notice of this RFP was also provided to the List of Recognized Minority and Women-owned Business Organizations and to the local office of the U.S. Small Business Administration (“SBA”). (See list below).

C. Pre-Proposal Conference

There were two (2) optional site-visits held for this solicitation. The first one was held at Nickerson Gardens on March 6, 2023, and the second at Ramona Gardens on March 7, 2023. Although these site visits were optional, proposers were encouraged to attend to inspect the utility vehicles.

D. Addenda

One addendum was issued on March 2, 2023. The purpose of the addendum was to inform prospective bidders of the two optional site-visits for this RFP.

D. Proposals Received and Opened

The following two (2) proposals were received:

Company Name
1. Geforce Auto dba Midas Auto Service Experts (“Midas Service Experts”)
2. Southwest Material Handling dba Southwest Toyotalift (“Southwest Toyotalift”)

F. Panel Review

The Evaluation Panel (“Panel”) was comprised of three (3) subject matter experts. The Panel met on April 18, 2023, resulting in the following initial scoring, and where the Panel determined that interviews were not necessary:

Initial Evaluation Scores

Company Name	Pre BAFO-Score
Midas Service Experts	89
Southwest Toyotalift	71

The above reflect the consensus scoring as confirmed by the Contracts Administrator.

G. Best and Final Offers

On April 26, 2023, HACL A requested a Best and Final Offer (“BAFO”) from each of the two (2) participating proposers, to provide them with a final opportunity to propose their best and final pricing and/or cost structures(s). Both proposers responded to the BAFO requests reducing their pricing in certain categories and where Southwest Toyotalift revised their Section 3 commitment. The Panel then re-evaluated the proposals but did not adjust their scores.

H. Workforce Profile

Both proposers submitted a Workforce Profile that reveals the following workforce composition:

Company	Employees
Midas Auto Service Experts	Total: 14 10 minorities = 71% 1 woman = 7%
Southwest Toyotalift	Total: 163 110 minorities = 67% 45 women = 28%

I. Recommendation for Award

Having determined that each proposal represents a best value to HACL A based upon the RFP criteria and a desire to ensure an adequate pool of vendors, the Panel recommends: both 1) Midas Auto Service Experts; and 2) Southwest Toyotalift, for contract awards.

MBE/WBE ORGANIZATIONS MAILING LIST

1	American Indian Chamber of Commerce
2	Asian American Architects and Engineers Association
3	Asian Business Association of Los Angeles
4	Asian Business League of Southern California
5	Asian Pacific Islander Small Business Program
6	Black Business Association
7	Build Plus Community Marketplace
8	California Hispanic Chamber of Commerce
9	City of LA Bonding Program: Merriwether & Williams Insurance Services, Inc.
10	Greater L.A. African American Chamber of Commerce (GLAAACC)
11	Greater San Fernando Valley Chamber of Commerce
12	Korean American Chamber of Commerce
13	LA Metropolitan Hispanic Chamber of Commerce
14	Latin Business Association (LBA)
15	Los Angeles Area Chamber of Commerce
16	Los Angeles Latino Chamber of Commerce
17	Los Angeles Minority Business Enterprise Center USC (MBDA)
18	National Association of Minority Contractors
19	National Association of Women Business Owners Los Angeles
20	National Black Contractors Association
21	National Latina Business Women Association (NLBWA-LA)
22	Pacific Asian Consortium in Employment (PACE) Business Center
23	Pacific Coast Regional Small Business Development Corp (SBDC)
24	Regional Black Chamber of Commerce of San Fernando Valley
25	Regional Hispanic Chamber of Commerce
26	Small Business Majority
27	South Los Angeles Transit Empowerment Zone (SLATE-Z)
28	Southern California Black Chamber of Commerce
29	Southern California Minority Supplier Development Council
30	The New Ninth Business Resource Center
31	US Black Chamber of Commerce
32	US Veteran Business Alliance
33	Valley Economic Development Center/Women's Business Center
34	Vermont Slauson Economic Development Corporation
35	Vernon Networking Committee
36	Watts Community Development Corporation
37	Young Black Contractors Association

RESOLUTION NO. _____

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WHEREAS, the Housing Authority of the City of Los Angeles (“HACLA”) requires the services of qualified vendors to provide as-needed repair service (the “Services”) for its Columbia Summit Utility Vehicles that cannot be performed by regular employees of HACLA;

WHEREAS, on February 27, 2023, HACLA issued Request for Proposals (“RFP”) No. HA-2023-11 for the Services with two (2) proposals received by the March 28, 2023 submission deadline;

WHEREAS, the proposals were independently reviewed and evaluated by a panel with subject matter expertise based on the criteria set forth in the RFP, and following the receipt of Best and Final Offers, both proposals were determined to be best values to HACLA; and

WHEREAS, for the reasons set forth in the Report of the President and CEO of the same date herewith, the Board of Commissioners desires to award contracts to: 1) Geforce Auto dba Midas Auto Service Experts, and 2) Southwest Material Handling dba Southwest Toyotalift pursuant to awards under RFP No. HA-2023-11.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO, or designee, to execute two (2) separate one-year contracts with four (4) one-year options to extend with: 1) Geforce Auto dba Midas Auto Service Experts, and 2) Southwest Material Handling dba Southwest Toyotalift to provide the Services on an as-needed basis for a combined total contracting amount not to exceed \$700,000; and further authorizes the President and CEO, or designee, to allocate the contract award amounts between the contract awardees based upon workflow and labor force capacity of each vendor; and in the event of any non-performance issues, to reallocate the total \$700,000 amount between each awardee.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

BY: _____
James Johnson, General Counsel

BY: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____