



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM: 
Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: December 02, 2020

SUBJECT: **Agenda Item VI(I): Consideration of resolution authorizing a contract with J. Kim Electric, Inc. for electrical restoration to the warehouse at Marsh Park, Los Angeles.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing a contract with J. Kim Electric, Inc. for electrical restoration to the warehouse at Marsh Park, Los Angeles in an amount not to exceed \$133,000.00.

Background: The Lewis MacAdams Riverfront Park, also known as Marsh Park, contains a 27,000 square-foot warehouse structure on a portion of the property that has not been converted to parkland. The warehouse structure was occupied by a light industrial business tenant at the time the property was acquired, and MRCA took over that lease. The revenues provided by leasing the building are used for maintenance funding for the Los Angeles River Greenway, including the developed portions of the subject park.

In 2018 after a subsequent lessee left the building unoccupied without notice, an act of vandalism damaged the building's electrical system and rendered the security system inoperable. Additional acts of theft and vandalism occurred in 2019 and 2020. Altogether the losses and damages include main electrical switchboards, protective devices, dry type transformers, various panelboards to the interior and exterior of the warehouse, and extensive amounts of wiring back to the pole. Claims for all incidents were filed with MRCA's insurance carrier to document the damages and determine compensation to bring all units back to pre-existing condition. The building currently has a temporary power source, and new security alarms and exterior lighting have been installed.

Due to the building's age, the extensive damage, and the electrical load required for light industrial use, full electrical engineering was required by the City of Los Angeles Building and Safety Department for permit approval, and that process took an extended period of time. The electrical plans to fully restore all electrical components in the building have been approved by the City and deemed compliant with applicable codes.

Following Section 4.1 of MRCA's Procurement Policy, MRCA advertised a public bid for the electrical work on November 3, 2020. Notification of the bid was advertised directly through e-mail and an ad was published in the *Los Angeles Daily News*. Notifications were distributed directly to local disadvantaged businesses found on public lists of certified Disadvantaged Business Enterprises.

All purchases of \$25,000 or more require a competitive bid process and shall be awarded to the lowest responsive and responsible bidder. On November 23, 2020, three bids were received. Staff evaluated bids and found J. Kim Electric, Inc. to be the lowest responsive and responsible bidder in accordance with Public Contract Code section 20815 *et seq.* A Notice of Award will be issued after board approval. J. Kim Electric, Inc. is a certified Small Business Enterprise and will self-perform the work.

Consideration: The bid from J. Kim Electric, Inc. is \$133,000. MRCA's Procurement Policy allows augmentation of up to 10% of the contract amount.

Fiscal Impact: Insurance claim payouts for the theft and vandalism to date total \$85,000, of which approximately \$55,000 remains after engineering, permit fees, and security system costs. An additional claims payout of \$96,700 is anticipated. Any funds remaining after contract costs will be used to offset staff time to administer and manage the contract. Restoration of electricity is expected to make the building far more attractive to potential lessees, and that revenue would augment the general fund.