

REPORT OF THE PRESIDENT AND CEO

March 25, 2021

**RESOLUTION AUTHORIZING THE PRESIDENT & CEO, OR DESIGNEE,
TO EXECUTE A CONTRACT WITH R&B WHOLESALE DISTRIBUTORS, INC.,
FOR AN INITIAL ONE-YEAR TERM WITH FOUR (4) ONE-YEAR OPTIONS TO EXTEND,
FOR A TOTAL AMOUNT NOT-TO-EXCEED \$820,000, PURSUANT TO AWARD UNDER IFB
HA-2021-21, FOR THE PURCHASE OF AS-NEEDED GAS RANGES**



Douglas Guthrie
President and CEO



Marisela Ocampo
Housing Services Director

Purpose: The Housing Authority of the City of Los Angeles (“HACLA”) is engaged in the on-going practice of maintenance and repair of its public housing portfolio. Activities that will increase the functionality, maintenance and improvement of its housing stock are crucial in preserving our low-income housing. The proposed contract will allow HACLA to purchase gas ranges on an as-needed basis for on-going replacements at public housing sites.

Background: The proposed contract will provide as-needed gas ranges for HACLA sites at competitive pricing. Gas ranges are required and support the appliance needs of units at the HACLA’s public housing sites. HACLA staff purchases and installs gas ranges through requests generated in the work order system, either by site-staff or in response to residents’ requests. HACLA purchases approximately 200 gas ranges annually. However, gas ranges are repaired when it is determined to be more cost effective than replacement.

Based on forecasted needs, expenditures for gas ranges over the next five years are expected to total approximately \$820,000 inclusive of sales tax. Details on the annual expenditures are provided in the Funding section below.

Procurement:

On January 27, 2021, Invitation for Bid (IFB) No. HA-2021-21, was issued for the purchase of gas ranges, on an as-needed basis. The specifications called for the supply and delivery of gas ranges in sizes ranging from 20 to 30 inches. The IFB required bidders to provide annual unit pricing for each gas range size specified, based on estimated quantities needed per year, for a maximum of five (5) years.

On February 25, 2021, the IFB submission deadline, HACLA received the following three (3) bids:

BIDDER	
1	R&B Wholesale Distributors, Inc.
2	TMM Enterprises Group Inc.
3	1 Stop Electronics Center Inc.

Based on the bid evaluation and price analysis, R&B Wholesale Distributors, Inc.,

HACLA's incumbent vendor, was determined the lowest responsive and responsible bidder. Additional information regarding the procurement is included on the attached Summary of 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 the fourteen public housing sites were built in the 1940's and 1950's and require numerous capital repairs and improvements. HACLA's maintenance staff requires gas ranges for site maintenance and improvement projects on an as-needed basis.

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

HACLA has to maintain an aging public housing portfolio with limited funding. Managing the 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 Capital Funds is the primary funding source for public housing maintenance projects.

Budget and Program Impact: The HACLA anticipates the following annual expenditures for gas ranges based on estimated needs:

Anticipated Expenditures over the Proposed Contract Period				
Year 1	Year 2	Year 3	Year 4	Year 5
\$155,000	\$159,000	\$163,000	\$169,000	\$174,000

These expenditures are included in HACLA's 2021 Capital Budget and will be budgeted in subsequent years as required.

Environmental Review:

Approval of this contract with R&B Wholesale Distributors, Inc. is exempt from CEQA and NEPA.

Section 3: Section 3 covers contracts for services and does not apply to contracts for the purchase of supplies and materials (24 CFR Part 135.5; HUD Handbook No 7460.8 Rev2). However, HACLA extended Section 3 to this procurement pursuant to HACLA's Section 3 Guide and Compliance Plan. Discussions were held with R&B Wholesale Distributors, Inc. to explore hiring and training opportunities for Section 3 Residents. However, this was determined not feasible due to R&B Wholesale Distributors, Inc.'s location in Ontario, CA. Notwithstanding, R&B Wholesale Distributors, Inc. made a commitment to provide \$1,000 in financial assistance to be used for Section 3 Resident education scholarships or

apprenticeship program enrollment costs.

R&B Wholesale Distributors, Inc. has satisfied Section 3 commitments made to HACLA under its existing contract by providing contributions to the Section 3 fund.

ATTACHMENT: 1. Resolution
2. Summary of Outreach

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE PRESIDENT & CEO, OR DESIGNEE,
TO EXECUTE A CONTRACT WITH R&B WHOLESALE DISTRIBUTORS, INC.
FOR AN INITIAL ONE-YEAR TERM WITH FOUR (4) ONE-YEAR OPTIONS TO EXTEND,
FOR A TOTAL AMOUNT NOT-TO-EXCEED \$820,000, PURSUANT TO AWARD UNDER IFB
HA-2021-21 FOR THE PURCHASE OF AS-NEEDED GAS RANGES**

WHEREAS, the Housing Authority of the City of Los Angeles (the "Housing Authority") requires gas ranges on an as-needed basis for the replacement of appliances at its public housing sites;

WHEREAS, on January 27, 2021, Invitation for Bid Number HA-2021-21 was issued to solicit bids for gas ranges in a variety of needed sizes (the "IFB");

WHEREAS, three (3) bids were received by the submission deadline of February 25, 2021;

WHEREAS, R&B Wholesale Distributors, Inc. ("R&B") submitted the lowest responsive and responsible bid;

WHEREAS, the Housing Authority desires to award R&B an initial one-year contract with four one-year options to extend, for a total amount not-to-exceed \$820,000, which includes an allowance for sales tax, pursuant to the IFB; and

WHEREAS, the Chief Administrative Officer confirms the necessary funds are available and included in the Housing Authority's 2021 Annual Budget with additional funds for the contract to be budgeted annually and adopted as part of subsequent years' Annual Budgets.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO, or designee, to execute a contract with R&B for an initial one-year term with four (4) one-year options to extend, for a total contract amount not to exceed \$820,000, which includes an allowance for sales tax, to provide gas ranges on an as-needed basis.

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

APPROVED AS TO FORM:
JAMES JOHNSON

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

BY: _____
GENERAL COUNSEL

BY: _____
CHAIRPERSON

DATE ADOPTED: _____

Summary of Outreach Activities
IFB No. HA-2021-21 Gas Ranges

On January 27, 2021, HACLA released Invitation for Bid (“IFB”) HA-2021-21 to invite bidders to submit firm fixed-price sealed bids for gas ranges.

A. Distribution of IFB

The IFB was posted on the City of Los Angeles’ Business Assistance Virtual Network (“LA –BAVN”) website. In addition, an IFB notice was sent to 28 vendors from a list provided by Housing Services and 36 MBE/WBE organizations.

B. Pre-Bid Conference

A pre-proposal conference was not provided due to the closure of our offices to the public stemming from the COVID-19 outbreak.

C. Bids Received

HACLA received the following three (3) bids by the February 25, 2021, submission due date:

1. 1 Stop Electronic Center, Inc.
2. R&B Wholesale Distributors, Inc.
3. TMM Enterprises Group, Inc.

D. Bid Abstracts

R&B	Per 20" ESI Range	Per 24" ESI Range	Per 30" ESI Range	Extended Price for ESI Ranges[1]
Yr 1 Price:	\$ 598.00	\$ 743.00	\$ 645.00	\$ 1,986.00
Yr 2 Price:	\$ 616.00	\$ 765.00	\$ 665.00	\$ 2,046.00
Yr 3 Price:	\$ 635.00	\$ 788.00	\$ 685.00	\$ 2,108.00
Yr 4 Price:	\$ 655.00	\$ 812.00	\$ 706.00	\$ 2,173.00
Yr 5 Price:	\$ 675.00	\$ 837.00	\$ 727.00	\$ 2,239.00
				\$ 10,552.00

R&B	Per 20" BPI Range	Per 24" BPI Range	Per 30" BPI Range	Extended Price for BPI Ranges
Yr 1 Price:	\$ 614.00	\$ 773.00	\$ 674.00	\$ 2,061.00
Yr 2 Price:	\$ 632.00	\$ 796.00	\$ 694.00	\$ 2,122.00
Yr 3 Price:	\$ 651.00	\$ 820.00	\$ 715.00	\$ 2,186.00
Yr 4 Price:	\$ 671.00	\$ 845.00	\$ 737.00	\$ 2,253.00
Yr 5 Price:	\$ 691.00	\$ 870.00	\$ 759.00	\$ 2,320.00
				\$ 10,942.00

TMM	Per 20" ESI Range	Per 24" ESI Range	Per 30" ESI Range	Extended Price for ESI Ranges[1]
Yr 1 Price:	\$ 619.53	\$ 780.03	\$ 715.83	\$ 2,115.39
Yr 2 Price:	\$ 669.09	\$ 842.43	\$ 773.10	\$ 2,284.62
Yr 3 Price:	\$ 722.62	\$ 909.83	\$ 893.94	\$ 2,526.39
Yr 4 Price:	\$ 780.43	\$ 982.61	\$ 901.74	\$ 2,664.78
Yr 5 Price:	\$ 842.86	\$ 1,061.22	\$ 973.88	\$ 2,877.96
				\$ 12,469.14

TMM	Per 20" BPI Range	Per 24" BPI Range	Per 30" BPI Range	Extended Price for BPI Ranges
Yr 1 Price:	\$ 640.93	\$ 801.43	\$ 694.43	\$ 2,136.79
Yr 2 Price:	\$ 692.20	\$ 865.54	\$ 749.98	\$ 2,307.72
Yr 3 Price:	\$ 747.58	\$ 934.79	\$ 809.98	\$ 2,492.35
Yr 4 Price:	\$ 807.39	\$ 1,009.57	\$ 874.78	\$ 2,691.74
Yr 5 Price:	\$ 871.98	\$ 1,090.34	\$ 944.76	\$ 2,907.08
				\$ 12,535.68

1 STOP ELECTRONIC	Per 20" ESI Range	Per 24" ESI Range	Per 30" ESI Range	Extended Price for ESI Ranges[1]
Yr 1 Price:	\$ 781.00	\$ 810.00	\$ 724.00	\$ 2,315.00
Yr 2 Price:	\$ 821.00	\$ 851.00	\$ 761.00	\$ 2,433.00
Yr 3 Price:	\$ 862.00	\$ 894.00	\$ 800.00	\$ 2,556.00
Yr 4 Price:	\$ 906.00	\$ 939.00	\$ 840.00	\$ 2,685.00
Yr 5 Price:	\$ 952.00	\$ 986.00	\$ 882.00	\$ 2,820.00
				\$ 12,809.00

1 STOP ELECTRONIC	Per 20" BPI Range	Per 24" BPI Range	Per 30" BPI Range	Extended Price for BPI Ranges
Yr 1 Price:	\$ 704.00	\$ 834.00	\$ 746.00	\$ 2,284.00
Yr 2 Price:	\$ 740.00	\$ 876.00	\$ 784.00	\$ 2,400.00
Yr 3 Price:	\$ 777.00	\$ 920.00	\$ 824.00	\$ 2,521.00
Yr 4 Price:	\$ 816.00	\$ 966.00	\$ 866.00	\$ 2,648.00
Yr 5 Price:	\$ 857.00	\$ 1,015.00	\$ 910.00	\$ 2,782.00
				\$ 12,635.00

*ESI is an Electronic Start Ignition range and BPI is a Battery Powered Ignition range.

E. Minority/Women Participation

The Housing Authority conducts ongoing outreach to include minorities and women-owned businesses in the contract award process. This outreach includes providing information regarding our solicitations to the U.S. Small Business Administration (SBA) and mailing information to organizations that represent minorities and women.

The recommended contract award is in accordance with HACLA's Procurement Policy and Federal regulations and without regard to race, creed, color, gender or national origin.

<u>Company</u>	<u>Employees</u>
R&B Wholesale Distributors, Inc.	Total: 164 130 minorities = 77% 43 women = 25%

**HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
MBE/WBE ORGANIZATIONS MAILING LIST**

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