

APPROVED
FEB 06 2008

REPORT OF GENERAL MANAGER

NO. 08-36

DATE February 6, 2008

**BOARD OF RECREATION
and PARK COMMISSIONERS**

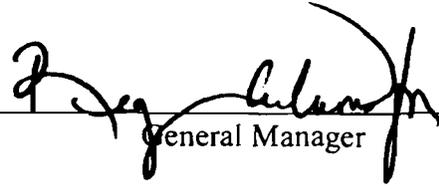
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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GILBERT LINDSAY RECREATION CENTER - NEW RECREATION CENTER (PHASE II) (#1400B) (W.O. #E170308F) – REVIEW OF BIDS AND AWARD OF CONTRACT; ALLOCATION OF QUIMBY SUBDIVISION FEES

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	M. Shull	<u>MS</u>

MS Amendment


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Find Los Angeles Engineering, Inc., with a base bid of \$1,673,900, to be the lowest responsive and responsible bidder for the Gilbert Lindsay Recreation Center – New Recreation Center (Phase II) (#1400B) (W.O. #E170308F) project;
2. Award the contract to Los Angeles Engineering, Inc., exercising Additive Alternate No. 1 in the amount of \$5,800 for a total contract amount of \$1,679,700, all according to the plans and specifications;
3. Authorize the Department’s Chief Accounting Employee to transfer \$134,119 in Subdivision/Quimby Fees, which were collected in Fiscal Year 2004-2005, from the Subdivision/Quimby Fees Account 460K-00 to the Gilbert Lindsay Account 460K-GL;
4. Approve the allocation of \$215,539 in Subdivision/Quimby Fees from the Gilbert Lindsay Account 460K-GL for the Recreation Center Phase II project as described in the Summary of this report;

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5. Authorize the Chief Accounting Employee to encumber up to \$1,679,700 from the following fund and account numbers under the awarding authority of this Board Report;

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>AMOUNT</u>	<u>AVAILABLE AMOUNT</u>	<u>ENCUMBRANCE AMOUNT</u>
Prop K07	43K/10/V018	\$3,768	\$0	\$0
Prop K09	43K/10/Y018	\$245,732	\$24,999	\$24,999
Prop 12 RZH ⁽¹⁾	205/88/TBD	\$343,200	\$0	\$343,200
Prop 12 RZH ⁽¹⁾	298/88/TBD	\$85,800	\$0	\$85,800
Prop 40 UP	205/89/WV06	\$1,600,000	\$1,535,927	\$1,066,701
Quimby ⁽²⁾	302/89/460K-GL	\$215,539	\$215,539	\$159,000
Prop 40 2/3 PC	TBD	<u>\$50,000</u>	<u>\$0</u>	<u>\$0</u>
TOTAL FUNDING ⁽³⁾		\$2,517,039 \$2,544,039	\$1,776,465	\$1,679,700

- ⁽¹⁾ Encumbrance of these funds is subject to City Administrative Office approval of Proposition 12/40 Cash Flow and MICLA loan funds which will be promptly repaid upon reimbursement from the State.
- ⁽²⁾ Funding is subject to Board approval, as requested in this report.
- ⁽³⁾ Although there are \$1,776,465 in available funds all of these funds will not be used toward the encumbrance of the construction contract. Of the available funds, only \$1,250,700 will be used, which includes approval of the requested Quimby funds. The remaining \$429,000 necessary to fully encumber the contract will come from the Proposition 12 RZH funds, which will be available for encumbrance pending approval of the cash flow funds referenced in footnote 1 above.

6. Request the staff to prepare a contract, including a “funding clause,” limiting the City’s liability for the contract payments to the amount of funding appropriated by the City for this contract, which is \$1,250,700, as well as so limiting the contractor’s obligation to perform the contract, as further described in this report; and,
7. Authorize the Board President and Secretary to execute the contract subject to City Attorney approval as to form.

SUMMARY:

On September 19, 2007, the Board approved final plans and call for bids for the Gilbert Lindsay Recreation Center – New Recreation Center (Phase II) (#1400B) (W.O. #E170308F) project, located at 429 E. 42nd Place, Los Angeles, CA 90011 (Board Report No. 07-214). Plans for this project were prepared by the Bureau of Engineering. The project scope of work consists of demolition of the existing one-story wood frame building including foundation; removal of existing sand box and T-ball poles; relocation of container, existing light pole, switchboard and installation of a new switchboard; construction of a new 2,700 square feet one-story recreation building including

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play area curb, new asphalt-paved parking lot, new access driveway and installation of rhino gate; resurfacing and re-striping of the existing basketball courts, replacement of goals, posts and installation of chain link fence; construction of a new 8-foot high trash and recycle masonry block enclosure with anti-graffiti coating; installation of a new irrigation system, conduit for security camera, new landscaping and trees; replacement and improvement of basketball court lighting.

On December 11, 2007, eleven bids were received for this project. The lowest responsive and responsible bidder is Los Angeles Engineering, Inc., with a bid amount of \$1,686,400 (includes Additive Alternate Nos. 1 and 2), which is approximately \$83,600 below the City Engineer's cost estimate of \$1,770,000. The bid amounts received are as follows:

<u>Bidders</u>	<u>Bid Amount</u>	<u>Additive Alternate No. 1</u>	<u>Additive Alternate No. 2</u>
Los Angeles Engineering, Inc.	\$1,673,900	\$5,800	\$6,700
United Contractors Company	\$1,750,000	\$35,000	\$25,000
Horizon CCI Services, Inc.	\$1,796,700	\$88,000	\$8,000
AWI Builders, Inc.	\$1,853,911	\$19,809	\$38,500
Simgel Co, Inc.	\$1,862,000	\$39,800	\$108,200
Axxis	\$2,055,000	\$27,000	\$24,000
Ardalan Construction Company, Inc.	\$2,189,000	\$15,000	\$35,000
G-2000 Construction, Inc.	\$2,299,000	\$40,000	\$60,000
Uss Cal Builders, Inc.	\$2,398,000	\$28,600	\$39,600
Icon West, Inc.	\$2,425,502	\$40,000	\$30,000
Moment Const Co, Inc.	\$2,527,000	\$107,000	\$87,000

The bid specifications stated the low bidder would be determined to be the responsible and responsive bidder submitting the lowest base bid. Los Angeles Engineering, Inc., submitted the lowest base bid, as shown above. It is recommended that the project be awarded to Los Angeles Engineering, Inc., for a total construction contract of \$1,679,700.

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With Board approval of the Quimby funds, there is currently \$1,250,700 available for construction. The remaining \$429,000 will be approved for appropriation subject to approval of cash flow funds from the Proposition 12/40 Cash Flow and Municipal Improvement Corporation of Los Angeles MICLA loan accounts.

The contract funding clause will provide that the City's liability for the contract payments under this contract shall be limited to the City's current appropriation to fund the contract. Upon approval of the cash flow funds, the Department's Chief Accounting Employee will appropriate these funds for full contract encumbrance under the authority of this Board Report. The contractor will not be required to perform any work in excess of the amount of the current funding, plus additional funding appropriated by the City, if any, for the project.

Currently, \$81,419.76 is available in Subdivision/Quimby Fees in the Gilbert Lindsay Account 460K-GL. Upon the approval of this report, Subdivision/Quimby Fees in the amount of \$134,119 collected during Fiscal Year 2004-2005 can be transferred from the Subdivision/Quimby Fees Account 460K-00 to the Gilbert Lindsay Account 460K-GL. The total Subdivision/Quimby fees allocation for the Gilbert Lindsay Recreation Center Phase II project (W.O. #E170308) is \$215,539. These Subdivision/Quimby Fees were collected within two miles of Gilbert Lindsay Recreation Center, which is the standard distance for the allocation of Subdivision/Quimby fees for community parks.

With the Board's approval to allocate the Quimby funds per this Board Report, funds are available to award the contract for this project in the following accounts:

<u>FUND SOURCE</u>	<u>FUND/DEPT/ACCT</u>	<u>FUNDING AMOUNT</u>
Prop K YR 09	43K/10/Y018	\$24,999
Prop 12 RZH ⁽¹⁾	205/88/TBD	\$343,200
Prop 12 RZH ⁽¹⁾	298/88/TBD	\$85,800
Prop 40 UP	205/89/WV06	\$1,066,701
Quimby ⁽²⁾	302/89/460K-GL	<u>\$159,000</u>
	FUNDING TOTAL	\$1,679,700

- 1) Upon approval, funds will be cash flowed from the Prop 12/40 cash flow and MICLA loan accounts.
- 2) Quimby funds are subject to Board approval, as requested in this report.

Upon receipt of the City's cash flow loan funds, the contractor will be notified of the amount of the additional appropriations being made to the contract and the contractor shall then be required to complete all contract work up to the amount of appropriation to the contract.

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On June 28, 2007, the L.A. for Kids Steering Committee was informed that full encumbrance of the contract amount is contingent upon availability of the Proposition 12/40 Cash Flow and MICLA Funds and its reimbursement from the State, and approved the recommendation to award the contract with Additive Alternate 1 to the lowest responsive, responsible bidder.

Staff has reviewed the subcontractor outreach effort made by Los Angeles Engineering, Inc., and based on the documents submitted, has determined that a "good faith" effort has been made. Los Angeles Engineering, Inc., satisfied 90 of the 100-point requirement outlined by the Board's Outreach Program. Per the Board's policy a score of 70 points or above satisfies the "good faith effort" requirements. The Outreach Document Package is on file in the Board Office and a synopsis of said package is attached.

The City Attorney and staff have reviewed the bid submitted by Los Angeles Engineering, Inc., and found it to be in order. Staff recommends that the Board find Los Angeles Engineering, Inc., to be the lowest responsive and responsible bidder.

Staff reviewed the responsiveness and work performance of Los Angeles Engineering, Inc., on past Department projects and found them to be satisfactory. The Department of Public Works, Office of Contract Compliance (OCC) indicated that there have been no labor compliance violations and that all other legal requirements have been complied with by the bidder.

In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements will have no significant impact on the environment. The project was determined to be Categorical Exempt pursuant to Article III, Section 1 (a) of the City CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles City Clerk's Office on June 19, 2003, and the Los Angeles County Clerk's Office on June 21, 2003.

FISCAL IMPACT STATEMENT:

There is no anticipated fiscal impact to the Department's budget because the project's constructed costs will be fully funded by the above listed funding sources specifically identified and approved for use of this project. The assessments of the future operations and maintenance costs have yet to be determined and would be addressed in future budget requests.

This report was prepared by Somsak Poolperm, Project Manager, Recreation and Cultural Facilities Program, Bureau of Engineering, and was reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; Bradley Smith, Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent, Planning and Development, Department of Recreation and Parks.

GOOD FAITH EFFORT CHECKLIST- EVALUATION RESULTS

Bidder: Los Angeles Engineering Inc.

Bid Date: 12/11/2007

PROJECT: GILBERT LINDSAY – NEW RECREATION CENTER (PHASE II) - (W.O. #E170308F)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
1	The bidder's or proposer's efforts to obtain participation by MBEs, WBEs and other business enterprises could reasonably be expected by the Board of Recreation and Park Commissioners (the "Board") to produce a level of participation by interested sub-contractors, including 15% MBE and 2% WBE.	Note: Unable to locate Ace Fence Company's MBE/WBE Certification status.	0	0
2 Pre-Bid Meeting	a) Attend pre-bid meeting and be listed on the attendance sheet; or b) Submit a letter prior to the pre-bid meeting either by fax to (213) 847-0703, or by mail to the Bureau of Engineering, Project Award and Control Division, 1149 S. Broadway, 1 st Floor, Los Angeles, Ca. 90015.	Not listed on the attendance sheet and no fax submitted.	10	0
3 Work Areas	Proof of this must be demonstrated in either Indicator 4 or 5.		13	13
4 Ad	A copy of the advertisement or a proof of publication statement or other verification which confirms the date the advertisement was published. The advertisement must be specific to the project, not generic, and may not be a planholder advertisement provided by the publication. It should include the City of Los Angeles project name, name of bidder, areas of work available for subcontracting, and a contact person's name and telephone number, information on the availability of plans and specifications and the bidder's policy concerning assistance to subcontractors in obtaining bonds, lines of credit and/or insurance. Consideration will be given to the wording of the advertisement to ensure that it did not exclude or seriously limit the number of potential respondents.		9	9
5 Letters to Potential Subs	A copy of each letter sent to available MBEs, WBEs and OBEs for each item of work to be performed. If there is only one master notification, then a copy of the letter along with a listing of all recipients will suffice. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelope or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
6 Follow-up to Letters	A copy of telephone logs. These logs must include the name of the company called, telephone number, contact person, who did the calling, time, date, and the result of the conversation. Bidder must follow-up with all subcontractors to whom they sent letters.		10	10
7 Plans	Include in Indicator 4 or 5, information detailing how, where and when the bidder will make the required information available to interested subcontractors.		5	5
8 Outreach Letters	A copy of each letter sent to outreach agencies requesting assistance in recruiting MBEs, WBEs and OBEs. Faxed copies must include the fax transmittal confirmation slip showing the date and time of transmission. Mailed letters must include copies of the metered envelopes or certified mail receipts. Letters must contain areas of work to be subcontracted, City of Los Angeles project name, name of the bidder, and contact person's name, address, and telephone number.		10	10
9 Negotiate in Good Faith	a) Copies of all MBE/WBE/OBE bids or quotes received; and b) Summary sheet organized by work area, listing bids received and the subcontractor selected for that work area. If the bidder elects to perform a listed work area with its own forces, they must include a bid that shows their own costs for the work.		26	26
10 Bonds	Include in Indicator 4 or 5, information about the bidder's efforts to assist with bonds, lines of credit and insurance.		7	7
TOTAL POINTS ACHIEVED			90	
MBE/WBE % ACHIEVED:			3.5 / 1.5	

MBE= 3.5% WBE= 1.5% OBE= 45.4% PRIME= 51.1%

RESPONSIVE!