

APPROVED

REPORT OF GENERAL MANAGER

NOV 07 2008

NO. 08-294

DATE November 7, 2008

BOARD OF RECREATION AND PARK COMMISSIONERS

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BANDINI CANYON TRAIL PARK (#1200A) (W.O. #E1906001) – REVIEW OF BIDS AND AWARD OF CONTRACT

| | | | |
|------------|-------|-----------|-------------------|
| R. Adams | _____ | J. Kolb | _____ |
| H. Fujita | _____ | F. Mok | _____ |
| S. Huntley | _____ | K. Regan | _____ |
| V. Israel | _____ | *M. Shull | <u>See p. 105</u> |

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Find Bitech Construction Co., Inc. (Bitech Construction), with a base bid of \$1,184,530.92, is the lowest responsive and responsible bidder for the Bandini Canyon Trail Park (#1200A)(W.O. #E1906001) project;
2. Award the contract including Additive Alternates No. 1, No. 2, No. 3 and No. 4, in the amounts of \$15,540, \$94,600, \$53,038 and \$93,911, respectively, resulting in the total award amount of \$1,441,619.92, to Bitech Construction, all according to the plans and specifications;
3. Authorize the Department's Chief Accounting Employee to encumber funds in an amount not to exceed \$1,441,619.92 from the following fund and account numbers under the awarding authority of this Board Report;

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| <u>FUND SOURCE</u> | <u>FUND / DEPT / ACCOUNT</u> | <u>ENCUMBRANCE AMOUNT</u> |
|--|----------------------------------|--------------------------------|
| Proposition 40 Urban Park Act | 205/89/WV01 | \$ 1,125,000.00 ⁽¹⁾ |
| Proposition 40 Per Cap (PC) (2/3) | 47T/89/A807 | \$ 56,250.00 ⁽²⁾ |
| Proposition 40 Roberti-Z'berg Harris (RZH) (2/3) | 47W/89/A911 | \$ 56,250.00 ⁽³⁾ |
| Community Development Block Grant (33 rd Year) | 424/22/A745 | \$ <u>204,119.92</u> |
| TOTAL | | \$ 1,441,619.92 |

(1) Available cash is \$75,665.00; the remaining \$1,049,335 is contingent upon approval of funds from the cash flow loan fund by the Office of the City Administrative Officer (CAO). The cash flow loan account will be reimbursed upon receipt of Proposition 40 Urban Park funds from the State.

(2) Availability of funds is contingent upon approval of funds from the cash flow loan fund by the CAO. The cash flow loan account will be reimbursed upon receipt of Proposition 40 PC funds from the State.

(3) Availability of funds is contingent upon approval of funds from the cash flow loan fund by the CAO. The cash flow loan account will be reimbursed upon receipt of Proposition 40 RZH funds from the State.

4. Authorize the Department's Chief Accounting Employee to request the Community Development Department (CDD) to process a transfer of the Community Development Department Block Grant Funds in an amount up to \$550,000 from Department 22, Fund 424, Account A745 to RAP Department 88, Fund 205, Account CC04 to encumber and process payment for the purposes stated in the contract.
5. Request staff to prepare a contract, including a "funding clause" limiting the City's liability for the contract payments to the amount of funding available by the City for this contract in the amount of \$1,329,119.92, as well as so limiting the contractor's obligation to perform the contract, as further described in this report; and,
6. Authorize the Board President and Secretary to execute the contract, subject to approval as to form by the City Attorney.

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SUMMARY:

On June 4, 2008, the Board approved the final plans and call for bids for the Bandini Canyon Trail Park project, located at 417 N. Meyler Street, San Pedro, CA 90731 (Board Report No. 08-145). The construction calls for a new 4.9-acre park with nature trails, playground, landscaping, irrigation, perimeter security gates and fences, security lighting, seating areas, interpretive signage and drinking fountains.

In addition, four Additive Alternates were identified, with the work associated with each Additive Alternate described as follows:

Additive Alternate No. 1:

Fabrication and installation of two (2) decorative steel gates, one at each side of Marshall Court, in lieu of regular tube steel gates.

Additive Alternate No. 2:

Construction of decomposed granite trails with "NaturalPAVE XL Resin" by Soil Stabilization Products Company, Inc. (or approved equal) in lieu of "Gorilla Snot" by Soilworks, LLC (or approved equal).

Additive Alternate No. 3:

Construction of outdoor improvements on Cabrillo Avenue, between Bandini Canyon and Oliver Street.

Additive Alternate No. 4:

Construction of outdoor improvements on a section of Cabrillo Avenue, between Bandini Canyon and Sepulveda Street.

On August 19, 2008, the Board received a total of seven (7) bids as follows:

| <u>Bidders</u> | <u>Base Bid</u> | <u>Add. Alt. #1</u> | <u>Add. Alt. #2</u> | <u>Add. Alt. #3</u> | <u>Add. Alt. #4</u> |
|--------------------------------|-----------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Bitech Construction, Co. Inc. | \$ 1,184,530.92 | \$ 15,540 | \$ 94,600 | \$ 53,038 | \$ 93,911 |
| Y&M Construction | \$ 1,390,110.00 | \$ 11,000 | \$ 86,000 | \$ 38,000 | \$ 43,000 |
| Mega Way Enterprises | \$ 1,394,480.00 | \$ 10,000 | \$ 75,000 | \$ 167,000 | \$ 104,000 |
| PIMA Corporation | \$ 1,431,490.00 | \$ 10,000 | \$ 188,500 | \$ 12,000 | \$ 30,000 |
| Powell Constructors | \$ 1,557,000.00 | \$ 10,000 | \$ 100 | \$ 44,000 | \$ 96,000 |
| Griffith Company | \$ 1,818,700.00 | \$ 9,100 | \$ 187,000 | \$ 97,000 | \$ 180,000 |
| C.S. Legacy Construction, Inc. | \$ 2,317,908.00 | \$ 10,071 | \$ 100,171 | \$ 25,605 | \$ 36,735 |

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The bid documents stated that the determination of the lowest bidder would be based on the Base Bid amount without the consideration of any Additive Alternate.

Bitech Construction submitted the lowest Base Bid as indicated above. There are sufficient funds to award all four Additive Alternates. It is therefore recommended that the Board award the Base Bid (\$1,184,530.92) plus Additive Alternate No. 1 (\$15,540), Additive Alternate No. 2 (\$94,600), Additive Alternate No. 3 (\$53,038) and Additive Alternate No. 4 (\$93,911), for a total award amount of \$1,441,619.92.

The use of funds from the Proposition 40 cash flow loan account is subject to the approval by the CAO. If the use of the cash flow funds is approved by the CAO, the Proposition 40 cash flow account will be reimbursed upon receipt of payment from the State, as stated in Recommendation No. 3. The Department will request these funds from the State upon receipt of warrant numbers for paid invoices, since the Department receives State funds only on a reimbursement basis. Pursuant to this Board Report, when the City receives the Proposition 40 funds from the State, they will automatically be appropriated to the Proposition 40 cash flow account. The contract will provide that the City's liability for contract payments under this contract will be limited to the extent of the City's current appropriation to fund the contract. Additionally, the contractor will not be required to do any work in excess of the amount of current funding, plus any additional funding appropriated by the City, for this project. When the remaining balance of funds for the project are received, the contractor will be notified and shall then be required to complete all contract work, including the Base Bid and all four Additive Alternates, for the contract price of \$1,441,619.92.

Staff has reviewed the City's Minority/Women/Other Business Enterprise Program (MBE/WBE/OBE) outreach effort made by Bitech Construction, and based on the documentation submitted, has determined that a "good faith" effort has been made. Bitech Construction obtained a MBE/WBE participation of 16.73%, and satisfied 81 out of the 100-point requirements outlined by the Board's outreach program which requires a score of 75 points out of 100 to achieve a "good faith" effort. The outreach document package is on file in the Board Office, and a synopsis of the said package is attached. The City Attorney and staff have reviewed the bids submitted by Bitech Construction and found them to be in order. Bitech Construction is the lowest responsive and responsible bidder.

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 met by the bidder.

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Staff has determined that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 3(6) and Class 4(3, 12) of the City CEQA Guidelines. A Notice of Exemption (NOE) was filed with the Los Angeles City and County Clerks in January 2004. The project scope and existing environmental conditions have not substantially changed since the filing of this NOE, and, therefore, the project is still considered exempt and no further CEQA documentation is required.

FISCAL IMPACT STATEMENT:

There is no immediate fiscal impact to the Department's General Fund as the project's costs will be fully funded by the above listed funds specifically identified and approved for this project. Future operations and maintenance costs will be assessed upon completion of the project and addressed in the future budget request.

This Board Report was prepared by Paul Tseng, Project Manager, Bureau of Engineering Architectural Division. Reviewed by Neil Drucker, Program Manager, Bureau of Engineering Recreational and Cultural Facilities Program; Deborah Weintraub, AIA, Chief 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: **BITECH CONSTRUCTION**

Bid Date: **8/19/2008**

**PROJECT: BANDINI CANYON TRAIL PARK PROJECT
W.O. #E1906001**

| 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. | | 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. | | 10 | 10 |
| 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 | 0 |
| 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 | 0 |
| 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 | | | 81 | |

MBE/WBE % ACHIEVED: 16.73%

MBE= 16.73% WBE= 0% OBE= 54.43% PRIME=21.44%

RESPONSIVE!