

**APPROVED**

REPORT OF GENERAL MANAGER

NOV 07 2008

NO. 08-295

DATE November 7, 2008

~~BOARD OF RECREATION AND PARK COMMISSIONERS~~  
and ~~PROCON DEVELOPERS & ENGINEERS INC.~~

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FRED ROBERTS RECREATION CENTER (W.O. #E170943F) – REVIEW OF BIDS AND AWARD OF CONTRACT

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

*[Signature]*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Find Procon Developers & Engineers Inc., nonresponsive due to its failure to submit a proper "Affidavit to Accompany Bids" as is required by the City Charter (Section 371(d)) and the Los Angeles Administrative Code (Section 10.15(d));
2. Waive as an informality the late submittal of information on Attachment "B" of the Contractor Responsibility Questionnaire submitted by AWI Builders, Inc.;
3. Find AWI Builders, Inc., with a base bid of \$3,591,000, is the lowest responsive and responsible bidder for the Fred Roberts Recreation Center (W.O. #E170943F) project;
4. Award the construction contract to AWI Builders Inc., in the total contract amount of \$3,591,000, all according to plans and specifications;
5. Authorize the Chief Accounting Employee to encumber \$3,591,000 in available funds from the following fund and account numbers under the awarding authority of this Board Report:

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APPROVED FUNDING:

<u>FUND SOURCE</u>	<u>FUND/ DEPT./ ACCT.</u>	<u>GRANT AMOUNT</u>	<u>ENCUMBRANCE</u>
Proposition K YR 09	43K/10/Y577	\$300,000	\$200,000
Proposition K YR 10	43K/10/A577	\$200,000	\$200,000
Proposition K YR 11	43K/10/C577	\$424,329	\$424,329
Proposition K YR 12	43K/10/E577	\$1,249,875	\$513,841
Proposition 40 2/3 PC <sup>(1)</sup>	47T/89/TBD	\$1,003,773	\$752,830
Proposition 40 UP <sup>(2)</sup>	205/89/WVO5	<u>\$2,000,000</u>	<u>\$1,500,000</u>
TOTAL FUNDING		\$5,177,977	\$3,591,000

(1) Availability of funds 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 PC funds from the State.

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

6. Direct 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 \$2,838,170, as well as so limiting the contractor's obligation to perform the contract; and,
7. Authorize the Board President and Secretary to execute the contract subject to approval by the City Attorney as to form.

SUMMARY:

On August 14, 2007, the Board approved the call for bids for the Fred Roberts Recreation Center (W.O. #E170943F) project (Board Report No. 07-177). However, due to delays, the bids were not received until August 5, 2008, as explained in an Information Only Report to the Board on July 23, 2008. The project site is located at 4700 Honduras Street, Los Angeles, CA 90011. The Department of Public Works, Bureau of Engineering staff prepared plans for this project, and the City Engineer's estimate for the construction cost of the base bid for this project is \$3,900,000.

The following is a general list of the improvements that are to be made:

1. Remove approximately 11,000 square feet of 3-inch asphalt concrete basketball and paddle tennis courts;

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2. Perform earthwork to provide certified building pad;
3. Construct a new, approximately 9,200 square feet, one-story indoor gymnasium with offices, consisting of structural steel braced frames, exterior steel stud walls with a pre-manufactured drywall panel system, metal roof decking, and Fire/life Safety and security systems; and,
4. Provide site landscaping and hardscape.

On August 5, 2008, ten bids were received for this project. The bid amounts received are as follows:

<u>Bidders</u>	<u>Bid Amount</u>	<u>Bid Add. Alt. #1</u>	<u>Bid Add. Alt. #2</u>	<u>Bid Add. Alt. #3</u>	<u>Bid Add. Alt. #4</u>	<u>Bid Add. Alt.#5</u>
1 Procon Developers & Engineers, Inc.	\$3,492,651	\$892,117	\$30,000	\$57,000	\$53,000	\$18,000
2 AWI Builders, Inc.	\$3,591,000	\$1,649,436	\$25,735	\$101,911	\$40,572	\$35,432
3 Saifco Construction Company	\$3,690,000	\$980,000	\$100,000	\$100,000	\$60,000	\$75,000
4 G-2000 Construction Inc.	\$3,830,000	\$1,111,000	\$98,000	\$135,000	\$20,000	\$30,000
5 Axxis	\$3,865,000	\$899,000	\$35,000	\$48,000	\$52,000	\$34,000
6 United Contractors Company, Inc.	\$4,077,000	\$1,300,000	\$80,000	\$145,000	\$95,000	\$55,000
7 Moment Construction. Co., Inc.	\$4,177,000	\$1,177,000	\$57,000	\$68,000	\$52,000	\$49,000
8 Pulsar Construction Company	\$4,196,000	\$880,000	\$80,000	\$50,000	\$13,000	\$18,000
9 Adams Mallory Const. Co., Inc.	\$4,414,328	\$1,268,257	\$38,533	\$91,989	\$18,350	\$34,000
10 USS Cal Builders, Inc.	\$5,198,000	\$960,000	\$40,000	\$50,000	\$36,000	\$30,000

The Bid Documents indicated that the bid would be awarded to the lowest responsive and responsible bidder based on the base bid submitted. Due to funding limitations, the Bid Additive Alternates will not be awarded at this time. Staff will confirm the availability of additional funding prior to making a recommendation to the LA for Kids Steering Committee and this Board regarding the future award of any Additive Alternates.

Procon Developers & Engineers Inc., submitted the apparent lowest bid, as shown above, but was determined to be non-responsive for failure to submit a proper non-collusion "Affidavit to Accompany Bids" as is required by the City Charter Section 371(d) and the Los Angeles Administrative Code Section 10.15(d);

Therefore, the lowest responsive and responsible bidder is AWI Builders Inc., with a base bid amount of \$3,591,000, which is \$309,000 below the City Engineer's estimate. Per the bid package, a contract can be awarded by the Board at any time within 90 days of receipt of bids. This deadline

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has passed but the bidders were requested to extend their bids for an additional 30 days. AWI Builders, Inc., did timely submit a valid bid extension

Staff has reviewed the subcontractor outreach effort made by AWI Builders, Inc., and based on the documents submitted, has determined that a "good faith" effort has been made. AWI Builders, Inc., obtained a MBE/WBE participation of 1.42%, and satisfied one hundred (100) 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.

As part of the bid submittal, the Contractor Responsibility Questionnaire, Question Nos. 13 and 14, require that the bidder provide information regarding their contract experience with the City and private contracts respectively. AWI Builders, Inc., noted "see attached" but did not provide the information on Attachment B. Upon request from City staff, this information was later provided in a revised Attachment B form.

Staff recommends that pursuant to Charter Section 371(c), the Board waive as an informality the late submittal of Attachment "B" by AWI Builders, Inc.

Additionally, on Question No. 15, of the same Contractor Responsibility Questionnaire, AWI Builders, Inc. answered that it had a contract terminated prior to completion, and did not provide the required follow-up information in Attachment B. Upon request for clarification, the bidder stated that the answer provided on Question No. 15 of the Responsibility Questionnaire was clerical error, and that it has NOT had a contract terminated prior to completion. They corrected their answer and initialed the correction on the corrected form.

Staff recommends that pursuant to Charter Section 371(c), the Board waive as an informality the late submittal of the corrected answer to Question No. 15 by AWI Builders, Inc. as it was a clerical error.

The City Attorney and staff have reviewed the bids submitted by AWI Builders, Inc., and found them to be in order. Staff recommends that the Board waive the informalities described in this report and find AWI Builders, Inc., to be the lowest responsive and responsible bidder.

Staff reviewed the responsiveness and work performance of AWI Builders, 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.

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In compliance with the California Environmental Quality Act (CEQA), staff has determined that the proposed improvements will not have a significant impact on the environment. The project received a Categorical Exemption. The Notice of Exemption was filed with the Los Angeles City Clerk's office on December 3, 2003, and posted by the County Clerk's office on December 3, 2003.

### FISCAL IMPACT STATEMENT:

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

This report was prepared by Jaime Contreras, Project Manager, Recreation and Cultural Facilities Program, Bureau of Engineering. Reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Bureau of Engineering; Deborah Weintraub, AIA, Chief Deputy City Engineer, Bureau of Engineering; and Michael A. Shull, Superintendent, Planning and Development, Department of Recreation and Parks.

## GUIDELINES FOR EVALUATION OF GOOD FAITH EFFORT CHECKLIST

**Bidder:** AWI BUILDERS INC.

**Bid Date:** 08/05/08

**Project Name:** FRED ROBERTS RECREATION CENTER (W.O. #E170943F)

Indicator	Required Documentation	Description of Submitted or Missing Documentation	Points	
1	The bidder's or proposal'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) 847-5172, or by mail to the Bureau of Engineering, Project Award and Control Division, 600 S. Spring, 6 <sup>th</sup> Floor, Los Angeles, Ca. 90014		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	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
<b>TOTAL POINTS ACHIEVED</b>			100	
<b>MBE/WBE ACHIEVED:</b>			<b>1.42%</b>	

MBE= 1.42% WBE= 0% OBE= 40.80% PRIME= 57.78%

RESPONSIVE